UNIVERSITY OF ILLINOIS

Procurement Legislation Talking Points April 2011

EXEMPTIONS FROM PROCUREMENT CODE

Medical Services and Medical Supplies (Purchase of Care) (Sec. 1-10 (b)(3); Sec. 1-15.68)

Recommendations:

• Expand the definition of "purchase of care" to include "the purchase of medical services and medical supplies for academic medical centers".

Public Performances, Athletic Events, Conferences, Mandated Activities (Sec. 1-10 (b)

Recommendation: Consider adding exemptions for purchases made in connection with the following activities:

- Events funded by ticket sales to the general public and other event revenues
 - Artistic and entertainment events and performances
 - Athletic events (event revenues may include funding provided to participating institutions by athletic conferences and associations)
- Events or activities administered by a university for the benefit of third parties where the majority of funding is provided by the third parties (examples: professional meetings, conferences, field trips)
- Donor funded and attended fundraising events or activities.
- Memberships in professional, academic and athletic organizations, and events or other activities or requirements (i.e. NCAA/conference contracted hotels/venues).
- Use of mandated vendors to provide accreditation services
- Various publications for libraries

Non-Credit Educational Services and Products (Sec. 1-10(b)(8))

Recommendation: Revise exemption to include all public institutions of higher education rather than just Northern Illinois University. The inclusion of for-credit educational services and activities or products and educational support services would provide public institutions of higher education with greater flexibility to adequately address issues and needs related to utilizations of local academic instructors, study abroad and other international programs and similar issues related to academic mission.

- Instructors for weatherization program
- Resident directors for study abroad programs

COMMUNICATIONS REPORTING REQUIREMENTS

Applicability to Types of Communications (Sec. 50-39)

Recommendations:

- Allow for exemption for proprietary information
- Allow for exemption of contract amendments and change orders
- Allow for exemption for procurements below the applicable small purchase thresholds
- Defines reporting period to active procurements
- Requires only one person to report if there are multiple parties to the same communication

UNIQUE PROCUREMENT ENVIRONMENTS

Consortia Purchases [Governmental Joint Purchasing Act (Sec. 2, 3, and 4)]

Recommendation: Modify the Governmental Joint Purchasing Act to enhance the ability of institutions of higher education to promote economical procurement practices and realize substantial cost savings through participation in consortia or group purchasing agreements with governmental, educational, medical, research or similar entities.

Foreign Country Procurements (Sec. 20-90)

Recommendations:

- Add language to include "operations performed in foreign countries" (to facilitate contracting for resident directors for study abroad programs and recruiters for intensive English programs, field research in foreign countries)
- Provide additional flexibility from code requirements to allow contracting with vendors that do not have an office in the United States

CONTRACT MANAGEMENT

Subcontracts (Sec. 20-120(a); Sec. 1-15.107)

Recommendations:

- Modify Section 1-15.107 to delete the extension of subcontractor requirements to subcontractors of subcontractors
- Modify Section 20-120(a) and Section 1-15.108 to limit the subcontractor reporting to subcontractor transactions greater than the small purchase maximums
- Modify Section 20-120(a) to require submission of subcontractor disclosures and certifications but not subcontracts themselves

Annual Recertification Requirement (Sec. 50-2)

Recommendation: Eliminate the requirement for vendors (and subcontractors) with multi-year contracts to recertify each year.

PUBLIC HEARINGS

Sole Source Awards (Sec. 20-25(a))

Recommendation: Require a public hearing for sole source transactions only if an objection is filed to the notice of the sole source award. Also amend the language to allow the public meeting within ten (10) days of posting of the sole source to the Procurement Bulletin if a protest is lodged.

Emergency Procurements (Sec. 20-30(a))

Recommendation: Require a public hearing for the renewal of emergency purchase beyond the initial 90-day limitation only if any person files an objection to the notice of the renewal extension. Also amend the language to allow the public meeting within ten (10) days of posting of the extension to the Procurement Bulletin if a protest is lodged.

PRE-BID REQUIREMENTS FOR VENDORS

<u>Legal Entity Authorized to Do Business in Illinois</u> (Sec. 20-43)

Recommendation: Require business registration in Illinois prior to <u>award</u> of contract.

Board of Elections Registration Sec. 20-160(g)

Recommendations:

- Require registration with the BOE prior to award of a contract.
- Allow exceptions for sole source and emergency vendors
- Alternative include BOE registration in vendor portal