

GUIDELINES FOR UNIVERSITY PURCHASING



Please review and follow the purchasing guidelines listed below to ensure the appropriate procedures are followed when beginning the purchasing process.

\$0-\$2,499.99

Budget approval
Completed vendor packet

\$2,500 – \$4,999.99

Budget approval
Completed vendor packet
Requisition for PO
Approved PO

\$5,000 - \$14,999

Budget approval
Completed vendor packet
Requisition for PO
Approved PO
State of Al. Disclosure Statement

\$15,000 and greater

Budget approval
Bid, RFP and/or Contract
Requisition for PO
Approved PO
Completed vendor packet
State of Al. Disclosure Statement

Public Works Requirements:

\$0 - \$50,000

- Budget approval
- Completed vendor packet
- No bids, pre-work advertising, or bonds to secure contracts required
- Must bid on purchases of materials and/or services as you normally would under Competitive Bid Law
- Advertising upon completion

\$50,001 and greater

- Budget approval
- Bid/RFP and/or Contract
- Requisition for PO
- Approved PO
- Completed vendor packet
- State of Al. Disclosure Statement
- Public Works Contract
- Advertising upon completion

Please find further details regarding the above mentioned requirements listed in the detail below:

- **Request for Payment (RFP)** – A request for payment is required when requesting payment on invoices for goods and/or services; it must contain budget director approval signatures, budget numbers, invoice and/or signed contract
- **Requisition for Purchase Order- (RPO)** – A request for a purchase order is required for all purchases in excess of \$2500; it must contain budget director approval signatures, budget numbers, invoice, quote and/or signed contract and must be submitted prior to receiving any goods and/or services
- **Purchase Order (PO)** – A purchase order is generated upon the submission of a requisition for purchase order; it requires approval from the Vice President of Business Affairs. Once the purchase order obtains approval, it is sent to the department and/or the vendor for processing. *Please note – an approved purchase order is not a request for payment.*
- **Bid** – A bid is generated when purchases of like or kind items will exceed \$15,000 within a fiscal year. The Purchasing office will work directly with the department to develop specifications and requirements. Once the Bid has obtained approval from the Vice President of Business Affairs, it is publicly posted for vendors to submit proposals via a sealed bid process with a public bid opening. (ALA. CODE §§ 41-16-20 and 41-16-50 (1975))
- **Contract** – A contract is required for all instances where the University receives a service from an individual or a business and should outline the terms of the agreement, services rendered, payment schedule, and must be signed by the provider and the Vice President of Business Affairs.
- **Public Works** - The Public Works Law, codified in ALA. CODE §§ 39-1-1, et. seq. (1975), defines Public Works as being, “the construction, repair, renovation, or maintenance of public buildings, structures, sewers, waterworks, roads, bridges, docks, underpasses, and viaducts as well as any other improvement to be constructed, repaired, renovated, or maintained on public property and to be paid, in whole or in part, with public funds or with financing to be retired with public funds in the form of lease payments or otherwise.”