Information

Purchase by Competitive Negotiation

Number

PUR - 4.00

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 - Purchasing Department
Service Complex, University of Louisville
Louisville, KY 40292
502-852-8223
purchase@louisville.edu

History

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

Categories

Reason for Policy:

KRS Compliance

Statement:

1. When, under administrative regulations promulgated by the secretary or under KRS 45A.180, the purchasing officer determines in writing that the use of competitive sealed bidding is not practicable, and except as provided in KRS 45A.095 and 45A.100, a contract may be awarded by competitive negotiation.
2. Contracts may be competitively negotiated when it is determined in writing by the purchasing officer that the bids received by competitive sealed bidding either are unreasonable as to all or part of the requirements, or were not independently reached in open competition, and for which each competitive bidder has been notified of the intention to negotiate and is given reasonable opportunity to negotiate.
3. Contracts for projects utilizing an alternative project delivery method shall be processed in accordance with KRS 45A.180.

Procedures:

1. Adequate public notice of the request for proposals shall be given in the same manner and circumstances as provided in KRS 45A.080 (3).
2. Award shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the Commonwealth, taking into consideration price and the evaluation factors set forth in the request for proposals.
3. Written or oral discussions shall be conducted with all responsible offerors who submit proposals determined in writing to be reasonably susceptible of being selected for award. Discussions shall not disclose any information derived from proposals submitted by competing offerors. Discussions need not be conducted:
    - With respect to prices, where the prices are fixed by law or administrative regulation, except that consideration shall be given to competitive terms and conditions;
    - Where time of delivery or performance will not permit discussions; or

    - Where it can be clearly demonstrated and documented from the existence of adequate competition or prior experience with the particular supply, service, or construction item, that acceptance of an initial offer without discussion would result in fair and reasonable best value procurement, and the request for proposals notifies all offerors of the possibility that award may be made on the basis of the initial offers.

- With respect to prices, where the prices are fixed by law or administrative regulation, except that consideration shall be given to competitive terms and conditions;
- Where time of delivery or performance will not permit discussions; or
- Where it can be clearly demonstrated and documented from the existence of adequate competition or prior experience with the particular supply, service, or construction item, that acceptance of an initial offer without discussion would result in fair and reasonable best value procurement, and the request for proposals notifies all offerors of the possibility that award may be made on the basis of the initial offers.