



Northern Illinois University

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Competition Requirements for Procurements between \$20,000 and up to \$99,999.99

Procurement Services and Contract Management
January 2020

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Purpose



To ensure reasonable competition pursuant to Section 4.2020 of the IL Administrative Rules, the University requires the submission of multiple quotes (a minimum of two quotes required) for requisitions that are considered a small purchase and are greater than or equal to \$20,000.

- governed by the Illinois Procurement Code (30 ILCS 500), the Joint Commission of Administrative Rules (44 Ill. Admin. 4) and internal University policies.

https://www.procure.stateuniv.state.il.us/dsp_procure_rules.cfm

What is New



- Small Purchases are defined as services or supplies (commodities) under the threshold between \$20,000 up to \$99,999.99.
- Policy requires the University to use practices that ensure maximum reasonable competition and promote small businesses, diversity, transparency, and other statutory requirements.
- Minimum of two quotes with one including a BEP vendor, when available.

Divisions and Department Responsibilities



- Departments shall seek diverse vendors for purchases greater than or equal to \$20,000 and under the small purchase limit by soliciting at least one quote from a Business Enterprise Program (BEP) certified diverse vendor (women, minorities, persons with disabilities & veterans), when available.
- Seek fair competition – use same method to solicit from all vendors.
- Provide documentation with requisition.
 - Note: Purchases under \$20,000 are processed as usual, no additional documentation required.
 - Grants are processed in accordance with Sponsored Programs procedures (documentation is required for all transactions over \$10,000)

Requisition Requirements



- A requisition must be submitted via Peoplesoft (P2PO) to initiate a procurement transaction.
- Must include back-up documentation.
- Back-Up documentation is very important for auditing purposes.
 - Submit all quotes obtained.
 - Submit emails sent to vendors requesting quotes.
 - Submit Bid/Quote Summary Form
 - If necessary, waiver request to support sole source, exemptions, etc.
 - Verbal conversation must be documented.
 - Website prices are permissible – not always correct pricing.

Guidelines for Services and Supplies



- General description or scope of services
- Capabilities/Expected Outcomes
- Number of hours/hourly rate
- Travel/expenses
- Description of product and/or accessories
 - Standards/Outcomes
- Quantity
- Unit cost
- Shipping costs
- Warranty
- Installation

Change Orders



Change orders are allowed under certain circumstances.

Examples of acceptable changes:

- Travel expenses
- Shipping
- Accessories (complete Small Purchase Waiver form if amount takes original amount over \$20,000)
- Additional hours for services (complete Small Purchase Waiver form if amount takes original amount over \$20,000)

Purchases under an Existing Contract



Competition not needed if a purchase is made under an existing contract. Examples of where a small purchase may be made under an existing contract include:

- Purchases made from a campus-wide contract (i.e. Office Depot, Dell, Enterprise Rentals, Lindenmeyr, etc.)
- Purchases as a result of an NIU Request for Proposal (RFP), Invitation for Bid (IFB), Qualification Based Selection (QBS), Sole Source Authority (typically transactions over \$100,000).
- Purchases made from an [Illinois Public Higher Education Cooperative \(IPHEC\) award](#).
- Purchases made from a State of Illinois master contract which are allowed to be used by [Public Institutions of Higher Education in Illinois](#).

Exemptions



The purchases identified below are exempt from the Procurement Code and competition does not need to be demonstrated.

- Membership in professional, academic, research, or athletic organizations on behalf of a public institution of higher education, an employee of a public institution of higher education, or a student at a public institution of higher education (30 ILCS 500 / 1-13(b)(1))
- Events or activities paid for exclusively by revenues generated by the event or activity, gifts, or donations for the event or activity, private grants, or any combination thereof (30 ILCS 500 / 1-13(b)(2))
- Events or activities for which the use of specific potential contractors is mandated or identified by the sponsor of the event or activity, provided that the sponsor is providing majority of the funding for the event or activity (30 ILCS 500 / 1-13(b)(3))
- Athletic, artistic or musical services, performances, events, or productions by or for a public institution of higher education (30 ILCS 500 / 1-13(b)(4))
- Periodicals, books, subscriptions, database licenses, and other publications procured for use by a university library or academic department, except for expenditures related to procuring textbooks for student use or materials for resale or rental (30 ILCS 500 / 1-13(b)(5))
- Placement of students in externships, practicums, field experiences, and for medical residencies and rotations (30 ILCS 500 / 1-13(b)(6))
- Programming and broadcast license rights for university-operated radio and television stations (30 ILCS 500 / 1-13(b)(7))
- Performing sponsored research and other sponsored activities under grants and contracts funded by the sponsor or by sources other than State appropriations (30 ILCS 500 / 1-13(b)(8))

Exemptions (continued)



- Contracts with a foreign entity for research or educational activities, where the foreign entity does not maintain an office in the United States, or the foreign entity is the sole source of the service or product (30 ILCS 500 / 1-13(b)(9))
- Medical supplies or medical services necessary for the delivery of care and treatment at medical, dental, or veterinary teaching facilities utilized by SIU or U of I (30 ILCS 500 / 1-13(b-5))
- Medical supplies or medical services at a university-operated health care center or dispensary that provides care, treatment, and medications for students, faculty and staff (30 ILCS 500 / 1-13(b-5))
- Purchase of care as defined in 1-15.68 of the Illinois Procurement Code (30 ILCS 500/1-10(b)(3))
- Hiring an individual as an employee by contract directly with the individual (30 ILCS 500/1-10(b)(4))
- A real estate property purchase valued over \$25,000 (30 ILCS 500/1-10(b)(6))
- Anticipated litigation, enforcement actions, or investigations (30 ILCS 500/1-10(b)(7))
- Services, commodities, and equipment to support the delivery of timely forensic science services (30 ILCS 500/1-10(b)(13))
- Domestic or international trade show or exhibition of an exhibitor, member, or sponsor (30 ILCS 500/1-10(b)(14))
- Contract with a railroad or utility that requires the State to reimburse for the relocation of utilities for construction or other public purpose (30 ILCS 500/1-10(b)(15))

Open Orders



- Requisitions for open orders require the same level of competition as other small purchases.
- When an open order is for a catalog of items, the requester should use historical purchase information to determine the quantities and types of products being purchased, in order to compare pricing catalogs from multiple vendors.
- Catalog items are considered to be a vast array of items one vendor can provide. For example, if the requester routinely buys cleaning solutions, cleaning towels, brooms, mops, etc., then the requester should seek quotes from multiple vendors for the common items procured.

Note: Special procedures will be developed when multiple vendors are needed for same items.

Unauthorized Purchases



- Dividing or planning procurements to avoid use of competitive procedures (known as 'stringing') is prohibited. A review for potential stringing may occur when the total value of three or more purchases for the same or similar items exceed the small purchase limit during any 12-month period. The Purchasing Director and State Purchasing Officer will jointly determine if a competitive or other consolidated procurement is warranted.
- Department need provide justification why an item was received, or services rendered prior to issuance of Purchase order.

Resources



- ***Link for Business Enterprise Program (BEP) certified diverse vendors:***

<https://cms.diversitycompliance.com/>

- ***Request for Quotation Form***
- ***Quote Summary Form***
- ***Small Purchase Waiver Form***
- ***PSCM website:***

<https://www.niu.edu/procurement/>

Resources Request for Quotation



Ship To: Northern Illinois University Central Receiving Dorland Bldg 180 W Stadium Dr. DeKalb, IL 60115-2854	REQUEST FOR QUOTATION -THIS IS NOT AN ORDER- Northern Illinois University	Date: _____ [Department Name] [Address] DeKalb, IL 60115		
Quote Request Prepared By: [Name] [Title] [Email] Telephone: (815)753- Fax Number: 815/753-	QUOTATION DUE NO LATER THAN:	VENDOR FILL IN COMPANY NAME TYPE OR PRINT NAME PHONE NO. E-MAIL DATE BEP VENDOR: <input type="checkbox"/> Yes <input type="checkbox"/> No		
The right is reserved to accept or reject all or part of your offer and to waive any informalities.	SHIPPING METHOD: _____ SHIPPING TERMS: _____ DELIVERY DATE: _____			
Complete Description of Articles or Services	Quantity	Unit of Measure	Unit Price	Total
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
TOTAL				\$0.00
RETAIN A COPY FOR YOUR FILE.				
PSCM Quote Form 2019-02				

Resources

Quote Summary



Form Purpose: To comply with University Purchasing Policy and pursuant to Section 4.2020 of the IL Administrative Rules to ensure maximum reasonable competition and promote small businesses, diversity, transparency and other statutory policies. For all purchases of \$20,000 or more, quotes must be sought from multiple vendors, be in writing, promote small and diverse businesses, and be maintained in the procurement file.

Quote Summary Form

Date: _____ Requisition #: _____
 Name: _____ Telephone #: _____
 Email: _____ Department: _____

Brief description of commodity/service: _____

Quote	Vendor	BEP	Price
# 1		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$
# 2		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$
# 3		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$

Vendor selected: _____

Reason for vendor selection: _____

Resources Waiver Form



Northern Illinois
University

Small Purchase Waiver Form

Upload this form as an attachment, along with vendor quotes with Purchase Requisition created in the P2PO system (PeopleSoft).

Background and Instructions: Small Purchase Waiver Form, is an approved document for the Competition Requirements for Small Purchases of \$20,000 or more up to \$99,999.99. Any uncertainty regarding appropriate documentation for this purchase should be directed to the Procurement Services and Contract Management team.

Purpose: To ensure reasonable competition (pursuant to Section 4.2020 of the IL Administrative Rules) the University requires the submission of multiple quotes for requisitions that are considered a small purchase of \$20,000 or more up to \$99,999.99. In certain scenarios, the University may not be able to obtain multiple quotes from vendors that meet the needs of the University. In the event a requisition is submitted without multiple quotes, this Small Purchase Waiver Form must be submitted in lieu of multiple quotes.

Vendor Name:	Click or tap here to enter text.
Requisition Number:	Click or tap here to enter text.
Estimated Dollar Amount: \$	Click or tap here to enter text.
Brief Description of Purchase:	Click or tap here to enter text.

Check all that apply:

- Supply or service only available from single vendor (Exclusive).
- Brand name product not available from multiple vendors.
- Supply base not available that can meet the regional or geographic requirements for the product or service.
- Supply or service quoted by the lowest-quote vendor was not compatible with the needs of the University (Compatibility).
- Supply or services quoted was not able to be provided in the time required by the University. (Processing Time)
- Urgent need for the supply or service that does not allow time to obtain multiple quotes. Urgent need must be further justified to identify the urgency (Emergency).

Definitions



- **Exclusive:** Vendor is the only one capable of providing specified product or service (e.g. unique part for a device or maintenance).
- **Emergency or schedule requirement:** Failure of a device/device part, unusable device/device part, and/or incompatible device/device part required an immediate purchase to avoid loss of data, research results, programmatic delays or harm to program participants.
- **Processing time:** Vendor turnaround time to produce the good or service facilitates research and programmatic timelines required under the award.
- **Compatibility:** The item purchased must be integrated into an existing device, experiment or research effort, or instructional sequence.

BEP System Review



How to search for **BEP Vendors** in the database

<https://www2.illinois.gov/cms/business/sell2/Pages/default.aspx>