

CPO NOTICE 2021.01 HIGHER EDUCATION

To:

University Procurement Staff

State Purchasing Officers

From:

John Donatoc

Chief Procurement Officer – Higher Education

Date:

March 24, 2021

Subject:

New BEP Goal Waiver Requirements

Public Act 101-0657

Section 30 ILCS 500/20-60(f)

The Business Enterprise for Minorities, Women, and Persons with Disabilities (BEP) Act, 30 ILCS 575, provides, "the State of Illinois declares that it is the public policy of the State to promote and encourage the continuing economic development of minority-owned and women-owned and operated businesses and that minority-owned and women-owned and operated businesses participate in the State's procurement process as both prime and subcontractors." Section 575/4, provides, "...not less than 20% of the total dollar amount of State contracts, as defined by the Secretary of the Council and approved by the Council, shall be established as an aspirational goal to be awarded to businesses owned by minorities, women, and persons with disabilities; provided, however, that of the total amount of all State contracts awarded to businesses owned by minorities, women, and persons with disabilities pursuant to this Section, contracts representing at least 11% shall be awarded to businesses owned by minorities, contracts representing at least 7% shall be awarded to women-owned businesses, and contracts representing at least 2% shall be awarded to businesses owned by persons with disabilities." 30 ILCS 575/4.

Pursuant to Section 575/8i(d), the public institutions of higher education shall also, "review renewals at least 6 months prior to the renewal to allow adequate time to rebid if it is determined that the prime contractor has not demonstrated good faith efforts towards meeting the contract goal." 30 ILCS 575/8i(d). The Chief Procurement Officer for Higher Education encourages the universities to start this process at least one (1) year prior to renewal



in the event that a new competitive bid must be issued. Failure to do so may cause a lapse in services.

Public Act 101-0657 adds Section 20-60(f) to the Illinois Procurement Code and provides that no vendor shall be eligible for renewal of a contract when that vendor has failed to meet the goals agreed to in the vendor's BEP Utilization Plan unless the State agency/university has determined that the vendor made a good faith effort towards meeting the contract goals and has issued a waiver or that vendor is otherwise excused from compliance by the chief procurement officer in consultation with the university (please note that the word "not" has been intentionally removed. It is the Chief Procurement Officer for Higher Education's (CPO-HE) position that the word "not" was unintentionally inserted). The form and content of the waiver shall be prescribed by the CPO-HE who shall maintain on his official website a database of waivers granted under this Section with respect to contracts under his jurisdiction. Rules will be created setting forth the requirements of this Public Act.

To effectuate the legislative intent and requirements under this new provision, the CPO-HE has created the attached "BEP Goal Waiver Request Form" which must be used during contract renewal. The universities may also use this form at initial award.

Training will be provided on the contents and requirements of the attached form.

This CPO Notice is effective immediately.

If there are any questions regarding this notice, please ask your State Purchasing Officer or contact the Chief Procurement Office at (217) 720-6229.