

**REQUEST FOR PROPOSALS  
TO PROVIDE**

# **LEGAL COUNSEL SERVICES**

**Regarding**

**BOND ISSUANCE,  
INTEREST RATE EXCHANGE AGREEMENTS,  
AND RELATED SERVICES**

**Relating to**

**State of Illinois Bond Programs**

**Issued by**

**The State of Illinois**

**Executive Office of the Governor  
Governor's Office of Management and Budget**

**August 26, 2005**

**PROPOSAL DUE BY 5:00 PM (CDT) on  
Wednesday, September 14, 2005**

**Proposal Responses should be addressed and directed to:**

**Mr. Kevin J. Connor  
General Counsel  
Governor's Office of Management and Budget  
603 Stratton Building  
Springfield, Illinois 62706**

**(Note also electronic delivery address herein)**

**REQUEST FOR PROPOSAL (RFP) TO PROVIDE  
BOND COUNSEL, UNDERWRITER'S COUNSEL, COUNSEL TO INTEREST RATE EXCHANGE  
AGREEMENTS AND RELATED SERVICES TO THE STATE OF ILLINOIS**

**I. INTRODUCTION AND GENERAL INFORMATION**

The State of Illinois through the Governor's Office of Management and Budget (The "State" and "GOMB") is requesting proposals for legal counsel services in connection with the competitive and negotiated issuance of several series of State of Illinois General Obligation Bonds and Build Illinois (Sales Tax Revenue) Bonds, Interest Rate Exchange Agreement counterparty services, and Related Services.

This RFP covers any such bonds proposed to be issued, interest rate exchange agreements to be entered into by the State and Related Services as may be required by the State through June 30, 2007. The State at its option may extend this RFP for up to two one-year extensions, subject to any early termination of services by the State of one or more firms or substitutions of firms selected under this RFP. This RFP may also be applied to other types of debt which the State may issue, and the State may issue additional RFP's for these and other services during this time period.

Responding firms are encouraged to review the following statutes and policies governing the issuance of debt and interest rate management. Information regarding the State's bond authorization (the Bond Acts) may be located at [www.ilga.gov](http://www.ilga.gov). The State's Interest Rate Risk Management Policy (which describes the use of interest rate exchange agreements) may be located at [www.state.il.us/budget](http://www.state.il.us/budget).

- 30 ILCS 330 – General Obligation Bonds
- 30 ILCS 425 – Build Illinois Sales Tax Revenue Bonds
- 30 ILCS 340 – General Obligation Certificates (short term borrowing)

The State may issue various debt instruments including, without limitation, fixed rate bonds, variable rate bonds and auction rate bonds, and may enter into various interest rate exchange agreements in accordance with the purposes and methods set forth in statute and policy. The bonds will be issued for new capital spending and refunding of existing State debt. Pursuant to statute, at least 25% of the bonds in issued in each fiscal year will be sold via competitive sale, and such bonds are expected to be the first bonds issued within any fiscal year. General Obligation Certificates (short term borrowings) may be issued only by competitive sale.

Public Act 93-0839 introduced various amendments which are now codified in the Bond Acts. New money bonds must be structured by level principal for a maximum term of 25 years. Refunding bonds must also be structured with level principal and must mature in equal or greater amount of maturing refunding principal for each fiscal year of refunded principal, and with a minimum PV savings threshold of 3%. Other new requirements include (i) financing team participants must certify that no contingent success fees were paid to non-employees of the firm, (ii) all fees paid to any participants in a transaction must be publicly disclosed including MBE/WBE/DBE status of such firm, and (iii) that GOMB must comply with provisions of the Minority Business Enterprise act at 30 ILCS 575.

GOMB has and continues to encourage regional, minority-owned, and woman-owned firms, as well as firms owned by persons with disabilities to apply for all financing team roles in the State's bond financings, and will continually support and monitor performance and inclusivity in the furtherance of these objectives.

GOMB also seeks proposals from underwriters, interest rate exchange agreement counterparties, financial advisors, interest rate exchange agreement advisors, and Related Services in respect to the bond and interest rate exchange agreements and related services contemplated under this RFP.

GOMB will review the qualifications of proposing firms and law firms from the qualified respondents to this RFP, to serve in one or more of the following capacities pursuant to each plan of finance undertaken during the RFP coverage period:

1. To serve as Bond Counsel for the issuance of one or more series of bonds,
2. To serve as Underwriter's Counsel for the issuance of one or more series of bonds,
3. To serve as Interest Rate Exchange Agreement Counsel for such agreements to be entered from time to time by the State for one or more prior or current bond series, or to hedge the prospective issuance of one or more series of bonds.

GOMB shall retain the right to combine certain roles to a primary counsel role, and/or to designate one or more firms as additional co-counsel to primary counsel roles, as specific transaction requirements and objectives may warrant. GOMB encourages all legal firms with public finance practices to apply for consideration for primary and/or co-counsel roles under this RFP. Willingness to serve as counsel to an interest rate exchange agreement shall not be required for consideration to serve as bond counsel or underwriter's counsel for the issuance of bonds. GOMB will retain all materials submitted in response to this request. Failure to furnish all or certain information may result in the disqualification of the proposal.

Please indicate at the earliest convenience by e-mail to [BondRFP@omb.state.il.us](mailto:BondRFP@omb.state.il.us) of the firm's intent to respond, including a contact name(s), phone number(s) and e-mail address(s), and identify the services for which a proposal will be submitted. Such responses will assist GOMB in maintaining an accurate database and communicating with all respondents.

Questions related to any aspect of or type of service contemplated within this RFP should be submitted by e-mail to [BondRFP@omb.state.il.us](mailto:BondRFP@omb.state.il.us) not later than **September 7, 2005**. Please indicate "Legal RFP Question – FirmName" in the subject line. Answers to questions (in a cumulative format) along with the RFP itself will be posted on the State's website at [www.state.il.us/budget](http://www.state.il.us/budget). GOMB will make every effort to alert by e-mail those firms indicating their intent to respond to this RFP, when and as questions or announcements are posted on the website. This RFP is also announced and available on the Illinois Procurement Bulletin web site at [www.purchase.state.il.us](http://www.purchase.state.il.us).

All firms applying for consideration to provide legal counsel services (whether in primary or co-counsel roles) must deliver all certifications and disclosures under the Illinois Procurement Code (see Attachments B1 – B3 attached hereto and incorporated herein). The failure to complete and sign each of the forms included as Attachment B1 – B3 may disqualify the firm.

## II. DELIVERY OF PROPOSALS

Proposals must be received by electronic by e-mail transmission at [BondRFP@omb.state.il.us](mailto:BondRFP@omb.state.il.us) by no later than **5:00 p.m. (CDT) on Wednesday September 14, 2005** to be considered. GOMB strongly encourages the use of electronic submission. Please ensure that the electronic submission contains the following attachments, and uses the naming conventions for files submitted as attachments (in Adobe PDF format) described below (with the exception of the pricing grid which must be received in hard-copy form only).

NOTE: If the firm cannot or prefers not to respond via electronic medium, at least two bound and one un-bound copy of all documents submitted in response to this RFP must be received at the address set forth on the cover page hereof, as of the same times, using 217-782-3500 as a telephone number if such is required by the service for physical delivery.

**A. IL05Legal-FirmName-Response.PDF.** Cover letter and body of proposal response. The cover letter should clearly state the category or categories of service for which the firm seeks consideration:

1. As Bond Counsel and/or Co-Bond Counsel for the issuance of bonds.
2. As Underwriter's Counsel and/or Co-underwriter's Counsel for the issuance of bonds.
3. As Counsel and/or Co-Counsel to the State in an Interest Rate Exchange Agreement.

If responding to 1 or 2 above, also indicate which bond types (Fixed Rate, Variable Rate and/or Auction Rate) in which the firm would offer its services.

Unless explicitly indicated otherwise, it will be presumed that (i) the firm's interest in 1 or 2 above, if selected, applies to all bond programs to which this RFP may apply during its term, including without limitation, General Obligation bonds, Build Illinois bonds, and General Obligation Certificates, and (ii) the firm is willing to serve in a counsel capacity for both competitive and negotiated sales.

Additionally, in the cover letter, please indicate if the firm is a minority owned, woman owned or persons with disabilities owned firm. GOMB reserves the right to publicly rely upon the firm's indication of such status.

Please limit the combined cover letter and the response to a total of 10 pages (not counting attachments and appendices which may be required pursuant to Section IV-7 relating to legal and compliance matters or Section IV-8 relating to conflicts of interest).

**B. IL05Legal-FirmName-AttachmentB.PDF.** Certifications required pursuant to the Illinois Procurement Code at 30 ILCS 500 *et seq.*

- "FirmName" as referred to above should be an abbreviated rather than a full firm name.
- Indicate "**Legal RFP Response – FirmName**" in the subject line for Attachments **A & B**.
- Multiple e-mails may be used if the Attachments collectively are too large. GOMB will send an e-mail acknowledgement of the receipt of any proposal received by electronic means.

**C. Fee Schedule (hard-copy only).** Pursuant to the Illinois Procurement Code, the proposed fee schedules must be received in sealed envelopes with responding firm's name clearly marked on the outside, and will be held unopened pending completion of the review process. Please use the physical delivery address noted on the cover of this RFP.

### **III. SCOPE OF SERVICES**

The selected counsels shall work with the Director and GOMB staff in the competitive or negotiated sale of bonds for new capital and refunding purposes, and/or the execution of interest rate exchange agreements pursuant to one or more prior, current or anticipated issuances of bonds. The services to be provided by bond counsel, underwriter's counsel and counsel to interest rate exchange agreements (as applicable), including co-counsel (if any) to any such counsel role, shall include without limitation, the following:

- Delivery of a legal opinion with respect to the authorization and valid issuance of general obligation bonds, Build Illinois bonds, general obligation certificates, or other debt issued by the State, including where applicable an opinion with respect to whether the interest paid on the bonds is excludable from gross income for federal income tax purposes (and Illinois personal income taxes where appropriate).
- Advising the State and GOMB in structuring financing programs consistent with applicable constitutional requirements, laws and tax-exempt practices, including drafting and reviewing legislation.
- Preparing all necessary legal documents in connection with the authorization, issuance and delivery of the bonds (whether by competitive or negotiated sale), including all closing documents, tax agreements, bond purchase agreements, agreements among underwriters, standby bond purchase agreements, remarketing agreements, ISDA and related documents pursuant to interest rate exchange agreements, bond sale orders and certificate sale orders, all as may be applicable for various bond structures, methods and hedging strategies.
- Publish Notices of Sale and other documents in newspapers and other media as may be applicable and/or required pursuant to statute (for which the State will reimburse such expense.)
- Assisting the State in the negotiation of business terms pursuant to interest rate exchange agreements, standby bond purchase agreements and remarketing agreements (if and as applicable), including the reviewing of bids solicited from providers for such arrangements.
- Advising the State and GOMB in the proper use of bond proceeds under applicable laws and on debt management administration, particularly arbitrage and rebate compliance.
- Assisting in the preparation of preliminary and final official statements and participation in discussions with rating agencies, if requested.
- Providing continuing advice to the State and GOMB, as GOMB may determine is necessary from time to time on issues relating to the sale of general obligation bonds, Build Illinois bonds, general obligation certificates, or other debt issued by GOMB, including actions necessary to assure the federal tax-exempt status of the State's bonds, and compliance with covenants pursuant to interest rate exchange agreements, and remarking and standby bond purchase agreements.
- Advising the State and GOMB with respect to the disclosure rules of the Securities and Exchange Commission and/or the Internal Revenue Service and assist in the drafting of the State's Annual Disclosure Report. Consult with other attorneys at the direction of the State regarding the preparation of Continuing Disclosure Undertakings to ensure consistency.
- Assist as necessary in the filing of SLGS subscriptions as authorized by GOMB and/or reviewing bidding documents for the competitive purchase of open market securities for refunding escrows.
- Provide such other services as may be reasonably requested by GOMB.

#### **IV. RESPONSE TO REQUEST FOR PROPOSAL**

Respondents are asked to clearly indicate in the cover letter preceding the response, (i) the roles bond counsel, underwriter's counsel and counsel to interest rate exchange agreements, (ii) willingness to serve as primary counsel and/or co-counsel in such roles, (iii) various bond types (fixed rate, variable rate, auction rate) for which they wish to be considered and (iv) whether such consideration includes bonds to be issued by competitive sale. Note that question 10 is requested only of firms requesting consideration for primary counsel roles, and question 11 is optional relating to services ancillary to the State's bond programs. Please use the same letter and number sequence in the responses as shown in this Section IV.

1. Describe the firm, including the number of lawyers in Illinois, the number of lawyers specializing in municipal bond and finance and tax law.
2. Describe the firm's experience and qualifications in municipal securities and in state and local finance, including recent instances of note in which the firm has served as bond counsel, underwriter's counsel and/or counsel to an interest rate exchange agreement. Include if any, the firm's direct experience with the State's bond programs and financings through the State's operating and conduit bond authorities.
3. Identify the lawyers in the firm who would be directly assigned to the State and GOMB and briefly describe their backgrounds, including day-to-day contact, tax counsel contact, and counsel for interest rate exchange agreements (if applied for).
4. Describe the firm's experience in drafting legislation regarding the issuance of municipal debt, particularly where the source of security involved State of Illinois resources.
5. Describe the firm's knowledge of and experience with regard to the State's accounting system and investment practices relative to establishing procedures to comply with federal tax arbitrage requirements.
6. Describe the firm's Anti-Discrimination and Affirmative Action/Equal Opportunity policies, and identify the number of women and minority public finance lawyers (excluding clerical positions) in the firm, and whether such persons would be assigned to the State's bond transactions.
7. Legal and Compliance (attachments, if needed, are excluded from the page count limit).

The disclosures required hereby this Section VI-7 shall continue throughout the period of this RFP. Any matter described herein pending or occurring during the period of this RFP must be reported to GOMB in writing by the vendor in a timely manner.

- a. Describe any securities or tax law related regulatory or felony criminal investigation, indictment, prosecution or other proceeding brought within the last 10 years against the firm, its management or attorney within the firm.
- b. Describe any securities or tax law related civil complaint seeking damages in excess of \$25,000 alleging fraud, deceptive practices, malfeasance, or any similar charge of misconduct brought against the management of or attorneys within the firm, currently pending or concluded within the past three years.
- c. Describe any order, judgment or decree of any federal or state authority barring, suspending or otherwise limiting the right of the firm, its management, to engage in the practice of public finance or other securities related activity.

8. Conflicts of Interest (attachments, if needed, are excluded from the page count limit).

The disclosures required hereby this Section VI-8 shall be of a continuing nature throughout the period of this RFP. Any matter described herein which may pending or occurring at the time of this RFP must be disclosed herein, and any such matter which shall subsequently arise during the period of this RFP must be reported to GOMB prior to accepting an engagement to serve in any counsel capacity related to the State's bond programs.

- a. Identify any conflicts of interest that may arise as a result of the firm's selection to serve as counsel to the State in its bond programs. Disclose whether any lawyer in the firm has personally and substantially participated as a public officer or employee with regard to the State's bonds. Describe in detail the nature of any such participation and whether and what type of consent may be required of the State under the Illinois Rules of Professional Responsibility as the result of such participation.
  - b. Describe any representation in which the firm is engaged (whether compensated or pro bono) which is adverse to the State in matters directly, indirectly, or not related to any of its bond programs or contemplated plan of finance thereof.
9. Describe how the firm provides pro bono legal services. State whether it is willing to provide pro bono services to the State as consistent with applicable law and describe what types of services the firm would be willing to provide.
10. (Requested of firms responding to primary counsel roles) Please use this section to address topics of interest which the State should be aware in respect to improving the efficiency of its access to the capital markets. Example topics include:
- a. Enhancements to the Bond Acts which would provide greater flexibility including the accommodation of emerging capital markets technologies or types of bonds.
  - b. Reasonable methods to accommodate change of use with reduced use of callable bonds.
  - c. Methods and alternatives to reduce the amount of debt service reserve funded with cash for the Senior Lien of the Build Illinois Sales Tax revenue bonds, or steps required for a subordinate lien which would not be required to cash fund a debt service reserve.
11. (Optional) From time to time the State may consider selling or securitizing assets, operations or revenue sources or components thereof as a means to create operating or financial improvements in the changing scope of public and private partnership efficiencies. Describe any experience and the nature of the firm's participation in such undertakings, include from such experience, recommendations related to best practices for orderly and efficient process, diligence requirements, proposal development, key legal matters and other factors which the State should consider.

## **V. FEE SCHEDULE RESPONSE FOR COUNSEL SERVICES**

Provide the fee-related information using the matrix format in Attachment A, as required by the Illinois Procurement Code, and in accordance with the instructions in Section II-C herein. Do not include any reference to actual fee amounts in the body of the response. Failure to comply with these provisions may result in the disqualification of the firm's proposal.

In determining the fee schedule, please note the following fee practices and policies of the State regarding engagement of counsel services for bond transactions:

1. Fees for bond counsel and underwriter's counsel services: The State provides payment to the firm upon the State's submission to the senior managing underwriter of an invoice addressed to the State. Issuance expense payments are funded by a separately designated amount (described in the purchase contract), which is deducted from the purchase price for the bonds, and not considered part of the underwriting spread. All issuance expenses must be publicly disclosed pursuant to Statute within 20 business days of the issuance of the bonds.
2. The following transaction related out-of-pocket expenses will be reimbursed by the State. Any incidental expenses such as internal word processing, conference calls, etc. which are not included in the following must be included and accommodated in the base fee quotes.
3. All costs related to publishing required official notices in newspapers and other media.
  - a. Production costs for up to 10 bound transcripts and CD-Rom media, with a cap of \$1500.
  - b. Travel expenses, if required, and only in extraordinary and pre-approved instances.
4. Fees for counsel to interest rate exchange agreements: Payment may be made directly by one or more counterparties to an interest rate exchange agreement, or from an amount retained for such purposes by the senior managing underwriter for bonds issued pursuant to which one or more interest rate exchange agreements are entered.
5. If the need for additional outside counsel arises in a unique situation related to a particular plan of finance, such additional counsel and fees must be pre-approved and negotiated by the Director of GOMB and may be added to the base fees charged by counsel engaged pursuant to this RFP.
6. Method of fee quotation presentation. If the fees proposed are to be graduated according to transaction size, please use the breakpoints provided in the Attachment A, and express the fees as a base dollar amount plus an incremental amount preferably in form of \$/\$1000 on the amount of bonds in excess of the graduated issuance size breakpoint.
7. Co-Counsel fee quotes: The fee quote for co-counsel roles is encourage to be expressed as a percentage of the fee related to the respective primary counsel category role.

Fees for Related Services including without limitation services as may be contemplated pursuant to question IV-11 of this RFP, will be negotiated at prevailing market rates at the time such services are required.

GOMB reserves the right to negotiate best and final fee schedules either on a by-issue basis or within the RFP coverage period.

## **VI. EVALUATION AND SELECTION PROCESS**

Responses to the RFP will be evaluated on the following criteria: Responsiveness to this RFP, the qualifications of the responding firms including knowledge and experience of the attorneys assigned to the State, the firm's commitment to the municipal market, presence and commitment to Illinois public finance. The State may request oral interviews with certain respondents. The State reserves the right to conduct best and final negotiations concerning all aspects of an engagement with one or more respondents.

GOMB reserves the right to reject any and all proposals with or without cause, and accept proposals that it considers most favorable to the State. Nothing in this RFP, the proposals, or the State's acceptance of proposals and designation of qualified legal counsel shall obligate the State to enter into or complete negotiations with legal counsel firms. The State is not liable for any cost incurred by respondents in replying to this RFP or in connection with any interview or negotiation relating to this RFP.

## **VII. ATTACHMENTS**

The terms of the Attachments are incorporated into this RFP and will be made part of any agreement entered into by GOMB and the vendor firm which may result from this RFP.

**Attachment A** – Pricing Response Grid in two-page format

**Attachments B 1-3** – Certifications required by the Illinois Procurement Code

**ATTACHMENT A**

**(Pricing Grid – Page 1 of 3)**

Please review Section V of this RFP before completing the fee schedule grid. For all bond types of which your firm would propose to serve as Counsel, please specify fees in terms of dollars total \$/\$1,000 per for the entire issue amount within the size range, or if graduated, as a base dollar amount plus incremental \$/\$1000 of the bond issuance size above the graduation bracket. Note also that the graduation breakpoints for the General Obligation Certificates differ from other bond types.

Please note also that only those out of pocket expenses enumerated in Section V-2 herein will be reimbursed in an addition to the base fee quote. An MSWord document containing these tables is located on the State’s website ([www.state.il.us/budget](http://www.state.il.us/budget)) can be downloaded if helpful.

- Key:           GO = General Obligation Bonds  
                   BI = Build Illinois Sales Tax Revenue Bonds  
                   BC = Bond Counsel  
                   UWC = Underwriter’s Counsel

**Counsel Fees for Fixed Rate Bonds**

Issue Size:	In \$millions at least:	\$-	\$75	\$150	\$500	\$1,000
	But less than:	\$75	\$150	\$500	\$1,000	& greater
GO / BC	New Money					
GO / BC	Refunding					
GO / BC	Co-Counsel Percent					
GO / UWC	New Money					
GO / UWC	Refunding					
GO / UWC	Co-Counsel Percent					
BI / BC	New Money					
BI / BC	Refunding					
BI / BC	Co-Counsel Percent					
BI / UWC	New Money					
BI / UWC	Refunding					
BI / UWC	Co-Counsel Percent					

**Counsel Fees for General Obligation Certificates (Short Term Borrowing)**

Notional:	In \$millions at least:	\$-	\$250	\$500	\$750	\$1,000
	But less than:	\$250	\$500	\$750	\$1,000	& greater
As Bond Counsel						
Co-Counsel Percent						

**ATTACHMENT A**

(Pricing Grid – Page 2 of 3)

**Counsel Fees for Variable Rate Bonds**

Issue Size:	In \$millions at least:	\$-	\$75	\$150	\$500	\$1,000
	But less than:	\$75	\$150	\$500	\$1,000	& greater
GO / BC	New Money					
GO / BC	Refunding					
GO / BC	Co-Counsel Percent					
GO / UWC	New Money					
GO / UWC	Refunding					
GO / UWC	Co-Counsel Percent					
BI / BC	New Money					
BI / BC	Refunding					
BI / BC	Co-Counsel Percent					
BI / UWC	New Money					
BI / UWC	Refunding					
BI / UWC	Co-Counsel Percent					

**Counsel Fees for Auction Rate Notes**

Issue Size:	In \$millions at least:	\$-	\$75	\$150	\$500	\$1,000
	But less than:	\$75	\$150	\$500	\$1,000	& greater
GO / BC	New Money					
GO / BC	Refunding					
GO / BC	Co-Counsel Percent					
GO / UWC	New Money					
GO / UWC	Refunding					
GO / UWC	Co-Counsel Percent					
BI / BC	New Money					
BI / BC	Refunding					
BI / BC	Co-Counsel Percent					
BI / UWC	New Money					
BI / UWC	Refunding					
BI / UWC	Co-Counsel Percent					

**ATTACHMENT A**

(Pricing Grid – Page 3 of 3)

<b>Counsel Fees for Interest Rate Exchange Agreement Counsel</b>
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Notional:	In \$millions at least:	\$-	\$75	\$150	\$500	\$1,000
	But less than:	\$75	\$150	\$500	\$1,000	& greater

As a Separate engagement					
Component to Bond Counsel					
Co-Counsel Percent					

## **ATTACHMENT B**

### **STATE FORMS REQUIRED OF THE VENDOR:**

The Vendor is required to complete and submit all forms listed below. 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 B – 1 - Minority, Female, Person with Disability Status & Subcontracting

ATTACHMENT B – 2- Conflicts of Interest Disclosures

ATTACHMENT B – 3 - Taxpayer Identification Number

**ATTACHMENT B - 1**

**Minority, Female, Person with Disability Status & Subcontracting**

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. While you must complete this form, your response will not be considered in the evaluation. 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).

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

Is your company at least 51% owned and controlled by individuals in one or more of the following categories? Yes \_\_\_\_\_ No \_\_\_\_\_

If "Yes" check each that applies:

Category:

Minority \_\_\_\_\_  
Female \_\_\_\_\_  
Person with Disability \_\_\_\_\_  
Disadvantaged \_\_\_\_\_

If "Yes," please identify, by checking the applicable blanks, which agency certified the business and in what category:

Certifying Agency:

Category:

Department of Central Management Services	_____	Minority	_____
Women's Business Development Center	_____	Female	_____
Chicago Minority Business Development Council	_____	Person with Disability	_____
Illinois Department of Transportation	_____	Disadvantaged	_____
Other (please identify):	_____		

If you are not a certified BEP business, do you have a written policy or goal regarding contracting or subcontracting with BEP certified vendors? Yes \_\_\_\_ (attach copy) No \_\_\_\_\_

If "No," will you make a commitment to contact BEP certified vendors and consider them for subcontracting opportunities on this contract? Yes \_\_\_\_\_ No \_\_\_\_\_

Do you plan on ordering supplies or services in furtherance of this contract from BEP certified vendors? Yes \_\_\_\_\_ No \_\_\_\_\_

If "Yes," please identify what you plan to order, the estimated value as a percentage of your total Offer, and the names of the BEP certified vendors you plan to use.

**ATTACHMENT B – 2**

**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.

**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:

## Section 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.)*

## Section 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.

### Section 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:**

**Section 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 B – 3**

**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 \_\_\_\_\_