Vendor Ownership Change Policy

Policy Information

Policy Sponsor: System Office of Capital, Utilities, and Real Estate
Approved by: Senior Assistant Vice President, Capital, Utilities, and Real Estate
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Contact: *UOCPStaff@uillinois.edu*

Purpose

This policy serves to remind Vendors of their obligation to notify the Owner, and the State of Illinois of any pending changes to their contract, specifically as it relates to the assignment of financial interest and delegation of their obligations and duties in a State awarded contract. This policy provides a process to notify the proper parties of a Vendor Ownership Change, it identifies the documents required, while mapping out the process to determine if approval of this change is in the State's and University's best interest.

Scope

This policy is applicable to capital construction units across the University of Illinois System.

Statement of Policy

Vendors contracted with or having pending contracts, bids, proposals, subcontracts, or other ongoing procurement relationships with the State of Illinois and the Owner, the Board of Trustees (BOT) of the University of Illinois, are obligated to notify the Owner of pending changes to their contract, including changes to a Vendor's Ownership. A Vendor's communication of change initiates the full Vendor Ownership Change process.

Assignment of the financial interest and delegation of the obligations and duties in a State awarded contract is a limitation on the State's goal to award contracts to the lowest responsible and responsive bidder using competitive sealed bidding or those that go through a Qualification Based Selection (QBS) or Request for Proposal (RFP) process. The Assignee, having received the transfer of rights and not having gone through the competitive sealed bid or QBS/RFP process, is now the beneficiary of a State of Illinois contract through a Vendor Ownership Change.

Procedures

To officially notify the proper parties of a Vendor Ownership Change and to determine if approval of this change is in the State's and University's best interest (44 ILAC § 1.2005(o)), the following steps shall be taken.

A. The Vendor, Assignor, shall submit in writing, on the company's letterhead, of the pending Vendor Ownership Change to the Capital Construction Unit (CCU). The letter of change initiates this process. The information shall minimally contain the Vendor names of the Assignor and the Assignee, the effective date of change, the active contracts that are being impacted, and if a construction contract, the Division of Work of the Prime Vendor's contract. A copy of the signed Vendor's letter to the CCU shall be shared with the University Office of Capital Programs (UOCP) as a part of the Vendor Ownership Change request.

B. The CCU shall initiate formalizing acceptance of the Vendor Ownership Change by completing an **Assignment of Agreement** document. Prior to seeking the BOT's and Legal Counsel's review and approval of the Assignment of Agreement, the CCU shall confirm the following information:

1. The Assignee is registered with the Office of the Illinois Secretary of State (ILSOS) and is in "Good Standing" and "Active".
2. The Assignee is prequalified with the Owner's Vendor Services Application (VSA), as applicable.
3. The Assignee is prequalified with the Illinois Capital Development Board, as applicable.
4. The Assignee and/or subconsultant(s) are registered to practice as a Professional Design Firm with the Illinois Department of Financial and Professional Regulation (IDFPR), as applicable.
5. The Assignee's Professional Staff are licensed to practice/registered as an Architect, Engineer, or Land Surveyor in the State of Illinois, as applicable.
6. The Assignee with prior experience with the University of Illinois is maintaining an average score of "3" on performance evaluations over the last three (3) years, at a minimum, as applicable.
7. The Assignee is to submit to CCU an **IPG form A or form B**, Certifications and Financial Disclosures, or a CPO Financial Disclosure Affidavit for review and acceptance.

8. The Assignee is registered with the State Board of Elections as required by 30 ILCS 500/20-160.
9. The CCU has confirmed all contracts, pending contracts, bids, proposals, subcontracts, or other ongoing procurement relationships that the Assignee has with the Owner and the current phase of the project. Each contract with the Assignor shall be listed as a part of the Assignment of Agreement, along with each Project Number, Project Name, Contract Value, and the Substantial Completion Date.
10. For construction contracts, the Vendor/Assignee must be prequalified with the University of Illinois. Assignee should submit a prequalification statement for the Division of Work of the contract in effect prior to initiating the Vendor Ownership change process.

Once the Assignee's information is verified and accepted by the CCU, the CCU shall proceed in seeking appropriate signatures, first with the Assignor and Assignee, followed by Legal Counsel and the BOT designee.

C. The State of Illinois' Chief Procurement Office of Higher Education's (CPO's) **Assignment Evaluation Checklist**, https://cpo-highered.illinois.gov/content/dam/soi/en/web/cpo-he/forms/assignment-evaluation-checklist-ver.26.1.pdf, shall be completed by the CCU and submitted to the UOCP for review and signature. Here are reminders as the Checklist is completed. The Contract Number on the Checklist refers to the Procurement Bulletin Project Number. The official entity name for Prime and Subconsultants is listed with the Secretary of State, Business Search/Certificate of Good Standing.

D. Once the listed documents are complete, the CCU shall submit them to the UOCP for review and acceptance.

1. Vendor's letter of Ownership change
2. Assignment of Agreement signed by the BOT and Legal Counsel
3. Assignee's IPG form A or B
4. CPO's Assignment of Evaluation Checklist

E. Upon receipt of a CPO’s signed Assignment Evaluation Checklist, the CCU shall amend a contract and award from the Assignor to the Assignee by seeking final signatures of the BOT designee, the Comptroller and Legal Counsel.

Forms, Tools and Additional Resources

https://www.uocpres.uillinois.edu/policies.

https://cpo-highered.illinois.gov/content/dam/soi/en/web/cpo-he/forms/assignment-evaluation-checklist-ver.26.1.pdf

https://www.uocpres.uillinois.edu/applications/vendors

Website Address for this Policy

https://www.uocpres.uillinois.edu/policies