

Exceptions and Exemptions to Competitive Purchases

Workshop Presenter

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Please...

- Turn off cell phones.
- Avoid side conversations.
- Ask questions at any time.
- Sign the attendance roster.
- Complete the evaluation at the end of the workshop.

Workshop Objectives

- Review Exceptions to Competitive requirements of Procurement Code
 - Small Purchases
 - Sole Source
 - Emergency purchases
- Review Exemptions
- Encourage User department(s) to provide subject matter experts who are helpful when performing these processes

Small Purchases

- Effective 8/9/17
- Small Purchases – Code Sec. 20-20
 - \$100,000 Supplies & Services, Construction
- Professional & Artistic services – Sec. 35-35
 - Less than \$100,000, nonrenewable, one year or less in duration
 - Law, Accounting, Medicine, Dentistry, Clinical Psychology, Custom-Produced Art

Sole Sources

- Sole Source – Code Sec. 20-25
 - Sole economically feasible source
 - Single source
- Sole Source Justification Form (sample)
 - State Procurement Officer (SPO)
 - Chief Procurement Officer (CPO)

Justification Form



Sole Source Justification Form

Bulletin Reference Number
Requesting Agency/University

Sole Source Justification Form - Part I Section I - General Information

Department/Bureau/Section:
Need Identified Date: Supply/Service Need By Date:
Project Title:
Vendor:
Provide a description of the supplies or services required:
Value Value of Initial Term, this Change Order or Amendment:
Will this Sole Source amend a Professional or Artistic Services contract? Yes No
*Sole Source may not be used for amendments for Professional or Artistic Services if the amendment would increase the value by more than 5% of the initial award or extend the term by more than 60 days.
Type:

Section II - Proposed Term

One-Time Purchase Term Contract

Section III - Funding Source

Select the type of funding to be used (Check all that apply): State Appropriate Funds Federal Funds Other (Explain):

Section IV - Sole Source Justification

This purchase is economically only available from a single source because it is: (If "Other" explain in one sentence)

Section V - Purchase History

Has the Agency or University Purchased these supplies or services in the past? Yes No

Section VI - Business Rationale

1. Provide a detailed explanation of the need for the supplies or services:

2. Provide a list and describe in detail the specifications required to satisfy the need:

3. Provide detail explaining the justification selected in Section IV to explain why the requested supplies or services are the only ones available that can satisfy the agency or university requirements?

4. What are the unique features of the supplies or services that are not available in any other product or by any other vendor? Provide specific quantifiable factors/qualifications:

5. Has the Agency or University considered alternative supplies or services to satisfy their need?
 Yes No

Justification Form cont..



Sole Source Justification Form

Bulletin Reference Number

Requesting Agency/University

6. Are there resellers or distributors?

Yes No N/A

7. What efforts were made to get the best possible price (i.e. did the agency/university negotiate) and how did you determine the price for this purchase is considered fair and reasonable?

8. Will this purchase obligate the State to this vendor for future purchases such as maintenance, licensing or continuing need?

Yes No

9. What will be the financial or other impact to the State if this sole source is not approved and a competitive bid is required?

10. Is there any additional information you would like to add to justify this sole source?

Justification Form cont..



Sole Source Justification Form

Bulletin Reference Number
Requesting Agency/University

Section VII

Requesting Department Signature Required

I know and understand the contents of this Sole Source Justification and attest that all statements are true and correct and the fairness and reasonableness of the price was adequately confirmed.

Requesting Department Representative Phone Number Date
Printed Name E-mail Address

State Agency Bureau/Division Head or University Purchasing Director Approval and Signature Required

I know and understand the contents of this Sole Source Justification and attest that all statements are true and correct and the fairness and reasonableness of the price was adequately confirmed.

Agency Bureau/Division Head or University Purchasing Director and Not a Designee Phone Number Date
Printed Name E-mail Address

SPO Approval and Signature Required

I have reviewed and understand the contents of this Sole Source Justification and agree with the State Agency or University determination.

I have reviewed and understand the contents of this Sole Source Justification and do not agree with the State Agency or University determination. As a result, the State Agency or University must explore other sourcing methods to satisfy their need.

State Purchasing Officer Signature Phone Number Date
Printed Name E-mail Address

Justification Form cont..



Sole Source Justification Form

Bulletin Reference Number

Requesting Agency/University

Sole Source Justification Form - Part II

Section I - General Information

Project Title

Vendor

Initial Date of Procurement Bulletin Posting

Was a Sole Source hearing held per 30 ILCS 500/20-25?

- Yes - Complete Section II and III below. (Section II will only be visible when this option is selected.)
 No - Section II not required, go to Section III below.

Section III - CPO Approval and Signature Required

- Based on my review, I authorize the Agency/University to proceed in accordance with the published Notice referenced above.
 Based upon my review, I authorize the Agency/University to proceed with the following Changes. See Attachment.
 Based on my review, the Agency/University is not authorized to proceed with this sole source as presented and my recommendation is that it be cancelled.
 Other: See Attachment.

CPO Signature CPO Phone Date

CPO E-mail Printed Name

Emergency Purchases

- Emergency Purchases – Code Sec. 20-30
 - For public health, safety, collection of substantial State revenues or ensure integrity of State records
 - 90 days; can be extended by CPO
- Emergency Purchase Affidavit Form (Sample)

Emergency Purchase Affidavit Form

EMERGENCY PURCHASE AFFIDAVIT

Reference # _____

Chief Procurement Officer (CPO) making a procurement under Illinois Procurement Code (30 ILCS 500/20-30) shall file affidavit with Procurement Policy Board and Auditor General within 10 days.

Agency: _____ Division: _____

Address: _____

City: _____ State: _____ Zip: _____

Vendor: _____

Address: _____

City: _____ State: _____ Zip: _____

State of Illinois)
 : SS
 County of (insert county where affidavit is executed)

I, (insert name of affiant) being duly sworn, solemnly swear and affirm that I am (insert official title and office of affiant).

I have authorized the emergency procurement in accordance with standards as established by law and rule in fulfillment of the emergency purchase affidavit provisions of Illinois Procurement Code [30 ILCS 500/20-30] as follows.

- Involving threat to public health or public safety.
- Immediate expenditure is necessary for repairs to State property to protect against further loss of or damage
- To prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues.
- To insure integrity of State records
- Quick purchase as provided by Section 20-30 (d) of the Illinois Procurement Code

The conditions and circumstances requiring this emergency purchase, including reason for selection of the particular contractor are:

 (Continue on next page if necessary)

Expected Start Date: _____ Expected End Date: _____

Extension of previous emergency purchase: Yes or No

Term of emergency procurement shall not exceed 90 days. Contract may be extended beyond 90 days if CPO determines additional time is necessary; however, prior to execution of extension, CPO must hold a public hearing and provide written description.

Amount of this expenditure is: \$ _____ Actual or \$ _____ *Estimated

*When only an estimate of cost is available, the actual cost shall be reported immediately after it is determined.

I am duly authorized to make this affidavit. I know and understand the contents of this affidavit and all statements herein are true and correct. This affidavit is made pursuant to and in fulfillment of the requirements of Illinois Procurement Code [30 ILCS 500/20-30].

 Signature of Affiant

Subscribed and sworn before me this _____ day of _____ 20 _____

(Seal) x
 x
 x

 Notary Public

My Commission expires: _____



Exemptions

- Exemptions
 - General Exemptions – Sec. 1-10 (b)
 - Artistic or musical services, performances or theatrical productions – Sec. 1-12
 - Higher Ed Exemptions – Sec. 1-13
- Examples

Exemptions from applicability of Procurement Code

- Sec. 1-10 (b) General Exemptions continue (IGAs; Grants; Anticipated litigation, enforcement actions, investigations)
 - New: Costs for participation in a domestic or international tradeshow
- Sec. 1-12 restored: Exempts procurements for artistic or musical services, performances or theatrical productions held at a venue operated or leased by a State agency
- Sec. 1-13 restored plus new Exemptions
- Exempt procurements must be posted in the Bulletin
 - Within 14 days after contract execution
 - CPO must define form and content of notice
 - Must provide monthly reports of all exempt procurements to CPO

Higher Ed Exemptions from the Procurement Code – Sec. 1-13

- (1) Memberships in professional, academic, research or athletic organizations by the University, employee or student
- (2) Events or activities paid for exclusively by revenues generated by event or activity, gifts or donations for the event, or private grants
- (3) Potential contractors for events or activities mandated or identified by majority sponsor of event or activity
- (4) Athletic, artistic or musical services, performances, events by or for or productions at a venue operated by Higher Ed institution
- (5) Periodicals, books, subscriptions, database licenses, other publications for University library or academic department – excludes student textbooks or materials for resale or rental
- (6) Placement of students in externships, practicums, field experiences, medical residencies and rotations
- (7) Programming and broadcast license rights for University-operated radio and television stations

Higher Ed Exemptions (NEW)

- (8) Sponsored research and other sponsored activities under grants and contracts funded by the sponsor or sources other than State appropriations
- (9) Contracts with a foreign entity for research or educational activities, if the foreign entity does not maintain an office in the U.S. or is the sole source of the service or product
- (b-5) Medical supplies and medical services for delivery of care and treatment at medical, dental, or veterinary teaching facilities of SIU or UofI and any University-operated health care center or dispensary that provides care, treatment, and medications for students, faculty and staff
- (c) Procurements for fulfillment of a grant shall be made in accordance with the requirements of the Code to the extent practical
 - May request waiver of registration, certification and hearing requirements from CPO
 - Notice of waivers must be posted in Bulletin within 14 days of contract
- CPO must publish new Administrative Rules for Exemptions

Questions / Concerns?