Workshop Presenter(s)

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Please ...

- Turn off cell phones.
- Avoid side conversations.
- Hold questions until the end of the session.
- Sign the attendance roster.
- Complete the evaluation at the end of the workshop.
How “a few” customers have described the purchasing-to-payment process...
But it doesn’t have to be that way!

“Follow the proper purchasing-to-payment sequence, and very happy you will be…”

- Star Wars: Episode X – A New Hope (for Procurement Reform someday)
Workshop Objectives

• Describe the core steps for UIC procurements, from requisition to purchase order

• Share best practices for navigating the purchasing process in an efficient and effective manner, to get to payment of our vendors
Topics

• Requisition Processing
• Key Statutes, Rules, & Policies
  – Competitive Solicitations
  – Exemptions/Exceptions/Existing Contracts
  – Financial Disclosures
• Contract Processing
• Purchase Order Processing
• Non-Conforming Purchases
• Best Practices
“Req-to-Check” Roadmap

Overview Part 1
UIC Purchasing

Requisition → Competitive Selection Unless… → Contract? → Purchase Order

- iBuy
- Exception
- Template
- Vendor Contract
- Existing Contract

*Non-standard payments only

Overview Part 2
University Payables

Delivery of Service/Supplies → Invoice → Vendor Paid

- Banner
- TEM
- Non-Standard Payment Request
- P-Card
- T-Card

Receiving

Card Reconciliation
iBuy... usually!

• iBuy continues to be the single requisition system for the UIC campus
  – For all requests with standard net 30 payment terms
  – Net 15, etc. must go in Banner
  – Deposits can be processed as separate line item in iBuy req + Special Payment Request

• Non-conforming orders must go in Banner
iBuy As a Single Point of Entry

- Funneling work into iBuy
  - Benefits to Units:
    - Improved transparency for status
    - Single point of entry to Purchasing = Improved customer service
    - Purchasing can process your work quicker
    - Interfaces to Banner for payment of vendors

- iBuy Training available at:
  [https://www.obfs.uillinois.edu/training/materials/ibuy/](https://www.obfs.uillinois.edu/training/materials/ibuy/)
iBuy Order Processing

– Types of iBuy Orders
  • Catalog
    – Hosted
    – Punchout
  • Non-Catalog
    – Non-Catalog Form
    – Route to Purchasing Form
    – Standing Order Request Form
iBuy Order Processing

• Importance of Accounting Date and Delivery Date Fields
  – iBuy/Banner Field Equivalents
    – Accounting Date (iBuy) = Transaction Date (Banner)
    – Requested Delivery Date (iBuy) = Delivery Date (Banner)
  – All FY17 requisitions must have Accounting Date of July 1, 2016 or Later
  – FY17 Annual Standing Orders
    • Accounting Date: July 1, 2016 or later start date
    • Requested Delivery Date: June 30, 2017 or other end date
Competitive Selection/IL
Procurement Code & Rules

- RFP
- Bid
- Exception
- Exemption
- Existing Contract
- Contract?
- Purchase Order
- Delivery of Service/Supplies
- Invoice
- Vendor Paid
Key Statutes, Rules, & Policies

- IL Procurement Code (30 ILCS 500)
- Administrative Rules (44 IL Adm. Code 4)
  - Amended 1/15/16
  
  https://www.obfs.uillinois.edu/bfpp/
State Oversight of All Procurements

- Executive Ethics Commission (EEC)
  - Chief Procurement Officer (CPO)
  - State Purchasing Officer (SPO)
- Procurement Policy Board (PPB)
  - Statutory right to 30-day review of any bid, proposal, or contract, unless waived
  - Hold public hearings
  - Recommend to void a contract or reject a bid or proposal
Competitive Solicitation Required Unless...

• It’s one of the “3 E’s”
  – Exception
  – Exemption
  – Existing Contract
Competitive Solicitations

• Invitation for Bid (IFB)
  – Award made to the lowest price responsible and responsive bidder

• Request for Proposal (RFP)
  – Award considers technical evaluation factors and then price

• Request for Information (RFI)
  – Formal invitation to provide various types of information to help define scope of potential project
Competitive Solicitations

• Request them with Solicitation Information Form (SIF)
  – Replaces Professional and Artistic Services Information Form (PASIF)
  – Found at https://www.obfs.uillinois.edu/forms/purchases/
  – Provide adequate information to Purchasing to identify appropriate solicitation method to meet Unit's needs and requirements, University policy, best practices, and Illinois Procurement Code
  – Create clear, precise and complete scope of services
  – Define division of responsibility between the University and vendors
Requesting a Competitive Solicitation in iBuy

• After you have filled out the SIF...
  – Use iBuy Route to Purchasing Form
  – Select “iBuy Bid Vendor” as vendor
  – Fill in estimated amounts to request solicitations
  – Attach SIF as an Internal Attachment
  – Req does NOT create an encumbrance
Tips for Competitive Solicitations

• Quality of responses received from a competitive solicitation is directly related to quality and completeness of the solicitation document, specifically the scope of work or specifications; this requires a collaboration between the unit and Purchasing
  – Solicitation Information Form

• Allow sufficient time for the competitive process

• Contact UIC Purchasing for assistance
“E” #1 - Exceptions to requirements for Competitive Procurements

• Small purchases
  – $19,999 for P&A, $55,800 for Supplies or Services
  – “Stringing” is prohibited – Do NOT divide or plan procurements to avoid use of competitive solicitations
  – New Rules require Multiple Quotes [attach to iBuy req] and Procurement file

• Sole Sources
  – Single supplier or sole economically feasible source

• Emergency Purchases

• Professional and Artistic services
  – If less than $20,000, nonrenewable, one year or less in duration
  – New Rules require posting to Bulletin

• Donations
  – Can define source if grant, gift or bequest provides majority funding
“E” #2 – Procurement Code Exemptions

• General Exemptions
  – Intergovernmental agreements
  – Grants
  – Purchase of care [“services to recipient of a State aid program”]
  – Hiring of an individual as employee and not as an independent contractor
  – Anticipated litigation, enforcement actions, or investigations

• Higher Ed Exemptions
  – Repealed effective 12-31-14; awaiting passage of new legislation to be reinstated
“E” #3 - Existing Contract

– Procurement Contracts Search
  • http://apps.obfs.uillinois.edu/source/

– iBuy Catalogs (Hosted & Punch-out)

– Rules govern Amendments and Renewals
  • Contact UIC Purchasing for assistance
Certifications and Financial Disclosures

– State Certifications required for all purchases
– Financial Disclosures and Conflicts of Interest Form
  • Required at $50,000 and above
  • Must be secured or resolved prior to award
– Certification of No Change
  • Annually for multi-year contracts
– IL Procurement Gateway by CPO
  • Vendor registration will permit single submission of Financial Disclosures
Additional Required Approvals

– $250,000 or more per fiscal year
  • Per State Finance Act
  • In addition to University Comptroller
  • Chief Legal Counsel
  • President

– $1,000,000 or more per fiscal year
  • Board of Trustees
Contract Processing

1. Requisition
2. Competitive Selection Unless...
3. Contract?
4. Purchase Order
5. Delivery of Service/Supplies
6. Invoice
7. Vendor Paid

Template
Vendor Contract
Contract Processing

• Contract Approval/Routing Form (CARF)
  – https://www.obfs.uillinois.edu/forms/contracts/
  – Required Preliminary Approvals
    • Unit Head
    • Dean/Director ($50,000 or More)
    • VP/Chancellor/Vice Chancellor ($150,000 or More)
  – Use iBuy Route to Purchasing Form and Include CARF as Internal Attachment to iBuy Req w/ copy of proposed contract
  – Units/Orgs live in Illinois Contract System (iCS) route contracts in iCS
Contract Processing

- Contract Templates
  - [https://www.obfs.uillinois.edu/forms/contracts/](https://www.obfs.uillinois.edu/forms/contracts/)
    - Updated Contract for Services Under $10k Template (formerly P&A under $5k)
      - Payment submitted in TEM when single-payment
      - If no changes, should be executed by Unit Head and on behalf of Comptroller
    - Updated Procurement of Services Template (formerly P&A $5k or More)
      - New standard University contract
    - New templates are online fillable forms
Contract Processing

• Vendor Contracts
  – Purchasing works with University Counsel to review/negotiate terms protective of University
  – Longer timeframes to process
Vendor Paid

Requisition

Competitive Selection Unless..

Contract?

Purchase Order

Delivery of Service/Supplies

Invoice

Vendor Paid

Purchase Order Processing
Purchase Order Processing

• Standard terms and conditions
  – Non-negotiated
  – Automatically transmitted to vendor from iBuy
  – Not mutually executed

• Vehicle for payment
  – iBuy PO transfers to Banner to effectuate payment
Non-Conforming Purchases

1. Requisition
2. Competitive Selection Unless
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Non-Conforming Purchases

- Requisition
- Delivery of Service/Supplies
- Invoice
- Competitive Selection Unless..
- Contract?
- Purchase Order
- Vendor Paid
Non-Conforming Purchases

• Definition: The purchase request is submitted after goods are ordered or work has started, or after invoice received

• Consequences
  – Delayed payment or no payment to vendor
  – Department must confirm what is being done to prevent recurrence
  – Potential hearing with Procurement Policy Board
Tips/Best Practices

• Initiate purchasing processes as soon as possible after the need is identified and **before** giving Vendor go-ahead

• Make “E” your favorite letter - Take advantage of exceptions, exemptions, and existing contracts whenever possible

• Work with vendors that will accept the standard university contract template(s)
Tips/Best Practices (continued)

• Tips to avoid non-conforming orders
  – Training and education to everyone in your unit that is involved in the procurement function, including faculty and staff
  – Make sure vendor understands not to deliver goods/services prior to receiving a purchase order or they might not get paid
  – Vendor invoice must be dated after purchase order date
For Additional Information

• OBFS Purchases Web Page
  • [https://www.obfs.uillinois.edu/purchases/](https://www.obfs.uillinois.edu/purchases/)

• Purchases Who To Ask
  • [https://www.obfs.uillinois.edu/purchases/who-to-ask/](https://www.obfs.uillinois.edu/purchases/who-to-ask/)

• Illinois Procurement Bulletin – Public Institutions of Higher Education
  • [https://www.procur.e.stateuniv.state.il.us](https://www.procur.e.stateuniv.state.il.us)
How Can I Buy....?

• OBFS Home>Purchases>Ordering and Payment Methods: https://www.obfs.uillinois.edu/purchases/ordering-payment-methods/

• Direct Pay Exception List: https://www.obfs.uillinois.edu/payments-vendors-students/vendor-invoice-payment-process/non-po-invoices/
  – Contract for Services (under $10,000): https://www.obfs.uillinois.edu/forms/contracts/

Workshop Summary

• Today, you learned how to successfully navigate the Purchasing half of the “Purchasing to Payment roadmap”!
Questions / Concerns?