

**SURS PROCUREMENT REQUIREMENTS**  
**Summary of 80 Ill. Adm. Code § 1600.130 (eff. Nov. 1, 1999)**

**I. Purchase Orders and Contracts**

Value of Goods or Services (\$X)	Purchase Order Needed?	Contract Needed? <sup>1</sup>	Addendum Needed?	Approval and Execution
$X \leq \$500$	No	No, unless the other party requires one.	No, unless the other party requires a contract.	Must be within the authority of the employee to purchase.
$\$500 < X \leq \$10,000$	Yes	No, unless the other party requires one.	No, unless the other party requires a contract.	Must receive written approval from Procurement Officer prior to placing the order.
$\$10,000 < X \leq \$25,000$	No	Yes	Yes	Must be executed by the Executive Director or his or her designee, <sup>2</sup> unless executed by the President of the Board of Trustees. <sup>3</sup>
$\$25,000 < X \leq \$250,000$	No	Yes	Yes	<b>Competitive proposals required.</b> Must be executed by the Executive Director or his or her designee, <sup>2</sup> unless executed by the President of the Board of Trustees. <sup>3</sup>
$\$250,000 < X$	No	Yes	Yes	<b>Competitive proposals required.</b> Must be executed by the Executive Director, the Deputy Director of Finance, and the General Counsel. <sup>3</sup>

<sup>1</sup> All contracts must be approved by the General Counsel.

<sup>2</sup> The Executive Director's designees authorized to sign contracts on his behalf in his absence are Dan Allen, Kelly Jenkins, Judy Parker, Shelley Porter, and Doug Steele. Memo from Dan Slack to Executive Team, May 17, 2006.

<sup>3</sup> Contracts with persons who are fiduciaries with respect to any SURS investments shall also be signed by the President of the Board, or his or her designee, except that the Executive Director's signature is sufficient with respect to contracts or amendments with Board-approved investment service providers. The Executive Director must provide a report of all such contracts and amendments to the Investment Committee of the Board.

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## II. Bidding for Procurements in Excess of \$25,000

A. **Required Bidding.** Procurements in excess of \$25,000 require at least 3 Bids, except:

1. Sole source procurements, such as utilities. Justification for lesser or no bidding must be documented.
2. Emergency procurements, such as when there exists a threat to public health or safety, or when immediate expenditure is necessary in order to protect against loss of or damage to SURS property or interests, or to prevent or minimize disruption in SURS services, or when necessary to prepare for anticipated litigation, enforcement actions, or investigations, or to protect the integrity or confidentiality of SURS records; provided that a written determination is made that an emergency exists.
3. Circumstances where fewer than 3 bids are received but reasons to continue are justified and documented.

B. **Advertisements.** As a practical matter, print advertisements should contain enough information to identify the services or goods sought, with a direction to the complete Request For Proposal posted on the SURS website. Procurements requiring bidding shall be advertised on at least 3 separate dates with a minimum of 14 days between the first and the last publication date in any one or more of the following media:

1. Edwardsville Intelligencer (Official State Newspaper). Information as provided by the Illinois Office of Communication and Information (<http://www.illinois.gov/ioci/statenewspaper.cfm>).
  - a. Rates (for FY2007, check for current rates): \$0.14 - per line per insertion
  - b. Deadlines. In most cases, copy must be received by mail two (2) days before the first insertion date. In emergency cases, copy for such advertisements may be placed by fax machine, or E-mail, but must be received by 10:00 AM prior to the day of the first insertion. The state agency transmitting the fax must call the Edwardsville Intelligencer at extension 22, to verify receipt of the transmission immediately.  
**Note:** Advertisements should be telefaxed to the Edwardsville Intelligencer only in emergency cases.
  - c. Contact Information  
Daily Herald

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P.O. Box 280  
Arlington Heights, IL 60006-0280  
Contact: Holly Bratanick  
Phone: 847.427.4671  
Fax: 847.427.1146  
E-mail: [legals@dailyherald.com](mailto:legals@dailyherald.com)

2. Illinois Procurement Bulletin
3. SURS procurement bulletins, appropriate media, or through electronic means such as the Internet.

**C. Request for Proposals.** Procurements requiring bidding shall be awarded by competitive proposals.

1. Each request for proposal shall set forth a description of the items or services being procured, the material contractual terms and conditions, and the criteria for evaluating proposals.
2. Awards made pursuant to such competitive selection procedures shall be awarded to the responsible offer or whose proposal is determined to be most advantageous to SURS.
3. SURS may directly negotiate with any offeror as to the final terms of a proposal.
4. Competitive proposals may be used to procure, but are not limited to, professional and artistic services, including legal, medical and related services, investment management and consulting, electronic data processing equipment, software and services, and telecommunications equipment, software and services.

## **III. Purchasing**

**A. Employee Authority.**

1. Employees are allowed to make purchases provided that a) the goods or services are budgeted for, b) a purchase order (for purchase in excess of \$500) is completed, and c) the employee has written approval in advance of placing the order or (for purchases in excess of \$10,000) a formal contract is executed. Although the employee has authority, in any case, the remaining provisions of 80 Ill. Adm. Code § 1600.130 still must be complied with.

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2. Employees other than those designated by the Executive Director are not allowed to make purchases of office supplies, computer equipment, or software.

**B. Taxes and Discounts.** SURS shall not pay Illinois sales tax. Employees must direct the vendor to exclude any such charge on invoices. Employees should also ask if discounted State rates are available for purchases.

**C. Payment of Invoices.**

1. Invoices should be approved for payment within 30 days after the receipt of the invoice. Approval should not be given for goods and services that do not conform to SURS' requirements.
2. The vendor shall be promptly notified in writing if SURS does not approve an invoice for payment and advised of the reason for the denial. If approval is made after 30 days, a full explanation should be attached to the invoice.

**D. Advance Payment.** Advance payment for goods and services is discouraged. If advance payment is required, the employee shall complete a certification as specified in Section 9.05 of the State Finance Act [30 ILCS 105/9.05].

1. In the event that a voucher is submitted for advance payment, the voucher shall state on its face that the goods or services are being procured pursuant to a formal written contract the terms of which require advance payment. If it is not possible to execute a written contract, the voucher shall so state.
2. The certification is not required for payment of conference fees, purchase of travel tickets, purchase of periodicals, and required deposits of less than \$500.
3. The certification shall be in the following format:

“I certify that the goods or services specified on this contract or purchase order were for the use of this agency and that the expenditure for such goods or services was authorized and lawfully incurred; that such goods or services meet all the required standards set forth in the purchase order or contract to which this certification relates; and that the amount shown on this voucher is correct and is approved for payment.”

Insert the following sentence in certification if applicable: “It is not possible to execute a formal written contract.”

(Date) \_\_\_\_\_ (Signature) \_\_\_\_\_