**EXECUTIVE ORDER**

**SELF-CERTIFYING INCREASE IN MICRO-PURCHASE THRESHOLD**

**CONSISTENT WITH STATE PROCUREMENT LAW**

\* \* \* \* \* \* \* \* \*

**WHEREAS**, from time to time, the City of \_\_\_\_\_\_\_\_\_\_\_\_\_ purchases goods and services using federal funding subject to the procurement standards in 2 C.F.R. Part 200, Subpart D; and

**WHEREAS**, the City of \_\_\_\_\_\_’s procurement of such goods and services is subject to (Local Model Procurement Code or KRS 424.260); and

**WHEREAS**, the City of \_\_\_\_\_\_\_\_ is a non-Federal entity as defined by 2 C.F.R. § 200.1; and

**WHEREAS**, pursuant to 2 C.F.R. 200.320(a)(1)(ii), a non-Federal entity may award micro-purchases without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable based on research, experience, purchase history, or other information and documents that the non-Federal entity files accordingly; and

**WHEREAS**, pursuant to 2 C.F.R. 200.320(a)(1)(iii), a non-Federal entity is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures; and

**WHEREAS**, pursuant to 2 C.F.R. § 200.320(a)(1)(iv), a non-Federal entity may self-certify on an annual basis a micro-purchase threshold not to exceed $50,000 and maintain documentation to be made available to a Federal awarding agency and auditors in accordance with 2 C.F.R. § 200.334; and

**WHEREAS**, pursuant to 2 C.F.R. § 200.320(a)(1)(iv), such self-certification must include (1) a justification for the threshold, (2) a clear identification of the threshold, and (3) supporting documentation, which, for public institutions, may be a “higher threshold consistent with State law”; and

**WHEREAS**, KRS 424.260 (or KRS 45A.385 if city has adopted Local Model Procurement Code) authorizes cities to use small purchase procedures for any contract for which a determination is made that the aggregate amount does not exceed $30,000; and

**WHEREAS**, Kentucky law does not require a unit of local government to competitively bid for purchase of professional services as defined by KRS 424.260 (KRS 45A.380(3) if city has adopted Local Model Procurement Code); and

**WHEREAS**, pursuant to 2 C.F.R. 200.320(a)(1)(iv), the City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ now desires to adopt a higher micro-purchase threshold than the amount identified in 48 C.F.R. § 2.101.

**NOW THEREFORE,** I, Mayor (or we the Board of Commissioners), Order as follows**:**

In accordance with 2 C.F.R. § 200.320(a)(1)(iv) and the applicable provisions of Kentucky, the City of \_\_\_\_\_\_\_\_\_\_\_\_\_ hereby self-certifies the following micro-purchase thresholds, each of which is a “higher threshold consistent with State law” under 2 C.F.R. § 200.320(a)(1)(iv)(C) for the reasons set forth in the recitals to this executive order.

2. The self-certification made herein shall be effective as of the date hereof and shall be applicable until the [end of the current fiscal year][[1]](#footnote-1) and shall not be applicable to Federal financial assistance awards issued prior to November 12, 2020, including financial assistance awards issued prior to that date under the Coronavirus Aid, Relief, and Economic Support (CARES) Act of 2020 (Pub. L. 116-136).

3. If the City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ receives funding from a Federal grantor agency that adopts a threshold more restrictive than those contained herein, the City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ shall comply with the more restrictive threshold when expending such funds.

4. The City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ shall maintain documentation to be made available to a Federal awarding agency, any pass-through entity, and auditors in accordance with 2 C.F.R. § 200.334.

5. The [*appropriate officers and employees*][[2]](#footnote-2) of the City of \_\_\_\_\_\_\_\_\_\_\_\_\_ are hereby authorized, individually and collectively, to revise the Purchasing Policy of the City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ to reflect the increased micro-purchase thresholds specified herein, and to take all such actions, individually and collectively, to carry into effect the purpose and intent of the foregoing Order.

This order is effective \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2022.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Mayor, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Kentucky

1. The self-certification must be made on annual basis. A best practice is to adopt the self-certification at the beginning of each fiscal year. [↑](#footnote-ref-1)
2. Include those officers and employees with authority to revise the Unit’s purchasing policy. [↑](#footnote-ref-2)