Three purchasing thresholds—What you need to know.

Under $10,000 (Micropurchase)

What NIU 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.

$10,001 - $100,000 (Small Purchase)

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

What we need from PIs: Obtain at least two vendor quotes, and complete and attach the Cost Quotation Summary Form to your purchase requisition. There may be exceptions for obtaining quotes – see the Purchasing Goods and Services with Federal Funds policy.

Quote examples:
• Screen capture of vendor pricing.
• Written quote from vendor.
• Catalog pricing.
• Verbal discussion – use Vendor Log to document date/time of quote, vendor name and contact, quote amount and period for which quote is valid.

PIs will experience the most significant change in process within the Small Purchase category.

$100,001 and Up (Large Purchase)

Standard competitive bid process that PIs have always followed (including board of trustees approvals for purchases over $250,000)

What NIU 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.

What we need from PIs: Provide specifications for goods or services, participate in procurement discussions at all stages and assist with completing any sole source or emergency purchase justifications when needed.

Tips:
• Clearly justify vendor and professional services in your proposal and budget.
• Notify the AVP for Research 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 SPA Grants and Contracts Associate right away of any issues with your vendor, and do not approve payment.

Useful Links
Policy, Cost Quotation Summary Form and Vendor Log (See Policies and Forms): http://niu.edu/divresearch/funding/resources/index.shtml
Procurement and Contract Management: https://www.niu.edu/procurement/