

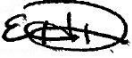


CHIEF PROCUREMENT OFFICE

Ellen Daley, General Services

Notice 2018.03 General Services

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

From: Ellen H. Daley 

Date: October 16, 2017

Subject: Procurement Code Amendments, BidBuy Implementation, New Templates

CC: Procurement Compliance Monitors
Procurement Policy Board

The Chief Procurement Office for General Services (CPO-GS) is committed to providing the tools and resources to state agencies to efficiently conduct thousands of procurement transactions each year. With the enactment of Public Act 100-0043 and the launch of BidBuy, a number of procurement procedures have or will change. This CPO Notice provides specific instruction resulting from these changes.

Public Act 100-0043 (Senate Bill 8)

- 30 ILCS 500/1-10(b) requires state agencies to post information about certain Procurement Code exempt transactions entered into on or after October 1, 2017, to the Illinois Procurement Bulletin (IPB). When an agency creates an exempt award notice and wants it published, they shall notify their State Purchasing Officer who will publish it. Best practice requires that an award notice is created for each exempt procurement and published at the time of award. If an agency executes a large number of exempt transactions subject to this requirement, then the agency may request from their State Purchasing Officer to use the *Procurement Code Exempt Contracts V.18.1* form to post multiple awards under one notice. Download this form at <https://www.illinois.gov/cpo/general/Pages/SolicitationandContractTemplates.aspx>. Under no circumstance will an agency be approved to post these notices on less than a monthly basis.
- 30 ILCS 500/15-25(c-10) requires posting a notice of contract renewal to the IPB within 14 calendar days of the determination to execute the renewal. The posting shall be published no later than 14 consecutive calendar days, counting the day after contract execution as day one.
- 30 ILCS 500/20-20 sets the small purchase threshold at \$100,000 and includes procurements of professional and artistic services and construction. The small purchase threshold indicates when an agency may no longer use the small purchase procurement method and must use formal competitive solicitation processes, like an Invitation for Bid or Request for Proposal. Pursuant to CPO Notice 2016.03, procurements that have a value from \$1,000 to the small purchase threshold inclusive shall be set-aside for small businesses registered and approved as a Small Business Set-Aside Program vendor.
- 30 ILCS 500/20-30(c) requires the chief procurement officer to file a statement with the Procurement Policy Board and Auditor General providing information about the emergency procurement. This statement replaces the previously required affidavit. The procuring agency and State Purchasing Officer shall use the *Emergency Purchase Statement V.18.1* to satisfy this requirement. Download this form at <https://www.illinois.gov/cpo/general/Pages/SolicitationandContractTemplates.aspx>.



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- 30 ILCS 500/20-43 requires the awarded bidder, offeror, or proposer to be authorized to transact business or conduct affairs in Illinois prior to execution of the contract. If the potential contractor is registered in the Illinois Procurement Gateway, then they have satisfied the requirement. If the potential contractor is not in the IPG, then the agency must verify from the appropriate source that the person or entity is authorized to transact business or conduct affairs in Illinois. The State Purchasing Officer may request proof of verification prior to approving execution of the contract. See Attachment A. *Common Sources to Verify Being Authorized to Transact Business or Conduct Affairs*.
- 30 ILCS 500/20-160(g) permits business entities required to register with the Board of Elections under this Section may be offered 5 business days to achieve compliance if the bidder or offeror made a good faith effort to comply. Upon discovery that a bidder or offeror is not in compliance, the agency shall request the State Purchasing Officer (SPO) offer the opportunity to cure. If the SPO determines that a good faith effort was made, then the SPO may email the vendor with the opportunity to achieve compliance.
- 30 ILCS 500/45-90 repeals the Small Business Contracts Act (30 ILCS 503/) and moves it into this Section of the Procurement Code. It now permits the State to count SBSP subcontracts towards the 10% goal. The CPO-GS notified SBSP vendors that they must self-report relevant subcontract information to the CPO-GS. The requirement to self-report may be viewed here <https://www.illinois.gov/cpo/general/Pages/Sell2Illinois.aspx>.
- 30 ILCS 50-2 requires contractors, whose terms are more than one year in duration, to notify the CPO of any changes that affect its ability to satisfy certain requirements of Article 50 of the Procurement Code. In November 2017, the CPO-GS will publish a General Notice to the IPB notifying contractors of this requirement. This procedure replaces the previous annual notification as detailed in *CPO Notice 2017.05 Continuing Disclosure for Multi-Year Contractors*.
- 30 ILCS 500/53-10 recognizes no-cost contracts and requires that awards of no-cost procurements identify the estimated business value to the lessee and the value to the State. All agencies conducting no-cost procurements shall specify in the solicitation that bidders or offerors provide an estimated business value to the contractor and value to the State in their bid or offer.

BidBuy Implementation

In the coming months, the CPO for General Services and the Department of Central Management Services will be requiring state agencies to use BidBuy for more of their procurement and contracting functions. During this rollout, BidBuy will impact procurement policies and practices and require the CPO-Gs to further update them.

- **Procurements > \$2,000.** Once the BidBuy team approves an agency to use BidBuy after a specified date, the agency shall use BidBuy to conduct all procurements valued at \$2,000 or greater. Beginning October 16, 2017, all agencies have been approved to conduct Direct Release Off Master Contracts and shall use BidBuy for these procurements where the statewide master contract has been loaded into BidBuy. Exceptions to this requirement are use of the United Parcel Service Small Package Air & Ground Delivery Services contract (IPB reference #22032918) and agencies using SAP ERP to conduct release orders off master contracts.
- **Procurement File.** 30 ILCS 500/20-155 requires the maintenance of a procurement file. For procurements where an agency documents its procurement need in BidBuy, the procurement file will be the electronic data stored in BidBuy. To allow the opportunity for public inspection of the procurement file 7 business days following award of the contract, agencies and SPOs shall upload all required documentation into BidBuy.



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- **Terminology.** BidBuy uses terminology that is different from what is used in the Procurement Code, administrative rule, and CPO notices. In instructional webinars, manuals, and videos, BidBuy trainers explained these differences and that they cannot be changed since BidBuy is off-the-shelf software. For example, responses of all types (i.e. bids, offers, proposals) are termed “Quote” in BidBuy. The CPO-GS will continue to use Procurement Code terminology in all policy statements, forms, and correspondence.
- **Cross-posting to the Illinois Procurement Bulletin (IPB).** To promote competition and transparency, agencies shall publish a notice to the IPB (<http://www.purchase.state.il.us/ipb/IPBhomep.nsf?Open>) each time they post a new Invitation for Bid or Request for Proposal on BidBuy. The CPO-GS will stop this cross-posting requirement after determining that the number of responses to solicitations and number of registered vendors in BidBuy is sufficient to ensure competition. Agencies may use this copy in their IPB notice or something substantially similar:

NOTICE: A new solicitation that you may be interested in has been published on the State of Illinois’ new eProcurement system, BidBuy. Please go to <https://www.bidbuy.illinois.gov/bsol/> to view this solicitation, including any further updates and notices. You may search for the solicitation by clicking on the “Contract & Bid Search” link from the homepage and entering in the BidBuy Bid # on the Advanced Search screen.

This Solicitation has been posted to the Illinois Procurement Bulletin (IPB) as a courtesy notice. You will only find the full Solicitation on BidBuy. No further updates for this solicitation will be cross-posted to the IPB.

BidBuy Bid # _____

Instructions on how to register in BidBuy, respond to Bids and help desk information can be found on the BidBuy homepage. For questions specific to the solicitation, please contact the soliciting agency contact/buyer.

- There is the possibility that the State may unintentionally provide information to vendors that conflicts between information in paper format and information in BidBuy. When the State provides information in paper format that is different or in conflict with the information the State provides in BidBuy, then the information in paper format is presumed to represent the State’s intent. Similarly, if the Bidder, Offeror, or Proposer provides information in paper format that is different or in conflict with the information the Bidder provides in BidBuy, then the information in paper format shall represent the Bidder, Offeror, or Proposer’s intended submission.

Templates V.18.1

To comply with requirements in P.A. 100-0043 and incorporate references to BidBuy, the CPO-GS is issuing five (5) new procurement templates as V.18.1. These templates replace all previous versions and are located on the CPO’s website at <https://www.illinois.gov/cpo/general/Pages/SolicitationandContractTemplates.aspx>.

- 1) Invitation for Bid V.18.1
- 2) Stand Alone Contract V.18.1
- 3) Basic Order Agreement Under \$50,000 V.18.1
- 4) Basic Order Agreement Over \$50,000V.18.1



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5) Basic Order Agreement for Orders Against Master Contracts V.18.1

These templates may be used now, but must be used for solicitations published and contracts executed on or after November 15, 2017, unless the State Purchasing Officer grants an exception for solicitations in progress.

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

- End -



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Attachment A. Common Sources to Verify Being Authorized to Transact Business or Conduct Affairs

Referenced in CPO Notice 2018.03

Statutory Requirement (30 ILCS 500/20-43)

Sec. 20-43. Bidder or offeror authorized to transact business or conduct affairs in Illinois. In addition to meeting any other requirement of law or rule, a person (other than an individual acting as a sole proprietor) may qualify as a bidder or offeror under this Code only if the person is a legal entity prior to submitting the bid, offer, or proposal.

The legal entity must be authorized to transact business or conduct affairs in Illinois prior to execution of the contract. This Section shall not apply to construction contracts that are subject to the requirements of Sections 30-20 and 33-10 of this Code. The pre-qualification requirements of Sections 30-20 and 33-10 of this Code shall include the requirement that the bidder be registered with the Secretary of State.

(Source: P.A. 100-43, eff. 8-9-17.)

Common Sources to Verify Being Authorized to Transact Business or Conduct Affairs in Illinois

- For Corporations and Limited Liability Companies – Illinois Secretary of State
<http://www.ilsos.gov/corporatellc/> for corporations and LLCs
- For Limited Partnerships and Limited Liability Partnerships – Illinois Secretary of State
<http://www.ilsos.gov/lprpsearch/> for LPs and LLPs
- For Agricultural Co-ops – Illinois Department of Agriculture
<https://www.agr.state.il.us/warehouses/agcoop.php> for agricultural Co-ops and
- For Insurance Companies – Illinois Department of Insurance
<http://insurance.illinois.gov/applications/RegEntPortal/> for Insurance Companies
- For Banks, three verification sources exist:
<http://www.obrelookupclear.state.il.us/default.asp?Division=11&Profession=73&status=3> – Illinois Department of Financial and Professional Regulation
<http://www.ffiec.gov/nicpubweb/nicweb/SearchForm.aspx> – National Information Center
<https://www5.fdic.gov/idasp/advSearchLanding.asp> – Federal Deposit Insurance Corporation