

State of Kentucky Statutes

Title VI Financial Administration

Chapter 45A Kentucky Model Procurement Code

45A.295. Definitions for terms used in KRS 45A.295 to 45A.320.

As used in KRS 45A.295 to 45A.320:

- (1) "State public purchasing unit" shall mean the Finance and Administration Cabinet and any other purchasing agency of this Commonwealth.
- (2) "Local public purchasing unit" shall mean any county, city, governmental entity and other subdivision of the Commonwealth or public agency thereof, public authority, public educational, health, or other institution, any other entity which expends public funds for the acquisition or leasing of supplies, services, and construction, and any nonprofit corporation operating a charitable hospital.
- (3) "Public purchasing unit" shall mean either a local public purchasing unit or a state public purchasing unit.
- (4) "Foreign purchasing activity" shall mean any buying organization not located in this Commonwealth which, if located in this Commonwealth, would qualify as a public purchasing unit. An agency of the United States government is a foreign purchasing activity.
- (5) "Cooperative purchasing" shall mean purchasing conducted by, or on behalf of, more than one (1) public purchasing unit, or by a public purchasing unit with a foreign purchasing activity.

45A.300. Cooperative purchasing.

(1) Any public purchasing unit may either participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the acquisition of any supplies, services, or construction with any other public purchasing unit or foreign purchasing activity, in accordance with an agreement entered into between the participants. This cooperative purchasing may include, but is not limited to, joint contracts between public purchasing units and access by local public purchasing units to open-ended state public purchasing unit contracts.

(2) Nothing in this code shall limit any public purchasing unit from selling to, acquiring from, or using any property belonging to another public purchasing unit or foreign purchasing activity independent of the requirements of KRS 45A.070 to 45A.180.

(3) Nothing in this code shall limit or restrict any public purchasing unit from entering into an agreement, independent of the requirements of KRS 45A.045(5) and KRS 45A.070 to 45A.165, with any other public purchasing unit or foreign purchasing activity for the cooperative use of supplies or services.

(4) Any public purchasing unit may enter into an agreement for the joint or common use of warehousing facilities or the lease or common use of capital equipment or facilities with any other public purchasing unit or a foreign purchasing activity subject to the terms as may be agreed upon between the parties.

(5) Nothing in this code shall limit or restrict the ability of local school districts to acquire supplies outside of the public purchasing agreements when the supplies and equipment meeting the same specifications as the contract items are available at a lower price elsewhere and the purchase does not exceed two thousand five hundred dollars (\$2,500).

(6) Nothing in this code shall limit any public purchasing unit from receiving notice of or accepting a price reduction on supplies or equipment when the supplies or equipment are being offered by the vendor with whom a price agreement has been made; the supplies or equipment are being offered in accordance with all terms and conditions that are specified in the price agreement, except those relating to price; and the price reduction is offered to all of the participants in the price agreement. Public purchasing units may accept special price reductions under this subsection even if the reduced price requires the purchase of a specified quantity of units different from the quantity stated in the original price agreement. Price reductions under this subsection shall not be considered to permanently alter the price of the supplies or equipment under the price agreement with the Commonwealth, except where the price reductions are to be made permanent under the express terms of the price agreement and where the purchasing agency which solicited the price agreement determines that the enforcement of those terms serves the best interest of the Commonwealth.