

STATE OF ILLINOIS  
CHIEF PROCUREMENT OFFICE



Capital Development Board CPO Notice #3

TO: CDB Senior Staff

FROM: Fredrick W. Hahn, CPO

DATE: September 15, 2010

SUBJECT: Emergency Purchases

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Public Act 96-795 amended Section 20-30 of the Illinois Procurement Code, altering the provisions applicable to emergency purchases. The new language restricts the initial term of an emergency purchase to 90 days, but the term may be extended by the CPO after a public hearing. The amended section (a) is as follows (new language is underlined):

***30 ILCS 500/ 20-30(a):***

“Conditions for use. In accordance with standards set by rule, a purchasing agency may make emergency procurements without competitive sealed bidding or prior notice when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records; provided, however, that the term of the emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Emergency procurements shall be made with as much competition as is practicable under the circumstances. A written description of the basis for the emergency and reasons for the selection of the particular contractor shall be included in the contract file.”

The Act also amended section (b) regarding notices. Both amendments apply to emergency purchases that were solicited on or after July 1, 2010.

As a result of these amendments, the following CPO procedures are in affect:

1. CDB shall notify the CPO of any request for or consideration of an emergency purchase immediately upon learning of same. CDB shall consult with the CPO on the selection of a vendor to provide an emergency response.
2. CDB shall provide notice of the emergency procurement to the Procurement Policy Board no later than 3 business days after the contract is awarded (See Section 20-30(b)) and shall publish the notice to its online electronic bulletin in the same timeframe. CDB shall provide a copy of this notice to the CPO.
3. CDB shall provide to the CPO an affidavit meeting the requirements of Section 20-30(c) in order to permit the CPO to file the affidavit with the Procurement Policy Board and the Auditor General within 10 days after the procurement. If the affidavit contains an estimated cost, or if the cost change, CDB will provide the CPO with the actual total cost immediately after it is determined, and publish same to its on-line electronic bulletin no later than the 10<sup>th</sup> day of the next succeeding month.
4. CDB shall notify the CPO when it anticipates that an emergency procurement term may extend beyond 90 days, but not later than 70 calendar days from the initiation of the emergency procurement. The notice must specify why and how much additional time is necessary, explain how the remaining scope and duration of work is limited to the emergency situation, and explain why that work should not be obtained through a competitive selection process. Initiation is deemed to be the earliest date of any required signatures on the contract or the date on which a vendor is authorized to provide an emergency good or service, whichever is applicable. All such authorizations shall be documented in the procurement file, by phone log, email, fax, letter, or similar method. The date of the authorization will generally become the beginning date of the contract.
5. To extend an emergency purchase, the CPO will schedule a public hearing and file notice of same with the Procurement Policy Board no later than 14 days prior to the hearing. CPO will advise CDB of the hearing date for presentation by CDB of justification for the extension and for CDB to file the hearing notice on its on-line electronic bulletin. CDB will provide CPO with any documentation supporting the request for extension, as well as any information received regarding the extension, no later than three days prior to the hearing.
6. All emergency procurements require the approval of the CPO.
7. Generally, where an A/E is required in order to determine the response to an emergency condition, especially when the response is not initiated within 14 days, the A/E should prepare documents sufficient for a competitive sealed bidding.
8. Emergency procurements shall be made in accordance with all applicable laws, rules, policies and procedures. Any deviation from policies and procedures must be requested through and approved by the CPO.