

Senate Bill 51/Public Act 096-0795

Updated Guidelines

This document addresses:

1. Annual Renewals – Retainer Contracts and Job Order Contracts (JOC)
2. Vendor and Subvendor documentation less than Procurement Code bid limit

Section 1: Annual Renewals – Retainer and JOC

Summary

As part of the requirements of Public Act 096-0795, it is necessary to annually renew certifications and disclosures for multi-year contracts (Retainer and JOC) with Prime vendors (contracted directly with the University) as well as their subvendors (contracted with the Prime vendor for \$25,000 and over) by July 1 of each fiscal year starting July 1, 2011. Please see References at the end of Section 1 for a summary of the related sections of the Public Act that pertain to annual renewals.

Requirements

Types of contracts affected:

- Professional Services Consultants Retainer Contracts
- Job Order Contracts

Documents required with contract renewals:

- Prime Vendors
 - [Certifications and Statutory Requirements form.](#)
 - [Financial Disclosures and Potential Conflicts of Interest form.](#)
 - Documentation, if required, regarding review of identified Potential Conflicts of Interest per the [Conflict of Interest Procedure.](#)
- Identified Subvendors (those identified on the original contract)
 - [Certifications and Statutory Requirements form.](#)
 - [Financial Disclosures and Potential Conflicts of Interest form.](#)

Documents required at the time a work order is executed on a Retainer or JOC contract:

- Subvendors with subcontract \$25,000 and over.
 - Copy of the executed subcontract.
 - [Certifications and Statutory Requirements form](#), unless provided with original renewal/award.
 - [Financial Disclosures and Potential Conflicts of Interest form](#), unless provided with original renewal/award.

Process for Renewal of Retainer Contracts and JOC

Note: This process is limited to the requirements for posting a renewal to the IPHEC Bulletin. The University approval and signature process is not included and has not been affected by SB51 requirements.

1. The Campus Construction Unit (CCU) shall complete performance evaluations prior to renewal.
2. CCU creates renewal letter/contract in UPSIDE, following standard UPSIDE procedures for creating contract and obtaining approvals.
3. CCU provides vendor with renewal letter and blank copies of the required certifications and disclosures documents or a link to the documents on UOCP&RES website.
4. Vendor sends back all documents completed and signed.
5. CCU reviews documents for completeness, signature and file name. Any identified potential conflict(s) of interest for Prime Vendors shall be reviewed per the [Conflict of Interest Procedure](#).
6. CCU sends renewal information to UOCP&RES for posting to the IPHEC Bulletin and includes via email pdf copies of the following:
 - a. Completed Certifications and Statutory Requirements form(s) for primes and identified subs.
 - b. Completed Financial Disclosures and Potential Conflicts of Interest form(s) for primes and identified subs.
 - c. Documentation regarding review of identified Potential Conflicts of Interest per the Conflict of Interest Procedure for Primes only.
 - d. Responses to the questions below that the PPB is requesting on every renewal prior to providing a waiver. *We have provided some sample responses for those questions that are not applicable to the QBS process.*
 - 1). Describe in detail the specific steps that the Department/Using Agency/End User (or in the case of a master contract, the issuing agency) has taken to conduct a quantitative assessment of the vendor's performance over the current contract term?
SAMPLE RESPONSE for PSCs: The [University of Illinois Qualifications Based Selection Policy](#) outlines the process and provides forms to evaluate Professional Services firms.
 - a). Give a detailed analysis of the results that were concluded from the assessment. If no assessment of the vendor's performance was conducted, explain why.
 - 2). Are the service levels originally established still relevant?
 - a). How was the relevancy verified (what method was used) and with whom was it verified?
 - 3). Were any supplies or services added during the previous term(s) that were not anticipated in the scope of the original solicitation or at award of the original contract? If yes, describe.

- a). What were the dollar amounts and justification for each?
 - b). If supplies or services were added, describe how the needs of the Department/Using Agency/End User have changed since the start of the original contract to necessitate an amendment or change.
 - c). How was the justification for the change(s) or amendment(s) verified (what method was used) and with whom was it verified?
- 4). What specific steps were taken to evaluate the current marketplace?
- a). Discuss the evaluation process and identify the evaluators.
SAMPLE RESPONSE for PSCs: The Qualifications Based Selection process requires that the Professional Services firm be selected based on their qualifications and not fees. Once the selection is made, then negotiations for the fee can begin. The fees are based on a University policy "Scope and Fee Negotiation Policy" and this drives the fee range based on project type. Therefore the University sets the fee by policy rather than the current marketplace. Given the required selection process by law, scope and fee policy and evaluation of firm performance, we feel there is no need to evaluate the current marketplace.
- 5). Explain how this renewal is a more fiscally responsible option than competitive selection.
- a). How specifically was the competitive environment tested to ensure that it hasn't evolved in such a way that competitive selection might be a more fiscally responsible option?
SAMPLE RESPONSE for PSCs: See answer to question 4 above.
- 6). Describe in detail what methods were utilized in order to get the best possible price?
SAMPLE RESPONSE for PSCs: Retainer contracts are on a work-order basis and do not specify a price other than the maximum per year and the overall contract maximum. Each work order fee is based on a University policy "Scope and Fee Negotiation Policy" and this drives the fee range based on project type and complexity. The ranges are limited and comparable to a similar policy used by the Capital Development Board.
- 7. UOCP&RES reviews the renewal and documentation and submits via the IPHEC Bulletin.
 - 8. SPO reviews the renewal and documentation and approves (IPHEC Bulletin workflow).
 - 9. Renewal is posted to the IPHEC Bulletin (IPHEC Bulletin workflow).

Process for Work Orders on Retainer Contracts and JOC

Note: While the Prime Vendor information is gathered during the contract renewal, it is possible that at the time that a work order is negotiated with a Retainer or JOC vendor, subvendors are identified and subcontracted. If subvendors have a subcontract value of \$25,000 and over, then the following process should be followed to obtain the required documentation and provide it to the CPO/PPB.

- 1. CCU negotiates work order with vendor.

2. For any subvendors with subcontracts \$25,000 and over identified on the work order, CCU requests copies of the following:
 - a. Copy of the executed subcontract
 - b. Certifications and Statutory Requirements form(s), unless provided with original renewal/award.
 - c. Financial Disclosures and Potential Conflicts of Interest form(s), unless provided with original renewal/award.
3. Prime vendor submits all documents completed and signed.
4. CCU reviews documents for completeness, signature and file name.
 - a. NOTE: Work order filenames must have the work order number/identifier added to the end of the file name to provide a unique file name. Refer to the Electronic File Name Convention.
5. CCU sends work order information to UOCP&RES for posting to the IPHEC Bulletin via email and includes pdf copies of the following:
 - a. Completed Certifications and Statutory Requirements form(s) for subs with subcontracts \$25,000 and over.
 - b. Completed Financial Disclosures and Potential Conflicts of Interest form(s) for subs with subcontracts \$25,000 and over.
 - c. Documentation regarding review of identified Potential Conflicts of Interest per the Conflict of Interest Procedure for Primes only.
6. UOCP&RES reviews the renewal and documentation and submits via the IPHEC Bulletin.
7. Work order documentation is posted to the IPHEC Bulletin under the original contract posting.

References for Annual Renewals

Excerpts from [Public Act 096-0795](#) related to annual renewal requirements.

(30 ILCS 500/50-2)

Sec. 50-2. Continuing disclosure; false certification. Every person that has entered into a multi-year contract and every subcontractor with a multi-year subcontract shall certify, by July 1 of each fiscal year covered by the contract after the initial fiscal year, to the responsible chief procurement officer whether it continues to satisfy the requirements of this Article pertaining to eligibility for a contract award. If a contractor or subcontractor is not able to truthfully certify that it continues to meet all requirements, it shall provide with its certification a detailed explanation of the circumstances leading to the change in certification status. A contractor or subcontractor that makes a false statement material to any given certification required under this Article is, in addition to any other penalties or consequences prescribed by law, subject to liability under the Illinois False Claims Act for submission of a false claim.

(30 ILCS 500/15-25)

Sec. 15-25. Bulletin content.

(a) Invitations for bids. Notice of each and every contract that is offered, including renegotiated contracts and change orders, shall be published in the Bulletin, and all businesses listed on the Department of Transportation Disadvantaged Business Enterprise Directory, the Department of

Central Management Services Business Enterprise Program and Small Business Vendors Directory, and the Capital Development Board's Directory of Certified Minority and Female Business Enterprises shall be furnished written instructions and information on how to register on each Procurement Bulletin maintained by the State. Such information shall be provided to each business within 30 days after the business' notice of certification. The applicable chief procurement officer may provide by rule an organized format for the publication of this information, but in any case it must include at least the date first offered, the date submission of offers is due, the location that offers are to be submitted to, the purchasing State agency, the responsible State purchasing officer, a brief purchase description, the method of source selection, information of how to obtain a comprehensive purchase description and any disclosure and contract forms, and encouragement to prospective vendors to hire qualified veterans, as defined by Section 45-67 of this Code, and qualified Illinois minorities, women, persons with disabilities, and residents discharged from any Illinois adult correctional center.

(b) Contracts let. Notice of each and every contract that is let, including renegotiated contracts and change orders, shall be issued electronically to those bidders or offerors submitting responses to the solicitations, inclusive of the unsuccessful bidders, immediately upon contract let. Failure of any chief procurement officer to give such notice shall result in tolling the time for filing a bid protest up to 5 business days. The apparent low bidder's award and all other bids from bidders responding to solicitations shall be posted on the agency's website the next business day.

(b-5) Contracts awarded. Notice of each and every contract that is awarded, including renegotiated contracts and change orders, shall be issued electronically to the successful responsible bidder or offeror, posted on the agency's website the next business day, and published in the next available subsequent Bulletin. The applicable chief procurement officer may provide by rule an organized format for the publication of this information, but in any case it must include at least all of the information specified in subsection (a) as well as the name of the successful responsible bidder or offeror, the contract price, the number of unsuccessful responsive bidders, and any other disclosure specified in any Section of this Code. This notice must be posted in the online electronic Bulletin prior to execution of the contract.

(c-10) Renewals. Notice of each contract renewal shall be posted in the online electronic Bulletin within 10 business days of the determination to renew the contract and the next available subsequent Bulletin. The notice shall include at least all of the information required in subsection (b).

(30 ILCS 500/20-120 new)

Sec. 20-120. Subcontractors.

(a) Any contract granted under this Code shall state whether the services of a subcontractor will or may be used. To the extent that the information is known, the contract shall include the names and addresses of all subcontractors and the expected amount of money each will receive under the contract. The contractor shall provide the chief procurement officer or State purchasing officer a copy of any subcontract so identified within 20 days after the execution of the State contract or after execution of the subcontract, whichever is later.

(b) If at any time during the term of a contract, a contractor adds or changes any subcontractors, he or she shall promptly notify, in writing, the chief procurement officer, State purchasing officer, or their designee of the names and addresses and the expected amount of money each new or replaced subcontractor will receive. The contractor shall provide to the responsible chief procurement officer a copy of the subcontract within 20 days after the execution of the subcontract.

(c) In addition to any other requirements of this Code, a subcontract subject to this Section must include all of the subcontractor's certifications required by Article 50 of the Code.

Section 2: Filing of Certifications and Disclosures between \$25,000 and the bid limit

Summary

The Procurement Policy Board has passed a Resolution regarding the filing of required documents that fall below the bid limit and therefore do not get posted with an award to the IPHEC Bulletin. As a result, the PPB has provided information to provide the required information for review. Please see References at the end of Section 2 for further information on the Resolution.

Requirements

Types of contracts affected:

- Any contract between \$25,000 and the small purchase bid limit
- Emergency Procurements
- Sole Source Procurements Order Contracts

Documents required with the Filing:

- Project information
 - Project name
 - Project number
 - Prime Vendor name and address
 - Brief description of the contract scope of work
 - Term of contract (if available)
 - Subcontractor names and addresses
 - Subcontract amounts
 - Subcontract date
 - Method of procurement (ie, phone bid/proposal, fax bid/ proposal, etc)
 - University contact information (name, email, phone number)
- Prime Vendor Documents
 - [Certifications and Statutory Requirements form](#)
 - [Financial Disclosures and Potential Conflicts of Interest form](#)
 - Documentation regarding review of identified Potential Conflicts of Interest per the [Conflict of Interest Procedure](#)
- Subvendors Documents(those identified on the original contract)
 - Copy of the subcontract
 - [Certifications and Statutory Requirements form](#)
 - [Financial Disclosures and Potential Conflicts of Interest form](#)

Process for Filing of Certs and Disclosures between \$25,000 and the bid limit

Note: This is a manual process that requires the CCU to email documentation to UOCP&RES for filing with the CPO and PPB.

1. CCU awards a contract to a Prime Vendor with a value between \$25,000 and the bid limit.

2. CCU creates contract following standard contract and approvals.
 - a. If a Purchase Order (PO) is used, the PO will be processed through Purchasing and follow the requirements of that Department. PO information will not be sent to UOCP&RES.
 - b. Professional Services Agreements – short form and standard - are created in UPSIDE.
3. CCU provides vendor with contract and blank copies of the required certifications and disclosures documents or a link to the documents on UOCP&RES website.
4. Vendor sends back all documents completed and signed.
5. CCU reviews documents for completeness, signature and file name. Any identified potential conflict(s) of interest for Prime Vendors shall be reviewed per the [Conflict of Interest Procedure](#).
6. For any subvendors with subcontracts \$25,000 and over, CCU requests copies of the following:
 - a. Copy of the executed subcontract
 - b. Certifications and Statutory Requirements form
 - c. Financial Disclosures and Potential Conflicts of Interest form
7. CCU emails information and documentation to UOCP&RES for filing with the CPO and PPB:
 - a. Project Information:
 - 1). Project name
 - 2). Project number
 - 3). Prime Vendor name and address
 - 4). Brief description of the contract scope of work
 - 5). Term of contract (if available)
 - 6). Subcontractor names and addresses
 - 7). Subcontract amounts
 - 8). Subcontract date
 - 9). Method of procurement (ie, phone bid/proposal, fax bid/ proposal, etc)
 - 10). University contact information (name, email, phone number)
 - b. Documents:
 - 1). Certifications and Statutory Requirements form for primes and subvendors.
 - 2). Financial Disclosures and Potential Conflicts of Interest form for primes and subvendors.
 - 3). Documentation regarding review of identified Potential Conflicts of Interest per the Conflict of Interest Procedure for Primes only.
 - 4). Copies of Subcontracts.
8. UOCP&RES reviews the information and documentation and files with the CPO and PPB.

References For CPO and PPB Filing

Procurement Policy Board [Resolution](#).