

To: University Community
From: Alan D. Robertson
Vice President, Administration and Financial Affairs
Date: December 8, 2006 (3rd **Distribution: November 2007**)
Subject: CSU Procurement Policy and Procedure

The Office of Financial Affairs is issuing this revised Procurement Policy to decentralize responsibility for small purchases and to define an approval process that will facilitate on-line approvals and the P-Card implementation. The new policies and procedures will be effective on January 1, 2007.

Transaction Amount	CSU Contract Approval (see Note 1)	Legal Review (see Note 2)	Bidding Requirement (see Note 3)	# of Quotes Needed (see Note 4)	Form (see Note 5)	DPV/Purchase Req Approval			
						Fiscal Officer	Chair, Dean, Dir & AVP	Vice Pres	Pres
< \$1,000	Vice Pres	No	No	1	P-Card DPV/Purchase Req	Yes	*	-	-
\$1,000 - \$1,999	Vice Pres	No	No	2	DPV/Purchase Req	Yes	Yes	-	-
\$2,000 - \$4,999	Vice Pres	No	No	**	Purchase Req	Yes	Yes	-	-
\$5,000 - \$9,999	Vice Pres & Pres	Yes	No	**	Purchase Req	Yes	Yes	Yes	-
\$10,000 & up	Vice Pres & Pres	Yes	\$20,000 & up	**	Purchase Req	Yes	-	Yes	Yes
\$250,000 & up	Board	Yes	\$20,000 & up	**	Purchase Req	Yes	-	Yes	Yes

Note 1: All personal services and service agreements require a CSU contract. The new policies and the new short-form contract (Basic Purchasing Agreement) can be used for personal service and contractual services under \$5,000. The multi-part standard purchasing contract should be used for personal and contractual services over \$5,000.

Note 2: All CSU contracts \$5000 or more must be reviewed by the Legal Department.
All **Vendor prepared contracts** regardless of the dollar amount require the Legal Department's review.

Note 3: Effective July 1, 2006, the new bidding requirement is as follows:
Professional and Artistic Services - \$20,000 and up;
Architectural, Engineers and Land Survey - \$25,000 and up;
Supplies or Services Other Than Professional and Artistic Services - \$30,500 and up;
Construction - \$36,600 and up.

Note 4: Purchases of goods and services \$1,000 and over require written price quotes from vendors as indicated above and should be attached to the Purchase Requisition for processing. The purchase should be transacted with the vendor with the most economic price that meets the needs of the buyer. If an approved CSU vendor is used or state contract, no additional quote is required. Exception to the number quotes must be documented in a memo and approved by the appropriate Vice President.

Note 5: A DPV may be used up to \$1,999, but may not be used for equipment and software. A prepayment request for goods and services must be submitted on a purchase requisition, not a Direct Payment Voucher. Please refer to Accounting and Finance Policies and Procedures Manual at <http://www.csu.edu/financialaffairs/pdf/financialaffairspoliciesandprocedures.pdf> for additional information.

Note 6: P-Card purchases must be in compliance with all procurement, allowable expenditure and funding, and tax-related policies as detailed in the Accounting and Finance Policies and Procedures Manual (<http://www.csu.edu/financialaffairs/pdf/financialaffairspoliciesandprocedures.pdf>).

* Counter signature is needed on reimbursements to fiscal officers

** Purchase requirements and bid will be reviewed by buyers in Purchasing

Vendor Name:

Address:

Chicago State University - BASIC PURCHASING AGREEMENT (Non-EDP and Non-P&A, **less than \$5,000**). The terms of this contract, including those on the reverse side, any continuation sheets, and the documents identified below, constitutes the entire agreement between the parties. In the event of conflict between CSU and Vendor documents, State documents will prevail.

SUBCONTRACTING: Subcontracting is not allowed without prior authorization. For consulting services only, subcontracting may be allowed but any subcontractors used and amounts paid to each must be disclosed.

CERTIFICATION: The Vendor certifies that: (a) it is not barred from being awarded a contract or subcontract under s§50-5 or §50-10 of the Illinois Procurement Code (**30 ILCS 500/1 et seq.**), and (b) it has not been barred from contracting with a unit of State or local government as a result of a violation of section 33E-3 or 33E-4 of the Criminal Code of 1961, and (c) it is not in default on an educational loan (5 ILCS 0.01 et seq.), (d) it is not ineligible under government-wide suspension of debarment (29 CFR 98) or excluded other than Executive Order 12549; (e) ineligible under 40 ILCS 5/14-108.3 or 5/16-133.3 (early retirement). (f) he/she or the business entity is not prohibited from selling goods or services to the State of Illinois because it pays dues or fees on behalf of its employees or agents or subsidizes or otherwise reimburses them for payment of their dues or fees to any club which unlawfully discriminates (See 775 ILCS 25/1-25/4); (g) It is not on the regular payroll of any State Agency, Board, Commission, or other unit and/or ineligible under §50-13 or § 50-35 of the Illinois Procurement Code; an (g) it is not barred from being awarded a contract under §50-11 of the Illinois Procurement Code, which prohibits a person from entering into a contract with a state agency if they know or should know that they are delinquent in the payment of any debt to the State as defined by the Debt Collection Board. The Vendor further acknowledges that the contracting state agency may declare the contract void if this certification is false or if the vendor is determined to be delinquent in the payment of any debt during the term of the contract.

COMPLIANCE: Vendor certifies that: (a) It will comply with the provisions of 775 ILCS 5/2-105(A) regarding written sexual harassment policies (b) It will not commit unlawful employment discrimination in Illinois as that term is used in Article 2 of the Illinois Human Rights Act (**775 ILCS 5/2-101 et seq.**) and the U.S. Civil Rights Act and rules promulgated hereunder and further agrees to take affirmative action to ensure that no unlawful discrimination is committed; (c) It will comply with the Public Works Employment Discrimination Act (**775 ILCS 10/0/01 et seq.**); (d) As a condition of the award of financial assistance under Workforce Investment Act (WIA) (**P.L. 105-220**) from the Department of Labor, it assures, with respect to operation of the WIA-funded program or activity and all agreements or arrangements to carry out the WIA-funded program or activity (also includes Employment Service and Unemployment Insurance programs), that it will comply fully with the nondiscrimination and equal opportunity provisions of the Workforce Investment Act of 1998, as amended (WIA), including the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR part 34. The United States has the right to seek judicial enforcement of this assurance; (e) It has complied with the Drug Free Workplace Act (**30 ILCS 580/1 et seq.**) pursuant to performance of this contract, including: not engaging in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract, where the contract or purchase order is with an individual, including an individual doing business in the form of a sole proprietorship, in the performance of this contract; (f) In the context of its work, will or may have access to documents, files, records or other information that is confidential within the meaning of Section 1900 of the Unemployment Insurance Act (**820 ILCS 405/1900**) and agrees to comply with all provisions set forth in that Section regarding nondisclosure of any such information, including penalties for noncompliance.

LIABILITY AND INSURANCE: The State does not assume any liability for acts or omissions of Vendor and such liability rests solely with Vendor. Vendors shall carry public liability, casualty and auto insurance in sufficient amount to protect the State from liability for acts of Vendor. Minimum acceptable coverage for bodily injury shall be \$250,000 per person and \$500,000 per occurrence and for property damage, \$100,000 per occurrence. In addition, Vendor shall carry Worker's Compensation Insurance, if applicable, in amount required by law. The UNIVERSITY shall not indemnify or hold a vendor harmless.

Federal Employer Identification Number (FEIN) is _____.

AUDIT: The UNIVERSITY, for itself OR the State of Illinois, shall have the right to audit all the Contractor's and/or subcontractor's books and records relating to the performance of this Agreement and necessary to support amounts charged to the State under the contract or subcontract. Such books and records shall be maintained by the contractor and/or subcontractor for a period of 3 years from the later of the date of final payment under the contract or completion of the contract and by the subcontractor for a period of 3 years from the later of the date of final payment under the subcontract or completion of the subcontract. Such 3 year period shall be extended for the duration of any audit in progress at the time of that period's completion. Such contractor and/or subcontractor agree to fully cooperate with any audit. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the University for the Recovery of any funds paid by the University under the contract for which adequate books, records, and supporting documentation are not available.

WARRANTY; TITLE: Vendor warrants the equipment, software and maintenance will be provided in accordance with published specifications. Those specifications and standard warranties are made a part of this contract. If any equipment or software is furnished for the State's use, Vendor covenants that State will have quiet use and enjoyment of the equipment without suit, trouble or hindrance including any based on patent or copyright infringement. If the agreement is for sale of goods, Vendor will pass title to the University after completion of the University's obligation and will warrant title and provide for quiet enjoyment.

WORK PRODUCT: All documents, including reports, ideas and other work products produced by Vendor under this contract for the University shall become and remain the property of the University. With the exception of ideas, all such work products shall be considered works made for hire within the meaning of 17 U.S.C. §101. To the extent that any portion of such work products is not a work made for hire, CONTRACTOR completely and without reservation assigns to CSU all right, title and interest in and to such portion of the work products, as well as all related copyright, patent, trade secret, and other related proprietary rights therein. CSU shall exercise all rights of ownership in all such work product without restriction or limitation and without further compensation to CONTRACTOR.

BREACH: Any breach of this contract by Vendor will allow the State to terminate without penalty and have any other available relief.

LAWS OF ILLINOIS: This contract shall be governed in all aspects by the laws of the State of Illinois. Any claim against the University arising out of this contract must be filed exclusively with the Illinois Court of Claims (**705 ILCS 505/1**). The State of Illinois does not waive sovereign immunity by entering into this contract.

Vendor Signature _____

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Date _____