



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 SR77, Act #2021, dated February 9, 2021. The new law replaces the existing Alabama Competitive Bid Law (Title 41) and is effective October 1, 2021. 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 41) 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. 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 have requested increased bid thresholds of \$75,000. We have been notified that the University of Alabama (the University) has received approval from the federal government to increase its bid threshold to \$75,000. The University of Alabama has received administration approval to increase its bid threshold to \$75,000. The University of Alabama has received approval from the federal government. Alabama 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

