2017 UIC Procurement Symposium

Exceptions and Exemptions to Competitive Purchases

Workshop Presenter

 Janielle Graham **Assistant Director UIC** Purchasing jgraha20@uillinois.edu

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

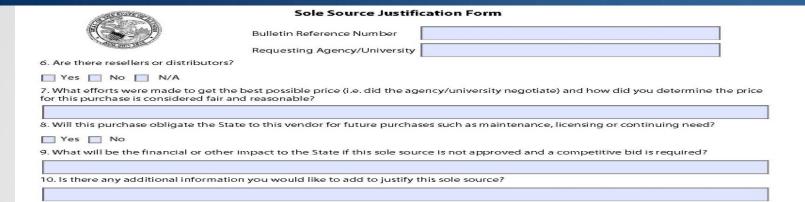
Sole Sources

- 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
Serie 18	Requesting Agency/University
Sole Source Justification Form	
Section I - General Information	n
Department/Bureau/Section:	
Need Identified Date:	Supply/Service Need By Date:
Project Title:	
Vendor:	
Provide a description of the sup	oplies or services required:
Value V	alue of Initial Term, this Change Order or Amendment:
	rofessional or Artistic Services contract? 🔲 Yes 🔛 No
"Sole Source may not be used for amen extend the term by more than 60 days.	dments for Professional or Artistic Services if the amendment would increase the value by more than 5% of the initial award or
Type:	-
Section II - Proposed Term	
One-Time Purchase Te	erm 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 Justifi	
This purchase is economically of	only available from a single source because it is: (If "Other" explain in one sentence)
Santian W. Dunahara History	E
Section V - Purchase History Has the Agency or University Pu	urchased these supplies or services in the past? 🍴 Yes 🦳 No
Section VI - Business Rationale	
 Provide a detailed explanation 	n of the need for the supplies or services:
2. Provide a list and describe in	detail the specifications required to satisfy the need:
	justification selected in Section IV to explain why the requested supplies or services are the only ones
available that can satisfy the age	ency or university requirements?
 What are the unique features specific quantifiable factors/qua 	of the supplies or services that are not available in any other product or by any other vendor? Provide alifications:
5. Has the Agency or University	considered alternative supplies or services to satisfy their need?
Yes No	•
Version 6	1

Justification Form cont...



Version 6

Justification Form cont...

S. Contract	Sole Source Ju	ustificati	on Form	Ē.			
(a) (a)	Bulletin Reference Numb	er					
200 Page 1935	Requesting Agency/Unive	ersity					
Section VII							
Requesting Department Signat	ure Required						
I know and understand the conte and reasonableness of the price w		ation and	attest that	all staten	ments are true and co	rrect an	d the fairness
Requesting Department Represer	ntative		Phone N	Number		Date	
Printed Name		E-ma	l Address				
I know and understand the conter and reasonableness of the price w	vas adequately confirmed. University	ation and	Phone N		nents are true and co	1	d the fairness
Purchasing Director and Not a De	esignee	_	_ Phone is	number		Date	
Printed Name		E-mail /	Address				
SPO Approval and Signature Requ	uired						
 I have reviewed and understand determination. 	I the contents of this Sole Sou	irce Justifio	ation and	agree wi	th the State Agency o	r Unive	rsity
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 Nur	mber		Date	
Printed Name		E-mail A	Address				



Version 6

Justification Form cont...

	Sole Source Bulletin Reference Nu Requesting Agency/U	mber		Form			
Sole Source Justificatio							
Section I - General Infor	mation						
Project Title							
Vendor							
Initial Date of Procureme	nt Bulletin Posting						
Was a Sole Source hearin	g held per 30 ILCS 500/20-25?						
Yes - Complete Section	on II and III below. (Section II will only be visit	ble when this	s option is sele	ctecl.)			
No - Section II not rec	uired, go to Section III below.						
Section III - CPO Approv	al and Signature Required						
Based on my review,	l authorize the Agency/University to	proceed	in accorda	ance w	ith the published Notic	e referenc	ced above.
	w, I authorize the Agency/University						
Based on my review, is that it be cancelled	the Agency/University is not authori:	zed to pr	oceed with	h this s	sole source as presented	and my	recommendation
Other: See Attachmer							
CPO Signature		CPO PI	none			Date	
CPO E-mail		_	Printed Na				
Version 6							4

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 AFFIDAVI	т		Refe	erence #
Chief Procurement Officer (CPO) making a pa Board and Auditor General within 10 days.	rocurement under Illinois	Procurement Code (30 II	CS 500	'20-30) shai	ll file affidavit w	vith Procurement Policy
Agency:		Division:				
Address:						
City:					Zip:	
Vendor:						
Address:						
City:					Zip:	
State of Illinois : SS County of [insert county where affidavit is exec						
 (insert name of affiard) being duly sworn, sole I have authorized the emergency procurement 		-				nency nurchase affidavit
provisions of Illinois Procurement Code [30 ILC		arus as established by lar	r and ru	e iii idiiiiiiie	and or the entery	gency purchase amuant
Immediate expenditure is necessary for To prevent or minimize serious disruption To insure integrity of State records Quick purchase as provided by Section 3 The conditions and circumstances requiring this	n in critical State services 20-30 (d) of the Illinois Pro	that affect health, safety, ocurement Code	or collect	tion of subst		renues.
					(Continue on	next page if necessary)
Expected Start Date:		Expect	ed End	Date:		
Extension of previous emergency purchase: Term of emergency procurement shall not extension, CPO	ceed 90 days. Contract				dermines additi	ional time is necessary;
Amount of this expenditure is: S		Actual	or	\$		*Estimated
"When only an estimate of cost is available, the	e actual cost shall be repo	orted immediately after it	is detern	rined.		
I am duly authorized to make this affidavit. I kn made pursuant to and in fulfillment of the requir				ments herei	in are true and	correct. This affidavit is
		2-		Signature	of Affiant	
Subscribed and sworn before me this	day of	20	_			
×						
(Seal)	×			Notary Pu	blic	
(Coar)	×	My Commission exp	oires:			



Emergency Purchase Affidavit Form cont...

Section 20 30	Emorgoney purchase

(a) Conditions for use. In accordance with standards set by rule, a purchasing agency may make emergency procurements without competitive sealed bidding or prior notice when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records; provided, however, that the term of the term of the emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to the execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Emergency procurements shall be made with as much competition as is practicable under the circumstances. A written description of the basis for the emergency and reasons for the selection of the patricular contractor shall be included in the contract file.

(b) Notice. Notice of all emergency procurements shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than 3 business days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 days before the public hearing. Notice shall include at least a description of the need for the emergency purchase, the contractor, and if applicable, the date, time and location of the public hearing. A copy of this notice and all documents provided at the hearing shall be included in the subsequent Procurement Bulletin. Before the next appropriate volume of the Illinois Procurement Bulletin a copy of each written description and reasons and the total cost of each emergency procurement made during the previous month. When only an estimate of the total cost is known at the time of publication, the estimate shall be identified as an estimate and published. When the actual total cost is determined, it shall also be published in like manner before the 10th day of the next succeeding month.

(c) Affidavits. A chief procurement officer making a procurement under this Section shall file affidavits with the Procurement Policy Board and the Auditor General within 10 days after the procurement setting forth the amount expended, the name of the contractor involved, and the conditions and circumstances requiring the emergency procurement. When only an estimate of the cost is available within 10 days after the procurement, the actual cost shall be reported immediately after it is determined. At the end of each fiscal quarter, the Auditor General shall file with the Legislative Audit Commission and the Governor a complete listing of all emergency procurements reported during that fiscal quarter. The Legislative Audit Commission shall review the emergency procurements so reported and, in its annual reports, advise the General Assembly of procurements that appear to constitute an abuse of this Section.

(d) Quick purchases. The chief procurement officer may promulgate rules extending the circumstances by which a purchasing agency may make purchases under this Section, including but not limited to the procurement of items available at a discount for a limited period of time. (Source: P.A. 90-572, eff. date - Sec Sec. 99-5.)

For continuation if necessary:	#Reference



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 Uofl 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
 - o May request waiver of registration, certification and hearing requirements from CPO
 - o Notice of waivers must be posted in Bulletin within 14 days of contract
- CPO must publish new Administrative Rules for Exemptions

Questions / Concerns?