**Section 4.2013 Reverse Auctions**

a) CPO-HE Authorization

A university may procure supplies or services (other than for professional and artistic services, telecommunications services, communication services, information services, and construction projects, including design professional services) through means of a reverse auction if the CPO-HE has made a determination that use of a reverse auction is in the best interests of the State. The CPO-HE shall publish in the Bulletin that bids will be received in an electronic auction manner as part of the notice of IFB.

b) Reverse Auction Process

The CPO-HE or designee shall conduct a reverse auction through a two-step IFB process consisting of bid prequalification and price submission.

1) Prequalification

A) An invitation to prequalify shall be issued requesting the submission of information addressing vendor qualifications and responsibility; addressing vendor specifications and/or samples; confirming acceptance of auction procedures; and requiring agreement to accept a contract using State contract terms and conditions if selected for award in the price only part of the process. No pricing information shall be submitted or considered in the prequalification step of the process.

B) The prequalification bids shall not be opened publicly, but the opening shall be recorded and witnessed by a State witness or through an electronic procurement system approved by the CPO-HE. Prequalification information will be evaluated on a pass/fail basis and vendors will be notified directly as to whether they met or did not meet the prequalification criteria.

2) Price

A) An IFB shall be sent to those vendors who passed prequalification. The response shall be limited to the submission of prices in the form specified in the IFB. The IFB shall establish any minimum bid increments.

B) Prices shall be submitted electronically. The CPO-HE or designee shall cause the prices to be displayed as submitted, but the prices as displayed will not identify the name of the vendor. Vendors may reduce their price at any time during the active period of the auction.

C) When the low price is substantially lower than other prices submitted, the CPO-HE or designee may request that the bidder confirm the price and, if an error has occurred, may allow withdrawal in accordance with the Code and this Part.

c) Technical Difficulties

1) The auction time may be extended or rescheduled by the CPO-HE or designee if technical difficulties at the State site do not allow the auction to be conducted as intended. Participants will be notified of an extension or a rescheduling.

2) If technical difficulties occur at a vendor site such that the vendor cannot electronically submit a price, the CPO-HE or designee may accept a fax and will then enter the price for the vendor. Faxed prices will not be accepted later than 5 minutes before the originally scheduled end of the auction or if the faxed prices are higher than the then-existing low price.

d) Reverse Auction Training

The CPO-HE or designee may provide instructions or training to prequalified vendors regarding auction procedures and technology.

e) Disclosure of Reverse Auction Information

After the end of the reverse auction, the names of those who participated in either step of the process and the final price submitted by each participant shall be published to the Bulletin.

(Source: Amended at 43 Ill. Reg. 1781, effective February 15, 2019)