



CHICAGO STATE UNIVERSITY

Procurement Services

Purchasing Definitions and Common Terms

BEP – Business Enterprise Program (Illinois)

Bid Threshold or Small Purchase Threshold – The purchase amount at which a solicitation (IFB, RFP, etc.) must be conducted. The Bid Threshold is currently \$100,000 for most categories of purchases.

CDB - Capital Development Board (Illinois)

CMS - Central Management Services (Illinois)

CPO-HE – Chief Procurement Officer for Higher Education (Illinois)

Emergency Purchase – As defined by the State of Illinois, an emergency purchase for an amount of \$100,000 or more may be made with the cooperation of the Purchasing Department only if one or more of the following statements are true:

- Public health or safety is threatened
- Immediate repairs are needed to protect University property against loss or damage
- Immediate action is needed to prevent or minimize serious disruption in University services
- Integrity of University records is threatened

The term of an emergency purchase is 90 days maximum and may only be extended with the approval of the Chief Procurement Officer for Higher Education (CPO-HE).

Exemption - A contract is exempt from the usual selection process in the Illinois Procurement Code due to specific provisions made for public institutions of higher education. 30 ILCS 500/1--13

Federal Excise Tax - Public universities are exempt from federal excise tax. On orders subject to federal excise tax, universities will furnish, upon request, an exemption certificate.

Illinois Procurement Bulletin for Public Institutions of Higher Education -

<https://www.procure.stateuniv.state.il.us/> The public portal used by all State of Illinois publicly funded campuses to post solicitations and other notices regarding their procurement activities.

Invitation for Bid (IFB) – A document issued by the University inviting suppliers to submit sealed **Bids** in competition with other vendors or suppliers to meet the specified needs of the University. Sealed bid openings are governed by State of Illinois rules and law, conducted as scheduled and are open to the public. Upon completion of the public opening, individuals outside the university are not allowed further information or review of the bids until after an award has been made, and then only via Freedom of Information Act (FOIA) Requests filed with the University. Bids are verified to ensure that all stated University requirements, as well as State rules and laws, are satisfied. After verification that all



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requirements are met, the lowest price bid receives the award from the University. *Bids are evaluated on price alone.

Invoices - A bill sent to a university requesting payment. It shows quantity, price, and nature of goods or services delivered. Vendors are required to submit all invoices as directed in any purchase order or contract. Any questions concerning billing, payments, or statements should be directed to the Accounts Payable office of the University.

Loaner/Demonstrator Equipment - Vendors' representatives may provide demonstrator or loaner equipment for purposes of exploration and examination. This is done entirely at the option of the vendor and with no commitment by a university. Vendors are cautioned to secure a signed receipt from the authorized individual and to advise Procurement Services of this action.

Notice - A brief summary of a procurement action published to the Illinois Procurement Bulletin for Public Institutions of Higher Education. These are posted to announce many different activities, including but not limited to exempt purchases, purchases of less than \$100,000 for professional and artistic services, and to announce solicitation opportunities, changes, and awards.

PPB - Procurement Policy Board (Illinois)

Procurement – A purchase of goods or services for the University from a third party (not an employee or University Related Organization (URO)) that receives payment from the University. State rules and laws as well as University policies require that contracts/agreements are in place BEFORE any performance/delivery.

PCM – Procurement Compliance Monitor (Illinois)

Purchase Order - A document (paper or electronic) which the University sends to a supplier to order particular goods and/or services. It authorizes the vendor to deliver the particular goods and/or services. The purchase order, along with any attachments, is considered a legal contract.

Qualifications-Based Selection (QBS) - Construction-related professional services subject to the Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act (30-ILCS 535) are exempt from the Procurement Code. The QBS process facilitates the selection of professional design firms on the basis of qualifications and competence in relation to the scope of the project.

Renewals or Renewal Options – Options to renew an engagement are frequently established when making an award on the Illinois Procurement Bulletin. The maximum length of any contract allowed by State law is ten years, including the initial term and any renewal options.

Request for Information (RFI) - A document issued by the University inviting suppliers to submit sealed documents, frequently in competition with other vendors or suppliers to meet the specified needs of the University. Sealed RFI openings are governed by State of Illinois rules and law, conducted as scheduled and are open to the public. Upon completion of the public opening, individuals outside the



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university are not allowed further information or review of the information submitted until after evaluation has been completed, and then only via Freedom of Information Act (FOIA) Requests filed with the University. **Except when used to secure real property leases, pricing information may not be requested from vendors, nor included in vendor responses, within the RFI process.** When used to secure real property leases, the RFI will include:

- General description of the space desired
- Type of property
- Proposed uses of the property
- Duration of the lease
- Preferred location

Request for Proposal (RFP) - A document issued by the University inviting suppliers to submit sealed **Proposals** in competition with other vendors or suppliers to meet the specified needs of the University. Sealed proposal openings are governed by State of Illinois rules and law, conducted as scheduled and are open to the public. Upon completion of the public opening, individuals outside the University are not allowed further information or review of the proposals until after an award has been made, and then only via Freedom of Information Act (FOIA) Requests filed with the University. Proposals are verified to ensure that all State requirements are satisfied. After verification that all State requirements are met, the proposals are scored by a team of no fewer than three University employees, using evaluation criteria established by the University within the RFP document. ***Proposals are evaluated using the established criteria – price is a factor, but it is one of many.**

Request for Quote (RFQ) – Separate from the State’s formal solicitation processes that apply for purchases of \$100,000 or more, requesting departments are required to obtain multiple quotes for any expenditure for \$10,000 or greater, unless covered by an approved contract (e.g. IPHEC award or CMS contract). RFQ’s are the responsibility of the requesting department and consist of a document that invites suppliers to submit prices for a particular good or service which a university wishes to purchase. ***RFQ’s are only applicable for Small Purchases – that is, expenditures less than \$100,000. Quotes are obtained from vendors by requesting departments in these situations – not bids, not proposals.**

Requisition - A request from a University unit, program or department submitted via the CSU Buy electronic workflow identifying the goods or service the department wishes to purchase. Requisitions are routed for approvals based on the details captured within the system. Upon completion of the workflow process, requisitions are converted to Purchase Orders and dispatched to specified suppliers automatically.

Small purchase – an expenditure for \$99,999 or less

Sole Source Procurement – The rare occasion may arise when a vendor is truly the only available source that can provide the technical expertise or the proprietary goods required. The State of Illinois provides a Sole Source Justification Form (SSJF) that must be completed by the requesting department, which is



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then reviewed by Procurement Services and then submitted for review and approval by a State Procurement Officer (SPO). If the SPO agrees that we have identified and properly requested permission to engage with a vendor for a Sole Source Procurement, a public hearing is scheduled allowing any prospective vendors, State oversight officials or members of the public to register to attend and ask questions. Following successful completion or cancelation of the hearing and approval by the PPB, the University is allowed to engage with the vendor as detailed within the SSJF.

Solicitation – a general term that covers the purchasing processes for expenditures for \$100,000 and more

SPO - State Procurement Officer (Illinois)