

## **Information**

Non competitive Negotiation

## **Number**

PUR 5 00

## **Applicability**

This policy applies to University Administrators Faculty and Staff

## **Administrative Authority**

Vice President for Finance and Chief Financial Officer

## **Responsible Unit**

Sally Molsberger, Chief Procurement Officer - Procurement Services

Service Complex, University of Louisville

Louisville, KY 40292

502-852-8223

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## **History**

Original Date: Unknown

Revision Date(s): April 28, 2023

Reviewed Date(s): February 14, 2020; April 28, 2023

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## **Categories**

## **Statement:**

A contract may be made by noncompetitive negotiation only for sole source purchases, or when competition is not feasible, as determined by the purchasing officer in writing prior to award, under administrative regulations promulgated by the secretary of the Finance and Administration Cabinet or the governing boards of universities operating under KRS Chapter 164A. Sole source is a situation in which there is only one (1) known capable supplier of a commodity or service, occasioned

by the unique nature of the requirement, the supplier, or market conditions. Insofar as it is practical, no less than three (3) suppliers shall be solicited to submit written or oral quotations whenever it is determined that competitive sealed bidding is not feasible. Award shall be made to the supplier offering the best value. The names of the suppliers submitting quotations and the date and amount of each quotation shall be placed in the procurement file and maintained as a public record. Competitive bids may not be required:

1. For contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;
2. Where rates are fixed by law or ordinance;
3. For library books;
4. For commercial items that are purchased for resale;
5. For interests in real property;
6. For visiting speakers, professors, expert witnesses, and performing artists;
7. For personal service contracts executed pursuant to KRS 45A.690 to 45A.725; and
8. For agricultural products in accordance with KRS 45A.645.

Price and Delivery shall not be a consideration in support of a sole source decision.

## **Reasoning:**

KRS Compliance

Both the University and its agents can be held liable for Contracts or Purchase Orders issued through the single/sole source procedure if the decision is based on false or incomplete information. All such requests must be fully substantiated prior to contracting.

## **Definitions:**

Sole Source is a situation in which there is only (1) known capable supplier of the commodity or service, created by the unique nature of the requirements, compatibility with existing equipment, the supplier, or market conditions.