**Section 40.120 Categories of Contracts and Expenditures Exempt from the 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) CMS has determined that the following categories of contracts and expenditures, including but not limited to the detailed expenditure accounts listed below 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 SDVOSBs or VOSBs, or that there are not sufficient SDVOSBs or VOSBs to ensure competition and an expectation of reasonable prices. The detailed expenditure accounts have the same meaning as used by the State Comptroller (see the Statewide Accounting Management System (SAMS) manual, available from CMS).

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

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, salaries 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) Industrial 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 Department of Human Services- Divisions of Mental Health and Developmental Disabilities Clients and the 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 who Qualified under Wartime Service.

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, CMS 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 SDVOSBs or VOSBs, or that there are not sufficient SDVOSBs or VOSBs to ensure competition and an expectation of reasonable prices.

(Recodified from Section 20.120 of 44 Ill. Adm. Code 20 (Central Management Services) pursuant to Section 45-57 of the Illinois Procurement Code [30 ILCS 500/45-57], at 47 Ill. Reg. 12484)