



EXECUTIVE ORDER

NUMBER 1 (2007)

**EXECUTIVE ORDER PROTECTING THE INTEGRITY
OF STATE PROCUREMENT**

WHEREAS, the State of Illinois and governments within the State of Illinois are responsible for the prudent, efficient and ethical management of taxpayer dollars;

WHEREAS, the management of taxpayer dollars from time to time involves contracting with the private sector for the procurement of goods and services;

WHEREAS, the prudent expenditure of public dollars requires that the State and all Illinois governments' procurement processes lead to the selection of qualified and responsible contractors who have the ability to perform the contract;

WHEREAS, the State's procurement interests are served by doing business with contractors who conduct business with the highest standards of integrity and whose selection is based solely on ability to provide goods and services on terms most favorable to the State;

WHEREAS, lobbying on government procurements by family members of the Governor of the State of Illinois could undermine public confidence in the government procurement process;

WHEREAS, lobbying on government procurements by state government employees who have exercised authority over the procurement process also could undermine public confidence in the government procurement process; and

WHEREAS, State law directs that in the procurement of goods and services, the State act in a manner that maintains the integrity and public trust of State Government [30 ILCS 500/50-1];

THEREFORE, I hereby order the following:

I. Warrant and Certification Requirement

Seeking to protect these interests, the State requires that all contractors, vendors and bidders subject to this Executive Order warrant and certify that they and, to the best of their knowledge, their subcontractors have complied and will comply with the requirements set forth in this Order. All Chief Procurement Officers in the State shall issue whatever notices and directives they deem necessary to carry out this Order.

II. Definitions

The following definitions shall apply to this Order:

- (a) "State Procurement" means an agreement by a Contractor or Vendor with an agency under the jurisdiction of the Governor and/or the Office of the Governor to provide goods and/or services.
- (b) "Related Procurement" means an agreement to provide to a Related Government any goods and/or services.
- (c) "Related Government" means a municipal, county, township, board, commission, authority, or other unit of government in the State of Illinois.
- (d) "Contractor," "Vendor," or "Bidder" means a person, partnership, corporation or other entity which has or seeks to have a contract with the State.
- (e) "Subcontractor" means a person, partnership, corporation or other entity which enters into a contract with a contractor for performance of some or all of the contracted work.
- (f) "Procurement Lobbying Activities" means (i) any communication with any official or employee of State Government or any Related Government for the ultimate purpose of influencing executive, legislative or administrative action, undertaken by a lobbyist not solely a bona fide employee of the Contractor, Vendor or Bidder, where the action that the communication is intended to influence is a State Procurement or Related Procurement; or (ii) retaining an individual (who is not solely a bona fide

employee of the procuring entity) or entity for the purposes of providing advice and/or counsel regarding government relations as regards State Procurement or Related Procurement. “Procurement lobbying activities” for purposes of this Order does not mean the bona fide practice of law related to procurement.

- (g) “Procurement authority” means the authority to participate personally and substantially in decisions to award State contracts with a cumulative value of over \$25,000. “Procurement authority” for purposes of this order does not include counsel regarding the procurement process by an attorney acting in a legal capacity.
- (h) “Lobbyist” means a person registered as a lobbyist under the Lobbyist Registration Act, 25 ILCS 170, a person who should be registered as a lobbyist under the Lobbyist Registration Act, or a person who undertakes procurement lobbying activities.
- (i) “Family member” means father, mother, son, daughter, brother, sister, uncle, aunt, husband, wife, father-in-law, mother-in-law, brother-in-law, or sister-in-law.

III. Scope

This Order applies to all State Procurement processes initiated after the effective date of the Order, regardless of (a) which statutes, administrative rules or policies govern their procurement, (b) what method of procurement is used to procure the goods or services, or (c) any other characteristic of the procurement, as long as the value of the contract exceeds \$25,000. The prohibitions in Section IV herein shall begin on the effective date of this Order and shall not impose any consequences on procurement lobbying activities undertaken before the effective date.

IV. Restrictions on Procurement Lobbying

- (a) No Contractor, Vendor or Bidder may cause, direct or permit any procurement lobbying activities on its behalf to be undertaken by a family member of the then-serving Governor of the State of Illinois.

(b) No Contractor, Vendor or Bidder may cause, direct or permit any procurement lobbying activities on its behalf to be undertaken by a former employee of the State of Illinois who had procurement authority at any time during the one-year period immediately preceding the procurement lobbying activities.

V. Enforcement and Remedies:

(a) Compliance with this Order is a material term of any State Procurement. If a Contractor, Vendor or Bidder on a State Procurement violates the terms of this Order the State shall be entitled to all remedies for a material breach of the State Procurement contract including but not limited to: (1) termination of the State Procurement without any additional compensation due; and (2) actual damages from the Contractor, Bidder or Vendor, including but not limited to damages caused by termination of the contract.

(b) In addition, any Contractor, Bidder or Vendor on a State Procurement who violates the terms of this Order may be referred for suspension in accordance with the relevant provisions of the Illinois Administrative Code.

VI. Severability

If any provision of this Order is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

VII. Effective Date

This Executive Order shall become effective upon filing with the Secretary of State.

ROD R. BLAGOJEVICH,
Governor

Issued by Governor: February 28, 2007

Filed with Secretary of State: February 28, 2007