



Policy Number: III.09
Policy Level: Operating Policy
Originally Issued: December 16, 2013
Reviewed: November 10, 2017
Reviewed: January 15, 2021
Revised: April 8, 2024
Policy Owner: VP for Financial Affairs
Policy Implementation: VP for Financial Affairs
Assistant VP for Finance/Business Manager

Purchasing

I. Policy Statement and Purpose

The University has been entrusted with public funds to fulfill its mission of education, research, and service. All University faculty and staff under the leadership of the Board of Trustees and the University administration are obligated to ensure that University funds are used only for mission-related purposes and are used in compliance with accepted financial management procedures, University policies, and state and federal requirements.

The responsibility for sound financial management resides with every employee who spends University funds or has financial responsibilities as part of their job. Therefore, it is imperative that such employees are familiar with and conform to purchasing policies and procedures, related Administrative and Financial Operating Policies, and directives/procedures issued by the Office of Financial Affairs.

II. Purchasing Requirements

All materials, supplies, equipment or services from outside sources necessary for departmental operation are acquired either through direct purchase or as gifts to the University. Direct purchase or lease of goods and services by the University must conform to this policy. Goods and services accepted as gifts to the University are handled through the Athens State University Foundation.

Materials, supplies, equipment or services should be requisitioned only when University funds have been appropriated, or when funds have been transferred from the Athens State University Foundation, and when such funds are subsequently made available for purchases. All purchases must be for official University use or benefit and must support the University's mission. The requisitioning department is responsible for determining the necessity of items to be purchased or leased.

Detail procedures for purchasing are contained in the Office of Financial Affairs Practices and Procedures Manual. Real property acquisitions estimated to exceed \$350,000 must be approved by the Board of Trustees.



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III. Bidding Requirements

According to the Code of Alabama 41-16-20, “all contracts of whatever nature for labor, services, work, or for the purchase or lease of materials, equipment, supplies, other personal property or other nonprofessional services, involving twenty-five thousand dollars (\$ 25,000) or more, made by or on behalf of any state department, board, bureau, commission, committee, institution, corporation, authority, or office shall, except as otherwise provided in this article, be let by free and open competitive bidding, on sealed bids, to the lowest responsible bidder”. For the purposes of determining if an item is subject to the bid law, the University should consider the amount of like items also being purchased and whether or not the University expects to purchase a quantity of items or like items over the course of the fiscal year that would exceed twenty-five thousand dollars (\$ 25,000).

The requisitioning department is responsible for documenting specifications for the goods and services to be purchased. Specifications for goods and services should be worded to permit open and competitive bidding. The requisitioning department is also responsible for reviewing sealed bid responses and providing justification for selection of the successful bidder. The Office of Financial Affairs is responsible for soliciting, receiving and opening the sealed bids, as well as maintaining the official public file after award of the sealed bids.

Sole-source Products or Services

A sole-source product or service is unique and possesses specific characteristics that can be obtained from only one source. When a requisitioner specifies a sole-source, proprietary, or other non-biddable product, the requisition must be accompanied by a written justification and receive the approval of the Vice President for Financial Affairs or designee. Classification of a product or service as sole source is based on the following criteria:

- The vendor possesses exclusive and/or predominant capabilities, or the item contains a patented feature not obtainable from similar products.
- The product or service is unique and easily established as one of a kind.
- The program requirements cannot be modified to use competitive products or services.
- The product is available from only one source and not merchandised through wholesalers, jobbers or other retailers.
- The product must be interchangeable or compatible with existing products.



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Proprietary Products or Services

A proprietary product or service is manufactured, marketed or provided by a person or firm with exclusive rights to manufacture, perform or sell the product or service. Bids as specified in this policy are required when proprietary products or services can be obtained from different franchised vendors.

Purchases NOT Subject to Bid Process

State Contracts with Vendors: The University participates in the State's contract buying system that establishes contracts with selected vendors for a wide range of commodities. Purchases made from State contracts do not require competitive bids.

Purchasing Cooperatives: The University also participates in certain purchasing cooperatives and joint contracts. Items may be purchased under these agreements without being competitively bid. A list of these can be obtained by contacting the Office of Financial Affairs.

Professional Service Contracts: Contracts for professional services (e.g., attorneys, physicians, architects, accountants, engineers, construction managers, etc.) are, by State law, exempt from mandatory bidding; however, the University may bid these contracts in an attempt to get better pricing or to incorporate minimum qualifications into the award process.

IV. Responsibility for this Operating Policy

Policy Owner

As part of the initial approval of this policy by the President and subsequent to the original dissemination of the policy, the President has assigned the Vice President for Financial Affairs as the policy owner for the ongoing evaluation, review, and approval of this policy. Subsequent reviews and revisions to this policy must be in accordance with approved operating policy procedures and processes.

This policy will be reviewed every three years or more frequently as needed by the Policy Owner. Revisions will be reviewed/affirmed by the Cabinet and approved by the University President. This policy will be updated/published in the University's Policy Library.

Responsibility for Policy Implementation

The President has assigned the responsibility of implementing this policy to the Vice President for Financial Affairs and the Assistant VP for Finance/Business Manager.