

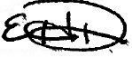


CHIEF PROCUREMENT OFFICE

Ellen H. Daley, General Services

Notice 2018.10 General Services

To: Agency Procurement Staff
Central Management Services Bureau of Strategic Sourcing
State Purchasing Officers

From: Ellen H. Daley 

Date: June 21, 2018

Subject: Small Purchase Designation and Process

CC: Procurement Compliance Monitors
Procurement Policy Board

The Chief Procurement Officer for General Services (CPO-GS) recognizes when State agencies purchase supplies and services from Illinois' small businesses, they are re-investing in Illinois' economy and stimulating job creation. Pursuant to Section 45-45(a) of the Illinois Procurement Code, procurements that have a value from \$2,000 to the small purchase maximum shall be set-aside for vendors registered and approved in the Small Business Set-Aside Program (SBSP), unless emergency or sole source conditions apply. Please note that this Notice amends and supersedes in part any previous CPO Notice containing information in direct conflict with this Notice.

Each State agency shall have a signed *State Agency Small Purchase Designation* document on file with the Chief Procurement Office before using the small purchase procedures described below in Conditions #1, #2, #3 and #4. For State agencies that do not have a completed *State Agency Small Purchase Designation* document (blank form attached) on file with the Chief Procurement Office, the State Agency shall follow the procedures as modified and described in #8. The State Agency Head's acceptance of this designation is completely voluntary and pursuant to the authority of 44 Ill. Admin. 1.1060. The designation takes effect once the State Agency Head signs and returns the form to the Chief Procurement Office.

State agencies that *have been* designated authority to conduct small purchases under the conditions described in #1, #2, #3, and #4 shall use BidBuy to conduct the transaction, adhere to the conditions below, and follow the instructions in the BidBuy Small Purchase Process Manual. The BidBuy manual, job aids, and other reference material is available on the CPO's website at:

<https://www2.illinois.gov/cpo/general/Pages/BidBuy/BidBuyTrainingResources.aspx>.

#1 Small Purchases less than \$2,000

- These procurements are not set-aside for small businesses.
- The State Agency may source a single SBSP or non-SBSP vendor.
- No SBSP waiver is required.
- No SPO involvement is required.
- The executed *State Agency Small Purchase Designation* memo serves as the written determination for awarding the contract and must be put into the procurement file.



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#2 Small Purchases General from \$2,000 to \$10,000 inclusive

- These procurements are set-aside for small businesses.
- General Small Purchases are procurements when neither emergency nor sole source conditions exist.
- The State Agency may source a single SBSP vendor.
- All SBSP vendors with the selected NIGP Codes must be solicited unless the Agency is able to source a single SBSP vendor.
- A non-SBSP vendor may be used only after all required SBSP vendors have been solicited and determined unacceptable.
- SBSP waiver is required if awarding the procurement to a non-SBSP vendor.
- The Agency shall authorize the SBSP waiver if appropriate.
- No SPO involvement is required.
- The executed *State Agency Small Purchase Designation* memo serves as the written determination for awarding the contract and must be put into the procurement file.

#3 Small Purchases when Emergency Conditions exist from \$2,000 to \$10,000 inclusive

- The State Agency determines if a small purchase meets emergency conditions.
- The State Agency may source a single SBSP or non-SBSP vendor.
- No SPO involvement is required.
- The executed *State Agency Small Purchase Designation* memo serves as the written determination for awarding the contract and must be put into the procurement file.

#4 Small Purchases when Sole Source Conditions exist from \$2,000 to \$10,000

- The State Agency determines if a small purchase meets sole source conditions.
- The State Agency may source a single SBSP or non-SBSP vendor.
- No SPO involvement is required
- The executed *State Agency Small Purchase Designation* memo serves as the written determination for awarding the contract and must be put into the procurement file.

#5 Small Purchases General greater than \$10,000 to the small purchase maximum

- These procurements are set-aside for small businesses.
- General Small Purchases are procurements when neither emergency nor sole source conditions exist.
- All SBSP vendors with the selected NIGP Codes must be solicited.
- A non-SBSP vendor may be used only after all required SBSP vendors have been solicited and determined unacceptable or other another justification warrants use of a non-SBSP vendor.
- SBSP waiver is required if awarding the procurement to a non-SBSP vendor.
- The SPO shall authorize the SBSP waiver if appropriate.



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#6 Small Purchases when Emergency Conditions exist greater than \$10,000 to the small purchase maximum

- The State Agency may source a single SBSP or non-SBSP vendor.
- SPO approval is required.

#7 Small Purchases when Sole Source Conditions exist greater than \$10,000

- The State Agency may source a single SBSP or non-SBSP vendor.
- SPO approval is required.

Small Purchase Conditions with Designated Authority

Condition	Dollar Value	Procurement Conditions	SBSP Set-Aside?	SBSP Waiver?	Signatory on SBSP Waiver
#1	< \$2,000	General/Sole Source/Emergency	No	No	N/A
#2	\$2,000 - \$10,000	General	Yes	Yes	Agency
#3	\$2,000 - \$10,000	Emergency	No	No	N/A
#4	\$2,000 - \$10,000	Sole Source	No	No	N/A
#5	> \$10,000	General	Yes	Yes	SPO
#6	> \$10,000	Emergency	No	No	N/A
#7	> \$10,000	Sole Source	No	No	N/A

State agencies that *have not been* designated authority by the CPO-GS to conduct small purchases shall follow the Standard Small Purchase Process described below in Condition #8.

#8 Small Purchases without Designated Authority from \$1 to \$10,000 inclusive

- Small Purchase ***General or when Emergency or Sole Source Conditions exist less than \$2,000***
 - The State Agency is not required to use BidBuy to conduct the transaction.
 - General Small Purchases are procurements when neither emergency nor sole source conditions exist.
 - These procurements are not set-aside for small businesses.
 - The State Agency may source a single SBSP or non-SBSP vendor
 - The State Agency shall submit a monthly report to the SPO assigned to their agency detailing each small purchase completed in the previous month with the (1) date of award, (2) name of vendor, (3) estimated contract value, (4) description of the supply or service, and (5) if the awarded vendor is in the SBSP.
 - The SPO shall provide written determination that each small purchase on the monthly report meets the requirements of this Notice, and applicable sections of the Procurement Code (30 ILCS 500/20-20, 30 ILCS 500/45-45) and Administrative rule (44 ILL CODE 1.2020, 44 ILL CODE 1.4545).



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- Small Purchase **General from \$2,000 to \$10,000 inclusive**
 - These procurements are set-aside for small businesses.
 - The State Agency may source a single SBSP vendor.
 - All SBSP vendors with the selected NIGP Codes must be solicited unless the Agency is able to source a single SBSP vendor.
 - A non-SBSP vendor may be used only after all required SBSP vendors have been solicited and determined unacceptable.
 - SBSP waiver is required if awarding the procurement to a non-SBSP vendor.
 - The SPO shall authorize the SBSP waiver if appropriate.
 - The State Agency shall submit a monthly report to the SPO assigned to their agency detailing each small purchase completed in the previous month with the (1) date of award, (2) name of vendor, (3) estimated contract value, (4) description of the supply or service, and (5) if the awarded vendor is in the SBSP.
 - The SPO shall provide written determination that each small purchase on the monthly report meets the requirements of this Notice, and applicable sections of the Procurement Code (30 ILCS 500/20-20, 30 ILCS 500/45-45) and Administrative rule (44 ILL CODE 1.2020, 44 ILL CODE 1.4545).

- Small Purchase **when Emergency or Sole Source conditions exist from \$2,000 to \$10,000 inclusive**
 - The State Agency determines if a small purchase meets emergency conditions.
 - The State Agency may source a single SBSP or non-SBSP vendor.
 - The State Agency shall submit a monthly report to the SPO assigned to their agency detailing each small purchase completed in the previous month with the (1) date of award, (2) name of vendor, (3) estimated contract value, (4) description of the supply or service, and (5) if the awarded vendor is in the SBSP.
 - The SPO shall provide written determination that each small purchase on the monthly report meets the requirements of this Notice, and applicable sections of the Procurement Code (30 ILCS 500/20-20, 30 ILCS 500/45-45) and Administrative rule (44 ILL CODE 1.2020, 44 ILL CODE 1.4545).

All Agency staff conducting small purchases is required to attend a BidBuy Small Purchase training session. This 45-minute webinar will be offered multiple times in July. To register for one of the sessions, please use the registration link found on the CPO's website: <https://www2.illinois.gov/cpo/general/pages/events.aspx>.

If there are any questions regarding this notice, please contact your State Purchasing Officer or the Chief Procurement Office at (217) 558-2231.

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