

**Announcement**  
**Changes to the Illinois Procurement Code**

**PROCUREMENT COMMUNICATIONS REPORTING**

Northeastern Illinois University policies regarding the competitive bidding process are based upon rules mandated by the Illinois Procurement Code (30 ILCS 500/50-39). The University's Purchasing Department is responsible for overseeing the competitive bid process and maintaining its integrity. Recent amendments to the Illinois Procurement Code, however, have fundamentally changed the ways in which Illinois public universities and agencies procure needed goods and services. These changes include the requirement that each State employee will be responsible to report vendor communications to the Procurement Policy Board via a public web site. The Procurement Policy Board has charged the University Ethics Officers with the responsibility of communicating this reporting requirement and advising employees related to the reporting process. The following information explains the basics regarding some of these new requirements, and is not intended to be a complete summary of every requirement of the amendments to the Illinois Procurement Code.

**I. Communications Reporting**

Beginning January 1, 2011, the Illinois Procurement Code requires employees involved in discussions with outside vendors who impart or request material information, or make a material argument regarding potential action concerning a procurement matter, must report that written or oral communication to the Procurement Policy Board via their Web site at: <http://pcrs.illinois.gov>.

This Procurement Communications Reporting System requires University employees to self-register to establish an ID and password. All reports submitted are approved by a University-designated State Procurement Officer ("SPO") and published for public viewing at: <http://pcrs.illinois.gov>. The reporting requirement does not involve communications related to existing contracts unless a change order is being discussed.

If you believe you have been involved in a communication with an outside party that requires reporting, please consult your University Ethics Officer by sending an email detailing your specific situation to [j-brown@neiu.edu](mailto:j-brown@neiu.edu) to ensure your compliance with the Illinois Procurement Code.

**II. Instructions for Reporting Communications**

Beginning January 1, 2011, all employees involved in discussions with outside vendors who impart or request material information, or make a material argument regarding potential action concerning a procurement matter (e.g., application, contract, project, or proposal), must report that written or oral communication to the Procurement Policy Board.

1. Where Do Employees Report this Information?

Communications defined by law as requiring reporting must be submitted online via the Procurement Policy Board web site at: <http://pcrs.illinois.gov>.

2. What Gets Reported?

Contact that must be reported includes, but is not limited to communications: establishing or defining a procurement need or method of source selection regarding preparing specification, plan or requirements preparing any invitation for bid, RFP, requests for information, sole source procurement justifications, emergency procurement justifications, or selection information regarding evaluating bids, responses, offers, letting or awarding a contract resolving protests determining inclusion on prequalification lists identifying potential conflicts of interest determining vendor performance evaluations approving change orders or renewal or extension of an existing contract

3. What Does Not Get Reported?

Employees do not need to report the following communications:

- Communication made in a public forum and/or during a meeting subject to the Open Meetings Act
- Communications regarding procedure and practice between Northeastern employees regarding the administration and implementation of an existing contract
- Communications that are unsolicited from potential vendors and are not further disseminated or used by the receiving employees in a procurement decision.

4. Who Must Make the Report?

Any employee who is present at or involved in the communications where reporting is required. Each individual must produce his own report, regardless if there were multiple employees in attendance at a meeting where reporting is required.

5. When Should These Reports be Made?

Reports should be made as soon as possible following involvement in a communication requiring reporting. At a minimum, reports must be submitted monthly.

6. Who Do I Call if I Have Questions on What to Report and How?

The Procurement Policy Board has charged the University Ethics Officer with responding to inquiries and providing assistance to University employees involved in reporting. You can contact the University Ethics Officer via email at: [j-brown@neiu.edu](mailto:j-brown@neiu.edu)

for assistance. Be sure to provide a detailed explanation of your question within the body of your communication.

### **III. Reporting Suggestions: Do's and Don'ts**

1. Don't report communications:
  - made in a public forum and/or during a meeting subject to the Open Meetings Act
  - regarding procedure and practice
  - between Northeastern employees
  - regarding the administration and implementation of an existing contract
  - that are unsolicited from potential vendors that are not further disseminated or used by the receiving employees in a procurement decision.
  
2. Do report communications including but not limited to:
  - establishing or defining a procurement need or method of source selection
  - regarding preparing specification, plan or requirements
  - preparing any invitation for bid, RFP, requests for information, sole source procurement justifications, emergency procurement justifications, or selection information
  - regarding evaluating bids, responses, offers, letting or awarding a contract
  - resolving protests
  - determining inclusion on prequalification lists
  - identifying potential conflicts of interest
  - determining vendor performance evaluations
  - approving change orders or renewal or extension of an existing contract

### **IV. Additional Information and Training**

1. The Legislation:

Only one section of the Illinois Procurement Code addresses the communications reporting requirement:

The Illinois Procurement Code 30 ILCS 500

"Sec. 50-39. Procurement communications reporting requirement.

a. Any written or oral communication received by a State employee that imparts or requests material information or makes a material argument regarding potential action concerning a procurement matter, including, but not limited to, an application, a contract, or a project, shall be reported to the Procurement Policy Board. These communications do not include the following: (i) statements by a person publicly made in a public forum; (ii) statements regarding matters of procedure and practice, such as format, the

number of copies required, the manner of filing, and the status of a matter; and (iii) statements made by a State employee of the agency to the agency head or other employees of that agency or to the employees of the Executive Ethics Commission. The provisions of this Section shall not apply to communications regarding the administration and implementation of an existing contract, except communications regarding change orders or the renewal or extension of a contract.

b. The report required by subsection (a) shall be submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was received, the individual or entity represented by that person, and any action the person requested or recommended; (iii) the identity and job title of the person to whom each communication was made; (iv) if a response is made, the identity and job title of the person making each response; (v) a detailed summary of the points made by each person involved in the communication; (vi) the duration of the communication; (vii) the location or locations of all persons involved in the communication and, if the communication occurred by telephone, the telephone numbers for the callers and recipients of the communication; and (viii) any other pertinent information.

c. Additionally, when an oral communication made by a person required to register under the Lobbyist Registration Act is received by a State employee that is covered under this Section, all individuals who initiate or participate in the oral communication shall submit a written report to that State employee that memorializes the communication and includes, but is not limited to, the items listed in subsection (b).

d. The Procurement Policy Board shall make each report submitted pursuant to this Section available on its website within 7 days after its receipt of the report. The Procurement Policy Board may promulgate rules to ensure compliance with this Section.

e. The reporting requirements shall also be conveyed through ethics training under the State Employees and Officials Ethics Act. An employee who knowingly and intentionally violates this Section shall be subject to suspension or discharge. The Executive Ethics Commission shall promulgate rules, including emergency rules, to implement this Section.”

The full text of the Illinois Procurement Code, as amended by Public Act 96-795, may be found at:

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=532&ChapAct=30%26nbsp%3BILCS%26nbsp%3B500%2F&ChapterID=7&ChapterName=FINANCE&ActName=Illinois+Procurement+Code>

2. Training:

The Procurement Policy Board developed an instructional presentation which is available in Power Point and PDF format at:

<http://www2.illinois.gov/ppb/Pages/procurement-communications-reporting.aspx>

V. **Frequently Asked Questions**

1. Who Do I Call if I Have Questions on What to Report and How?

The Procurement Policy Board has charged the University Ethics Officer with responding to inquiries and providing assistance to University employees involved in reporting. You can contact the University Ethics Officer via email at: [j-brown@neiu.edu](mailto:j-brown@neiu.edu) for assistance. Be sure to provide a detailed explanation of your question within the body of your communication.

2. Where is the Procurement Communications Reporting System?

Effective January 1, 2011, the Procurement Policy Board's communication Web site will be available at: <http://pcrs.illinois.gov>. For University employees, self-registration will be required prior to accessing the site to process a communications report.

3. When I self-register for the Procurement Communications Reporting System should I use my University ID or University email address and existing University password?

Because the Procurement Communications Reporting System is external to the Northeastern, it is not recommended that use of your existing University ID or passwords. For security purposes, we recommend the establishment of a unique ID and password used only for this site.

4. Who do I contact if I have further questions regarding reportable communications or use of the Procurement Communications Reporting System?

For questions regarding a decision to report a communication, please contact the University Ethics Officer at [j-brown@neiu.edu](mailto:j-brown@neiu.edu) or by calling 773-442-5400. For technical assistance, you may call the Procurement Call Center at 866-455-2897 or by emailing [ppb.pcrs@illinois.gov](mailto:ppb.pcrs@illinois.gov). Please note that if the University Ethics Officer can not immediately respond to your question regarding the required reporting of a communication, advice will be sought through the Executive Ethics Commission.

5. How soon after the communication am I required to submit the report via the Procurement Communications Reporting System?

The Procurement Code states the report should be submitted monthly. We recommend communications be processed very soon after the actual event to ensure the reporting is not overlooked, which could result in both criminal and disciplinary action.

6. As a faculty member and grant applicant, I am required to develop a preliminary budget for grant applications. My project will require the acquisition of equipment. To develop a reasonable budget, I need to contact potential vendors for a budget-purposes estimate. Am I required to report each of these communications via the Procurement Communications Reporting System, realizing that I may not be awarded the grant or have the opportunity to procure the equipment in future years?

No. If the faculty member is simply seeking quotes, it would not appear that the communication was made for the purpose of influencing a procurement decision. Instead, the vendor is communicating facts about a current price.

7. Is there any materiality level with respect to the estimated purchase price for reporting of procurement related communications? For example, would price quotes for refreshments for a campus meeting require reporting considering the time taken to report may well exceed the cost of the transaction?

Yes. Neither the Procurement Code nor the proposed Executive Ethics Commission rules provide a minimum threshold dollar amount below which related communications need not reported; therefore, ALL such communications must be reported regardless of the planned purchase being for \$50 or \$5,000,000.

8. A committee of 15 employees has been formed to review equipment for a large grant project. This committee is responsible for meeting with vendors while the vendors showcase their product and answer committee members' questions. Ultimately, an equipment purchase will be made based on results of the bid responses. Am I responsible for reporting each of these meetings within the Procurement Communications Reporting System?

Yes. Per the Procurement Policy Board, every member of the committee must log into the Procurement Communications Reporting System and report the meeting. Please note that every member of the committee will need to report and will need to include contact information for every person involved in the discussions. Yes, this means that 15 people will log the communication and log all 14 other committee members as participants.

9. I noted that communications held in a public forum do not require reporting in the Procurement Communications Reporting System. What is a public forum?

A public forum is a public meeting specifically not subject to the Open Meetings Act. Please note that communications conducted during a meeting that is subject to the Open Meetings Act do not need to be reported.

10. What is the penalty to a University employee for not reporting a required communication?

Penalties are specifically outlined in 30 ILCS 500/50-39 as follows, "An employee who knowingly and intentionally violates this Section shall be subject to suspension or discharge."

11. What happens to the communication report I submit via the Procurement Communications Reporting System?

Your communication will be reviewed by the SPO to ensure the communications includes no malicious content. The report will then be posted to the Procurement Policy Board Web site for view and search by the general public.

12. To what level of detail am I required to report?

You are required to report a detailed summary of the points made by each person involved in the communications. This report should be crisp and factual.

13. Am I required to tell the person I am communicating with that I must report the communication?

No. You are not required by law to disclose this reporting requirement. However, since the communication will become public information, informing the individual would be considered good business practice.

14. What information do I need to have available to complete a procurement communications report?

You should have the following information available at the time you begin a report (A data worksheet is available to assist you in capturing the necessary information):

- Name, title, phone number, and email address, if via email, of the person you communicated with (vendor employee)
- Name of vendor company
- Date and time of communication
- Length of communication in minutes if not written
- Action requested
- Summary of communication

- List of participants including name, title, telephone number, and email address
15. What do I do if I do not have the necessary information for all required fields?

To the extent possible, you should complete all required fields. If the information is not readily available or not locatable via an internet search, required fields can be populated with “00000000”.

16. If my material procurement related communication was via email, can I simply copy and paste in the email communication as opposed to writing a summary of the communication?

Yes. You may copy and paste in the email contents. Additionally, you may also attach communications within the Procurement Communications Reporting System. Please note that only PDF documents can be attached.

Additional “Frequently Asked Questions” developed by the Procurement Policy Board can be found at: <http://www2.illinois.gov/ppb/Documents/101124FAQs.pdf>

# Procurement Reporting Communications Information Collection Worksheet

Below is a list of items employees should collect when participating in procurement-related discussions to ensure accurate and detailed reporting at:

<http://pcrs.illinois.gov>.

**Information to collect from the Vendor Representative(s):**

|                |  |  |  |
|----------------|--|--|--|
| Name:          |  |  |  |
| Job Title:     |  |  |  |
| Phone Number:  |  |  |  |
| Email Address: |  |  |  |

**Information to collect from ALL University participants:**

|                |  |  |  |
|----------------|--|--|--|
| Name:          |  |  |  |
| Job Title:     |  |  |  |
| Phone Number:  |  |  |  |
| Email Address: |  |  |  |

**Additional information you will be expected to provide in your reports:**

|                           |
|---------------------------|
| Date of communication:    |
| Time/Duration:            |
| Action Requested:         |
| Summary of communication: |