

Procurement Regulations Update

Effective February 28, 2014

Small Procurement	
2 AAC 12.400(a)	The \$2,500 small procurement threshold requiring only one quote when paying with a One Card has been repealed. This practice is still allowed under reasonable and adequate procedures.
2 AAC 12.400(b)	The \$5,000 reasonable and adequate limit has been increased to \$10,000 .
2 AAC 12.400(c)	The \$5,001 - \$25,000 limit for verbal quotes has been increased to \$10,001 - \$50,000 .
2 AAC 12.400(d)	The \$25,001 - \$50,000 limit for written quotes in regulation now matches the upper limit set in statute and is \$50,001 - \$100,000 .
2 AAC 12.400(e)	The small procurement limit for lease space has been increased from 3,000 square feet to 7,000 square feet .
2 AAC 12.695(c)-(d)	Protest rules for small procurements were tied to the dollar value of the procurement, above or below \$25,000. This amount has been changed to \$50,000 to match the changes noted above.
Contract Amendments	
2 AAC 12.485(d)	The limit within which agencies can amend a contract within their own authority has been changed from the lesser of 20% of the current term or \$50,000 to the lesser of 20% of the current term or \$100,000 .
Other	
2 AAC 12.150(a) 2 AAC 12.240	Language requiring the submission of bids and proposals in sealed envelopes has been modified to allow for the electronic submission of such documents.
2 AAC 12.240(d) 2 AAC 12.260(e)	Due to the nature of office space leasing, language was added to regulations exempting lease procurements for office space from the application of preferences.
2 AAC 12.450(b)	The limit for when department head approval is required for emergency procurements has been raised from \$25,000 to \$50,000 .
2 AAC 12.590(a)(1)	The dollar value of non-consumable supplies for which inventory records must be submitted has been raised from \$1,000 to \$5,000 , consistent with federal requirements.
2 AAC 12.990(b)(7)	A definition of "staffed" has been added to aid in the application of the Alaska bidder preference, which requires a that a vendor has "maintained a place of business within the state staffed by the bidder or an employee of the bidder for a period of six months immediately preceding the date of the bid." The definition for "staffed" requires that the bidder or an employee of the bidder is an Alaska resident as defined in statute.
Various	A variety of technical edits and corrections were made throughout this section of regulations.