**Section 1120.5013 Conflicts of Interest** **Prohibited by the Code**

a) Any bid, proposal, offer of acceptance, or proposed contract must be reviewed for conflicts of interest pursuant to Section 50-13 of the Code. If a conflict is found, no contract will be executed unless the CPO requests and is granted an exemption by the Comptroller under Section 1120.5020 of this Part.

b) For the purpose of this Part, an individual has a direct pecuniary interest in a contract when the individual is owed a payment or otherwise received a direct financial benefit in conjunction with performance of a contract, including finders fees and commission payments.

c) Distributable income means the income of a company after payment of all expenses, including employee salary and bonus, and retained earnings, and the remaining amount is actually distributed to those entitled to receive a share of that income. In the case of a for-profit corporation, distributable income means "dividends". When calculating entitlement to distributable income, the entitlement shall be determined at the end of the company's most recent fiscal year.

d) This Section applies to those elected to an office of Illinois State government. This Section does not apply to those elected to local government offices, including school districts, nor does it apply to those elected to federal offices in this State. This Section does not apply to contracts with licensed professionals, provided those contracts are competitively bid. For purposes of this Section, "bid" means procured pursuant to the competitive procedures identified in Subpart E.

e) Additional exemptions to the application of this Part are listed in Section 50-13(f) of the Code.

(Source: Amended at 42 Ill. Reg. 6682, effective March 30, 2018)