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STATE OF ILLINOIS

PROCUREMENT POLICY BOARD

David Vaught, Chairman

Members: Michael Bass, Ed Bedore, Ricardo Morales, Diego Ferrer

**RESOLUTION OF
THE ILLINOIS PROCUREMENT POLICY BOARD**

WHEREAS, the Illinois Procurement Policy Board (the "Board"), pursuant to statutory authority (30 ILCS 500/5-5) has the authority and responsibility to review, comment upon, and recommend procurement practices to the State of Illinois;

WHEREAS, the general policy of the State of Illinois ("State"), as provided in the Illinois Procurement Code, Article 50, is to ensure that State procurements are conducted in an ethical manner and that potential financial conflicts of interest and other financial interests which could taint the procurement process, are openly disclosed to the State and the public;

WHEREAS, specifically, Section 50-35 of the Illinois Procurement Code (30 ILCS 500/50-35) was amended by Public Act 96-795 (known as Senate Bill 51) regarding financial disclosures and requires that financial disclosures "... must be filed with the Procurement Policy Board";

WHEREAS, the trailer bill to Senate Bill 51, Public Act 96-920, amended Section 50-35 again to provide that the threshold contract amount for requiring financial interest disclosures was increased from \$10,000 to \$25,000;

WHEREAS, the current language of Section 50-35(a) provides, "All offers from responsive bidders or offerors with an annual value of more than \$25,000 and all subcontracts identified as provided by Section 20-120 of this Code, shall be accompanied by disclosure of the financial interests of the contractor, bidder, proposer and each subcontractor to be used. The financial disclosure of each successful bidder or offeror and its subcontractors shall be incorporated as a material term of the contract . . ." (emphasis added);



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WHEREAS, the Board interprets the phrase “successful bidder or offeror” to include any party contracting with the State to provide goods or services whether through competitive selection, sole source contract, emergency contract, or small purchase contract, or any other type of contract allowed under the Procurement Code;

WHEREAS, the State CPOs interpret “successful bidder or offeror” to include only those contractors who have been awarded a contract through competitive selection and excludes sole source, emergency or small purchase contracts;

WHEREAS, the Board and the State CPOs desire to agree upon a suitable process until such time as there is clarification regarding the meaning of 30 ILCS 5/50-35.

NOW, THEREFORE, based upon the foregoing recitations, the Board is resolved to make the following comment and recommendation to the Chief Procurement Officers regarding the interpretation of the Illinois Procurement Code:

RESOLVED, for sole source and emergency procurements made under the Procurement Code, the request should be made to obtain and file financial disclosures and conflict of interest forms. For those procurements when such a financial disclosure is unavailable, a form prescribed by the Board will be filed with the Board in lieu of the disclosures, noting the reason for the absence of the disclosures and accompanied by an SPO signature.

IT IS FURTHER RESOLVED, that for small purchase contracts, if the amount of the contract is more than \$25,000, a financial disclosure form shall be required by the State.



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APPROVED THIS 5th DAY OF October 2010.

AYE VOTES: 5

NAY VOTES: 0

CHAIRMAN OF THE ILLINOIS
PROCUREMENT POLICY BOARD

David Vaught

ATTEST:

Aaron Carter, Executive Director