



Village of Downers Grove

Report for the Village Council Meeting

Table 1 - Council Agenda item.

Subject	Update Purchasing Policy
Submitted By	Robin Lahey, Finance Director

Synopsis

A Resolution has been prepared amending the Village's Purchasing Policy to increase the dollar amount for the requirement of verbal quotes and purchase orders.

Strategic Plan Alignment

The goals for the 2025 to 2027 include *Steward of Financial, Environmental, and Neighborhood Sustainability*.

Fiscal Impact

N/A

Recommendation

Approval on the July 7, 2026 consent agenda.

Background

The Village's purchasing policy was originally adopted in 1993 with relatively minor changes made until 2023, when the policy was updated to modify dollar limits for

approvals and formal competitive bidding requirements. At that time, no changes were made to adjust verbal quote or purchase order requirements.

The proposed change in this update is to increase the requirement for verbal quotes and purchase orders from \$1,000 to \$7,000. All other provisions in the policy are unchanged.

Attachments

Purchasing Policy



Village of Downers Grove

Official Approved Village Council Policy

Table 1 – Purchasing Procedure Policy.

Description	Purchasing Procedures
Resolution/Ordinance	Resolution 2026-????
Effective Date	4/11/23 7/7/26
Category	Financial Services
New Council Policy	
Amends Previous Policies	4/11/23 ; 12/20/22; 12/21/21; 11/7/17; 11/06/01; 1/20/93
Previous Regulation (if different from above)	Purchasing Program

RESOLUTION NO.

A Resolution Amending Certain Purchasing Provisions as Official Village Policy

WHEREAS, the Village Manager has previously established an Administrative Regulation regarding the purchasing program of the Village, dated January 20, 1993, and amended November 6, 2001, November 7, 2017, December 21, 2021, [and December 20, 2022, and April 11, 2023](#); and

WHEREAS, the Village Council desires to amend the Village Council Policy regarding the purchasing procedures of the Village of Downers Grove; and

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois as follows:

SECTION 1. That the Village Council Policy regarding Purchasing Procedures is hereby amended as set forth in the attached Exhibit 1,

SECTION 2. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

SECTION 3. That this Resolution shall be in full force and effect from and after its passage as provided by law.

By: Mayor

Passed:

Published:

Attest:

By: Village Clerk

I. PURPOSE

The purpose of this directive is to provide guidance and uniform procedures for the acquisition of goods and services, and for the soliciting, processing, awarding and rejecting bids, proposals and quotations. It is created to ensure competitive and unbiased selection of qualified and cost effective vendors and suppliers. This directive is based primarily on the Purchasing Ordinance, Sections 2-47.1 through 2-47.7 of the Downers Grove Municipal Code, and applies to the purchase of all goods and services by the Village.

The Village operates a decentralized purchasing approach, recognizing that individual departments are the most qualified and knowledgeable of the specialized goods and services needed to deliver services. Each Director/Chief is responsible for the procurement of goods and services for their respective departments and will review all purchases to confirm that they are in compliance with all Village ordinances and policies, and budgetary parameters.

II. DEFINITIONS

The Purchasing Ordinance sets forth various definitions that are applicable to this directive. In addition, the following terms are defined as follows:

- A. BID is a written response by a vendor to a Village-created list of specified products or services. The list is made available to interested vendors and the vendor responses are compared for price and compliance to the original list of items. (See Section V: B - Bids)
- B. DIRECTOR/CHIEF shall have the same definition contained in the Village's Personnel Manual.
- C. LOWEST RESPONSIBLE BIDDER. In determining the "lowest responsible bidder", in addition to price, the following should be considered:

1. The ability, capacity and skill of the bidder to perform the contract or provide the service required.
 2. Whether the bidder can perform the contract or provide their service promptly, or within the time specified, without delay or interference.
 3. The character, integrity, reputation, judgment, experience and efficiency of the bidder.
 4. The quality of performance of previous contracts or services.
 5. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service.
 6. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.
 7. The quality, availability and adaptability of the supplies, or contractual services to the particular use required.
 8. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.
 9. The number and scope of conditions attached to the bid.
 10. For contracts involving "Public Works" as defined by Section 2 of the Illinois Prevailing Wage Act (820 ILCS 130/2) with a total construction cost of more than fifty thousand dollars (\$50,000), whether the bidder and its proposed subcontractors participate in applicable apprenticeship and training programs approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.
- D. PURCHASE JUSTIFICATION is a description of the purchase, including budget information, a description of the material or service sought, information regarding any bids or proposals, and the basis for the recommended vendor or product. The form of a purchase justification

- depends upon the dollar value of the purchase and the level of approval needed.
- E. QUOTATION or QUOTES can be either a verbal or written response by a vendor to a Village inquiry on a specific product or service. (See Section V: A - Quotations)
 - F. REQUEST FOR PROPOSAL (RFP) is a Village-created outline of a specific service or need. The vendor proposes a way to meet the Village-defined service or need and outlines the cost associated with the proposal. A proposal may, in the discretion of the Village, be subject to further negotiations, modifications, and rejections until the Village accepts the proposal. (See Section V: C – Request for Proposals)
 - G. SOLE SOURCE SUPPLIER refers to a vendor designated as the only provider that can meet the needs of the Village, based on the nature of the materials or services, the timing of delivery, or other factors that relate to the best interests of the Village. The value-based parameters, as outlined in Section IV: Village Purchasing Procedures, are applied to the designation of sole source supplier. The Finance Director and the Village Attorney must approve the designation as a sole source supplier for all purchases.
 - H. STANDARDIZED FORMS: Standardized forms and materials for use in Village-wide purchasing, including bidding and RFP checklists, documents, as well as electronic documents that will be stored on the Village's Intranet page.
 - I. USER DEPARTMENT means the department or departments purchasing material or services and from whose budget the costs thereof will be charged.

III. SELECTION OF VENDORS

- A. PREFERENCE FOR COMPETITIVE PURCHASING: Where a competitive market exists for a particular purchase, the vendor is to be the lowest responsible bidder, selected on the basis of a competitive purchasing procedure.
- B. PREFERENCE FOR LOCAL VENDORS: When soliciting pricing for goods and services, consideration should be given to qualified vendors located within the Village, where applicable. While no price preference will be given to Village vendors, if all other selection factors are equal, the Village vendor shall be afforded preference.
- C. PREFERENCE FOR RECYCLED AND ENVIRONMENTALLY SUSTAINABLE PRODUCTS: The Village has been an active leader in promoting the use of recycled materials and environmental sustainability. To that end, purchase decisions shall be made to include recycled materials and environmental sustainability, where practical.
- D. PRODUCT SPECIFICATIONS BASED ON FUNCTION: Product designation or specification must be reasonably related to the function or purpose to be served by the item selected. Specifications shall not limit the selection to a particular brand or vendor, either expressly or by effect, or exclude the use of recycled materials, unless required to serve a particular need or objective. When a brand is used as a reference, such as compatibility, the phrase "or equivalent" will be included in the specifications.

IV. VILLAGE PURCHASING PROCEDURES

- A. GENERAL: Each Director/Chief has the primary responsibility regarding specific purchasing decisions and has the duty to maintain responsible purchasing practices within the User Department, and will institute appropriate purchase review procedures for their staff, consistent with this directive. A Director/Chief may purchase materials and services for Village operations using one of the following procedures, as appropriate:

1. STANDARD COMPETITIVE PURCHASES (Section V)
- a. Verbal Quotation

b. Written Quotation

c. Bid

d. Request for Proposals (RFP)

e. Extensions
2. SOLE SOURCE CONTRACT (Section VI)
3. CENTRALIZED PURCHASE (Section VII)

Table 1. APPROVAL LIMITS

DOLLAR LIMITS:	APPROVAL LEVEL:	COMPETITIVE PROCESS (BIDS):	PURCHASE ORDERJUSTIFICATION:
\$0 to \$7,000	Director/ Chief Approval	One (1) verbal quote for purchases \$1,000 or less; Three (3) verbal quotes for purchases in excess of \$1,000	Purchase Order with justification report attached if over \$1,000 N/A:
\$7,001 to \$15,000	Finance Director Approval	Three (3) written quotes	Purchase Order with justification report attached

DOLLAR LIMITS:	APPROVAL LEVEL:	COMPETITIVE PROCESS (BIDS):	PURCHASE ORDERJUSTIFICATION:
\$15,001 to \$50,000	Manager Approval	Three (3) written quotes for purchases of \$25,000 or less; Bid or RFP for purchases in excess of \$25,000	Purchase Order with justification report attached
In excess of \$50,000	Council Approval	Bid or RFP	Manager's Memo, followed by a Purchase Order

V. STANDARD COMPETITIVE PURCHASING

GENERAL: All purchases, except as otherwise directed by Village Council, will be subject to the competitive purchasing process for amounts in excess of ~~one~~seven thousand dollars (~~\$1,000.00~~\$7,000) as outlined in Table 1 in Section IV.

LEGAL REVIEW: All bids and RFPs shall be reviewed by the Legal Department prior to being issued, and all contracts and agreements must be reviewed by the Legal Department prior to signature, regardless of dollar value.

APPROVAL OF CONTRACTS: The Village Manager shall execute and sign all contracts and agreements regardless of dollar value, unless another individual's signature is required.

QUOTATIONS, BIDS AND REQUESTS FOR PROPOSALS. The appropriate solicitation of verbal quotes, written quotes, bids or proposals is based on the dollar value and the type of material or service desired. The following provides guidance on the use of these purchasing procedures.

A. QUOTATIONS

1. GENERAL: Quotes are used to purchase goods and services valued less than twenty-five thousand dollars (\$25,000.00). The purchase should be made from the lowest qualified quote, (using the standards for lowest responsible bidder described in Section II: Definitions). When the award is not given to the lowest quote, the reasons for placing the order elsewhere shall be prepared by the Director/Chief and included in the purchase justification. Once quotes have been secured and the lowest qualified vendor has been identified, subsequent purchases during the same calendar year may be ordered from the same approved vendor, if the price does not change.
2. VERBAL QUOTES: Where a verbal quote is permitted, these are to be documented by the User Department and included with the Purchase Order in the accounting system. For purchases made without a Purchase Order (under ~~oneseven~~ thousand dollars (\$~~1,0007,000~~)), verbal quotes must be summarized and attached to the vendor invoice.
3. WRITTEN QUOTES: Written quotations are to include the following:
 - i. Written quotations must be presented on a vendor's letterhead.
 - ii. Written quotations must have an effective date. Expired quotations cannot be accepted.
 - iii. Duration of the written quotation (i.e. thirty (30) days) should be specified.
 - iv. All additional charges, including delivery and set-up, should be included in the written quotation.

- v. The written quotation needs a signature by an authorized agent of the vendor. Unsigned quotations cannot be accepted.
- vi. A faxed or E-mailed quotation from the vendor is acceptable.

B. BIDS

1. GENERAL: Bids should be used where over twenty-five thousand dollars (\$25,000) of specifically identified products or services are sought.
2. PREPARATION OF SPECIFICATIONS: A User Department will prepare specifications for the desired purchase using the standardized forms. For purchases where the Village will receive Federal or State grant funds, then the specifications shall also include the following: a clear and accurate description of the technical requirements for the material, product, or service to be procured, or when impractical to do so, a "brand name or equivalent" description may be used as a means to define the requirements of the procurement; all requirements which the offerors must fulfill; all factors to be used in evaluating bids.
3. ADVERTISEMENT: Solicitation for bids will be advertised on the Village website, or other online forum as determined appropriate. Except for emergency matters, this advertisement will occur not less than ten (10) days prior to bid opening. Solicitations may also be faxed, mailed or e-mailed to prospective bidders.
4. PROCESSING: The User Department will coordinate the pre-bid processing including any pre-bid conference, modifications to the specifications and bid openings.
5. REVIEW AND RECOMMENDATIONS: Following the bid opening the Director/Chief of the User Department will review the bids and shall be responsible for making the appropriate recommendations regarding acceptance or rejection of any bid. The Director/Chief will prepare a purchase justification, as required by the dollar limitations which will

include a bid tabulation, the identification of the recommended vendor, budget information, and background information as may be appropriate. When the lowest bidder is not recommended, the reasons for placing the order elsewhere shall be included in the purchase justification prepared by the Director/Chief.

C. REQUEST FOR PROPOSALS (RFPs)

1. GENERAL: A request for proposal (RFP) is used to make a purchasing contract for services or materials in the amount of twenty-five thousand dollars (\$25,000) or more, and when detailed specifications are not reasonable (i.e. professional services, etc.).
2. PREPARATION OF REQUEST: A User Department will prepare RFPs for the desired purchase using the standardized forms. For purchases where the Village will receive Federal or State grant funds, then the specifications shall also include the following: a clear and accurate description of the technical requirements for the material, product, or service to be procured, or when impractical to do so, a "brand name or equivalent" description may be used as a means to define the requirements of the procurement; all requirements which the offerors must fulfill; all factors to be used in evaluating proposals.
3. ADVERTISEMENT: RFPs will be advertised on the Village website, or other online forum, as determined appropriate. Except for emergency matters, this advertisement will occur not less than ten (10) days prior to the due date for proposals. Requests may also be faxed, mailed, or E-mailed to prospective proposers.
4. PROCESSING: The User Department shall coordinate the processing of all RFPs including any modifications to the requests and negotiations for final proposals.
5. REVIEW AND RECOMMENDATIONS: Following the due date for proposals, the Director/Chief of the User Department will coordinate the review of the proposals, including evaluating the product and

interviewing vendors as necessary, and shall be responsible for making the appropriate recommendations regarding acceptance or rejection of any proposals. The Director/Chief may enter into further negotiations with one (1) or more of the proposed vendors to secure the most favorable terms for the Village. The Director/Chief will prepare a purchase justification which will include a summary of the proposals received, any negotiations, the recommended vendor, budget information, and background information, as may be appropriate. When the lowest proposal is not recommended, the reasons for placing the order elsewhere shall be included in the purchase justification prepared by the Director/Chief.

- D. EXTENSIONS: Contract extensions may be granted for previously approved contracts if the contract price does not increase by more than two percent (2%) over the originally approved contract. Contracts may be extended twice, under this constraint. Contracts must be re-bid, or new Requests for Proposals must be made after a contract has been extended twice, unless the vendor is sole source.

VI. SOLE SOURCE CONTRACTS

- A. GENERAL: When it is determined that a particular product, service or work is not subject to competitive bidding due to limitations arising out of the nature of the product, service or work or its availability, the Village may be required to negotiate and enter into contracts for materials or services with a sole source supplier. The approval of the Finance Director and the Village Attorney is required to designate a vendor as a "sole source supplier", however, any purchase determined by the Village Manager to be inappropriate for a sole source contract shall be purchased according to the Village's standard competitive purchasing procedures. The approval of the sole source purchase is subject to the guidelines in Section IV, Table 1.
- B. SOLE SOURCE SUPPLIER CONTRACT. In addition to the purchasing

justifications required in this directive, based on the dollar value and type of purchase, any recommended contract from a sole source supplier must be supported by submitting the following:

1. The basis for concluding that the product or service sought is limited to a particular sole source, including specifying how it is in the best interests of the Village to use the vendor as a sole source supplier.
2. The options, such as product substitution, which are available, including a discussion of the impact of each option.

VII. CENTRALIZED PURCHASING PROGRAMS

Centralized purchasing has been established for certain commonly shared materials or services, such as cellular phone services. Purchases of such materials or services will be coordinated through a designated Village budgetary program. The Director/Chief responsible for the designated program will be responsible for applying these purchasing policy guidelines to the Village-wide centralized purchasing of the designated material or services.

VIII. CHANGE ORDERS

- A. GENERAL: A Change Order means and includes a change in a contract term other than as specifically provided for in the contract which authorizes or necessitates any increase in the cost of a contract or the time of completion and which was not reasonably foreseeable at the time the contract was entered into, was not within the contemplation of the original contract or is in the best interests of the Village.
- B. PROCESSING: The Village Manager may approve change orders up to fifty thousand dollars (\$50,000), even if the original contract was approved by the Village Council. Any change order in excess of fifty thousand dollars (\$50,000) shall be submitted to the Village Council for approval. The Village Manager is authorized to execute change orders above fifty thousand dollars (\$50,000) in instances where the change order falls within a contract

contingency authorized by the Village Council.

IX. PROCESSING PAYMENTS FOR MATERIALS AND SERVICES

- A. DOCUMENTATION: Where purchasing justification is required, evidence of this compliance will be attached to invoices presented for payment. For example, invoices for contractual purchases that have received Council Approval will include the Manager's Memo, the approved contract and the date of Council approval.
- B. PURCHASE ORDER NUMBERS: The User Department will advise vendors to reference purchase order numbers on the invoice, when purchase orders are required by this directive.

X. NO INVALIDATION

- A. NO INVALIDATION: The failure of the Village Manager or Village Council to adhere to any procedure(s) set forth in the Village Purchasing Ordinance or Sections 2-47.1 through 2-47.7 of the Downers Grove Municipal Code when making a purchase shall not operate to invalidate such purchase, nor shall any failure create any liability on the part of the Village Council, the Village, Village officers or Village employees. The Village Manager may, in the Village Manager's sole discretion, waive or forego any requirement of this directive, when determined to be in the best interest of the Village.
- B. NO RIGHTS CREATED: The exercise of the any of the rights created hereunder this Division shall in no way create or expand any rights in any supplier, bidder, contractor or other person.

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