

Three purchasing thresholds—What you need to know.

Under \$10,000 (Micro-purchase)

What SIU must document: Price reasonableness and decision for selecting vendor.

What we need from Principal Investigators (PIs): Continue to email your Grants and Contracts Associate prior to initiating a purchase and explain the need for the purchase and provide a sentence or two explaining why you're selecting the vendor.

Reasons for selecting a vendor:

- Item is only available from one source.
- Emergency or scheduling requirement.
- Expected processing time.
- Need for research or programmatic compatibility.
- Personal knowledge of the item being purchased.

\$10,000 - \$99,999 (Small Purchase)

What SIU must document: Price or rate quotes from an adequate number of vendors and the decision for selecting vendor.

Requirements: Purchase requisition with at least two vendor quotes attached, and complete and attach the Grant Compliance Transaction Summary Sheet to the purchase requisition. There may be exceptions for obtaining quotes – such as sole source, grant specified, etc.

Quote examples:

- Catalog pricing.
- Screenprint of vendor pricing from internet.
- Written quote signed by the vendor.
- Verbal discussion – use Vendor Log to document date/time of quote, vendor name and contact, quote amount and period for which quote is valid.

\$100,000 and Up (Large Purchase)

Standard competitive bid process

(including Board of Trustees approval for purchases of \$1,000,000 or more)

What SIU must document: Proposals were solicited from an adequate number of vendors (ensuring free and open competition), the vendor selection process utilized, and the final cost and price analysis. Rationale for sole source or emergency purchases when appropriate.

Requirements: Purchase requisition with specifications for goods or services and letter of justification; completion of any sole source or emergency purchase justifications (when/if needed).

Tips:

- Clearly justify vendor and professional services in your proposal and budget.
- Notify the OSPA right away if you believe there may be a conflict of interest between yourself and the vendor.
- Provide sufficient lead time for purchases, including consultants (they are considered vendors by the federal regulations).
- Approve vendor payments as quickly as possible when goods or services are received to your satisfaction.
- Notify your OSPA Grants Assignee and Procurement Services right away of any issues with your vendor, and do not approve payment.

Useful Links

Office of Research & Projects: <https://www.siu.edu/orp/>

Purchasing: www.siu.edu/purchasing/