

**STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD**

**COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2016

STATE OF ILLINOIS  
 PROCUREMENT POLICY BOARD  
 COMPLIANCE EXAMINATION  
 For the Two Years Ended June 30, 2016

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Chairman: Frank J. Vala  
Members: Ed Bedore, Bill Black, Larry Ivory, Ricardo Morales

MANAGEMENT ASSERTION LETTER

April 19, 2017

Honorable Frank J. Mautino  
Auditor General  
State of Illinois  
Iles Park Plaza  
740 East Ash Street  
Springfield, Illinois 62703

Auditor General Mautino:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Procurement Policy Board. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the State of Illinois, Procurement Policy Board's compliance with the following assertions during the two-year period ended June 30, 2016. Based on this evaluation, we assert that during the years ended June 30, 2015, and June 30, 2016, the State of Illinois, Procurement Policy Board has materially complied with the assertions below.

- A. The State of Illinois, Procurement Policy Board has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Procurement Policy Board has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The State of Illinois, Procurement Policy Board has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Procurement Policy Board are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

Yours truly,

State of Illinois, Procurement Policy Board

**SIGNED ORIGINAL ON FILE**

Matthew Von Behren, Executive Director

**SIGNED ORIGINAL ON FILE**

Deanna Rossetto, Fiscal Officer

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2016

**COMPLIANCE REPORT**

**SUMMARY**

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**ACCOUNTANT'S REPORT**

The Independent Accountant's Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>Current Report</u>	<u>Prior Report</u>
Findings	0	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	0

**EXIT CONFERENCE**

The Procurement Policy Board declined an exit conference in correspondence dated April 19, 2017.

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OFFICE OF THE AUDITOR GENERAL  
FRANK J. MAUTINO

INDEPENDENT ACCOUNTANT'S REPORT ON STATE COMPLIANCE,  
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON  
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable Frank J. Mautino  
Auditor General  
State of Illinois

Compliance

We have examined the State of Illinois, Procurement Policy Board's compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2016. The management of the State of Illinois, Procurement Policy Board is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Procurement Policy Board's compliance based on our examination.

- A. The State of Illinois, Procurement Policy Board has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois, Procurement Policy Board has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The State of Illinois, Procurement Policy Board has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the State of Illinois, Procurement Policy Board are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois, Procurement Policy Board's compliance with those

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requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois, Procurement Policy Board's compliance with specified requirements.

In our opinion, the State of Illinois, Procurement Policy Board complied, in all material respects, with the compliance requirements listed in the first paragraph of this report during the two years ended June 30, 2016.

### **Internal Control**

Management of the State of Illinois, Procurement Policy Board is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the State of Illinois, Procurement Policy Board's internal control over compliance with the requirements listed in the first paragraph of this report to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois, Procurement Policy Board's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois, Procurement Policy Board's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the requirements listed in the first paragraph of this report on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

There were no immaterial findings that have been excluded from this report.

### **Supplementary Information for State Compliance Purposes**

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information for the years ended June 30, 2016, and June 30, 2015, in Schedules 1 through 8 and the Analysis of Operations Section is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor

General to the June 30, 2016, and June 30, 2015, accompanying supplementary information in Schedules 1 through 8. However, we do not express an opinion on the accompanying supplementary information.

We have not applied procedures to the June 30, 2014, accompanying supplementary information in Schedules 3 through 7 and in the Analysis of Operations Section, and accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, and the State of Illinois, Procurement Policy Board's membership and management, and is not intended to be and should not be used by anyone other than these specified parties.

**SIGNED ORIGINAL ON FILE**

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BRUCE L. BULLARD, CPA  
Director of Financial and Compliance Audits

Springfield, Illinois  
April 19, 2017

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2016

**SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY**

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:

- Schedule of Appropriations, Expenditures, and Lapsed Balances – Fiscal Year 2016

- Schedule of Appropriations, Expenditures, and Lapsed Balances – Fiscal Year 2015

- Comparative Schedule of Net Appropriations, Expenditures, and Lapsed Balances

- Schedule of Changes in State Property

- Comparative Schedule of Cash Receipts and Reconciliation of Deposits Remitted to the State Comptroller

- Analysis of Significant Variations in Expenditures

- Analysis of Significant Variations in Receipts

- Analysis of Significant Lapse Period Spending

- Analysis of Operations (Not Examined):

- Agency Functions and Planning Program (Not Examined)

- Budget Impasse Disclosures (Not Examined)

- Alternative Financing in Lieu of Appropriations and Programs to Address Untimely Payments to Vendors (Not Examined)

- Interest Costs on Fiscal Year 2016 Invoices (Not Examined)

- Average Number of Employees (Not Examined)

- Service Efforts and Accomplishments (Not Examined)

The accountant's report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the accountants have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the June 30, 2016, and June 30, 2015, accompanying supplementary information in Schedules 1 through 8. However, the accountants do not express an opinion on the supplementary information. The accountant's report also states that they have not applied procedures to the Analysis of Operations Section, and accordingly, they do not express an opinion or provide any assurance on it.

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES**  
Expenditure Authority for Fiscal Year 2016

For the Fourteen Months Ended August 31, 2016

Court-Ordered Expenditures FISCAL YEAR 2016	Expenditure Authority (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total	
				Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>GENERAL REVENUE FUND - 001</u>					
Personal Services		\$ 248,697	\$ -	\$ 248,697	
<b>GRAND TOTAL</b>		<u>\$ 248,697</u>	<u>\$ -</u>	<u>\$ 248,697</u>	

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- Note 1: Expenditure authority, expenditures, and lapsed balances were obtained from the State Comptroller's records as of September 30, 2016, and have been reconciled to records of the Board.
- Note 2: Expenditure amounts are vouchers approved for payment by the Board and submitted to the State Comptroller for payment to the vendor.
- Note 3: The Circuit Court of St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to "draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay." As the Board never received an enacted personal services appropriation for Fund 001, the Board was able to submit vouchers to pay its employees in full without a maximum expenditure limit for personal service costs during Fiscal Year 2016. Further, the Board incurred non-payroll obligations, which it was only able to partially pay with the passage of Public Act 099-0524.
- Note 4: Public Act 099-0524 authorizes the Board to pay Fiscal Year 2016 costs using its Fiscal Year 2017 appropriation for non-payroll expenditures. The Analysis of Operations section of this report at page 17 includes information from Board management about the number of invoices and the total dollar amount of invoices held by the Board to be submitted against its Fiscal Year 2017 appropriation.

Schedule 2

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES**  
Appropriations for Fiscal Year 2015

For the Fourteen Months Ended August 31, 2015

Public Act 098-0679 & Public Act 099-0001 FISCAL YEAR 2015	Appropriations (Net After Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<u>GENERAL REVENUE FUND - 001</u>					
Ordinary and Contingent Expenses	\$ 464,000	\$ 460,777	\$ 2,670	\$ 463,447	\$ 553
<b>GRAND TOTAL</b>	<u>\$ 464,000</u>	<u>\$ 460,777</u>	<u>\$ 2,670</u>	<u>\$ 463,447</u>	<u>\$ 553</u>

- Note 1: Appropriations, expenditures, and lapsed balances were obtained from Board records as of August 31, 2015, and have been reconciled to the records of the State Comptroller.
- Note 2: Expenditure amounts are vouchers approved for payment by the Board and submitted to the State Comptroller for payment to the vendor.
- Note 3: On March 26, 2016, Public Act 099-0001 was signed into law, which reduced the Board's General Revenue Fund appropriation from \$474,700 to \$464,000.

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30,

	Fiscal Year		
	2016	2015	2014
	Court-Ordered Expenditures	P.A. 098-0681 P.A. 099-0001	P.A. 098-0064
<b>APPROPRIATED FUNDS</b>			
<b>General Revenue Fund - 001</b>			
Appropriations (Net After Transfers)		\$ 464,000	\$ 474,700
Expenditures			
Personal Services	\$ 248,697	\$ -	\$ -
Ordinary and Contingent Expenses	-	463,447	474,122
Total Expenditures	\$ 248,697	\$ 463,447	\$ 474,122
Lapsed Balances		\$ 553	\$ 578

- Note 1: Fiscal Year 2015 appropriations, expenditures, and lapsed balances were obtained from the Board's records as of August 31, 2015, and have been reconciled to the records of the State Comptroller.
- Note 2: Expenditure amounts are vouchers approved for payment by the Board and submitted to the State Comptroller for payment to the vendor.
- Note 3: For Fiscal Year 2015, on March 26, 2016, Public Act 099-0001 was signed into law, which reduced the Board's General Revenue Fund appropriation from \$474,700 to \$464,000.
- Note 4: Fiscal Year 2016 expenditure authority, expenditures, and lapsed balances were obtained from the State Comptroller's records as of September 30, 2016, and have been reconciled to the records of the Board.
- Note 5: The Circuit Court of St. Clair County in *AFSCME Council 31 v. Munger* (15 CH 475) ordered the State Comptroller, in the absence of enacted annual appropriations, to "draw and issue warrants accomplishing payment of wages [for all State employees] at their normal rates of pay." As the Board never received an enacted personal services appropriation for Fund 001, the Board was able to submit vouchers to pay its employees in full without a maximum expenditure limit for personal service costs during Fiscal Year 2016. Further, the Board incurred non-payroll obligations, which it was only able to partially pay with the passage of Public Act 099-0524.
- Note 6: Public Act 099-0524 authorizes the Board to pay Fiscal Year 2016 costs using its Fiscal Year 2017 appropriations for non-payroll expenditures. The Analysis of Operations section of this report at page 17 includes information from Board management about the number of invoices and the total dollar amount of invoices held by the Board to be submitted against its Fiscal Year 2017 appropriation.

STATE OF ILLINOIS  
 PROCUREMENT POLICY BOARD  
**SCHEDULE OF CHANGES IN STATE PROPERTY**  
 For the Two Years Ended June 30, 2016

	<u>Equipment</u>
Balance at July 1, 2014	\$ 27,338
Additions	2,539
Deletions	605
Net Transfers	<u>(237)</u>
Balance at June 30, 2015	<u><u>\$ 29,035</u></u>
Balance at July 1, 2015	\$ 29,035
Additions	1,500
Deletions	4,113
Net Transfers	<u>-</u>
Balance at June 30, 2016	<u><u>\$ 26,422</u></u>

Note: The above schedule has been derived from Board records and reconciled to property reports submitted to the Office of the State Comptroller.

STATE OF ILLINOIS  
 PROCUREMENT POLICY BOARD  
**COMPARATIVE SCHEDULE OF CASH RECEIPTS AND  
 RECONCILIATION OF CASH RECEIPTS TO  
 DEPOSITS REMITTED TO THE STATE COMPTROLLER**  
 For the Fiscal Year Ended June 30,

<b><u>GENERAL REVENUE FUND - 001</u></b>	FISCAL YEAR		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Jury Duty	<u>\$ 75</u>	<u>\$ -</u>	<u>\$ -</u>
Total Receipts per Board Records	<u><u>\$ 75</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Add: Deposits in Transit, Beginning of Year	-	-	-
Less: Deposits in Transit, End of Year	<u>-</u>	<u>-</u>	<u>-</u>
Deposits Recorded by the Comptroller	<u><u>\$ 75</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2016

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2016 AND 2015**

**General Revenue Fund – 001**

Ordinary and Contingent Expenses and Personal Services

The decrease in expenditures was due to the Fiscal Year 2016 budget impasse. The Board did not receive a Fiscal Year 2016 appropriation. Therefore, the Board could not make any expenditures other than personal services.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2015 AND 2014**

There were no significant variations in expenditures between Fiscal Years 2015 and 2014.

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2016

**General Revenue Fund – 001**

The Board receives minimal receipts. The receipts consist of refunds and reimbursements for jury duty. These receipts are expected to fluctuate between fiscal years. The Board received one receipt for jury duty during Fiscal Year 2016. There were no receipts collected by the Board during Fiscal Year 2015 or Fiscal Year 2014.

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2016

There were no significant expenditures made during the Fiscal Year 2015 or Fiscal Year 2016 Lapse Period.

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**AGENCY FUNCTIONS AND PLANNING PROGRAM**  
For the Two Years Ended June 30, 2016  
(Not Examined)

**FUNCTIONS**

The Procurement Policy Board (Board) is statutorily charged with the responsibility to review, comment upon, and recommend rules and practices governing the procurement, management, control, and disposal of supplies, services, professional and artistic services, construction, real property, and capital improvement leases. In particular, the Board is specifically responsible for the approval of lease renewals for State agencies and, by recent legislative action, the review of most State contracts prior to execution. Leases and contracts reviewed number more than 6,000 annually.

The Illinois Procurement Code (Code) (30 ILCS 500/5-30) has established a contract review process by which any proposed State contract that is bid or let through the Illinois Procurement Bulletin (which is the statutorily prescribed tool for bid letting) is reviewed over a 30-day time period. The Board may waive the 30 day requirement in order to expedite transactions, but this does not abdicate the Board's review authority.

Additionally, the Code (30 ILCS 500/15-30) requires the Board to maintain on its official website a searchable database containing all information required to be included in the Illinois Procurement Bulletin under §15-25(b), §15-25(c), §15-25(c-10), §15-25(c-15), and §50-41 of the Code. The posting of procurement information on the website is subject to the same posting as the online electronic bulletin.

From a programmatic standpoint, the Board's single mandate is the facilitation of procurement policy for the State. In an ongoing capacity, the Board is in communication with the Chief Procurement Officers and State Purchasing Officers for the purposes of policy review and development. In this context, the Board offers assistance in the way of standardized educational seminars for staff in need of foundation level procurement education. The seminars are structured in a format that allows procurement staff members to apply the coursework towards professional certification in this field.

The Board is governed by five members appointed one each by the four legislative leaders and the Governor. As of June 30, 2016, within the Board's operations there were four employees and the statutory authority to staff accordingly in order to manage the contract review requirements of the Code (30 ILCS 500/5-5(f)). Professional and support staff are subordinate to the Executive Director and all employees function under the direction of the Board.

**PLANNING PROGRAM**

Policy development is an ongoing function of the Board. When planning for some targeted project, the Executive Director and the Board members discuss cause, effect, timing, cost, and implementing issues involved. Board members meet monthly to discuss issues such as approving the Board's operational budget, authorizing the number of employees, and advising and recommending policies for the operation of the Board.

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**BUDGET IMPASSE DISCLOSURES**  
For the Two Years Ended June 30, 2016  
(Not Examined)

Payment of Fiscal Year 2016 Costs in Future Fiscal Years

Article 74 of Public Act 099-0524 authorized the Board to pay Fiscal Year 2016 costs using the Board's Fiscal Year 2017 appropriations for non-payroll expenditures. The following chart shows the Board's plan to expend its Fiscal Year 2017 appropriations to cover its Fiscal Year 2016 costs:

**OUTSTANDING FISCAL YEAR 2016 INVOICES**

Fund #	Fund Name	Number	Dollar Value
001	General Revenue Fund	32	\$ 24,966
		<u>32</u>	<u>\$ 24,966</u>

In addition, the Board lacked sufficient expenditure authority, from either court-ordered expenditures or enacted appropriations, to cover its Fiscal Year 2016 costs within the General Revenue Fund (001). The Board, as of the end of fieldwork, was holding 49 Fiscal Year 2016 invoices, totaling \$29,163.

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
**ALTERNATIVE FINANCING IN LIEU OF APPROPRIATIONS AND  
PROGRAMS TO ADDRESS UNTIMELY PAYMENTS TO VENDORS**  
For the Two Years Ended June 30, 2016  
(Not Examined)

Transactions Involving the Illinois Finance Authority

The Board and its vendors did not participate in alternative financing in lieu of enacted appropriations involving the Illinois Finance Authority during Fiscal Year 2016.

Transactions Involving the Vendor Payment Program and Vendor Support Initiative Program

None of the Board's vendors participated in the Vendor Payment Program (VPP) or the Vendor Support Initiative Program (VSI) during Fiscal Year 2015 and Fiscal Year 2016.

STATE OF ILLINOIS  
 PROCUREMENT POLICY BOARD  
**INTEREST COSTS ON FISCAL YEAR 2016 INVOICES**  
 For the Two Years Ended June 30, 2016  
 (Not Examined)

Prompt Payment Interest Costs

The Board plans to calculate prompt payment interest due to vendors under the State Prompt Payment Act (Act) (30 ILCS 540) using the vendor's proper bill date through the date the State Comptroller issues a warrant to the vendor, regardless of when and if an enacted appropriation existed during Fiscal Year 2016. The Act (30 ILCS 540/3-2) and the Illinois Administrative Code (74 Ill. Admin. Code 900.100) require interest to be paid under a daily simple interest rate of .033% (1% over a 30-day period) for every day elapsed following the 90<sup>th</sup> day after a vendor submits an eligible proper bill to the Board. The following chart shows the Board's prompt payment interest incurred related to Fiscal Year 2016 invoices, calculated on the accrual basis of accounting, through June 30, 2016, by fund:

**PROMPT PAYMENT INTEREST INCURRED**

Year Ended June 30, 2016

Fund #	Fund Name	Invoices	Vendors	Dollar Value
001	General Revenue Fund	10	4	\$ 112
686	Budget Stabilization Fund	7	4	1,076
		17	8	\$ 1,188

STATE OF ILLINOIS  
 PROCUREMENT POLICY BOARD  
**AVERAGE NUMBER OF EMPLOYEES**  
 For the Two Years Ended June 30, 2016

The following table, prepared from Board records, presents the average number of employees, by function, for the Fiscal Year Ended June 30,

<u>Division</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Executive Director	1	1	1
Assistant Director	1	1	1
Chief Fiscal Officer	1	1	1
Procurement Analysis	1	1	1
Executive Assistant	1	1	1
Total average full-time employees	<u>5</u>	<u>5</u>	<u>5</u>

STATE OF ILLINOIS  
 PROCUREMENT POLICY BOARD  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
 For the Two Years Ended June 30, 2016  
 (Not Examined)

Pursuant to the Illinois Procurement Code (30 ILCS 500/5-30), no contract procured above the small purchases limit may be executed until 30 days after notice of its award or letting appears in the Illinois Procurement Bulletin, without the Procurement Policy Board (Board) having the opportunity to review the proposed contract. The contracting agency may request, and the Board may agree, to waive the 30-day period as necessary.

Board review occurs on proposed contracts that appear contrary to existing policy, contracts that are proposed under newly established policy, and contracts that are particularly unique and do not find a ready course through existing procurement policy.

The following data provides details on the State's contracting activity in the areas of sole source, emergency, professional and artistic, and construction contracts. In addition, the following data includes Board reviews initiated, information requests, and results for the Fiscal Year Ended June 30,

	<b>Fiscal Year</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Contracts by Procurement Approach</b>			
Alternative Requests for Information (RFI) (Real Estate)	43	74	45
Amendment / Changes	2,080	2,180	1,689
Competitive Bid (such as Invitations for Bid (IFB) and Requests for Proposal (RFP))	2,160	2,483	2,769
Emergency	127	114	194
Professional and Artistic Exception to RFP	48	47	53
Renewal	867	891	977
RFI Exempt (Real Estate)	0	0	0
Sole Source	705	789	605
State Use	<u>57</u>	<u>53</u>	<u>37</u>
<b>Total by Procurement Approach</b>	<b><u>6,087</u></b>	<b><u>6,631</u></b>	<b><u>6,369</u></b>
<b>Contracts by Relevant Category</b>			
Aeronautics (Department of Transportation)	16	27	21
Commodities	433	526	486
Construction	416	730	745
Employee Benefits	15	10	14
Entertainment	2	1	0
Equipment	326	514	554
Facilities	398	504	456
General Services	957	708	884
Health and Medical Services	172	90	97
Highway Construction	2,944	3,091	2,690
Information Technology	354	369	347
Pharmaceuticals	6	14	17
Telecommunications	<u>48</u>	<u>47</u>	<u>58</u>
<b>Total by Relevant Category</b>	<b><u>6,087</u></b>	<b><u>6,631</u></b>	<b><u>6,369</u></b>

STATE OF ILLINOIS  
 PROCUREMENT POLICY BOARD  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
 For the Two Years Ended June 30, 2016  
 (Not Examined)

	Fiscal Year		
	2016	2015	2014
<b>Contract Extensions by Method of Procurement</b>			
Emergency	32	23	55
Sole Source	4	6	7
Other	<u>25</u>	<u>145</u>	<u>87</u>
<b>Total Extensions by Method of Procurement</b>	<b><u>61</u></b>	<b><u>174</u></b>	<b><u>149</u></b>
 <b>Procurement Reviews Initiated</b>			
Competitive Selection / Other	0	0	1
 <b>More Information Requested and Results</b>			
More Information Requested	266	884	771
Procurement Withdrawn Due to Board Inquiry	7	15	8
 <b>Professional and Artistic Contracts</b>			
Professional and Artistic - All Methods	307	267	337
Professional and Artistic - Sole Source	53	34	33
 <b>Sole Source Contracts by Relevant Category</b>			
Commodities	106	170	68
Construction	2	4	5
Employee Benefits	1	0	0
Entertainment	0	1	0
Equipment	124	233	191
Facilities	7	22	22
General Services	234	138	110
Health and Medical Services	72	13	5
Highway Construction	0	0	1
Information Technology	190	187	175
Pharmaceuticals	2	8	7
Telecommunications	<u>11</u>	<u>13</u>	<u>21</u>
<b>Total Sole Source Contracts by Relevant Category</b>	<b><u>749</u></b>	<b><u>789</u></b>	<b><u>605</u></b>
 <b>Sole Source by Type of Agency</b>			
State Agencies	218	193	205
Higher Education	<u>531</u>	<u>596</u>	<u>400</u>
<b>Total Sole Source by Type of Agency</b>	<b><u>749</u></b>	<b><u>789</u></b>	<b><u>605</u></b>