TITLE: PURCHASE ORDER POLICY

Under $10,000

Purchase requisitions for goods and services under $10,000 (exclusive of sales tax) are generally processed without bid activity. It will be assumed that the purchaser from a requesting department/project ("buyer") will have already determined the best price and the most qualified vendor. However, if, in UEC’s judgment, the prices do not seem reasonable UEC may obtain additional quotes.

In all instances, buyers are encouraged to use campus or system approved vendors with whom contracts have been developed.

$10,000 to $49,999.99

Requisitions for amounts between $10,000 and $49,999.99 (exclusive of sales tax) shall be processed within the general guidelines of determination of reasonable price.

Competition shall be sought for these transactions, either informally or formally as necessary, to develop a source, validate prices, or for other sound business reasons. Informal solicitations may be secured orally, in writing, or via electronic modes. It is recommended that the buyer obtain three bids or quotes. However, the number of vendors from whom quotes or bids are solicited shall be determined by the buyer and will generally depend upon the size, complexity of the purchase, and market conditions. Before an order is placed, the buyer will determine that the price is reasonable and document how that determination was made. Every effort shall be made to secure quotations and develop sources from small and disabled veteran owned businesses.

Reasonable price is defined as a price that does not exceed that which would be paid in the conduct of a competitive business. It may be established by market quotes, price or cost analysis. A reasonable price need not be the lowest price available, but is one which offers acceptable value to UEC and/or a sponsored project.

When bids or quotes are not obtained, buyer must provide documentation that reflects evaluation of reasonable price, a sole source justification, or a named vendor or subcontractor in an awarded sponsored project proposal.

$50,000 and over

Except in the instances of fully documented sole source justification or named vendor or subcontractor in an awarded sponsored project proposal, UEC is required to obtain formal (written, sealed) bids on orders in this price range. Specifications must be complete for the items requested. Failure to identify specific requirements for any desired item may result in items being bid which do not meet the needs of the
department or project. Vendors are allowed approximately 30 calendar days to respond after solicitations to bid have been issued. Bids received are evaluated in consultation with buyers, and orders are issued to the lowest responsible bidder.

**Note**

The dollar amounts listed above include shipping charges but exclude sales tax. For example, if the requisition total before tax is $9,999.99, no bid activity is required. However, if there are any shipping charges in addition to the $9,999.99, you will be required to follow the guidelines for requisitions of $10,000 and over.