

Revision of Procurement Regulations

Division of Central Purchasing



LEXINGTON

Procurement Regulations Background

- Originally created and adopted in 1983
- Revised in 2003
 - Primary revisions were made to dollar amount thresholds
- Professional Services modifications adopted in 2012 and 2013
 - CAO Policy 1 repealed
 - Mirror Kentucky Model Procurement Code
 - \$20,000 Threshold for Professional Services

Procurement Regulations Background

Current dollar amount thresholds (2009 Manual)

- Below \$1,000
 - Divisions make best value decision, may use ProCard
- \$1,000 to \$9,999
 - Divisions submit 3 quotes with their requisition
- \$10,000 to \$19,999
 - Formal quotation process managed by Purchasing
- \$20,000 and above
 - Competitive bids or RFPs managed by Purchasing

Revised Procurement Regulations

Key Changes

- Adjustment of dollar amount thresholds
 - Increase of lowest threshold
- Modernization of language
 - Cooperative purchasing contracts
 - Use of electronic bid distribution/notification systems
 - Clarification of mistakes in bids language
 - Vendors must be in good standing (fees, taxes, etc.)
- Incorporated Procurement of Professional Services

Revised Procurement Regulations

Dollar amount threshold changes

- Raise lowest limit from \$1,000 to \$2,500
 - Divisions make best value decision, may use ProCard
- \$2,500 to \$9,999
 - Divisions submit 3 quotes with their requisition
- No change to formal quote or competitive bid/RFP thresholds

Procurement Regulations Benchmark

- University of Kentucky
 - Lowest threshold - \$5,000
- University of Louisville
 - Lowest threshold - \$2,500
- Louisville Metro
 - Lowest threshold - \$2,500
- State of Kentucky
 - Lowest threshold - \$3,000 to \$5,000 depending on agency



Questions?