



UNIVERSITY OF SOUTH ALABAMA

To: Jo Bonner, President

From: Polly Stokley
Vice President for Finance and Administration

Subject: New Alabama Competitive Bid Law

Date: October 3, 2022

On April 24, 2021, Governor Kay Ivey signed into law a new Alabama Competitive Bid Law resulting from SB77/Act#2021, dated February 9, 2021. The new law replaces the existing Alabama Competitive Bid Law (Title 41) and is effective October 1, 2022. The current law's bid threshold is \$15,000. The new law allows each institution to select its own bid threshold.

I propose and request approval that we increase our University limit to \$50,000 as of October 1, 2022, to mirror both the Federal Grant Micro-Purchase and the Alabama Public Works (Title 39) thresholds of \$50,000. I further propose that projects of any amount may be bid, upon request of any division Vice President.

Our understanding to date is that this new law (Title 41) applies to general University operations as well as certain USA Health purchases, including capital equipment. As the new law affects our health operations, I am asking your approval to initiate a letter to the federal government to increase our threshold limit to \$75,000 effective upon receipt of the approval. This would keep us in line with the University of Alabama Birmingham.

It should be noted that we have been informed that the UA System and Auburn University have requested increased bid thresholds of \$75,000. We have been notified that the University of Alabama (Tuscaloosa) has received approval from both its administration and the federal government to increase thresholds to \$75,000. UAB has received administration approval to raise its internal threshold to \$75,000 but it has not yet received approval from the federal government. Auburn is currently in the policy-amendment phase and is awaiting final approval from its review committee. The expectation is that it will be approved in the very near future.

Approved _____
Jo Bonner, President



Polly Stokley <pstokley@southalabama.edu>

Bid Law Threshold \$ Chg Request

Jo Bonner <jobonner@southalabama.edu>
To: Andrea Moore Kent <akent@southalabama.edu>
Cc: Polly Stokley <pstokley@southalabama.edu>

Mon, Oct 3, 2022 at 6:42 PM

Thanks to you both. I fully support the recommendation to approve the increased bid threshold of \$50k -- effective immediately. I further support initiating a request from the feds for a \$75k threshold.

Polly, if you need more from me, just say the word.

Thanks!

Jo

Jo Bonner

President

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