

ILLINOIS FINANCE AUTHORITY PROCUREMENT POLICY

I. INTRODUCTION

The Illinois Finance Authority (the "Authority") has established this procurement policy (the "Policy") for the procurement of contracts for legal, financial, and other professional and artistic services entered into on or before December 31, 2018 by the Authority in which the State of Illinois is not obligated. This Policy generally outlines the open and competitive process established by the Authority for the procurement of contracts and purchases and the respective roles of the Authority and its staff.

This Policy is consistent with the Authority's long-standing commitment to transparency and making procurement decisions characterized by competitive selection, objective evaluation and proper documentation -- all in accordance with the Authority's overriding fiduciary obligations and considerations.

A. Exceptions. This Policy does not apply to the following procurements that are/involve:

1. Sole source procurements;
2. Emergency procurements;
3. At the Executive Director's discretion, contracts (i) valued at \$20,000 or less , provided that contracts valued in excess of such amount may be authorized in the sole discretion of the Board, (ii) that are nonrenewable and (iii) of one year or less in duration;
4. Procurements involving tangible goods - such procurements shall be governed by, and made pursuant to the Illinois Procurement Code (30 ILCS 500/1-1 *et seq.*); and
5. Procurements necessary to prepare for anticipated litigation, enforcement actions, or investigations, provided that notice is provided to the Chief Legal Counsel to the Governor prior to the execution of such contracts.

For purposes of this policy, a "sole source" procurement shall be defined as a procurement where there is only one economically feasible source for the item or service.

For purposes of this policy, an "emergency" shall be defined as a situation involving public health, public safety or cases where immediate expenditure is necessary for repairs to Authority property to protect against further loss or damage, to prevent or minimize disruption in Authority services, to miss a significant market opportunity not previously practicable to the Authority after consideration of the totality of the circumstances or to insure the integrity of Authority operations. Efforts will be made to accelerate or modify normal procedures to accommodate an emergency rather than to eliminate all such procedures. The Authority, by this Policy, has delegated authority for emergency transactions, which in the opinion of the Executive Director require immediate action, to the Executive Director.

In relation to contracts valued at \$20,000 or less, that are non-renewable or of one year or less in duration, it shall be the policy of the Authority to obtain, whenever feasible, at least three quotes for the subject services.

All exceptions to this Policy shall be reported to the Board of Directors of the Authority and shall include a brief explanation of the reason for the exception. Dividing or planning procurements to avoid use of competitive procedures (stringing) is prohibited.

B. Policy Effective Date; No Modification of Existing Contracts. This Policy is effective as of the date adopted by the Authority, as amended from time to time. This Policy does not amend or otherwise modify the Authority's existing contracts, which may only be amended or otherwise modified consistent with their terms. Further, nothing in this Policy is intended to limit the Authority's authority under existing contracts to extend or modify terms or otherwise take actions consistent with the existing contractual terms, all as the Authority deems prudent in light of then-existing circumstances.

C. Pre-Solicitation Assistance. Any person or business who, at the request of the Authority or with the consent of the Authority, reviews or analyzes the Authority's assets, activities, documents, functions, organization, programs or anything of similar nature to aid in the determination of whether the Authority has a need for some good or service is prohibited from bidding on or receiving a contract to meet that need. Further, a person or business is prohibited from bidding on a solicitation and from having a contract arising from any of the following activities if the person or business, at the request of the Authority or with the consent of the Authority, assisted in the preparation of procurement documents in any of the following ways: (i) drafts, writes or assists the Authority with writing all or any part of a solicitation document; (ii) reviews or reads the solicitation document or comments on same; or (iii) participates in any activity relating to the organization or distribution of solicitation documents. Exception: Any person or business who responds to a posted or advertised request for information related to a procurement need of the Authority shall not be disqualified by virtue of responding to the Authority's publically advertised request.

II. SELECTION

A. In General -Documentation. Solicitation documents that may be used include, without limitation, Request for Proposals (RFP), Request for Qualifications (RFQ) and Invitation for Bids (IFB). Generally, the Authority will approve the issuance of any specific RFP, RFQ or IFB.

B. Form of Solicitation. Each solicitation document (RFP, RFQ, IFB or other) shall contain, inter alia, some or all of the following depending on the form of solicitation:

1. A description of the required services, materials or goods including any and all relevant specifications.
2. A date certain by which responses to the solicitation shall be returned, submission location for responses and the Authority's designated point of contact.
3. The qualifying criteria and the associated evaluation factors to be utilized in the selection process.

4. Scope of work.

5. A statement of the minimum information that the response and/or proposal to the solicitation shall contain which may, by way of example, include:

(a) principal place of business and, if different, the place of performance of the proposed contract;

(b) if deemed relevant, the age of the responder's business and average number of employees over a previous period of time, as specified in the solicitation document;

(c) the abilities, qualifications, and experience of all persons who would be assigned to provide the required services;

(d) a listing of other contracts under which services similar in scope, size or discipline to the required services were performed or undertaken within a specified period of time, as specified in the solicitation document;

(e) a plan, giving as much detail as is practical, explaining how the services will be performed;

(f) price; and

(g) certain required certifications relating to Sections 20-160, 50-13, 50-35 and 50-37 of the Illinois Procurement Code (30 ILCS 500/1-1 *et seq.*) (the "Code").

6. The Authority Procurement Officer shall publish the subject solicitation on the Illinois Procurement Bulletin and/or on the Authority's website.

C. Questions regarding Solicitation. Any questions regarding a specific solicitation must be submitted in writing only to the designated point of contact for the solicitation in accordance with the timing and other related terms outlined in the solicitation. Responses to such questions will be posted on the Procurement Bulletin and/or Authority's website.

D. Pre-Submission Conference. A pre-submission conference may be conducted, in the sole discretion of the Authority, to enhance potential vendors' understanding of the procurement requirements. A pre-submission conference, if required, shall be announced as part of the solicitation document. The conference may be designated as "attendance mandatory" or "attendance optional".

E. Responses to Solicitation; Evaluation.

1. *Delivery and Opening of Responses.* Responses must be submitted to the designated contact in accordance with the terms stated in the solicitation document. Upon receipt, responses shall be date and time stamped but not opened and shall be stored in a secure place until the time and dates set for bid or response opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids and the name of each bidder and amount of bid shall be recorded. Proposals shall be opened publicly in the presence of one or more witnesses at the time designated in the RFP or RFQ but proposals

shall be opened in such a manner as to avoid the disclosure of contents to competing offerors during the process of negotiation.

2. Initial Evaluation of Responses. Each response will be evaluated by designated Authority staff (an "Evaluation Committee") based on the evaluation factors stated in the subject solicitation document. The Evaluation Committee will be made up of no less than three Authority staff members. The Agency Procurement Officer of the Authority ("APO") shall not serve as a voting member of any Evaluation Committee.
3. Due Diligence. Designated Authority staff shall conduct appropriate due diligence. As specified in Section II.F of this Policy, the Authority's Quiet Period Policy does not prevent due diligence meetings and communications.

F. Quiet Period. The Quiet Period is intended to establish guidelines by which Board of Directors and Authority staff will communicate with prospective vendors during the pendency of a solicitation. The objectives of such Quiet Period are to ensure that prospective vendors competing for contracts with the Authority have equal access to information regarding selection parameters, communications related to selection are consistent and accurate and the process of selecting vendors is transparent, efficient, diligent and fair. The following guidelines will be instituted during the pendency of solicitations issued by the Authority:

1. A Quiet Period will commence upon the issuance of a solicitation by the Authority and end upon award of any resulting contracts from the subject solicitation.
2. Initiation, continuation and conclusion of the Quiet Period shall be publicly communicated to prevent inadvertent violations by inclusion of language identifying and describing the Quiet Period in each solicitation issued by the Authority.
3. All Directors and Authority staff not directly involved in the solicitation process shall refrain from communicating with potential vendors regarding any product or service related to any pending solicitation throughout the quiet period and shall refrain from accepting meals, travel, hotel or anything of value from the potential vendors.
4. Throughout the Quiet Period, if any Director is contacted by a potential vendor, the Director shall refer the vendor to the General Counsel or Authority staff member directly involved in the solicitation process.
5. The Quiet Period does not prevent Authority approved due diligence or communications with an existing vendor that happens to be a competing vendor in the ordinary course of services provided by such vendor; however, discussions related to the pending selection shall be avoided during such activities.
6. A potential vendor may be disqualified from the consideration under the solicitation for a knowing violation of this quiet period policy.

G. Making/Effecting Selection; Notice of Selection.

1. Selection from Finalists. The Board of Directors shall make the final decision with respect to any recommendation resulting from the search. One or more responders may be selected, as appropriate. The Authority reserves the right to make no selection as a result of a search.
2. Award Notice. Bidders/respondents shall be notified of contract award. The notification shall be issued electronically, and additionally may be in the form of a letter, purchase order or other communication. Notices of awards for any solicitation document shall be posted on the Procurement Bulletin.
3. Protests. After publication of award, there shall be a seven (7) day protest period. All protests and related documentation shall be forwarded to the attention of the party specified in the subject solicitation. The Authority shall have the option of delegating the review and resolution of protests and related documentation to the Procurement Policy Board or other appropriate governmental entity as determined by the Authority in its sole discretion.
4. Proposed Contracts; Procurement Policy Board. The Procurement Policy Board, within thirty (30) days after notice of the awarding or letting of a contract has appeared in the Procurement Bulletin, may request in writing from the Authority, and the Authority shall promptly, but in no event later than five (5) business days after receipt of the request, provide to the Board, documentation in the possession of the Authority concerning the proposed contract. Contracts entered into pursuant to the policies herein shall adhere to the provisions set forth in Section 5-30 of the Code.
5. Negotiation of Contract. The General Counsel or his or her designee shall negotiate the final terms of resulting contracts. In the event a contract is not able to be completed with a finalist, the Authority may select another finalist from among the remaining responders.
6. Consideration of Best Value. Nothing in this Policy shall prohibit the Authority from making a selection that represents the best value based on qualifications, fees and other relevant factors.
7. Published on Procurement Bulletin. Contracts entered into pursuant to the policies contained herein shall be published on the Procurement Bulletin by the Authority's Procurement Officer within 14 days after such Contract execution.

8. Report to Chief Procurement Officer. The Authority shall provide the Chief Procurement Officer, on a monthly basis, in the form and content prescribed by the Chief Procurement Officer, a report of contracts that are related to the procurement of goods and services identified by the policies contained herein. At a minimum, this report shall include the name of the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the Illinois Procurement Code utilized. A copy of each of these contracts shall be made available to the Chief Procurement Officer immediately upon request. The Authority acknowledges that the Chief Procurement Officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an annual summary of the monthly information reported to the Chief Procurement Officer.
9. Disclosures and Conflicts of Interest. Contracts entered into pursuant to the policies contained herein shall contain language requiring vendors, and any subcontractors utilized by vendors, to disclose financial interests and potential conflicts of interest pursuant to Sections 50-13 and 50-35 of the Code. Documentation relating to such disclosures shall be reviewed by Authority staff. The Authority shall have the option to delegate the review of such disclosure documentation to the Procurement Policy Board or other appropriate governmental entity as determined by the Authority in its sole discretion. Exemptions to the conflicts of interest provisions of Section 50-13 shall be governed by the provisions of Section 50-20 of the Code.
10. Prohibition on Political Contributions. Contracts entered into pursuant to the policies contained herein shall contain appropriate certifications from vendors indicating that they have read and understand the restrictions on making political contributions pursuant to the requirements of Section 50-37 of the Code.
11. Registration with State Board of Elections. Contracts entered into pursuant to the policies contained herein shall contain appropriate certifications from vendors pursuant to the requirements of Section 20-160 of the Code.

H. Minority Business Enterprise. The Authority encourages the use of vendors that are owned by Minorities, Women or Persons with Disabilities. The Authority shall give consideration to certified Minority, Woman or Disabled owned businesses.

I. Subcontracts. The requirements of this Policy, including any and all required disclosures, shall apply to subcontractors of those vendors awarded contracts under this Policy. If at any time during the term of a contract, a vendor adds or changes any subcontractors, he or she shall promptly notify, in writing, the Authority.

J. Further Amendments. The Authority expressly reserves the right to amend this Policy, from time to time, without prior notice.

ADOPTED: August 13, 2013

Amended: April 10, 2014