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# STATE OF ILLINOIS

Governor's Office of Management and Budget



## REQUEST FOR PROPOSALS

(To Provide Financial Advisory Services to the Governor's  
Office of Management and Budget)

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# REQUEST FOR PROPOSALS

## Request for Proposals for Professional & Artistic Services (RFP P&A)

### 1. INTRODUCTION

#### (a) PURPOSE

The Illinois Department of Revenue ("Revenue") is the State Agency which oversees the operation of the Lottery Program. The Illinois Lottery program is responsible for raising money to assist the funding of public education in the State of Illinois (the "State") for grades K-12. The money raised by the Lottery is transferred into the Common School Fund ("CSF") where it is then appropriated by the General Assembly. In order to raise money, the Lottery sells two types of games: Online Games and Instant Tickets. In Fiscal Year 2005, gross sales were \$1.843b and transfers to the CSF were \$614m. For Fiscal Year 2006, the Lottery is on pace to achieve sales in excess of \$2b and transfer \$675m into the CSF

#### (b) ANALYSIS TO DATE

The Governor's Office of Management and Budget ("GOMB") and Revenue have begun a process of identifying and evaluating options for increasing contributions to the CSF.

#### (c) SUMMARY OF SERVICES REQUIRED

GOMB seeks to engage one or more financial advisors to perform additional analyses *and* assist GOMB and Revenue in the negotiation and closing of any approved transactions. In the initial stage of the process, the State desires a set of detailed options for obtaining revenue from transactions involving anticipated Lottery receipts and other assets. The analysis should provide guidance that the State can use to develop a strategic plan for increasing the Lottery's value to the State in the future with the goal of maximizing revenues for the State. The State thereafter desires assistance in the preparation of a Request for Proposals to engage in such transactions, evaluating such proposals, negotiating the terms of and closing transactions.

THEREFORE, the State, through GOMB, is requesting proposals for the provision of such financial advisory services.

## 2. DEFINITIONS

Whenever used in this RFP, addendum, amendment, schedules and exhibits to this RFP or Contract, the following terms will have the meanings defined below.

Any objections or questions regarding the definitions should be raised with GOMB during the RFP process and prior to award.

**Acceptance:** the point in time when the services and deliverables have been delivered and operate in compliance with GOMB's order and the Contract, or the State otherwise indicates acceptance in writing.

**Affiliates:** any person, firm, corporation (including, without limitation, service corporation and professional corporation), partnership (including, without limitation, general partnership, limited partnership and limited liability partnership), limited liability company, joint venture, business trust, association or other entity that now or in the future directly or indirectly controls, is controlled by, or is under common control with Vendor.

**Agency/Buyer:** GOMB, the agency responsible for entering into the Contract, monitoring performance, and receiving the benefits derived from the Contract and making payments under the Contract.

**Change of Control:** any transaction or combination of transactions as a result of which (a) ownership of a vendor changes, (b) the sale or transfer of fifty percent (50%) or more of the beneficial ownership occurs or, (c) the divestiture, in whole or in part, of the business unit or division of a party that is obligated to produce the products and services occurs.

**Code:** the Illinois Procurement Code, 30 ILCS 500/1-5 et seq. Unofficial versions of the Code and Standard Procurement Rules (44 Ill. Adm. Code 1), which are applicable to this procurement, may be viewed at <http://www.purchase.state.il.us/>.

**Confidential Information:** any material, data, or information disclosed by either Party to the other that, pursuant to agreement of the parties or the State's grant of a proper request for confidentiality, is not generally known by or disclosed to the public or to Third Parties including, without limitation: (a) all materials, know-how, processes, trade secrets, manuals, confidential reports, services rendered by State, financial, technical and operational information, and other matters relating to the operation of a Party's business; (b) all information and materials relating to Third Party vendors of State that have provided any part of State's information or communications infrastructure to State; (c) software; and (d) any other information that the Parties agree should be kept confidential. See also subsection 7.2.7 of Section 7 of this RFP, "Public Records and Requests for Confidential Treatment."

**Data Room:** a physical or computer-based aggregation of data consisting of information assembled by the Vendor in performing under the project(s). The data room is intended to provide universal and consistent access to data regarding the projects for prospective bidders under the RFP developed under this Contract.

**Filing:** where applicable, an instrument or document submitted to a regulatory body for review and approval to allow the Vendor(s) to make the Services contained therein available for consumption.

**ILCS:** Illinois Compiled Statutes. An unofficial version of the ILCS can be viewed at <http://www.legis.state.il.us/legislation/ilcs/ilcs.asp>.

**Offer:** the Offer consists of the Technical Proposal, Price Proposal, and all required forms and certifications—completed, signed, and returned by the Vendor.

**Offer Firm Time:** offers shall remain firm and unaltered after opening for the number of days shown. An Offer may be accepted, subject to successful contract negotiations, at any time during the Offer Firm Time.

**Order:** any written request from GOMB for services and/or products and/or equipment pursuant to this Contract.

**Parties:** GOMB and the Vendor.

**Performance Guarantee:** the Vendor's commitment to place some or all of its fee at risk contingent upon GOMB's satisfaction with the work to be performed.

**Professional & Artistic Services:** those services provided under contract to a State Agency by a person or business, acting as an independent contractor, qualified by education, experience and technical ability including, without limitation, installation, implementation, integration, custom programming, conversion, training, consulting and any other similar services that may be provided by Vendor(s) independently or in conjunction with a Third Party hereunder.

**Proposals:** when used in association with the term "RFP" refer to the Vendor's(s') replies, clarifications, revisions, and additions to the State's Request for Proposals.

**RFP P&A:** the State's Request for Proposals for Professional & Artistic Services.

**Security:** the Vendor may be required to provide offer security (e.g., bond, cashier's check, money order or irrevocable letter of credit) with the Offer and performance security within ten (10) days of acceptance of the Offer unless a different time is specified herein. Security shall be in the form of a bond unless otherwise agreed. In the event a bond is used, a surety licensed to do business in Illinois must issue the bond on a form acceptable to GOMB. The security shall be forfeited if the selected Vendor withdraws its Offer before the expiration of the Offer Firm Time or after GOMB issues a Notice of Intent to Award, does not honor the terms in its Offer, or does not negotiate contract terms in good faith. Security submitted by Vendors will be returned when the Offers expire, are rejected, or GOMB enters into a contract with the successful Vendor, whichever is earliest.

**State:** the State of Illinois, as represented through GOMB.

**State Facility:** any facility, site or location owned, managed, controlled or operated by the State.

**Third Party:** any entity other than GOMB, or the Vendor(s), or any of their respective Affiliates.

### 3. KEY INFORMATION ABOUT THIS RFP

- (a) **RFP CONTACT:** The RFP Contact, identified below, is the sole point of contact regarding the RFP from the date of issuance until selection of the successful Vendor:

Kevin Connor  
General Counsel  
Governor's Office of Management and Budget  
James R. Thompson Center  
100 W. Randolph St., Suite 15-100, Office #145  
Chicago, Illinois 60601  
Telephone: 312-814-0023  
Fax: 312-814-5104  
Email: [kevin.connor@illinois.gov](mailto:kevin.connor@illinois.gov)

The RFP contact, identified below, is the sole point of contact regarding Attachment E Minority, Female, Persons with Disability Status and Subcontracting from the date of issuance until selection of the successful Vendor:

Nancy S. Quoss  
Illinois Department of Central Management Services  
100 W. Randolph Street, Suite 4-500  
Chicago, Illinois 60601  
Telephone: 312-814-1589  
Fax: 312-814-6664  
Email: [nancy.quoss@Illinois.gov](mailto:nancy.quoss@Illinois.gov)

- (b) **QUESTIONS:** Please direct all questions (and requests for American Disabilities Act accommodations) to Mr. Connor. Do not discuss this RFP with any person other than the Project Contact. Questions received less than seven calendar days prior to the due date and time may be answered at the discretion of GOMB. When the answer to a question regarding the RFP may result in a material change to the RFP, we will respond in writing. In that case, we will either send the answer to all eligible recipients of the RFP or post the answer in the Illinois Procurement Bulletin, which may be viewed at <http://www.purchase.state.il.us/>. Only written answers to questions will be binding on the State.
- (c) **SUBMISSION DEADLINE AND PROCUREMENT TIMETABLE:** The following dates are set forth for informational and planning purposes; however, GOMB reserves the right to change the dates.

RFP Posted	July 12, 2006
Written Questions Due	July 19, 2006
Answers Posted	July 24, 2006
Due Date and Time for Proposals	July 28, 2006 at 2:00pm
Opening Date and Time	July 28, 2006 at 2:30pm
Anticipated Announcement of Successful Vendor	Aug 7, 2006
Contract Execution	Aug 11, 2006
Anticipated Start Date	Aug 21, 2006

- (d) **NUMBER OF COPIES:** Submit a signed original and 7 copies of the proposal in a sealed envelope. (Pricing must be sealed separately from the technical portion of your proposal.) You must also submit 1 copy on CD in Word.

**(e) LABEL PROPOSAL ENVELOPES TO:**

Kevin Connor  
General Counsel  
Governor's Office of Management and Budget  
James R. Thompson Center  
100 W. Randolph St., Suite 15-100, Office #145  
Chicago, Illinois 60601  
Telephone: 312-814-0023  
Fax: 312-814-5104

Labels should clearly show the Vendor's Name, Address and indicate that the proposal is in response to the RFP to provide financial advisory services to GOMB. Labels should also show the Due Date and Time for Proposals (July 28, 2006 at 2:00pm).

**(f) OPENING:** The State will open all proposals that are submitted in a proper and timely manner, and will record the names and other information specified by law and rule. All proposals become the property of the State and will not be returned except in the case of a late submission. Offers will be opened at the location stated in section 3(e).

**(g) OFFER FIRM TIME:** 90 Days from Opening.

**(h) PERFORMANCE BOND:** The State may require a performance bond in the amount of \$100,000.

We will accept cashier's checks, money orders or irrevocable letters of credit for bonds unless a bond is specifically required by law.

**(i) PROTEST REVIEW OFFICE:**

John Filan  
Director  
Governor's Office of Management and Budget  
Room 108 State House  
Springfield, Illinois 62706  
Telephone: 217-782-5886

**(j) SMALL BUSINESS SET-ASIDE:** No.

**(k) MINORITY, FEMALE AND PERSONS WITH DISABILITY SUBCONTRACTING:** This solicitation contains Attachment E to implement the State's goal of including businesses owned and controlled by minorities, females and persons with disabilities in the State's procurement and contracting processes. Please refer to Attachment E for a detailed description.

## 4. SERVICES REQUIRED FROM THE VENDOR

GOMB will detail the specific requirements and needs for which the Contract is to address. This section will include GOMB's needs, goals and requirements as well as any other specifications. This information should be used by the Vendor to prepare its Offer and will also constitute the terms of the Contract.

### (a) NEED FOR SERVICES

GOMB seeks to enter into a contract with one or more financial advisors with the objective of developing options for maximizing revenue for the State from Lottery assets. The analysis supporting these options should examine strategic leasing of a license to operate a Lottery, a potential Initial Public Offering (IPO) structure, or other options to maximize the value of Lottery assets, or a combination of these options.

In addition to addressing the primary area(s) of inquiry described above, the analysis should provide an overview of the competitive state-sponsored lottery landscape and the Lottery's role in it; a historical perspective of the Lottery's operations and products; a detailed financial performance history; an analysis of current market dynamics; an overview of future threats and opportunities for the industry; a market segmentation analysis of Lottery business lines; and the identification of primary areas for further study.

### (b) GOALS and OBJECTIVES

The goal of this project is to develop ways to provide additional revenue to the State from the Lottery's operations. The State intends to balance opportunities to capture immediate revenues with the maximization of the potential long-term value of the assets under consideration.

All recommendations for revenue enhancement are subject to two constraints: (1) The Lottery will continue to maintain and improve upon operations and services that benefit Illinois citizens; (2) the Lottery will retain sufficient revenue-generating capability to remain self-supporting. The objective of this RFP is to select a Vendor to assist GOMB with the:

- (1) development of detailed options for obtaining revenue from transactions involving anticipated Lottery receipts and other Lottery assets;
- (2) preparation of Request for Proposals to engage in such transactions and evaluation of responses thereto; and
- (3) negotiation of terms and closing of such transactions.

### (c) SERVICES REQUIRED

- (1) Identifying specific areas of Lottery operations that could generate short-term revenues without compromising the long-term value of the Lottery. The analysis should include, but will not be limited to evaluating a potential lease or IPO of Projected Lottery Receipts, including evaluating alternative financing structures for such a transaction. Identify individual segments of the Lottery's potential receipts that could be leased or financed. The advisory team also will estimate the value of discrete portions of the Lottery's portfolio of operations. Proposed deliverables for this project include a

detailed breakdown and evaluation of individual segments or areas of Lottery operations.

- (2) Providing assistance to those parties as GOMB may designate in preparing and coordinating requests for proposals and qualifications to undertake the potential transactions identified by the analysis, such as the development of an industry partnership or lease. Identify and contact qualified potential partners and bidders to ensure the broadest possible response. Assist GOMB in publicizing requests for proposals and qualifications. Please note that under GOMB's rules of practice, because the Vendor for this portion of the project would be assisting with drafting the request for proposals and qualifications, the Vendor would be prohibited from responding to or participating in a response to the request.

The Vendor for this service would also be responsible for assisting GOMB in the evaluation of proposals and qualifications, and assisting GOMB or those parties as GOMB may designate in establishing a data room, obtaining confidentiality agreements from potential business partners or bidders, managing the due diligence process, soliciting and/or negotiating favorable changes to proposed contracts or offers, conducting a best and final offer bidding round, and requiring potential partners or bidders to submit final, binding offers. Vendors will be required to disclose any prior contractual relationships with entities responding to the request for proposals. Proposed deliverables include:

- (1) language for inclusion in requests for proposals and qualifications,
- (2) an evaluation form for proposals and qualifications,
- (3) bidder evaluations,
- (4) confidentiality agreements,
- (5) requests for final offers, and
- (6) a data room.

- (3) Assisting GOMB in furthering an integrated plan to incorporate the best responses to the RFPs into a single strategic plan, and developing a time frame for completion of this project. Respondents should include a timeline from project beginning to ultimate transfer of assets or functions and itemize all the associated costs of completing any recommended transactions. These costs should be described in detail and netted out in the revenue calculations of the selected options. Proposed deliverables include:
  - (1) a single integrated strategic plan,
  - (2) a detailed project timeline, and
  - (3) an itemized statement of costs of any recommended transactions.

**(d) REPORTING, STATUS and MONITORING SPECIFICATIONS**

GOMB will assess the performance of the Vendor after each deliverable has been evaluated and will request any staff, analysis, or procedure changes or modifications it believes are necessary to keep the process on track.

**(e) STAFFING SPECIFICATIONS**

Analysis Requirements

- (1) Have the tools and staff ability necessary to perform present value analysis on potential future income streams from Lottery assets. Respondents should have demonstrated revenue forecasting ability in retail, consumer, or gaming markets and significant experience with modeling uncertainty and incorporating uncertainty identification and mitigation explicitly in analyses.
- (2) Broad and deep understanding of the state-sponsored lottery business, and/or previous experience undertaking financial and valuation analysis for similar or related private or public entities.
- (3) Knowledge of and experience with innovative financial structures applicable to a state-sponsored lottery system or other public systems.

**(f) WHERE SERVICES ARE TO BE PERFORMED**

Some work will require travel to Lottery offices in Chicago and Springfield, Illinois. Appearance at meetings, generally in the Chicago and Springfield areas, will also be required.

**(g) TERM OF CONTRACT**

Not to exceed 12 months.

## 5. INSTRUCTIONS FOR SUBMITTING PROPOSALS

These instructions describe the format and content of the proposal. They are designed to facilitate a fair and uniform review process. Failure to adhere to this format will affect our evaluation and may result in disqualification of the proposal.

The response--completed, signed and returned--will constitute the proposal. A signed original and the designated number of copies of each proposal are required (see Section 3 of the RFP). Failure to submit the required number of copies may prevent the proposal from being evaluated within the allotted time.

Responses must be limited to 30 pages, including any attachments you create.

Your proposal must provide all information requested and must address all points. **Suggested exceptions to requirements and contract modifications, while allowed, are discouraged. GOMB is under no obligation to accept exceptions or modifications suggested by the Vendor and any exceptions or modifications will affect our evaluation and may result in rejection.** If the Vendor does wish to suggest exceptions or modifications, all such exceptions or modifications must be submitted with the proposal. All terms to which the Vendor does not suggest an exception or modification will be deemed by GOMB as having been accepted by the Vendor.

The proposal is divided into three parts: 5(a) Technical; 5(b) Price; and 5(c) Utilization Plan. The proposal must be submitted in a sealed envelope, with the Price Proposal under separate cover in a separate, sealed envelope.

If the Vendor designates any information in its proposal as confidential, the Vendor must also submit one (1) copy of the proposal from which confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the proposal as possible.

**(a) TECHNICAL PROPOSAL:** The following documents and responses will be included in the Technical Proposal:

**(1) TRANSMITTAL LETTER:** An individual authorized to legally bind the Vendor must sign the transmittal letter. The person who signs the transmittal letter will be considered the contact person for all matters pertaining to the proposal unless the Vendor designates another person in writing. The letter must include the Vendor's mailing address, e-mail address, fax number and telephone number.

Any request for confidential treatment of information must be included in the transmittal letter in addition to the specific statutory basis supporting the request, an explanation of why disclosure of the information is not in the best interest of the public, and the specific basis under Section 7 of the Illinois Freedom of Information Act (5 ILCS 140/7) for the exemption from disclosure of such information. The transmittal letter must also contain the name, address and telephone number of the individual authorized to respond to GOMB about the confidential nature of the information.

**(2) TABLE OF CONTENTS:** The Vendor must include a table of contents in its proposal. Proposals must be page numbered sequentially from front to back.

**(3) EXECUTIVE SUMMARY:** The Vendor must prepare an Executive Summary and overview of the services it is offering including all of the following information:

- (4) **APPROACH (PLAN TO ADDRESS THE SERVICES REQUIRED FROM THE VENDOR):** The Vendor must provide a detailed description of how the Vendor plans to approach each service requirement. Proposals must be fully responsive to each service requirement. Proposals must identify any deviations from the stated requirements or requirements that the Vendor cannot satisfy. Any deviations from the stated requirements or any requirements that the Vendor cannot satisfy will affect the evaluation of the proposal and may disqualify the Vendor.

All Vendors must respond to questions A through E. **Vendors must present proposals in the same sequence and with the same letter scheme as in this section.**

- a) Describe your firm and its capabilities, highlighting prior involvement with the State of Illinois, the State's administrative operations and/or other operations of comparable size and complexity. Identify similar projects that your firm has overseen, providing reference names and contact information of clients for which your firm undertook similar projects. Expound upon your subject matter expertise as it would apply to the components of this RFP, including financial asset management and valuation, RFP evaluation, and transaction structuring and negotiation.
- b) Provide at least 4 references, especially other state bodies or agencies. Identify any state or provincial lottery system design, management, or transaction – related engagements undertaken in the last three years. If applicable, summarize the most recent engagement.
- c) Identify the person or persons in your firm who would be the project leader(s) and team members who would provide services described in the Scope of Services, and describe in detail each leader's and team member's background, including educational and professional background, professional certifications, and knowledge of and experience in working with government operations and financial services. Provide a staffing plan for work under this RFP, and indicate the roles, responsibilities, and estimated time dedicated to the project of each assigned individual.
- d) Detail any criminal investigation, indictment, prosecution or other proceeding that has ever been brought against your firm (provide attachment if necessary). Also describe any civil litigation pending or concluded within the last three years against your firm (provide attachments if necessary). Also describe the nature of any conflicts of interest that you believe exist or may arise.
- e) Summarize your firm's anti-discrimination and affirmative action/equal opportunity policies. Summarize your firm's female and minority recruitment, development and employment practices, including the number of women, minority and disabled professionals in your firm, their level of seniority within the firm and whether, and in what capacity such professionals might provide services to the State in this engagement.

(5) **STATE FORMS REQUIRED OF THE VENDOR:** The Vendor is required to complete and submit all forms listed below as part of the Offer. It is important to note that this section references State forms that the Vendor must complete as part of the procurement process and does not serve as an opportunity for Vendors to insert their own forms.

Attachment A	Qualification Form
Attachment B	Business and Directory Information
Attachment C	References
Attachment D	Department of Human Rights (DHR) Public Contract Number
Attachment E	Minority, Female, Person with Disability Status & Subcontracting
Attachment F	Letter of Intent (LOI) Between Prime Vendor and Certified Vendor
Attachment G	Conflicts of Interest Disclosures
Attachment H	Taxpayer Identification Number
Attachment I	Information Regarding Terminations, Litigation & Debarment

## Attachment A Qualification Form

The undersigned authorized representative of Vendor submits the following and hereafter attached Qualification Information to the AGENCY with the understanding that the AGENCY will use and rely upon the accuracy and currency of the information in the evaluation of Vendor's Offer to the Agency/Buyer.

VENDOR (Official Name and D/B/A)

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Signature

Date

Printed Name

Title

Address

City/State

Zip Code

Telephone

Facsimile

E-mail

## Attachment B

### Business and Directory Information

(a)	Name of Business (Official Name and D/B/A)
(b)	Business Headquarters (include Address, Telephone and Facsimile)
(c)	If a Division or Subsidiary of another organization provide the name and address of the parent
(d)	Billing Address
(e)	Name of Chief Executive Officer
(f)	Customer Contact (include Name, Title, Address, Telephone, Toll-Free Number, Fax and E-mail)
(g)	Company Web Site
(h)	Type of Organization (i.e., Sole Proprietor, Corporation, Partnership, etc. -- should be the same as on the Taxpayer ID form below)
(i)	Length of Time in Business
(j)	Annual Sales (for most recently completed Fiscal Year)
(k)	Number of Full-Time Employees (average from most recent Fiscal Year)
(l)	Type of and description of business
(m)	State of incorporation, state of formation or state of organization
(n)	Identify and specify the location(s) and telephone numbers of the major offices and other facilities that relate to the Vendor's performance under the terms of this RFP.
(o)	Identify the Vendor's accounting firm
(p)	The successful Vendor will be required to register to do business in Illinois. If already registered, provide the date of the Vendor's registration to do business in Illinois and the name of the Vendor's registered agent in the State.

## Attachment C References

Provide references from established firms or government agencies, (four preferred; two of each type preferred) other than the procuring agency, that can attest to your experience and ability to perform the contract subject of this RFP.

(1) Firm/Government Agency (Name):	Contact Person Name:  Address:  Phone:  E-mail Address:
Types of Supplies/Services Provided and Dates Provided/Contracted:	
(2) Firm/Government Agency (Name):	Contact Person Name:  Address:  Phone:  E-mail Address:
Types of Supplies/Services Provided and Dates Provided/Contracted:	
(3) Firm/Government Agency (Name):	Contact Person Name:  Address:  Phone:  E-mail Address:
Types of Supplies/Services Provided and Dates Provided/Contracted:	
(4) Firm/Government Agency (Name):	Contact Person Name:  Address:  Phone:  E-mail Address:
Types of Supplies/Services Provided and Dates Provided/Contracted:	

**Attachment D**  
**Department of Human Rights (DHR) Public Contract Number**

If Vendor has employed fifteen (15) or more full-time employees at any time during the 365-day period immediately preceding the publication of this RFP in the Illinois Procurement Bulletin (or issuance date if not published), then Vendor must have a current Public Contract Number or have proof of having submitted a completed application for one prior to the offer opening date. If the Agency cannot confirm compliance, it will not be able to consider the bid or offer. Please complete the appropriate sections below.

Name of Company (and D/B/A): \_\_\_\_\_

DHR Public Contracts Number: \_\_\_\_\_

\_\_\_\_\_(check if applicable) The number is not required as the company has employed 14 or less full-time employees during the 365-day period immediately preceding the publication of this RFP in the Illinois Procurement Bulletin (or issuance date if not published).

IF NUMBER HAS NOT YET BEEN ISSUED:

Date Completed Application was submitted to DHR: \_\_\_\_\_

Date of Expiration: \_\_\_\_\_

**NOTICE:**

**Upon expiration and until their Contractor Identification Number is renewed, companies will not be eligible to be awarded contracts by the State of Illinois or other jurisdictions that require a current DHR number as a condition of contract eligibility (44 IL Adm. Code 750.210(a)).**

**Numbers issued by the Department of Human Rights (or its predecessor agency, the Illinois Fair Employment Practices Commission) prior to July 1, 1998, are no longer valid. This affects numbers below 89999-00-0. Valid numbers begin with 90000-00-0.**

**IF YOUR ORGANIZATION HOLDS AN EXPIRED NUMBER, YOU MUST RE-REGISTER WITH DHR.**

Bidder/Vendor may obtain an application form by:

1. **Telephone:** Call the DHR Public Contracts unit between Monday and Friday, 8:30 a.m. to 5:00 p.m. CST, at (312) 814-2431
2. **Internet:** Download the form from the Internet at [http://www.state.il.us/cms/1\\_selling/vendfrms.htm](http://www.state.il.us/cms/1_selling/vendfrms.htm). In the Purchasing area of CMS home page, click the "Download Vendor Forms" line.
3. **Mail:** Write to the Department of Human Rights, Public Contracts Unit, 100 West Randolph Street, Suite 10-100, Chicago, Illinois 60601.

## Attachment E

### Minority, Female, Persons with Disability Status and Subcontracting

GOMB takes all necessary and reasonable steps to ensure nondiscrimination in matters relating to the solicitation and award of contracts. In addition, this section of the solicitation implements the policy and the requirements of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, 30 ILCS 575.

- (1) **VENDOR ASSURANCE.** The Vendor makes the following assurance and agrees to include the assurance in each subcontract that the Vendor signs with a subcontractor or supplier:

The Vendor shall not discriminate on the basis of race, color, national origin, sexual orientation or sex in the performance of this contract. Failure by the Vendor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as GOMB deems appropriate.

- (2) **CONTRACT GOAL TO BE ACHIEVED BY THE VENDOR.** This contract includes a specific Business Enterprise Program (BEP) utilization goal of 19% based on the availability of certified vendors to perform the anticipated direct subcontracting opportunities of this contract. In addition to the other award criteria established for this contract, GOMB will award this contract to a Vendor that meets the goal or makes good faith efforts to meet the goal.

- (3) **CERTIFIED VENDOR LOCATOR REFERENCES.** Vendors may consult CMS' BEP Certified Vendor Directory, as well as the directories of other certifying agencies. Subcontracting vendors must be certified by CMS as BEP vendors before the time of contract award.

- (4) **COMPLIANCE.** Compliance with this Attachment is required prior to the award of the contract and the failure of the Vendor to comply will render the bid/proposal non-responsive.

The following subsections are guidelines for the Vendor's response to Attachment E. A format for the Utilization Plan is included as the last two pages of this Attachment. Vendor should include any additional information that will add clarity to the Vendor's proposed utilization of certified vendors to meet the targeted goal. The Utilization Plan must be submitted in a **sealed envelope**.

- (a) The Utilization Plan as initially submitted must contain an acknowledgement of this Attachment and a verification that the Utilization Plan will be provided at the time of pricing submission. Failure to submit a Utilization Plan shall render the bid non-responsive.
- (b) The Utilization Plan must demonstrate that the Vendor has either met the contract goal or that it has made good faith efforts to do so. The Utilization Plan must provide the name and contact information of the Vendor's official responsible for compliance with this Attachment.
- (c) The Utilization Plan shall include, for each certified vendor proposed for the performance of work to achieve the contract goal, the following:
- (1) The name and address of each certified vendor to be used;

- (2) A detailed description of the commercially useful work to be done by each certified vendor;
  - (3) The price to be paid to each certified vendor for the identified work specifying the quantity, unit price and total subcontract price;
  - (4) A letter of intent between the Vendor and the certified vendor(s) detailing the work to be performed by the certified vendor and the agreed upon rates or prices, conforming to the Utilization Plan;
  - (5) If applicable, an executed Joint Venture agreement specifying the terms and conditions of the relationship between the partners and their relationship and responsibilities to the contract. The joint venture agreement must clearly evidence that the certified vendor will be responsible for a clearly defined portion of the work and that its responsibilities, risks, profits and contributions of capital and personnel are proportionate to its ownership percentage. It must include specific details related to the parties' contributions of capital, personnel and equipment and share of the costs of insurance and other items; the scopes to be performed by the certified vendor's own forces and under its supervision; and the commitment of management, supervisory personnel and operative personnel employed by the certified vendor to be dedicated to the performance of the contract. Each joint venture partner must execute the proposal to GOMB.
- (d) An agreement between a Vendor and a certified vendor in which the certified vendor promises not to provide subcontracting quotations to other vendors is prohibited.
  - (e) GOMB may request additional information to demonstrate compliance. The Vendor agrees to cooperate promptly with GOMB in submitting to interviews, allowing entry to places of business, providing further documentation, or soliciting the cooperation of a proposed certified vendor. Failure to cooperate may render the proposal non-responsive.
  - (f) The goal is also applicable to change orders and allowances within the scope of work provided by the certified vendor.
  - (g) The contract will not be finally awarded until the Vendor's Utilization Plan is approved.
- (5) **CALCULATING CERTIFIED VENDOR PARTICIPATION.** The Utilization Plan documents work anticipated to be performed by all certified vendors and paid for upon satisfactory completion. The selected Vendor is only able to count toward the contract goal the value of payments made for the work actually performed by certified BEP vendors. Credit during contract performance will be given for payments to CMS certified BEP vendors. Counting guidelines are summarized below:
- (a) The value of the work actually performed by the certified vendor's forces shall be counted towards the goal. The entire amount of that portion of the contract that is performed by the certified vendor's forces, including supplies purchased or equipment leased by the BEP vendor shall be counted, except supplies purchased and equipment rented from the Vendor.
  - (b) A joint venture shall count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the certified vendor

performs with its forces toward the goal. A joint venture shall also count the dollar value of work subcontracted to other certified vendors. Work performed by the forces of a non-certified joint venture partner shall not be counted toward the goal.

- (c) When a certified vendor subcontracts part of the work of its contract to another firm, the value of the subcontracted work shall be counted toward the contract goal only if the certified vendor's subcontractor is a certified vendor. Work that a certified vendor subcontracts to a non-certified vendor will not count towards the goal.
- (d) A Vendor shall count towards the goal 100% of its expenditures for materials and supplies required under the contract and obtained from a certified vendor manufacturer, regular dealer or supplier.
- (e) A Vendor shall count towards the goal the following expenditures to certified vendors that are not manufacturers, regular dealers or suppliers:
  - (1) The fees or commissions charged for providing a *bona fide* service, such as professional, technical, consultant or managerial services and assistance in the procurement of essential personnel, facilities, equipment, materials or supplies required for performance of the contract, provided that the fee or commission is determined by GOMB to be reasonable and not excessive as compared with fees customarily allowed for similar services.
  - (2) The fees charged for delivery of materials and supplies required by the contract (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined by GOMB to be reasonable and not excessive as compared with fees customarily allowed for similar services. The certified vendor trucking firm must be responsible for the management and supervision of the entire trucking operation for which it is responsible on the contract, and must itself own and operate at least one fully licensed, insured and operational truck used on the contract.
  - (3) The fees or commissions charged for providing any bonds or insurance specifically required for the performance of the contract, provided that the fee or commission is determined by GOMB to be reasonable and not excessive as compared with fees customarily allowed for similar services.
- (f) A Vendor shall count towards the goal only expenditures to firms that perform a commercially useful function in the work of the contract.
  - (1) A firm is considered to perform a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved. The certified vendor must also be responsible, with respect to materials or supplies used on the contract, for negotiating price, determining quality and quantity, ordering the materials or supplies, and installing the materials (where applicable) and paying for the material or supplies. To determine whether a firm is performing a commercially useful function, GOMB shall evaluate the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually

performing and the credit claimed for its performance of the work, industry practices, and other relevant factors.

- (2) A certified vendor does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction or contract through which funds are passed in order to obtain certified vendor participation. In determining whether a certified vendor is such an extra participant, GOMB shall examine similar transactions, particularly those in which certified vendors do not participate, and industry practices.

- (g) A Vendor shall not count towards the goal expenditures that are not direct, necessary and proximately related to the work of the contract. Only the amount of services or goods that are directly attributable to the performance of the contract shall be counted. Ineligible expenditures include general office overhead or other Vendor support activities.

- (6) **GOOD FAITH EFFORT PROCEDURES.** If the Vendor cannot meet the goal, the Vendor must document in the Utilization Plan its good faith efforts that could reasonably have been expected to meet the goal. GOMB will consider the quality, quantity, and intensity of the Vendor's efforts.

- (a) The following is a list of types of action that GOMB will consider as evidence of the Vendor's good faith efforts to meet the goal. Other factors or efforts brought to the attention of GOMB may be relevant in appropriate cases.

- (1) Soliciting through all reasonable and available means (e.g., attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified vendors that have the capability to perform the work of the contract. The Vendor must solicit this interest within sufficient time to allow the certified vendors to respond to the solicitation. The Vendor must determine with certainty if the certified vendors are interested by taking appropriate steps to follow up initial solicitations and encourage them to bid.
- (2) Selecting portions of the work to be performed by certified vendors in order to increase the likelihood that the goal will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate certified vendor participation, even when the Vendor might otherwise prefer to perform these work items with its own forces.
- (3) Providing interested certified vendors with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding promptly to the solicitation.
- (4) Making a portion of the work available to certified vendors and selecting those portions of the work or material needs consistent with their availability, so as to facilitate certified vendor participation.
- (5) Negotiating in good faith with interested certified vendors. Evidence of such negotiation includes the names, addresses, and telephone numbers of certified vendors that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting

and evidence as to why additional agreements could not be reached for certified vendors to perform the work.

A Vendor using good business judgment will consider a number of factors in negotiating with certified vendors and will take a firm's price and capabilities into consideration. However, the fact that there may be some additional costs involved in finding and using certified vendors is not in itself sufficient reason for a Vendor's failure to meet the goal, as long as such costs are reasonable. Also, the ability or desire of a Vendor to perform the work of a contract with its own organization does not relieve the Vendor of the responsibility to make good faith efforts. Vendors are not, however, required to accept higher quotes from certified vendors if the price difference is excessive or unreasonable.

- (6) Thoroughly investigating the capabilities of certified vendors and not rejecting them as unqualified without sound reasons. The certified vendor's memberships in specific groups, organizations, or associations and political or social affiliations are not legitimate causes for the rejection or non-solicitation of bids in the Vendor's efforts to meet the goal.
  - (7) Making efforts to assist interested certified vendors in obtaining lines of credit or insurance as required by GOMB, the Vendor or to perform the scope of work.
  - (8) Making efforts to assist interested certified vendors in obtaining necessary equipment, supplies, materials, or related assistance or services.
  - (9) Effectively using the services of available minority/women community organizations; minority/women vendors' groups; local, state, and federal minority/women business assistance offices; and other organizations that provide assistance in the recruitment and placement of certified vendors.
- (b) In evaluating the Vendor's good faith efforts, the good faith efforts of other vendors to meet the goal on this solicitation or similar contracts may be considered.
- (c) If GOMB determines that the Vendor has made good faith efforts to meet the goal, GOMB will award the contract provided that the Vendor is otherwise eligible for award. If GOMB determines that the Vendor has not made good faith efforts, GOMB will notify the Vendor of that preliminary determination. The preliminary determination shall include a statement of reasons why good faith efforts have not been found, and may include additional good faith efforts that the Vendor could take. The Vendor shall have 5 business days to make the suggested good faith efforts and any other additional good faith efforts to meet the goal. The Vendor shall submit an amended Utilization Plan if additional certified vendor commitments to meet the goal are secured. If additional certified vendor commitments sufficient to meet the goal are not secured, the Vendor shall report the final good faith efforts made in the time allotted. All additional efforts taken by the Vendor will be considered. If GOMB determines that good faith efforts have not been made, it will notify the Vendor in writing of the reasons for its determination within 5 business days of receipt of the final Utilization Plan.

- (7) **CONTRACT COMPLIANCE.** Compliance with this Attachment is an essential part of the contract. The following administrative procedures and remedies govern the Vendor's compliance with the contractual obligations established by the Utilization Plan. After approval

of the Plan and award of the contract, the Utilization Plan becomes part of the contract. If the Vendor did not succeed in obtaining enough certified vendor participation to achieve the goal, and the Utilization Plan was approved and contract awarded based upon a determination of good faith, the total dollar value of certified vendor work calculated in the approved Utilization Plan as a percentage of the awarded contract value shall become the contract goal.

- (a) The Utilization Plan may not be amended without GOMB prior written approval.
- (b) The Vendor may not make changes to its contractual BEP certified vendor commitments or substitute BEP certified vendors without the prior written approval of GOMB. Unauthorized changes or substitutions, including performing the work designated for a certified vendor with the Vendor's own forces, shall be a violation of this Attachment and a breach of the contract, and shall be cause to terminate the contract, and/or seek other contract remedies or sanctions. The facts supporting the request for changes must not have been known nor reasonably should have been known by the parties prior to entering into the subcontract. The Vendor must negotiate with the certified vendor to resolve the problem. Where there has been a mistake or disagreement about the scope of work, the certified vendor can be substituted only where agreement cannot be reached for a reasonable price or schedule for the correct scope of work.
- (c) Substitutions of a certified vendor shall be permitted under the following circumstances:
  - (1) Unavailability after receipt of reasonable notice to proceed;
  - (2) Failure of performance;
  - (3) Financial incapacity;
  - (4) Refusal by the certified vendor to honor the bid or proposal price or scope;
  - (5) Material mistake of fact or law about the elements of the scope of work of a solicitation where a reasonable price cannot be agreed;
  - (6) Failure of the certified vendor to meet insurance, licensing or bonding requirements;
  - (7) The certified vendor's withdrawal of its bid or proposal; or
  - (8) Decertification of the certified vendor.
- (d) If it becomes necessary to substitute a certified vendor or otherwise change the Utilization Plan, the Vendor must notify GOMB in writing of the request to substitute a certified vendor or otherwise change the Utilization Plan. The request must state specific reasons for the substitution or change. GOMB will approve or deny a request for substitution or other change in the Utilization Plan within 5 business days of receipt of the request.
- (e) Where the Vendor has established the basis for the substitution to GOMB's satisfaction, it must make good faith efforts to meet the contract goal by substituting a certified vendor. Documentation of a replacement vendor, or of good faith efforts to replace the certified vendor, must meet the requirements of the initial Utilization Plan. If the goal cannot be reached and good faith efforts have been made, the Vendor may substitute with a non-certified vendor.

- (f) If a Vendor plans to hire a subcontractor for any scope of work that was not previously disclosed in the Utilization Plan, the Vendor must obtain the approval of GOMB to modify the Utilization Plan and must make good faith efforts to ensure that certified vendors have a fair opportunity to bid on the new scope of work.
- (g) A new subcontract must be executed and submitted to GOMB within 5 business days of the Vendor's receipt of GOMB's approval for the substitution or other change.
- (h) The Vendor shall maintain a record of all relevant data with respect to the utilization of certified vendors, including but without limitation, payroll records, invoices, canceled checks and books of account for a period of at least 5 years after the completion of the contract. Full access to these records shall be granted by the Vendor upon 48 hours written demand by GOMB to any duly authorized representative thereof, or to any municipal, state or federal authorities. GOMB shall have the right to obtain from the Vendor any additional data reasonably related or necessary to verify any representations by the Vendor. After the performance of the final item of work or delivery of material by a certified vendor and final payment to the certified vendor by the Vendor, but not later than 30 calendar days after such payment, the Vendor shall submit a statement confirming the final payment and the total payments made to the BEP vendor under the contract.
- (i) GOMB will periodically review the Vendor's compliance with these provisions and the terms of its contract. Without limitation, the Vendor's failure to comply with these provisions or its contractual commitments as contained in the Utilization Plan, failure to cooperate in providing information regarding its compliance with these provisions or its Utilization Plan, or provision of false or misleading information or statements concerning compliance, certification status or eligibility of certified vendors, good faith efforts or any other material fact or representation shall constitute a material breach of this contract and entitle GOMB to declare a default, terminate the contract, or exercise those remedies provided for in the contract or at law or in equity.
- (j) GOMB reserves the right to withhold payment to the Vendor to enforce these provisions and the Vendor's contractual commitments. Final payment shall not be made on the contract until the Vendor submits sufficient documentation demonstrating compliance with its Utilization Plan.

## Utilization Plan

\_\_\_\_\_ (the Vendor) makes the following assurance and agrees to include the assurance in each subcontract with a subcontractor or supplier utilized on this contract: *We shall not discriminate on the basis of race, color, national origin, sexual orientation or sex in the performance of this contract. Failure to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as GOMB deems appropriate.*

We acknowledge the requirements of Attachment E, Minority, Female, Persons with Disability Status and Subcontracting, and are submitting this Utilization Plan with the pricing proposal.

We understand that compliance with Attachment E is an essential part of this contract and that the Utilization Plan will become a part of the contract, if awarded.

Vendor's person responsible for compliance with Attachment E:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

Telephone: ( ) \_\_\_\_\_ extension \_\_\_\_

Email: \_\_\_\_\_

We submit one (1) of the following statements:

- We are certified with BEP and plan to fully meet the BEP utilization goal through self-performance.
- We attach Section I, to demonstrate our Plan fully meets the BEP utilization goal of - 19% through subcontracting.
- We attach Section I, to detail that we do not fully meet the BEP utilization goal of 19%. We also attach Section II, Demonstration of Good Faith Efforts.

**Section 1:**  
**UTILIZATION OF CERTIFIED VENDORS**

Please submit a separate Section I for each proposed certified vendor.

To achieve the BEP utilization goal through subcontracting, the following is proposed:

(1) The proposed certified vendor's company name and address

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At the time of submission, the above certified vendor is:

- Certified with the CMS Business Enterprise Program (BEP)
  
- Has submitted application for certification with BEP
  
- Certified as a disadvantaged, minority, or woman business enterprise with the following governmental agency or private organization:

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(2) A detailed description of the commercially useful work to be done by this certified vendors is as follows:

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- (3) The total estimated cost to the state for this contract is \$\_\_\_\_\_. The portion of the contract which will be subcontracted to this certified vendor is \$\_\_\_\_\_, or \_\_\_\_\_% of the total cost of the contract.
- (4) A notarized signed letter of intent between \_\_\_\_\_ (the Vendor) and \_\_\_\_\_ (the certified vendor) detailing the work to be performed by the certified vendor and the agreed upon rates or prices, conforming to the Utilization Plan is included as Attachment F.
- (5) A joint venture agreement is not required, as the arrangement between \_\_\_\_\_ and \_\_\_\_\_ is that of contractor/sub-contractor and not a joint venture.

OR,

A joint venture agreement between \_\_\_\_\_ and \_\_\_\_\_ is included in lieu of Attachment F.

- (6) The Vendor has not prohibited or otherwise limited \_\_\_\_\_ (certified vendor) from providing subcontractor quotes to other potential bidders/vendors.

We understand that GOMB may require additional information to verify our compliance and we agree to cooperate immediately in submitting to interviews, allowing entry to any of our office locations, providing further documentation, or soliciting the cooperation of our proposed certified vendor. We will maintain appropriate records relating to our utilization of the certified vendor including: invoices, cancelled checks, books of account, and time records.

**Section 2:**  
**DEMONSTRATION OF GOOD FAITH EFFORTS TO**  
**ACHIEVE BEP SUBCONTRACTING GOAL**

If the BEP subcontracting goal was not achieved, the Good Faith Efforts checklist (Section II A) and contacts log (Section II B) must be submitted with the solicitation response (or as otherwise specified by GOMB). **Failure to do so may render the Vendor's solicitation response non-responsive and cause it to be rejected, or render the Vendor ineligible for contract award, at GOMB's sole discretion.** The Vendor will promptly provide evidence in support of its Good Faith Efforts to GOMB upon request.

**Section 2(A)**  
**Good Faith Efforts Checklist**

Insert on each line below the initials of the authorized Vendor representative who is certifying on behalf of the Vendor that the Vendor has completed the activities described below. **If any of the items below were not completed, attach a detailed written explanation why each such item was not completed.** If any other efforts were made to obtain BEP participation in addition to the items listed below, attach a detailed written explanation.

\_\_\_\_\_ Identified portions of the project work capable of performance by available BEP vendors, including, where appropriate, breaking out contract work items into economically feasible units to facilitate BEP participation even when the Vendor could perform those scopes with its own forces.

\_\_\_\_\_ Solicited through reasonable and available means (e.g., written notices, advertisements) BEP vendors to perform the types of work that could be subcontracted on this project, within sufficient time to allow them to respond.

\_\_\_\_\_ Provided timely and adequate information about the plans, specifications and requirements of the contract. Followed up initial solicitations to answer questions and encourage BEP vendors to submit proposals or bids.

\_\_\_\_\_ Negotiated in good faith with interested BEP vendors that submitted proposals or bids and thoroughly investigated their capabilities.

\_\_\_\_\_ Made efforts to assist interested BEP vendors in obtaining bonding, lines of credit, or insurance as may be required for performance of the contract (if applicable).

\_\_\_\_\_ Utilized resources available to identify available certified vendors, including but not limited to BEP assistance staff; local, state and federal minority or women business assistance offices; and other organizations that provide assistance in the recruitment and placement of diverse businesses.

**Section 2(B)**

**Good Faith Efforts Contacts Log For Soliciting  
BEP Subconsultant, Subcontractor or Supplier Participation**

Use this form to document all contacts and responses (telephone, e-mail, fax, etc.) regarding the solicitation of BEP, subcontractors, consultants and suppliers. Duplicate as needed. (It is not necessary to show contacts with certified vendors with which the Vendor reached an agreement to participate on this project, as shown on Section 1 of this Plan.)

Name of certified vendor firm	Date and method of contact	Scope of work solicited	Reason agreement was not reached

## Attachment F

### Letter of Intent (LOI) Between Prime Vendor and Certified Vendor

**Instructions.** The responsive bidder is required to submit this signed and notarized *Letter of Intent (LOI)* from each certified vendor identified on the Utilization Plan. LOIs must be submitted with the pricing proposal. LOIs must be notarized by both parties. Submit a separate LOI for each proposed certified vendor. The amount and scope of work indicated on each LOI shall be the actual amount indicated on the *Utilization Plan* submitted with the bid and approved by the Agency.

Changes to the Utilization Plan including substitution of certified vendors are permitted only after award of the contract and only with prior written approval of GOMB. A request for changes to the Utilization Plan must be submitted on the *Request for Change of Utilization Plan Form* for all levels of subcontracting. LOIs must be submitted for all additions of certified vendors to the *Utilization Plan* prior to the start of work.

Name of Prime Vendor: \_\_\_\_\_

Address: \_\_\_\_\_

Street City State Zip Code

Telephone: (\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ Email:  
\_\_\_\_\_

Project Name \_\_\_\_\_

Proposed Contract Amount \$ \_\_\_\_\_

Project/Solicitation Number: \_\_\_\_\_

Name of certified vendor: \_\_\_\_\_

Address: \_\_\_\_\_

Street City State Zip Code

Telephone: (\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_) \_\_\_\_\_ Email:  
\_\_\_\_\_

Type of agreement:  Services  Supplies  Both Services/Supplies

Type of payment:  Lump Sum \_\_\_\_\_  Hourly Rate \_\_\_\_\_  Unit Price \_\_\_\_\_

Period of Performance: \_\_\_\_\_

Proposed Subcontract Amount \$ \_\_\_\_\_

Description of work to be performed by certified vendor:

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List the governmental agency or private organization with whom the certified vendor is currently certified as a disadvantaged, minority, or woman business enterprise.

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The prime vendor and the certified vendor above hereby agree that upon the execution of a contract for the above-named project between the prime vendor and Central Management Services, the certified vendor will perform the scope of work for the price as indicated above.

**Prime Vendor** (Company Name and D/B/A): **Certified Vendor** (Company Name and D/B/A):

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**Signature**

**Signature**

**Printed Name**

**Printed Name**

**Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Subscribed and sworn before me this  
\_\_\_\_ day of \_\_\_\_\_, 2006.

Subscribed and sworn before me this  
\_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_

My Commission expires: \_\_\_\_\_

## **Attachment G**

### **Conflicts of Interest Disclosures**

**Instructions.** The Illinois Procurement Code requires that Vendors desiring to enter into certain contracts with the State of Illinois must disclose the financial and potential conflict of interest information that is specified below (30 ILCS 500/50-13 and 50-35 (a)(b)(h)).

Vendor shall disclose the financial interest, potential conflict of interest and contract information identified in Sections 1, 2, 3, and 4 below as a condition of receiving an award or contract. Please submit this information along with your bid or offer.

Section 1 applies to all contracts regardless of dollar amount. In addition, you must complete Sections 2, 3, and 4 for contracts with an annual value exceeding \$10,000 that must be procured using one of the authorized competitive methods of source selection.

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures (Sections 2, 3, and 4) must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

When determining ownership or distributive income shares, use the most current information that you consider reliable, but in no event for a period before your last completed fiscal period.

A designee may submit this form on behalf of the Vendor (or its parent). However, that person must have verified the information with each affected individual.

**INSIDER INFORMATION PROHIBITION:** Section 50-50 of the Illinois Procurement Code prohibits any current or former elected or appointed State official or State employee to knowingly use confidential information available only by virtue of that office or employment for actual or anticipated gain for themselves or another person.

Vendor's response to this RFP must include a notarized affidavit signed by the Vendor that reads as follows:

“Vendor affirms that it neither possessed nor used any confidential information of the Governor’s Office of Management and Budget or the Department of Revenue in preparing its response to this RFP, regardless of whether such confidential information was obtained from any current or former elected or appointed State official or State employee, or otherwise.”

**Vendor Information**

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor:
D/B/A (if used):
Name of any Parent Organization:
Address:
Contact Person: Name:  Title:  Address:  Telephone/Fax:

**Part 1: Section 50-13 Conflicts of Interest**

**(a) Prohibition.** It is unlawful for any person holding an elective office in this State holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois **[\$90,414.60]**, or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

**(b) Interests.** It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor **(\$150,691.00)**, to have or acquire any such contract or direct pecuniary interest therein.

**(c) Combined interests.** It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor **[\$301,382.00]**, to have or acquire any such contract or direct pecuniary interest therein.

**(d) Securities.** Nothing in this Section invalidates the provisions of any bond or other security previously offered or to be offered for sale or sold by or for the State of Illinois.

**(e) Prior interests.** This Section does not affect the validity of any contract made between the State and an officer or employee of the State or member of the General Assembly, his or her spouse, minor child or any combination of those persons if that contract was in existence before his or her election or employment as an officer, member, or employee. The contract is voidable, however, if it cannot be completed within 365 days after the officer, member, or employee takes office or is employed.

**(f) Exceptions.**

**(i) Public aid payments.** This Section does not apply to payments made for a public aid recipient.

**(ii) Teaching.** This Section does not apply to a contract for personal services as a teacher or school administrator between a member of the General Assembly or his or her spouse, or a State officer or employee or his or her spouse, and any school district, public community college district, or State University.

**(iii) Ministerial duties.** This Section does not apply to a contract for personal services of a wholly ministerial character, including but not limited to services as a laborer, clerk, typist, stenographer, page, bookkeeper, receptionist, or telephone switchboard operator, made by a spouse or minor child of an elective or appointive State officer or employee or of a member of the General Assembly.

**(iv) Child and family services.** This Section does not apply to payments made to a member of the General Assembly, a State officer or employee, his or her spouse or minor child acting as a foster parent, homemaker, advocate, or volunteer for or in behalf of a child or family served by the Department of Children and Family Services.

**(v) Licensed professionals.** Contracts with licensed professionals provided they are competitively bid or part of a reimbursement program for specific, customary goods and services through the departments of Children and Family Services, Human Services, Public Aid, Public Health, or Aging.

**CHECK ONE:**

\_\_\_\_\_ No Conflicts Of Interest

\_\_\_\_\_ Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

## Part 2: Disclosure of Financial Interest in the Vendor

All vendors, except for publicly traded corporations subject to SEC reporting requirements and privately held corporations with more than 400 shareholders, must complete subsection (a) below. Publicly traded corporations may complete subsection (b) and privately held corporations with more than 400 shareholders may complete subsection (c) in lieu of completing subsection (a).

**(a) General disclosure.** For each individual having any of the following financial interests in the vendor (or its parent), please mark each that apply and show the applicable name and address. Then complete Sections 3 and 4. If no individual has any of the following financial interests in the vendor (or its parent), check this blank \_\_\_\_\_, skip Section 3, but complete Section 4.

Ownership exceeding 5% (\_\_\_\_)  
Ownership value exceeding \$90,414.60 (\_\_\_\_)  
Distributive Income Share exceeding 5% (\_\_\_\_)  
Distributive Income Share exceeding \$90,414.60 (\_\_\_\_)

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

For each individual identified above, show the dollar value of the ownership interest: \$\_\_\_\_\_ or the proportionate share of the ownership interest: \_\_\_\_\_% and the type of ownership/distributable income share:

Sole Proprietorship \_\_\_\_\_  
Stock \_\_\_\_\_  
Partnership \_\_\_\_\_  
Other (explain) \_\_\_\_\_

\*For partnerships with more than 50 but fewer than 400 partners, the proportionate share of ownership interest of each individual identified above may be shown in the following ranges:

1% \_\_\_\_\_  
1 up to 2% \_\_\_\_\_  
2 up to 3% \_\_\_\_\_  
3 up to 4% \_\_\_\_\_  
4 up to 5% \_\_\_\_\_  
and in additional 1% increments as appropriate \_\_\_\_\_%

For partnerships with more than 400 partners, the proportionate share of ownership may be shown in the following ranges:

0.5% or less \_\_\_\_\_  
>0.5 to 1.0% \_\_\_\_\_  
>1.0 to 1.5% \_\_\_\_\_  
and as appropriate in additional 0.5 increments \_\_\_\_\_%

**(b) Publicly traded corporations subject to SEC reporting requirements.** These Vendors may submit their 10k disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections **50-35 a** and **b** of the Procurement Code. An SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10k. Vendor may skip Section 3 of this form, but must complete Section 4.

Check here if submitting a 10k \_\_\_\_\_, 20f \_\_\_\_\_, or 40f \_\_\_\_\_.

**(c) Privately held corporations with more than 400 shareholders.** These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections **50-35 a** and **b** of the Procurement Code. Vendor may skip Section 3 of this form, but must complete Section 4.

### Part 3: Disclosure of Potential Conflicts of Interest

For each individual having the level of financial interest identified in Section 2(a) above, indicate which, if any, of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at end of this Section 3 (attach additional pages as necessary).

(a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Identify contracts with the VENDOR in Section 4. Yes \_\_\_ No \_\_\_

(b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes \_\_\_ No \_\_\_

(c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes \_\_\_ No \_\_\_

(d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes \_\_\_ No \_\_\_

(e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes \_\_\_ No \_\_\_

(f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes \_\_\_ No \_\_\_

(g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes \_\_\_ No \_\_\_

(h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes \_\_\_ No \_\_\_

(i) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes \_\_\_ No \_\_\_

(j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes \_\_\_ No \_\_\_

**Explanation of potential conflicts of interest:**

**Part 4: Current and Pending Contracts and Offers (bids and proposals)**

(a) Vendor shall identify each contract it has with other units of State of Illinois government by showing agency name and other descriptive information such as purchase order or contract reference number (attach additional pages as necessary). Show "none" if appropriate.

(b) VENDOR shall identify whether it has pending contracts (including leases), bids, proposals, or other ongoing procurement relationships with other units of State of Illinois government by showing agency name and other descriptive information such as bid or project number (attach additional pages as necessary). Show "none" if appropriate.

## Attachment H Taxpayer Identification Number

I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

**Name (Printed):** \_\_\_\_\_

**Taxpayer Identification Number:**

Social Security Number \_\_\_\_\_

or

Employer Identification Number \_\_\_\_\_

Legal Status (check one):

\_\_\_\_ Individual

\_\_\_\_ Governmental

\_\_\_\_ Sole Proprietorship

\_\_\_\_ Nonresident alien

\_\_\_\_ Partnership/Legal Corporation

\_\_\_\_ Estate or Trust

\_\_\_\_ Tax-exempt

\_\_\_\_ Pharmacy (non-corporate)

\_\_\_\_ Corporation providing or  
billing medical and /or  
health care services

\_\_\_\_ Pharmacy/Funeral Home/Cemetery (Corp.)

\_\_\_\_ Corporation NOT providing  
or billing medical and / or  
health care services

\_\_\_\_ Other \_\_\_\_\_

## **Attachment I**

### **Information Regarding Terminations, Litigation and Debarment**

The Agency/Buyer requests that the Vendor provide the following information:

1. During the last five (5) years, has the Vendor had a contract for services terminated for any reason? If so, provide full details related to the termination.
2. During the last five (5) years, describe any damages or penalties or anything of value traded or given up by the Vendor under any of its existing or past contracts as it relates to services performed that are similar to the services contemplated by this RFP and the resulting Contract. If so, indicate the reason for the penalty or exchange of property or services and the estimated amount of the cost of that incident to the Vendor.
3. During the last five (5) years, describe any order, judgment or decree of any Federal or State authority barring, suspending or otherwise limiting the right of the Vendor to engage in any business, practice or activity.
4. During the last five (5) years, list and summarize pending or threatened litigation, administrative or regulatory proceedings, or similar matters that could affect the ability of the Vendor to perform the required services. The Vendor must also state whether it or any owners, officers, or primary partners have ever been convicted of a felony. Failure to disclose these matters may result in rejection of the bid Offer or in termination of any subsequent contract. This is a continuing disclosure requirement. Any such matter commencing after submission of a bid Offer, and with respect to the successful Vendor after the execution of a contract, must be disclosed in a timely manner in a written statement to the Agency.
5. During the last five (5) years, have any irregularities been discovered in any of the accounts maintained by the Vendor on behalf of others? If so, describe the circumstances of irregularities or variances and disposition of resolving the irregularities or variances.

**(b) PRICE PROPOSAL (Attachment J):**

Provide one copy only of fee-related information, either Part I or Part II of Attachment J, **in a separate sealed envelope**. Vendors responding to all elements of this RFP must submit four pricing options in a form similar to that attached hereto as Part I of Attachment J. GOMB may choose which pricing method to use at the time the financial advisor[s] are selected:

- (1) A total project cost, summed from the cost of each deliverable.
- (2) A price determined by hourly rates. Each of respondent's staff must be assigned an hourly rate and the number of hours per task (deliverable) should be estimated. Prices quoted shall be the maximum amount payable under the contract.
- (3) A price determined by a single blended hourly rate (including estimated hours worked) for all professionals, regardless of level, to be assigned to the matters covered by this RFP. Prices quoted shall be the maximum amount payable under the contract.
- (4) A price stated in terms of percentage of future transactions that result from advisement. Please provide a schedule for compensation by filling in the "percent compensation" column for a particular range of transaction revenue.

Vendors choosing to submit proposals on one or more projects, but not all elements of this RFP, should provide separate pricing with regard to each project bid upon as listed in paragraphs 1-3 of Section 4(c): Services Required, in a form similar to that attached hereto as Part II of Attachment J.

Fees should include all out-of-pocket expenses. **Do not include any reference to fees in the body of your RFP response.** Your firm name should be clearly labeled on the outside of your bid envelope. Failure to comply with these provisions may result in disqualification of your firm.

## Attachment J Pricing Grid

(This Attachment consists of Parts I and II. Part II consists of Projects 1 through 3)

Please review Sections 4 and 5 of this RFP before completing the fee schedule grids. In addition to cumulative pricing for your bid, you should also provide separate pricing with regard to each project bid upon as listed in Section 4(c), Services Required. Fees should include all out-of-pocket expenses.

### Part I: Cumulative Pricing Grid

#### Alternative 1

Price Per Deliverable	
Deliverable:	"Not to Exceed" Cost:
<b><u>Project 1:</u></b>	
1. Detailed Breakdown and Evaluation of Lottery Segments	
<b><u>Project 2:</u></b>	
1. Language for Inclusion in Requests for Proposals and Qualifications	
2. Evaluation Form for Proposals and Qualifications	
3. Bidder Evaluations	
4. Confidentiality Agreements	
5. Requests for Final Offers	
6. Data Room	
<b><u>Project 3:</u></b>	
1. Single Integrated Strategic Plan	
2. Detailed Project Timeline	
3. Itemized Statement of Costs of Recommended Transaction	
<b>Total:</b>	

Alternative 2

Hourly Rate by Professional				
<u>Individual Hourly Rate</u>				
Position Title:	Number of Professionals:	Hourly Rate:	Cumulative Estimated Total Hours:	Maximum Cost:

Alternative 3

Blended Hourly Rate				
<u>Blended Hourly Rate:</u>				Maximum Cost:

Alternative 4

Percent of Resulting Transaction			
Transaction Type:	Revenue Generated:	Percent Compensation:	Maximum Cost:
	Up to:		
	Up to:		
	Up to:		
		Total Expected Transaction Cost:	

## Part II: Project Pricing Grid

### Project 1 Pricing Grid

#### Alternative 1

Price Per Deliverable	
Deliverable:	"Not to Exceed" Cost:
<b><u>Project 1:</u></b>	
1. Detailed Breakdown and Evaluation of Lottery Segments	
<b>Total:</b>	

#### Alternative 2

Hourly Rate by Professional				
<u>Individual Hourly Rate</u>	Number of	Hourly	Cumulative	
Position Title:	Professionals:	Rate:	Estimated Total	Maximum Cost:
Hours:				

#### Alternative 3

Blended Hourly Rate				
<u>Blended Hourly Rate:</u>				Maximum Cost:

## Project 2 Pricing Grid

### Alternative 1

Price Per Deliverable	
Deliverable:	"Not to Exceed" Cost:
<b>Project 2:</b>	
1. Language for Inclusion in Requests for Proposals and Qualifications	
2. Evaluation Form for Proposals and Qualifications	
3. Bidder Evaluations	
4. Confidentiality Agreements	
5. Requests for Final Offers	
6. Data Room	
<b>Total:</b>	

### Alternative 2

Hourly Rate by Professional				
<u>Individual Hourly Rate</u>	Number of	Hourly	Cumulative	Maximum Cost:
Position Title:	Professionals:	Rate:	Estimated Total Hours:	

### Alternative 3

Blended Hourly Rate				
Blended Hourly Rate:				Maximum Cost:

## Project 3 Pricing Grid

### Alternative 1

Price Per Deliverable	
Deliverable:	"Not to Exceed" Cost:
<b>Project 3:</b>	
1. Single Integrated Strategic Plan	
2. Detailed Project Timeline	
3. Itemized Statement of Costs of Recommended Transaction	
<b>Total:</b>	

### Alternative 2

Hourly Rate by Professional				
<u>Individual Hourly Rate</u>	Number of Professionals:	Hourly Rate:	Cumulative Estimated Total Hours:	Maximum Cost:
Position Title:				

### Alternative 3

Blended Hourly Rate				
<u>Blended Hourly Rate:</u>				Maximum Cost:

**(c) UTILIZATION PLAN (Attachment E):**

The Business Enterprise Program Act for Minorities, Females and Persons with Disabilities (BEP) (30 ILCS 57511) establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities.

A listing of certified businesses may be obtained from the Department of Central Management Services' Business Enterprise Program for Minorities, Females and Persons with Disabilities by calling 312/814-4190 (Voice & TDD), 800/356-9206 (Toll Free), or 800/526-0844 (Illinois Relay Center for Hearing Impaired).

The participation goal for this RFP is **19%**. The utilization plan shall be submitted in a separate and sealed envelope.

## 6. HOW WE WILL EVALUATE PROPOSALS

Responses to the RFP will be evaluated on the basis of respondents' qualifications, project plans, and proposed services and deliverables as specified in Sections 4 and 5 of this RFP, and the following criteria: the qualifications of the responding firms and the assigned individual(s), with emphasis on knowledge of and experience with government financial asset analysis and valuation and request for proposal design and drafting and quality control implementation under circumstances similar to those described in this RFP, and ability to provide low cost high quality service to the State.

Vendors may offer proposals on any or all projects listed in this RFP. GOMB will score each project proposal through an independent evaluation process. One or more vendors may be selected to provide services on the projects set forth independently in the Scope of Services, and GOMB reserves the right to select multiple vendors to provide the services set forth herein.

A point ranking system will be used during the evaluation process. GOMB reserves the right to use its discretion to eliminate any proposals it deems unacceptable.

GOMB will determine whether and to what extent responses satisfy the scope of services required of the vendor(s) in terms of "responsiveness" to the requirements of this RFP. GOMB will score proposals, without consideration of price, from most to least qualified using a point ranking system. References will be considered again in this portion of the evaluation.

GOMB will determine whether any failure to supply information, or the quality of information provided, will result in rejection or downgrading the response.

Vendor(s) whose proposal best meet(s) GOMB's requirements will be eligible for award consideration. GOMB will determine whether the pricing offered is fair and reasonable by considering all components of the vendor's proposal, including the vendor's qualifications and reputation, all pricing proposals submitted, other known prices, project budget and other relevant factors.

**(a) TECHNICAL PROPOSAL (RESPONSIVENESS POINTS):**

The point evaluation system is described below:

The total number of points for "responsiveness" for each project is 750. Vendors who do not receive 450 of the **750 Total "Responsiveness" Points** need not be considered for price evaluation and award.

The elements of responsiveness to be evaluated and their relative weights are:

<b>Elements</b>	<b>Points</b>
The quality of the plan offered by the respondent for performing the required services.	150
Previous demonstrated ability of the respondent to forecast revenue streams in an uncertain competitive market.	150
Demonstrated ability by the respondent to devise innovative financial structures for governmental entities.	150
Qualifications of respondent's personnel to be assigned to the project, especially in the areas of financial statistics and computer modeling.	150
Respondent's industry experience, especially previous experience with state-sponsored lottery operations or retail, consumer or gaming industries and other asset lease or similar transactions.	150
<b>TOTAL RESPONSIVENESS POINTS Maximum</b>	<b>750</b>

**(b) PRICE:** Vendors must submit four pricing options as set forth in Section 5(b) above. Provide one copy only of fee-related information **in a separate sealed envelope**. GOMB may choose which pricing method to use at the time the financial advisor(s) are selected):

Pricing information and proposals will be factored into only those proposals deemed well-qualified.

(c) **TOTAL POINTS:** The maximum number of points a proposal can receive is 750 for each project.

**Alternative Evaluation:** If three or fewer offers are received, the offers may be evaluated using simple comparative analysis of the elements of responsiveness (and price where applicable) instead of any announced method of evaluation (such as points).

## 7. ILLINOIS PROCUREMENT NOTICES AND REQUIREMENTS

- (a) **ILLINOIS PROCUREMENT BULLETIN:** GOMB will publish this RFP, addendums, notices and award on the Illinois Procurement Bulletin. The Vendor may register to view and download procurement information at <http://www.purchase.state.il.us/>. The Vendor is responsible for monitoring the Illinois Procurement Bulletin and GOMB cannot be held responsible if you fail to receive the optional e-mail notices.
- (b) **NON-DISCRIMINATION POLICY:** In compliance with the State and Federal Constitutions, the Illinois Human Rights Act, the United States Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the State of Illinois does not unlawfully discriminate in employment, contracts, or any other activity.
- (c) **RESPONSIBILITY TO READ AND UNDERSTAND:** Failure to read, examine and understand the RFP will not excuse any failure to comply with the requirements of the RFP or any resulting contract, nor will such failure be a basis for claiming additional compensation. If you suspect an error, omission or discrepancy in this RFP, you must immediately notify the RFP Contact listed in Section 3.2 of the RFP.
- (d) **AMENDMENTS:** GOMB reserves the right to change or cancel the RFP at any time.
- (e) **SUBMISSION OF PROPOSAL:** You may mail or hand-deliver your proposal. GOMB does not accept computer, fax, or other electronic submissions. We must actually receive submissions as specified. It will not be sufficient to show that you mailed or commenced delivery before the due date and time. All times are State of Illinois local times. You must allow adequate time to accommodate all security screenings prior to delivery at the delivery site.
- (f) **MODIFICATION/WITHDRAWAL OF PROPOSAL:** Written requests to modify the proposal received by the State prior to the scheduled opening time will be accepted and the modifications will be made after opening. Written requests to withdraw the Offer received by the State prior to the scheduled opening time will be honored. No oral requests for either modification or withdrawal will be allowed. Requests must be addressed and labeled in the same manner as the proposal and marked as a MODIFICATION or WITHDRAWAL of the offer.
- (g) **LATE DELIVERY:** We will not consider proposals received at the designated submission location after the stated due date and time.
- (h) **BEST AND FINAL:** We may request best and final offers if deemed necessary and will determine the scope and subject of any best and final request. However, you should not expect that we will ask for best and finals to give you an opportunity to strengthen your proposal. Therefore, you must submit your best offer based on the terms and conditions set forth in this RFP.
- (i) **RESERVATIONS:** We reserve the right to reject all proposals.
- (j) **COST OF PREPARATION:** We are not responsible for and will not pay any costs associated with the preparation and submission of your proposal.
- (k) **PUBLIC RECORDS AND REQUESTS FOR CONFIDENTIAL TREATMENT:** GOMB may treat portions of the proposal submitted by a Vendor as public information following the conclusion of the selection process unless the Vendor properly requests that information be treated as confidential at the time the proposal was submitted. All information submitted is

subject to the Illinois Freedom of Information Act (“IFOIA”) (5 ILCS 140), the Code, and other applicable laws and rules.

Vendors are encouraged to familiarize themselves with the IFOIA and the Code before submitting an proposal. GOMB will copy public records as required to comply with the public records laws. The Vendor must enumerate the specific grounds in the IFOIA, the Code, or other applicable law which support treatment of the material as exempt from disclosure and explain why disclosure is not in the best interest of the public. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the Vendor to respond to any inquiries by GOMB concerning the confidential status of the materials.

Upon award, the name of the successful Vendor and price as well as sufficient information from that proposal will be made available to the public to allow for meaningful review and protest regardless of any claim of exemption. After award, we will disclose only the name of the unsuccessful Vendors. Any release of information is governed by the IFOIA, the Code and any other applicable law or statute.

**(l) DOWNGRADING OR DISQUALIFICATION:** The following are cause for downgrading or disqualification of the Offer, depending on the circumstances:

- (1) Vendor fails to deliver the proposal by the due date and time.
- (2) Vendor fails to deliver the Price Proposal in a separate envelope.
- (3) Vendor fails to meet one or more requirements of the RFP.
- (4) Proposal materially changes one or more requirements of the RFP.
- (5) Proposal limits the rights of the State.
- (6) Vendor fails to include information necessary to substantiate that it will be able to meet a Required Service. A response of “will comply” or merely repeating the Required Service is not sufficient. Responses must indicate present capability; representations that future developments will satisfy the Required Services are not sufficient.
- (7) Vendor fails to respond to GOMB’s request for information, documents, or references.
- (8) Vendor fails to include a performance bond.
- (9) Vendor fails to include any signature, certification, authorization, stipulation, disclosure or guarantee requested in this RFP.
- (10) Vendor initiates unauthorized contact regarding the RFP with state employees.
- (11) Vendor provides misleading or inaccurate responses.

**(m) NONMATERIAL AND MATERIAL VARIANCES:** GOMB reserves the right to waive or permit cure of nonmaterial variances in the proposal if it is in the GOMB’s best interest to do so. “Nonmaterial variances” include minor informalities that do not affect responsiveness; that are merely a matter of form or format; that do not prejudice other vendors; that do not change the meaning or scope of the RFP. In the event GOMB permits cure of nonmaterial variances, such waiver or cure will not modify the RFP requirements or excuse the Vendor from full compliance with RFP specifications or other contract requirements if the Vendor is awarded the contract. The determination of materiality is in the sole discretion of GOMB.

- (n) **VERIFICATION OF PROPOSAL CONTENTS:** The content of an proposal submitted by a Vendor is subject to verification. Misleading or inaccurate responses will result in disqualification.
- (o) **RESTRICTIONS ON GIFTS AND ACTIVITIES:** The Code and the State Officials and Employees Ethics Act (5 ILCS 430 et.seq.) restrict gifts which may be given or received by State employees and require certain individuals to disclose information concerning their activities with State government. Vendors are responsible for determining the applicability of the Code and the Act and any other legal requirements to their activities and to comply with those requirements. In addition, under Illinois law, it is a felony offense to bribe or attempt to bribe a public official.
- (p) **PUBLIC CONTRACTS NUMBER:** Vendors with 15 or more employees must have a Public Contracts Number issued by (or completed application submitted to) the Illinois Department of Human Rights (DHR) prior to the opening date. Contact DHR at (312) 814-2431.
- (q) **OUT OF STATE COMPANIES:** Please contact the Illinois Secretary of State ((217) 782-1834) regarding a Certificate of Authority to Transact Business in Illinois. Application Form BCA 13.15 may be downloaded from [http://www.cyberdriveillinois.com/departments/business\\_services/publications\\_and\\_forms/bca.html](http://www.cyberdriveillinois.com/departments/business_services/publications_and_forms/bca.html). It is entirely the Vendor's responsibility to determine whether the Vendor is required to obtain a Certificate of Authority to Transact Business in Illinois, and if so to obtain that Certificate via the filing of the required form and payment of any required fees and taxes.
- (r) **VENDOR SUSPENSION:** Any Vendor may be suspended for violation of the Code or for failure to conform to specifications or terms of delivery. Suspension will be for cause and may be for a period of up to the maximum provided by law at the discretion of the applicable chief procurement officer. Vendors may be debarred in accordance with the Code and the rules promulgated by the chief procurement officer or as otherwise provided by law (30 ILCS 500/50-65).
- (s) **INFORMATION FROM OTHER SOURCES:** GOMB reserves the right to obtain and consider information from other sources concerning a Vendor, such as the Vendor's capability and performance under other contracts.
- (t) **CRIMINAL HISTORY AND BACKGROUND INVESTIGATION:** GOMB reserves the right to conduct criminal history and other background investigation of the Vendor, its officers, directors, shareholders, or partners and managerial and supervisory personnel retained by the Vendor for the performance of the contract.
- (u) **DISPOSITION OF OFFERS:** Ordinarily, all proposals become the property of GOMB and will not be returned to the Vendor. Those proposals will be in the public domain and will be open to inspection by interested parties, subject to exceptions provided in the IFOIA, the Code, or other applicable law.
- (v) **COPYRIGHTS:** By submitting a proposal, the Vendor agrees that GOMB may copy the proposal for purposes of facilitating the evaluation of the proposal or to respond to requests for public records. The Vendor consents to such copying by submitting a proposal and warrants that such copying will not violate the rights of any third party. GOMB will have the right to use ideas or adaptations of ideas that are presented in the proposal.
- (w) **RELEASE OF CLAIMS:** By submitting an proposal, the Vendor agrees that it will not bring any claim or cause of action against the State based on any misunderstanding concerning the

information provided herein or concerning GOMB's failure, negligent or otherwise, to provide the Vendor with pertinent information as intended by this RFP.

- (x) **CONTRACT NEGOTIATIONS:** Vendors must be prepared for GOMB to accept the proposal as submitted, but contract negotiations may be necessary or desirable, at the State's sole option. If negotiations do not result in an acceptable agreement, GOMB may reject the proposal or revoke the award and may begin negotiations with another vendor. Final contract terms must be approved or signed by the appropriately authorized State official(s).
- (y) **COMMENCEMENT OF WORK:** If you begin any billable work prior to the State's final approval and execution of the contract, you do so at your own risk.
- (z) **CHOICE OF LAW AND FORUM:** This RFP and the resulting contract are to be governed by the laws of the State of Illinois. Changes in applicable laws and rules may affect the award process or the resulting contract. Vendors are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP will be brought in the appropriate Illinois forum.

**END OF REQUEST FOR PROPOSAL**