**Section 10.22 Categories of Contracts and Expenditures Exempt from Goal**

a) Contracts shall be exempt from the goal if:

1) the contract is subject to federal reimbursement; or

2) receipt of funds for a contract would be jeopardized by including them in the Program.

b) The Council has determined, pursuant to Section 7(2) of the Act, that the following categories of contracts and expenditures, including but not limited to the detailed expenditure accounts listed within each category, are exempt from the goal. This determination was made based on the best information available that these categories do not represent procurement opportunities for MBEs, FBEs or PBEs, or that there are not sufficient MBEs, FBEs or PBEs to ensure competition and an expectation of reasonable prices. The detailed expenditure accounts have the same meaning as used by the State Comptroller (see Statewide Accounting Management System manual. A copy of this manual is available in the Secretary's office).

1) Contracts between, or within, State agencies that do not include payments to private vendors:

A) University Central Data Processing Services;

B) University Central Plant Services;

C) University Central Supply Services;

D) University Central Telecommunication Services; and

E) University Central Transportation Services.

2) Contracts with or payments to other governmental entities:

A) Payments to Local Governments for Employees;

B) Reimbursements to Governmental Units;

C) Postage and Postal Charges;

D) Operating Taxes, Licenses and Fees;

E) Revenue Stamps;

F) Taxes and Transfers;

G) Fire Protection Services;

H) Shared Waterway Agreements; and

I) Shared Revenue Payments.

3) Employee wages, salary and other payroll and employee related costs:

A) Payments into Pension Funds;

B) Pensions, Annuities and Benefits;

C) Purchase of Investments;

D) Employee Tuition Fees;

E) Social Security;

F) Retirement;

G) Unemployment Compensation Payments;

H) Legislative Staff Services;

I) Registration Fees and Conference Expenses;

J) Workers' Compensation Commission Awards or Settlement Awards for Injured Employees; and

K) Awards, Benefits and Treatment Expenses − Injured Employees.

4) Payments of money to individuals or groups in the nature of reimbursement, settlement, entitlement, or assistance:

A) Assistance Payments to Individuals;

B) Awards and Grants to Students;

C) Burial Expense Awards;

D) Community Services for DHS-MH & DD and Chemically Dependent;

E) Court of Claims Awards;

F) Reimbursement for Living Expenses for State Wards Outside State Institutions;

G) Tuition, Training Supplies and Equipment for Aided Persons;

H) Lottery Prizes;

I) Interviewee Expenses; and

J) Tort Claims.

5) Debt retirement and refunds of money:

A) Debt Retirement;

B) Loans; and

C) Refunds.

6) Grants:

A) Grants for Educational Purposes − School Districts;

B) Grants for Educational Purposes − Higher Education;

C) Grants to Local Governments (other);

D) Grants to Non-Profit Organizations;

E) Grants to Other State Agencies; and

F) Grants to or on behalf of Veterans and their Dependents.

7) Public utility contracts and payments:

A) Electricity;

B) Gas (Natural Gas);

C) Telecommunications (regulated service only);

D) Water; and

E) Utilities (Other).

8) Real estate acquisition:

A) Land (Relocation Costs);

B) Land, Relocation Costs (Highways);

C) Land, Relocation Costs (Waterways);

D) Land, Rights of Way and Easements;

E) Land, Rights of Way and Easements (Highway); and

F) Land, Rights of Way and Easements (Waterways).

9) Miscellaneous contracts and expenditures:

A) Association Dues; and

B) Periodical Subscriptions.

c) Prior to the end of each fiscal year, the Secretary shall investigate the categories of contracts and expenditures to determine whether, based on the best information available, these categories continue to represent procurements in which there are no opportunities for MBEs, FBEs or PBEs, or that there are not sufficient MBEs, FBEs or PBEs to ensure competition and an expectation of reasonable prices. The Secretary shall present the determination to the Council, and the Council shall either continue with the current categories or change the categories. The categories shall remain as stated in this Part until the Part is amended to change the categories.

(Source: Amended at 36 Ill. Reg. 10717, effective July 6, 2012)