UNIVERSITY OF NORTH ALABAMA

Procurement Procedures

General Procurement Guidelines

Office of Procurement

1. PURCHASE PROCUREMENT ORGANIZATION AND RESPONSIBILITIES

1.1 INTRODUCTION AND GENERAL AUTHORITY

The primary purpose of the University of North Alabama (UNA) Office of Procurement is to work with faculty, staff and students in identifying, selecting, and acquiring needed materials and services. This is to be done as economically as possible and within accepted standards of quality and service using professional ethics and best business practices while obtaining the best value for the total cost and eliminating or minimizing risk to UNA.

The Office of Procurement is a division of the Office of Business and Financial affairs and is charged with the responsibility and authority to commit the University to purchases as delegated by the President of the University within the procedures prescribed under the authority of the Board of Trustees.

The Procurement staff is prepared to assist members of the UNA community in the following ways:

- Provide cooperative interaction between suppliers and members of the faculty, staff and students.
- Assist in the acquisition of goods and services via creation of purchase orders and preparation, tabulation and award of competitive bids.
- Encourage fair and open competition among suppliers through competitive bidding in accordance with the Alabama Competitive Bid Law. https://alison.legislature.state.al.us/code-of-alabama?section=41-16-50.
- Ensure that purchase orders and contracts contain all necessary terms and conditions to insulate UNA against liability or any miscommunication of requirements.
- Develop, maintain, and communicate adequate procedures, controls, records and files.
- Ensure that the highest procurement standards and ethics are maintained and up-to-date industry practices are applied.

It is a responsibility that all faculty and staff become familiar with the procedures outlined in this manual. All new hires will be introduced to the requirements within this manual and training updates will occur when necessary. The Office of Procurement is committed to providing resources required to support the needs of the entire University faculty and staff.
These resources can be maximized through the application of sound procurement practices.

1.2 STATE PURCHASING LAW REQUIREMENTS

As a state institution, UNA is subject to the requirements of the *Code of Alabama 1975* for the procurement of goods and services. As of October 1, 2022, Title 41, Chapter 16.2 was repealed and deferred authority to the University Board of Trustees to set the bid limit threshold. As set in the September 2022 Board of Trustees meeting, any and all expenditures meeting or exceeding the bid limit threshold of seventy-five thousand dollars, $75,000.00, must be awarded from a competitive sealed bid process or otherwise authorized by law. In addition, all contracts for public works, as defined by the Alabama Department of Finance Division of Purchasing, are subject to Title 39 with a bid threshold of one hundred thousand dollars, $100,000.00, and must be let by free and open competitive bidding, on sealed bids, to the lowest responsible bidder.

1.3 COMPETITIVE SEALED BIDS

Competitive sealed bids are required for purchases that meet or exceed seventy-five thousand dollars, $75,000. The Procurement Office will initiate the Invitation to Bid (ITB) or Request for Proposals (RFP) as necessary based on the type of purchase and must meet public notice requirements. The requisitioning department is responsible for defining quantity, specifications, delivery date, and all other pertinent information essential to proper purchase and may assist in determining the lowest responsible bidder when required. The requisitioning department should also suggest sources, when known, especially for unusual or unique items.

Analysis of bids is a means by which the total cost of ownership of the goods or services is determined. It is the responsibility of the Office of Procurement to issue, control, and analyze supplier bids/quotations/proposals and recommend an award strategy. Awards resulting from a competitive bid must be approved by the Director of Procurement (or Associate Vice President of Business and Financial Affairs).

Departments should allow a minimum of two (2) to three (3) weeks for the competitive bid process to occur, depending upon the type of requirement(s). Contract or Construction/Public Works bids will require additional bidding time for required advertising.

The competitive bidding process is required prior to the issuance of purchase orders.

Competitive bids are posted publicly upon release on the Procurement website http://www.una.edu/purchasing ; In addition, an emailed copy is sent to suppliers interested and able to support the demand.

UNA is authorized to utilize all State of Alabama contracts when it is advantageous as well as other joint agreements or consortiums entered into with another government entity. For information regarding current contracts contact the procurement office.

1.4 PURCHASES LESS THAN BID THRESHOLD

All expenditures for goods and services equal to or greater than fifteen thousand, $15,000.00, require a minimum of three competitive quotes. The Department of Procurement will assist in the sourcing effort to achieve competitive quotes. If only two (2) quotes are attainable or it can be proven to be a sole source provider, the purchase may move forward with approval from the Office of Procurement (***see 2.5***).

1.5 SALES TAX STATUS

The University of North Alabama is exempt from Alabama state sales tax pursuant to AL Code 40-23-4 (a) (11). This exemption also generally applies to Alabama City and County sales taxes. Other taxes, such as taxes on lodging and rentals or personal property, may apply.

1.6 PRE-PLANNING MATERIAL REQUIREMENTS

The need for departments to evaluate well in advance their supply and equipment needs cannot be over-emphasized. The time required for the Procurement Office to issue an order and secure delivery after receiving a properly prepared requisition varies greatly. Workload at any given time within the Office of Procurement is also a factor. Delivery always depends upon the supplier's stock and/or availability in securing delivery from suppliers.

Submission of requisitions well in advance of the required delivery date is encouraged. As previously stated, all expenditures in excess of seventy-five thousand dollars, $75,000.00, within a fiscal year are subject to the Bid Law and which may require a competitive bid prior to placing an order (Refer to Competitive Bidding) https://www.una.edu/purchasing/bid-process.html. Appropriate planning should occur to provide the necessary time for the bid. There should be no need to designate commonly used items as "emergencies" if departmental requirements are properly planned.

1.7 SELECTION OF SUPPLIERS

Generally, it is the responsibility of the campus department to select sources of supply, however the final approval is designated to the Procurement Office. Suppliers should be selected for their ability to serve the needs of University in an economical and efficient manner on a continuing basis. Past performance of suppliers and cooperation with the University are important factors in supplier selection.

The Office of Procurement is committed to assisting departments in the evaluation of new suppliers. Procurement will follow a department's recommendation as much as possible. If a department requests a specific supplier with no substitutions, adequate sole sourcing justification ***(see 2.5)*** should accompany the requisition for consideration. All communication from the supplier should accompany the requisition to the Procurement Office to assist in accurate communication of need.

1.8 RECORDS

Office of Procurement retains all original bid-related documents for an appropriate time period as required by Alabama State Law. In most cases, original bid files shall not be allowed to leave the department area.

1.9 GIFTS AND GRATUITIES

It is the procedure of the Procurement Office to decline personal gifts or gratuities in connection with the procurement function. It is strongly recommended that all University employees who might have contact with suppliers follow this same procedure.

2. PURCHASE ORDER MANAGEMENT

2.1 PURCHASE ORDER

The purchase order is the usual instrument by which goods are procured to fill a requirement. It is the seller's authority to ship and invoice for the goods specified on the order. It is a legal instrument which expresses the buyer's part of a contract of sale. Once accepted, it has the legal force of a binding contract.

Purchase orders are issued by the Office of Procurement as soon as possible after receipt of properly completed requisitions. Orders may be emailed to suppliers, so requisitions should include the appropriate contact information for order communication.

2.2 BLANKET PURCHASE ORDERS

Blanket purchase orders are processed in the same manner as regular Banner purchase orders and are issued to suppliers for expendable supplies and services where the unit price of the item(s) or service(s) has been established from a bid, a contract, or a procurement agreement. Blanket orders are typically issued for a period of one year. In most cases, a contract or service agreement will need to be issued in conjunction with the blanket purchase order.

2.3 INVOICING

To ensure prompt payment of invoices, it is necessary that vendors follow the instructions on every order. All invoices must reference the purchase order number. The item description, quantity and unit prices must appear as shown on the purchase order or its latest amendment. Vendors are required to submit their invoices with a valid purchase order number to the Accounts Payable Office, UNA BOX 5001, Florence, AL 35632.

2.4 ALABAMA DISCLOSURE STATEMENT

The Code of Alabama requires a disclosure statement to be completed and filed with all proposals, bids, or contracts to the State of Alabama in excess of seventy-five thousand dollars, $75,000.00, and with all grant proposals in excess of twenty-five thousand dollars, $25,000.00. The disclosure statement is not required for contracts for gas, water, and electric services where no competition exists, or where rates are fixed by law or ordinance. In circumstances where a contract is awarded by competitive bid, the disclosure statement shall be required only from the person receiving the contract and shall be submitted within ten (10) days of the award.

Alabama Vendor Disclosure Statements are available at:
https://www.alabamaag.gov/wp-content/uploads/2025/10/Alabama-Vendor-Disclosure-Statement.pdf

2.5 SOLE SOURCING

The declaration of a "sole source" purchase must be exercised judiciously and always with good faith. The following guidelines must be applied and all criteria met when a declaration is made:

"Sole source" - A good's or service's "uniqueness" alone cannot qualify the producer or supplier of the good or service as a "sole service" of a good or service under Alabama's competitive bidding laws. To so qualify, the good or service offered must be unique; that uniqueness must be substantially related to the intended purpose, use and performance of the good or service sought; AND the department seeking to declare a "sole source" must show that similar goods or services cannot perform the desired objectives of the goods or services being indicated as sole source.

No awarding authority may specify the use of materials, products, systems, or services by a sole source unless all of the following requirements are met:
The awarding authority can document to the satisfaction of the University of North Alabama’s Board of Trustees all of the following:

- This particular product, material, system, or service is indispensable
- There are no viable alternatives and
- Only this product fulfills the function for which is needed

All information substantiating the use of a sole source specification shall be documented and made available for examination in the office of the awarding authority.

2.6 CONFLICT OF INTEREST

Only the highest ethical principles are to be employed by all people involved in the procurement process. It is the responsibility of each member of the UNA faculty and staff and of the Office of Procurement to take all appropriate steps to ensure that the University does not knowingly enter a purchase commitment which could result in a conflict of interest situation. A conflict of interest exists when some factor (financial or personal interest in a supplier) interferes or appears to interfere with or influence a departmental requestor's ability and duty to be completely impartial and loyal to UNA's interests.

3. REQUEST FOR PURCHASE ORDERS

3.1 REQUISITION TO PURCHASE ORDER PROCESS

The purpose of this section of the manual is to explain the major steps in the procurement process. It is suggested this section be reviewed before completing a Banner Purchase Requisition. If any steps in the process are unclear or if circumstances are unusual, please contact the Office of Procurement (x4206) for assistance.

Expenditures for supplies, equipment and services valued at $500 or more require a University purchase order unless authority is provided for an alternate means of procurement. Some expenditures may be allowable with a University Purchasing Card, refer to the website for the procedure review http://www.una.edu/purchasing .

The following represent the basic steps in the general procurement process:

A. Banner Purchase Requisition

1. Requisitioner completes an electronic purchase requisition via the Banner System or within UNA Self Service Portal and it is PDF printed for authorized signatures. The requisition should include detailed descriptions of need and contact information for final communication of order placement.
2. Approvers review the requisition data verifying account numbers, sufficient fund balance, purchasing procedure compliance, and state bid law compliance.
3. If all documentation is acceptable, the requisition is signed and electronically forwarded to the Office of Procurement along with a quote, if a quote(s) is necessary, & communication about the order. Documents should be emailed to purch@una.edu for processing.
4. The Office of Procurement will create a purchase order in Banner. Encumbrance takes place immediately upon entry of the order into the Banner System.
5. Copies of the resulting purchase order are forwarded to the vendor, if an email address is provided, and to the appropriate department. The department is responsible for reviewing their copy of the purchase order for accuracy as soon as it is received. It is always good practice for the requisitioner to communicate with the vendor to make sure that all details are accurate. If there are any errors, please contact the Office of Procurement as soon as possible so the appropriate corrective action(s) can be taken. While the Procurement Office will attempt to catch blatant errors, it cannot be responsible for any incorrect information originating from the requisition, or any costs

associated with such an error.

6. The supplier ships the material to the appropriate department and sends an invoice to the Accounts Payable Department.
7. When the material arrives, it is checked by the appropriate department against the department's copy of the purchase order. The purchase order copy is then signed and forwarded to Accounts Payable (UNA Box 5001) to authorize payment. If only a portion of the ordered goods or services are received, the receiver will send a copy of the department's purchase order with the partial quantity noted to Accounts Payable for approval of partial payment.
8. Accounts Payable will compare the receiving information to the invoice information and, if they agree in quantity and price, payment is issued to the supplier.

3.2 CANCELLATION OF ORDERS

A purchase order is a binding contract between the University and the supplier. Caution must be taken when canceling an order. Any request to modify or cancel an order or contract should be directed to the Office of Procurement in writing. The Office of Procurement will then act, in cooperation with the department, in the best interest of the University and advise all parties accordingly.

Generally, a supplier will agree to a request for cancellation if the items have not been shipped. The department may be held responsible for any materials shipped by a supplier or costs of fabricated items incurred prior to cancellation.

3.3 CHANGE ORDERS

If it becomes necessary to make any change to the original purchase order, a change order can be initiated by the Office of Procurement upon request. If the order total increases by 10% or more, a change order is required. The requesting department will issue notification to the supplier if required. The Purchase Order Change Form can be found on the Purchasing website at https://www.una.edu/purchasing/forms.html.

4. PAYMENT REQUISITIONS

Payment Requisitions are used to request payments from Accounts Payable to a vendor or for reimbursement for an approved University expense.

A Payment Requisition should not be used to request payment for supplies/services that would normally require a Purchase Order.

Transactions submitted on a Payment Requisition not complying with the State of Alabama bid laws and the UNA Procurement Procedure, will not be processed and will be returned to the requestor.

The Payment Requisition is normally used for, but not limited to the following types of payments:

- Purchases that are less than $500 (if over $500, a PO should be issued)
- Dues and Memberships
- Hospital, doctor, or pharmacy payments
- Library book/periodical standing orders
- Library interlibrary loans
- Postage, bulk mail, permits renewal, etc.

- Stipends or payment to independent contractors – must attach contract signed by the President or Vice President for Business and Financial Affairs

The Payment Requisition is NOT allowed to be used for:

- Purchase of gift cards or their equivalent
- Contributions to agencies outside the University
- Any items considered personal
- Receipts which do not contain an itemization of purchases (all receipts must be itemized)
- Payments to multiple vendors on the same requisition

A Payment Requisition should be completed using the Purchase Order Payment/Payment Requisition/Travel Reimbursement Workflow found on the Controller's website. Instructions for the workflow are also found on the website. Purchase Order Payment/Payment Requisition/Travel Reimbursement Approval Instructions

5. INVENTORY MANAGEMENT

5.1 EQUIPMENT

The University of North Alabama (UNA) is required by the State of Alabama, federal grant sponsors, and good business practice to maintain an inventory of all UNA capital equipment. The need to be able to respond to audits of UNA equipment by internal and external auditors, the State Examiners of Public Accounts, and grant sponsors, necessitate that UNA maintain a capital equipment inventory through which it can account for, and report, the location of capital equipment purchase by UNA, donated to UNA, or otherwise legally transferred to UNA.

Generally, capital equipment is identified as equipment which has a unit cost of five thousand dollars, $5,000.00, or more and has a useful life in excess of two (2) years, maintains its identity, and which is not physically a part of a physical asset or building. This includes equipment, regardless of the source, such as the following:

a. Equipment purchased with funds from any UNA account number using state funds, grant funds, professional service funds, and gift funds.
b. Equipment donated to UNA by an external entity.

5.2 DEPARTMENTAL RESPONSIBILITY

Each individual department head/cost center head is the "Accountable Officer" for all equipment affiliated with the department.

Each UNA department/cost center is responsible for, and will be held accountable for, equipment as follows:

a. Equipment which is affiliated with a department/cost center (through purchase, donation or transfer) and is located in the department/cost center; and
b. Equipment which is affiliated with that department/cost center but is located in another department/cost center.

Each department/cost center shall designate a person as its contact person or equipment clerk who will provide assistance in all equipment matters covered by these procedures. The assistance may include, but not be limited to, the following duties:

a. Assisting the Procurement Inventory Analyst in locating, accessing, and tagging equipment;
b. Verifying equipment inventory lists;
c. Reporting donations or other acquisition of equipment not processed via a UNA Purchase Order.
d. Reporting all relocation of equipment from one permanent location to another;
e. Reporting equipment transferred to another department/cost center; and
f. Reporting lost, stolen, or broken & scrapped equipment.

The department/cost center head and "Accountable" person will be responsible for:

a. Responding to equipment audit findings; and
b. Enforcing the UNA equipment procedures

5.3 EQUIPMENT ACQUISITIONS

For purposes of equipment inventory and reporting, UNA capital equipment information is maintained by the Procurement Inventory Analyst in the University ERP system, Banner. Capital equipment purchased by the University is identified as such through the Purchase Order data entry process. At that time capital items are identified and systemically assigned a permanent tag number. The tag number and tag will be applied to the capital equipment. Other acquisitions, including donations of capital equipment, should be promptly reported in writing with a full description to the Procurement Inventory Analyst. These items will be manually added to the UNA ERP system and a tag created for identification.

5.4 EQUIPMENT DISPOSAL

Disposal of UNA equipment is strictly regulated by state law and also controlled by donor or sponsor restrictions when applicable. Capital equipment may not be loaned, given away, sold, traded, scrapped/cannibalized, or otherwise disposed of by any UNA department or cost center, except with written permission from the Procurement Inventory Analyst, as authorized by the University's Director of Procurement and Vice President of Business and Financial Affairs.

5.5 STOLEN EQUIPMENT

Stolen equipment must be reported immediately by the department/cost center head to the UNA Police Department and the Procurement Inventory Analyst. A detailed report of how and when the equipment was stolen must accompany the notice of loss.

5.6 LOST EQUIPMENT

Equipment which has not been stolen but cannot be located by the department's equipment clerk is considered to be misplaced or "lost". A report of the loss should be made promptly to the Procurement Inventory Analyst with complete details of the equipment including the tag number and assumed date of loss. If the equipment cannot be located the budget of the accountable department/cost center will be assessed for full replacement cost if replacement is deemed necessary by the Vice President or Dean of that department or school.

5.7 EQUIPMENT INVENTORY

Each year the Procurement Inventory Analyst sends each department/cost center a list of equipment assigned to the respective department. In turn, the department/cost center is to conduct a physical inventory and verify the accuracy of the list. Any changes not previously communicated should be updated at that time.

5.8 SURPLUS INVENTORY

All property owned by the University of North Alabama, whether acquired or donated, is considered state property. Therefore, anything identified as surplus property is subject to the Alabama Bid Law regarding surplus property (Code of Alabama; Tile 41; Chapter 16; Article 6). Surplus property cannot be donated, traded, gifted, or otherwise disposed of without written approval from the Director of Procurement or the Vice President of Business and Financial Affairs to ensure handling compliance with the appropriate laws. Contact the Procurement Office for assistance in the disposition of surplus property.

6. MOBILE PHONE PROCEDURE

I. Purpose and Overview

The purpose of this procedure is to establish guidelines for authorization, purchase and/or use of mobile telephones for University business.

II. Options

Employees required to carry mobile phones may either participate in the university wireless phone plan or receive a stipend to compensate for the requirement.

On occasion, reimbursement of charges for the use of a personal mobile phone for university business may be approved. The request for reimbursement should occur within 30 days of occurrence via a Payment Request Form found on the Controllers' website. The request must be presented with a highlighted bill detailing the use and must be authorized by the department head and Dean or Executive Council Member as appropriate.

III. Authorization

Authority to approve the legitimate business need by position and either a stipend or the purchase of a mobile phone with a service contract obligating University funds rests with the appropriate Executive Council Member and the Vice President of Business and Financial Affairs.

The authority noted here may not be delegated further.

IV. Approval Process and Responsibilities

A. Approval process for stipend support to employee for mobile phone requirement:

- Justification of need by position and stipend amount must be submitted for approval by the supervisor to the appropriate executive council member and the Vice President of Business and Financial Affairs.
- Upon approval, stipend requests will be routed to Human Resources by means of a Personnel Action Form (PAF) found on the Human Resources Website.

B. Approval Process of University Purchase of a Mobile Telephone and Contract

- A department considering the acquisition of a mobile telephone and service contract with University funds should initially contact the Procurement Office for appropriate contract information. All phones and wireless plans funded by the university must be obtained from the current University contract.

- Justification of need by position and approval must be obtained from the Dean or department chair, the appropriate executive council member, and the Vice President of Business and Financial Affairs before an order can be placed with the University contract provider. Additional justification must accompany the request for any purchase of hardware not provided free with the needed wireless plan.
- Once the phone and plan are approved the Procurement Office will facilitate communication to initiate the order.
- Changes to hardware or the service plan which involve any additional expenditure(s) from a University budget must follow the same approval path outlined for the initial request.

V. Departmental Responsibilities

- An annual purchase order should be opened to cover the department expenses and facilitate monthly payment.
- All invoices must be reviewed and signed by the department head and the user acknowledging accuracy and authorizing payment before forwarding to Accounts Payable.
- Departments must validate regular existence of wireless accessibility to employees receiving monthly stipends. Notify Controller's Office if stipend is no longer required.

VI. Employee Responsibilities

A. Employee Stipend

- Employee is required to have wireless telephone equipment and service in good working order at all times.
- Upon termination of wireless services employee must notify supervisor, department chair (if different) and the Controller's Office for immediate termination of payroll stipend.

B. University paid equipment and services

- **All overages will be assumed personal and therefore all expenses exceeding the approved monthly billed amount will be paid by the individual mobile phone user.**
- Report all lost or stolen phones to the appropriate service provider and the Procurement Office.
- No individual or department may contract directly with the provider for University paid services.
- Old phones should be destroyed; retained within department for re-use with new employees; or scrapped and recycled once all saved data has been removed.

VII. Ethical use of University Equipment

Employees required to carry University owned wireless equipment must understand it is property of the State of Alabama. While it is understood that personal communication may occur on occasion; under no circumstances may employees use University equipment to conduct business unrelated to their role and responsibility as an employee of the University of North Alabama.

7. GUIDELINES FOR THE PROCUREMENT OF UNIFORMS/DEPT APPAREL

University departments that must be recognizable as a department may require a uniform look and may thus utilize University funds to purchase uniforms and/or sportswear items for employees under the following guidelines.

1. The items purchased must be used for work-related activities and events where the employee is representing the University.
2. The items to be purchased must be approved in advance and in writing by the appropriate Executive Council member.
3. The list of uniform owners will be controlled at the department level.
4. Logo use must meet University standards.

8. GUIDELINES REGARDING THE PROCUREMENT, APP DOWNLOAD, AND GENERAL MAINTENANCE OF AN iPAD OR EQUIVALENT TABLET TYPE DEVICE THAT IS NOT CONSIDERED A CELLULAR PHONE.

The procurement of iPAD's (or similar tablet technology) will be administered under the following guidelines:

- Purchases can be made from Department Budgets with approval of immediate supervisor.
- Quotes must be coordinated with the ITS team through the appropriate manufacturer's representative that handles Government Accounts. Purchases cannot be made through general retail outlets; they must be made against an existing contract.
- Department Chairs and administrators will be responsible for the retrieving this equipment upon employee termination.
- The addition of wireless capability requires another layer of approvals (refer to cell phone procedure) from an Executive Officer representing the department in need, the Vice President of Business and Financial Affairs, and the Director of Procurement.
- Downloaded "APP's" may be reimbursed under the following circumstances:
    1. Document (at least one written paragraph) explaining business purpose.
    2. Signature approval from immediate supervisor confirming business purpose.
    3. Submit for reimbursement on a "Payment Request" form to the Procurement Office (include the authorized business purpose).
    4. Sales Tax cannot be reimbursed with university funds.