

Steps in the Bidding Process

I. Purpose

- a. There are two basic reasons for bidding.
 - i. To insure equal opportunity for qualified vendors, and
 - ii. To obtain the best price for the purchaser.

II. Policy

KRS 424.260 gives guidance to Extension District Boards in regard to bidding for services and equipment. “Procurements may be made....a) up to \$40,000 per project for construction and equipment. However, local governments may require bids on amounts less than \$40,000. Be sure to check with the County Attorney concerning the guidelines your county government follows. “Procurement requirements shall not be artificially divided so as to constitute a small purchase under this section”.

If an approved state vendor is utilized there is no requirement for bidding.

Also note Professional services (not contractual) does not require bidding. (Usually this means and architect for Extension purposes.)

KRS 45A is the state model procurement code and will provide further guidance as to the particulars of purchasing.

KRS 45A.494 states that “resident bidder of the Commonwealth shall be given preference against a non-resident”.

- Study and compare different brands and models to determine what is best for your situation, i.e., usage, price, capability, service, availability, is it a close-out model (if so, obtaining parts and service may be a problem in the future).
- Make a list of specifications you want in the equipment including delivery, training, service, trade-in, capabilities of the equipment, weight (if it is important), wattage, switches, quantity, color, finish, or any other restrictions.
- Send the specification to possible suppliers with a deadline for return.
- Some counties require publishing the bid in local newspapers. Check with your County Attorney. Questions you might ask the County Attorney:
 - Does the county require bids to be published in the newspaper?
 - Is there a minimum size for the advertisement?
 - How many times does the bid need to appear?
- On the designated date, bids are opened and compared.
- Some vendors may choose to place a bid even though the equipment does not meet specifications. These bids may be disallowed.
- If bids are not acceptable, you may reject all bids and start the bid process again.
- After choosing the winning bid, place your order with the vendor and notify other vendors they were not selected.

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- The accepted bid does not have to be the lowest price if there are reasons that justify selecting another vendor.

Applicable Statues:

13A.010 Definitions for chapter.

45A.080 Competitive sealed bidding.

45A.100 Small purchases by state governmental bodies.

45A.365 Competitive sealed bidding.

45A.494 Reciprocal preference to be given by public agencies to resident bidders – List of states – Administrative regulations.

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