

OFFICE OF THE MAYOR CITY OF CHICAGO

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CITY COUNCIL PASSES ORDINANCE TO FURTHER PROCUREMENT REFORM

Intergovernmental agreement establishes process to increase transparency and efficiency across City & Sister Agencies

The Chicago City Council today passed an ordinance establishing an intergovernmental agreement (IGA) to govern the ongoing progress of the Procurement Reform Task Force. The Task Force was convened earlier this year to develop recommendations to make procurement and contract management at the City and its sister agencies more uniform, efficient, and cost-effective, while increasing accountability. The Procurement Reform Task Force is co-chaired by the Inspector General and the City's Chief Procurement Officer and includes the Chief Executive Officer, Executive Director, or Chancellor of six participating sister agencies: Chicago Public Schools, Chicago Transit Authority, Chicago Housing Authority, City Colleges of Chicago, Chicago Park District, and Public Building Commission.

"The establishment of this agreement demonstrates our commitment to ongoing efficiency and transparency in procurement," said Mayor Rahm Emanuel. "Reforming the procurement process levels the playing field for small and minority-owned businesses, giving Chicago's diverse business community a better opportunity to bid on contracts citywide."

The IGA will provide for the creation of a CPO committee consisting of the Chief Procurement Officer of each participating member, as well as the creation of a CIO committee consisting of the Chief Information Officer of each participating member. It also will establish roles and responsibilities, as well as an agreement to implement and track the progress of the recommended actions, and to prepare and deliver progress reports to City Council.

"Collaboration with our sister agencies is key to providing the best customer service to our residents," said Jamie Rhee, the City's Chief Procurement Officer and a co-chair of the Task Force. "I look forward to this opportunity to build off our existing efforts and provide residents with an even more efficient, even more accountable government."

The IGA is the next step in the implementation of the 31 immediate, intermediate, and long term recommendations of the Task Force. The Task Force published its findings and recommendations in November 2015 after months of research, discussion, analysis, and outreach to identify opportunities to improve efficiency, increase accountability, and economize public funds in government procurement. The Task Force also issued a comprehensive survey to all member

agencies, reviewed policies and procedures, held meetings with procurement staff, researched statutory obligations and comparative practices, and solicited feedback from agency Inspectors General.

"This IGA will help ensure that the work of the Task Force and its participants moves forward to establish uniformity in standards and processes grounded in best practices," said Inspector General Joseph Ferguson, a co-chair of the Task Force. "The cooperation of these agencies will create efficiencies and economies in procurement that benefit City taxpayers and business partners alike."

Reforming city government has been a top priority of Mayor Emanuel, and improving the City's procurement is critical to the Mayor's vision. The Task Force builds on other steps the Mayor has taken. Less than two months after he took office in 2011, and at the Mayor's direction, the City made substantial reforms to its contracting processes - adopting recommendations offered by the Inspector General and including several of its own reforms for compliance and transparency. Those reforms included limitations on the use of sole source contracting; and instituting a mandatory three week posting for sole source contracting so other entities could respond and notify the City if they also offer a service to be provided through a sole source contract. Additionally, over the past four years, the City's Department of Procurement Services, the Office of Inspector General, and other City departments and sister agencies have worked collaboratively, through initiatives such as the Government Procurement Compliance Forum, to make the procurement process more efficient, standardized, and transparent.

<u>Click here for the full report</u> of the Chicago Procurement Reform Task Force.

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