

<b>Illinois</b> Department of <b>Corrections</b>	<b>ADMINISTRATIVE          DIRECTIVE</b>		Number	02.20.106
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			Effective	7/1/2002
Section	02	Fiscal and Business Management		
Subsection	20	Procurement		
Subject	106	Purchase of Goods		

**I. POLICY**

**A. Authority**

Illinois Procurement Code, 30 ILCS 500/1-1 et seq.

44 Ill. Adm. Code 1

**B. Policy Statement**

The Department shall award contracts for goods in compliance with appropriate statutes and the procurement rules (44 Ill. Adm. Code 1) promulgated by the Department of Central Management Services.

**II. PROCEDURE**

**A. Purpose**

The purpose of this directive is to establish internal instructions to staff regarding bidding, negotiating, and awarding contracts for purchase of goods.

**B. Applicability**

This directive is applicable to all bureaus, divisions, and offices within the Department.

**C. Internal Audits**

An internal audit of this directive shall be conducted at least annually.

**D. Designees**

Individuals specified in this directive may delegate stated responsibilities to another person or persons unless otherwise directed.

**E. Definitions**

Competitive bidding – a process of seeking bids from vendors in an open market to obtain goods meeting minimum specifications at the lowest cost.

Contract items – goods that are on State contract. Purchasing for these items, regardless of dollar amount, must be made to the vendors listed in the Notice of Awards Letters published by the Department of Central Management Services (CMS). Contract items are to be ordered through the Illinois Governmental Purchasing System (IGPS).

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Contract Release Order (CRO) – a process used to order items from open-end contracts issued by CMS.

Equipment purchases – non-consumable, tangible personal property of significant value as defined by the Statewide Accounting Management Systems (SAMS) Manual, Section 11. Equipment purchases require the submission of an Annual Equipment List to the Division of Finance, Budget Services Section.

Informal bidding – a process of obtaining bids or quotes by telephone, facsimile, or letter solicitation.

Non-contract items – goods that are not on State contract and would require competitive bidding from vendors prior to purchasing these goods.

Order for Delivery (OFD) – a purchase document used to order non-contract items costing \$25,000 each or less and to order items from Illinois Correctional Industries.

Order for Release (OFR) – a process used to order items from open-end contracts issued by CMS.

Printing and Printing Supplies – includes, but is not limited to, letterheads, printed envelopes, printed writing paper, plain paper, printed forms, reports, pamphlets, binding, embossing (steel die), lithographing, and photo engraving as defined by the SAMS Manual, Section 11.

Purchase Order – a procurement document generated by CMS for purchase of items bid out by CMS.

Requisition – a request for approval to purchase specific items not subject to purchase on a scheduled basis or on an annual contract.

Scheduled buying – various classifications of food items purchased by CMS on an annual, semi-annual, or quarterly basis.

Stringing – the purchase of like items at different intervals with the willful intent to deceive or circumvent purchase limitations.

Survey – a request which may be printed by the facility that lists numerous food items by classification and specification. Surveys shall be used for purchasing on a scheduled basis: annually, semi-annually, or quarterly.

**F. Contract Items**

1. Single purchases of contract items in an **amount of \$10,000 or less** shall be made via an Order for Release (OFR) or a Contract Release Order (CRO). The facility Business Office shall:
  - a. Input an Order for Release (OFR) into the Illinois Governmental Purchasing System (IGPS) for all items except for those listed below in Paragraph II.F.1.b.
  - b. Input a Contract Release Order(CRO) into the IGPS for:
    - (1) Orders processed through the Paper and Printing Division; and

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- (2) Orders for:
  - (a) Large lamps, light bulbs, batteries, or fuses;
  - (b) Typewriters or other office equipment;
  - (c) Photocopy supplies; and
  - (d) Vehicles.
2. Single purchases of contract items in an **amount over \$10,000** shall be made via a Contract Release Order (CRO). The facility Business Office shall input the CRO into the IGPS. An obligation document for each Contract Release Order will be generated by IGPS.

**G. Non-contract Items**

Stringing purchases is prohibited; it is unlawful.

1. Single purchases of non-contract items in an **amount of \$25,000 or less** shall be made through the use of the Order for Delivery (OFD).
  - a. If the OFD amount is \$10,000 or under, the Business Administrator shall obtain three informal bids whenever possible and prepare and Order for Delivery (OFD) to the selected vendor.
    - (1) Written bids are required for single purchase of \$2,500 or more, unless an emergency exists.
    - (2) Bids in amounts less than \$2,500 may be either documented telephone bids or written bids.
    - (3) Bids via facsimile are acceptable.
  - b. If the OFD **amount is over \$10,000 and not more than \$25,000**, the Business Administrator shall follow the process indicated in Paragraph II.G.1.a. above and:
    - (1) Obtain vendor and Taxpayer Identification Number (TIN) certifications from all bidding vendors;
    - (2) Prepare a Contract Obligation Document (COD);
    - (3) Forward the OFD, vendor and TIN certifications, and the COD to the Division of Finance, Procurement Section.
2. For single purchases of non-contract items in an **amount of \$25,000 or more**, the facility Business Office shall input a Requisition into the IGPS.
  - a. CMS will bid out the item, conduct the bid opening, and award the solicitation.
  - b. Once the solicitation is awarded, CMS will generate a Purchase Order via the IGPS.

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**H. Illinois Correctional Industries Products**

Orders for goods manufactured or sold by Illinois Correctional Industries (ICI) shall be made directly to ICI through the use of the Order for Delivery. No Contract Obligation Document is necessary.

**I. Scheduled Buying**

1. Survey worksheets list food items that CMS will bid out for agencies. The Division of Finance, Procurement Section shall notify facilities when the survey worksheets are available on the IGPS.
2. The Business Administrator shall:
  - a. Print the worksheets and direct the Dietary Manager and Supply Supervisor to complete the quantities needed on a yearly, semi-annual, or quarterly basis on the survey documents.

**NOTE:** ICI products are to be ordered directly from ICI; they are **not** to be entered on the survey documents.
  - b. Input the quantities provided on the survey worksheets by both the Dietary Manager and the Supply Supervisor into the IGPS; and
  - c. Transmit the entry to Procurement Section by the due date established by the Procurement Section.
3. CMS will:
  - a. Bid and award the contracts to the vendors;
  - b. Generate Purchase Orders to various vendors via the IGPS. Copies of the Purchase Orders will be sent to the Procurement Section for distribution to the facility Business Offices.

**J. Printing**

1. For CMS issued printing contracts, the facility Business Office shall input a Contract Release Order (CRO) into the IGPS. An obligation document will be generated for each CRO.
2. For printing orders in an amount of \$10,000 or less for any item **not** on State contract, except for paper, the Business Administrator shall:
  - a. Obtain three bids whenever possible.
    - (1) Written bids are required for a single purchase of \$2,500 or more.
    - (2) Bids may be either documented telephone bids or written bids.
    - (3) Bids via facsimile are acceptable.
  - b. Prepare an OFD for the selected vendor.

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3. For printing orders in an amount of over \$10,000 for any item **not** on State contract, except for paper, the facility Business Office shall input a requisition into the IGPS.
4. All paper orders regardless of the dollar amount, including copy paper, offset paper, and printer paper, shall be processed through CMS either from the Paper and Printing Revolving Fund or through a requisition submitted via IGPS.
5. To obtain better pricing for the Department's Statewide forms that are printed annually, the Procurement Section shall obtain estimates from facilities annually and combine all orders.

**K. Equipment Purchases**

1. The Business Administrator shall:
  - a. Annually prepare an Equipment List, including vehicles, that details the facility's needs for the year in priority order;
  - b. Submit the Equipment List to the Chief Administrator for approval; and
  - c. Once approval has been received from the Chief Administrator, submit the annual Equipment List to the Division of Finance, Budget Services Section with the Allocation Budget.
2. Upon receipt of the annual Equipment List, the Budget Services Section shall route the Equipment List to the respective Deputy Director and to the Director for approval prior to purchase of equipment.

**NOTE:** Subsequent changes to the Equipment List shall follow the same approval process.
3. Equipment shall be purchased in accordance with Paragraphs II F. and G. as appropriate.

**L. Vehicle Purchases**

1. Vehicle purchases shall be processed in accordance with Administrative Directive 02.20.115.
2. Requests for additions to the fleet shall be submitted by the Chief Administrator to the respective Deputy Director and to the Deputy Director of the Division of Finance in accordance with Administrative Directive 02.75.102.

**M. Electronic Data Processing and Telecommunications Equipment Purchases**

1. The Business Administrator shall:
  - a. Request the purchase of Electronic Data Processing (EDP) equipment by completing an ISU Service Request, and forwarding the request to the Manager of the Management Information Services (MIS) Unit.

**Illinois** Department of **Corrections**

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- b. Request the purchase of telecommunications equipment by completing a Telecommunications Service Request, IL 401-0018, and forwarding the request form to the MIS Manager.
  2. Upon receipt of the approved ISU Service Request or the Telecommunications Services Request, ISU staff shall prepare a Basic Ordering Agreement (BOA) and place the order for the equipment.
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**Authorized by:**

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**Donald N. Snyder Jr.**  
**Director**