**Section 4.2012 Multi-Step Sealed Bidding**

a) Definition

Multi-step sealed bidding is a two-phase process consisting of a technical first phase composed of one or more steps in which bidders submit unpriced technical offers to be evaluated by the State, and a second phase in which those bidders whose technical offers are determined to be acceptable during the first phase have their price bids considered.

b) Conditions for Use

The multi-step sealed bidding method may be used when it is determined in writing by the SPO that it is not practical to prepare initially a definitive purchase description that will be suitable to permit an award based on price. Multi-step sealed bidding may be used when it is considered desirable:

1) to invite and evaluate possible diverse technical offers to determine their acceptability to fulfill the purchase description requirements; and

2) to conduct discussions for the purposes of facilitating understanding of the technical offer and purchase description requirements and, when appropriate, obtain supplemental information, permit revisions of technical offers, or amend the purchase description.

c) Pre-Submission Conference in Multi-Step Sealed Bidding

Prior to the submission or evaluation of unpriced technical offers, a pre-submission conference as contemplated by Section 4.2005(w) (Pre-Submission Conference) may be conducted by the SPO or designee.

d) Procedure for Phase One of Multi-Step Sealed Bidding

1) Form. Multi-step sealed bidding shall be initiated by the issuance of an Invitation for Bids in the form required by Section 4.2010 (Competitive Sealed Bidding), except as otherwise provided in this subsection (d). In addition to the requirements set forth in Section 4.2010, the multi-step IFB shall state:

A) that it is a multi-step sealed bid procurement, that only unpriced technical offers are requested, and that priced bids will be considered only in the second phase and only from those bidders whose unpriced technical offers are found acceptable in the first phase;

B) the criteria to be used in the evaluation of the unpriced technical offers;

C) that the SPO or designee may conduct oral or written discussions of the unpriced technical offers; and

D) that the item being procured shall be furnished generally in accordance with the bidder's technical offer as found to be finally acceptable and shall meet the requirements of the IFB.

2) Amendments to the IFB. After receipt of unpriced technical offers, amendments to the IFB shall be distributed only to bidders who submitted unpriced technical offers, and those bidders shall be permitted to submit new unpriced technical offers or to amend those submitted. If, in the opinion of the SPO, a contemplated amendment will significantly change the nature of the procurement, the IFB may be canceled in accordance with Section 4.2040 (Cancellation of Solicitation; Rejection of Bids or Proposals) and a new IFB issued.

3) Receipt and Handling of Unpriced Technical Offers. Unpriced technical offers submitted by bidders shall be opened in the presence of at least one State witness or through an electronic procurement system approved by the CPO-HE.

4) Evaluation of Unpriced Technical Offers. Unpriced technical offers submitted by bidders shall be evaluated solely in accordance with the criteria set forth in the IFB.

5) Unacceptable Unpriced Technical Offer. When the SPO determines a bidder's unpriced technical offer does not meet criteria, the offer shall be rejected.

6) Discussions. The university, in consultation with the SPO, may conduct discussions with a bidder to determine in greater detail the bidder qualifications and to explore with the bidder its ability to provide the specific supply or service and the bidder proposed method of performance. Each bidder shall be given fair opportunity to make revisions authorized as a result of discussions.

e) Procedure for Phase Two

1) Initiation. Upon the completion of phase one, the SPO or designee shall either:

A) open priced bids submitted in phase one (if priced bids were required to be submitted) from bidders whose unpriced technical offers were found to be acceptable; or

B) if priced bids have not been submitted, invite each acceptable bidder to submit a priced bid.

2) Conduct. Phase two shall be conducted as any other competitive sealed bid procurement except that only price and related factors are evaluated.

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