

Small Purchase Process and Procedures

1. Standard Small Purchase Process

Unless an authorized exception applies, the Agency shall complete the following procedures, activities and functions (points 1 through 12) to conduct small purchase procurements.

- 1.1. Identify a need for goods or services.
- 1.2. Estimate the total cost of the procurement.
- 1.3. If over \$10,000 and an exception is not applicable, obtain SPO's approval in PBC for the procurement method.
- 1.4. Develop written specifications with sufficient information for a reasonable vendor to understand the goods or services to be provided, determine its willingness and ability to provide the goods or services, and determine pricing.
- 1.5. Identify small businesses registered in the Illinois Procurement Gateway (IPG) (<https://ipg.vendorreg.com>) under commodity code(s) applicable to the goods or services needed.
- 1.6. Email all identified small businesses a request for quote, including the written specifications, a specified pricing format to ensure ability to compare prices, and a reasonable deadline for responses.
- 1.7. Review and compare responses received.
- 1.8. Award to the registered responsive small business with the lowest price.
- 1.9. If the Agency does not believe awarding to a registered responsive small business is in the State's best interest, the Agency shall:
 - 1.9.1. Complete a *Small Business Set-Aside Program Waiver* form (SBSP Waiver) with approval by the SPO,
 - 1.9.2. Obtain quotes from at least three (3) non-Small Business Set-Aside Program (SBSP) vendors, and
 - 1.9.3. Award to the vendor with lowest price.
- 1.10. Document SPO's justification for award in the PBC.
- 1.11. Document SPO's approval of the contract in the PBC.
- 1.12. Execute contract.

2. Five Exceptions to the Standard Small Purchase Process

#1 - Small Purchase less than \$1,000 (No SPO Involvement)

1. Identify a need for goods or services.
2. Estimate the total cost of the procurement.
3. Develop written specifications with sufficient information for a reasonable vendor to understand the goods or services to be provided, determine its willingness and ability to provide the goods or services, and determine pricing.
4. May source a single SBSP vendor or non-SBSP vendor.
5. No SBSP Waiver is required.
6. The executed *State Agency Small Purchase Designation* memo serves as the written determination for awarding the contract.

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#2 - Small Purchase from \$1,000 to \$10,000 inclusive, excludes Sole Source Condition and Emergency Condition Purchases (No SPO Involvement)

1. Identify a need for goods or services.
2. Estimate the total cost of the procurement.
3. Develop written specifications with sufficient information for a reasonable vendor to understand the goods or services to be provided, determine its willingness and ability to provide the goods or services, and determine pricing.
4. May obtain a quote from a **single small business** registered in the Illinois Procurement Gateway (<https://ipg.vendorreg.com>) under commodity code(s) applicable to the goods or services needed.
 - 4.1. If the small business' quote meets the Agency's needs, then award the contract.
 - 4.2. If the small business' quote does not meet the Agency's needs, then:
 - Identify small businesses registered in the Illinois Procurement Gateway (<https://ipg.vendorreg.com>) under codes applicable to the goods or services needed.
 - Email all identified small businesses a request for quote, including the written specifications, a specified pricing format to ensure ability to compare prices, and a reasonable deadline for responses.
 - Review and compare responses received.
 - Award to the responsive vendor with the lowest price.
5. If the Agency does not believe awarding to a registered small business is in the State's best interest, the Agency shall:
 - 5.1. Complete a SBSP Waiver with approval by the appropriate Agency designee (Agency completes the Waiver).
 - 5.2. Obtain quotes from at least three non-SBSP vendors, and
 - 5.3. Award to the responsive vendor with lowest price.
6. The executed *State Agency Small Purchase Designation* memo serves as the written determination for awarding the contract.

#3 - Emergency Condition Exists for Purchases from \$1,000 to \$10,000 inclusive (No SPO Involvement)

1. Identify a need for goods or services.
2. Estimate the total cost of the procurement.
3. Develop written specifications with sufficient information for a reasonable vendor to understand the goods or services to be provided, determine its willingness and ability to provide the goods or services, and determine pricing.
4. May source a single SBSP vendor or non-SBSP vendor.
5. If a SBSP Waiver is required, complete a SBSP Waiver with approval by the appropriate Agency designee (Agency completes Waiver).
6. The executed *State Agency Small Purchase Designation* memo serves as the written determination for awarding the contract.

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#4 - Emergency Condition Exists for Purchases Greater than \$10,000 up to the Small Purchase Threshold (currently \$50,400) (SPO Involvement Limited to PBC)

1. Identify a need for goods or services.
2. Estimate the total cost of the procurement.
3. Develop written specifications with sufficient information for a reasonable vendor to understand the goods or services to be provided, determine its willingness and ability to provide the goods or services, and determine pricing.
4. May source a single SBSP vendor or non-SBSP vendor.
5. If a SBSP Waiver is required, complete a SBSP Waiver with approval by the appropriate Agency designee (Agency completes Waiver).
6. If over \$20,000, execute the contract.
7. If over \$20,000, contract must be signed timely to avoid the necessity of a Late Execution Waiver.
8. Document SPO's approval for the procurement method, award determination, and contract in the PBC.

#5 - Sole Source Conditions Exist for Purchases \$1,000 and Greater

1. Identify a need for goods or services.
2. Estimate the total cost of the procurement.
3. Develop written specifications with sufficient information for a reasonable vendor to understand the goods or services to be provided, determine its willingness and ability to provide the goods or services, and determine pricing.
4. If over \$10,000, document SPO's approval for the procurement method in PBC.
5. May source a single SBSP vendor or non-SBSP vendor.
6. If over \$10,000, document SPO's approval for the award determination in PBC.
7. SPO completes SBSP Waiver, if not awarded to a SBSP vendor.
8. Document SPO's approval of the contract in the PBC.
9. If over \$20,000, execute the contract.