



**3Q 2017 STATUS REPORT OF THE  
CHICAGO PROCUREMENT REFORM  
TASK FORCE**

**October 16, 2017**

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The Procurement Reform Task Force (PRTF) was announced in May 2015 and tasked with developing recommendations to make procurement and contract management at the City and its sister agencies more uniform, efficient and cost effective, while increasing accountability. Co-chaired by the CPO and Inspector General Joe Ferguson, its goal was to distinguish successful practices, identify areas for improvement and promote a greater level of uniformity across City government and each participating sister agency. A report, issued on November 17, 2015, detailed findings and recommendations for reforming the procurement policies and practices. The recommendations were intended to further current efforts to ensure that the policies and practices of the City and sister agencies support competition, efficiency, transparency, integrity, and uniformity in procurement.

On January 13, 2016, an ordinance was passed for an intergovernmental agreement for all Participating Members (CCC, CHA, Parks, CPS, CTA and PBC) to work cooperatively to implement recommendations. The IGA stipulated that the PRTF will deliver quarterly status report to the Mayor, an annual progress report to City Council and participate in a public hearing of City Council to discuss the Annual Report. In addition, the City's Inspector General will make an annual independent evaluation of progress.

To date, the PRTF has issued 4 quarterly reports and an Annual Report of Progress. On May 30, 2017, the Office of the Inspector General (OIG) issued their first annual progress report. In that report, available online at [www.chicagoinpectorgeneral.org](http://www.chicagoinpectorgeneral.org), the OIG concluded:

*“Under the leadership of the CPO and IT Coordination Committees, the Participating Members have made considerable progress toward implementation of the 31 Recommendations presented in the 2015 PRTF Report. While, as noted in this report, significant work remains ahead, OIG sincerely appreciates the committees’ and Members’ efforts to date, and looks forward to monitoring their continued progress toward achieving these vitally important reforms”*

A public hearing was held on July 14, 2017 as part of Chicago City Council's Committee on Workforce Development and Audit and included testimony from the Chief Procurement Officer, Chief Information Officer and the Inspector General. The hearing focused on the progress of the work of the PRTF and the OIG's recommendation that support be directed towards these initiatives, especially in regards to IT-focused recommendations.

This 3Q 2017 Status Report includes updates to all Recommendation Nos. 1 through 31 along with an implementation chart reflecting the completion status across all Recommendations for each Participating Member. 15 out of 31 Recommendations have been implemented, and this report includes timelines for the completion of remaining items, per the recommendation of the OIG.

The Department of Procurement Services, the Department of Innovation and Technology (DoIT), and the procurement and information technology divisions of the Participating Members have contributed to the development of this report. To view all of the PRTF reports released to date, visit [www.cityofchicago.org/prtf](http://www.cityofchicago.org/prtf).

# Procurement Reform Task Force – 3Q 2017 Quarterly Report

## October 16, 2017

**Green** Recommendation Completed  
**Red** Recommendation Ongoing

### IMMEDIATE RECOMMENDATIONS (1 TO 15)

Recommendation #1	Create a Committee of the Participating Members’ CPOs to rule on certain administrative decisions, address obstacles to coordination, and ensure best practices across the City and its Sister agencies.	Lead Agency: City
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✓ **Recommendation Completed.**

CPO Committee established with Participating Member CPO’s included from the following (7) participating Sister Agencies:

- City of Chicago Department of Procurement Services (DPS)
- City Colleges of Chicago (CCC)
- Chicago Housing Authority (CHA)
- Chicago Park District (Parks)
- Chicago Public Schools (CPS)
- Chicago Transit Authority (CTA)
- Public Building Commission (PBC)

Recommendation #2	Charge the CPO Committee with addressing the Task Force recommendations, tracking their implementation, and issuing quarterly progress reports.	Lead Agency: City
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✓ **Recommendation Completed. Tracking of Implementation & Progress Ongoing.**

On January 13, 2016, Chicago City Council passed an ordinance for an intergovernmental agreement for all Participating Members to work cooperatively to implement recommendations identified in the original report of Findings & Recommendations. Each of the Participating Members have signed off on the IGA and established a similar agreement at their organization.

Recommendation #3	Establish minimum standards by which all Participating Members will publish their anticipated sole source awards, receive public and vendor feedback, and make decisions about whether a solicitation is necessary.	Lead Agency: CTA
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✓ **Recommendation Completed.**

✓ Recommended Policy & Procedure Implemented across (7) participating Sister Agencies

Recommendation of the CPO Committee that each of the Participating Members begin to post their proposed sole source procurements online and create a Non Competitive Review Committee.

Details of the policy can be found within the PRTF Annual Report found at: [www.cityofchicago.org/prtf](http://www.cityofchicago.org/prtf).

Recommendation #4	Hire or secure pro bono services from a law firm to: (a) Identify contract provisions that could be subject to standardization across Participating Members' templates, and draft uniform contract templates incorporating the required terms of the Participating Members, including contract duration and number of renewals and (b) Where appropriate, standardize solicitation documents issued by Participating Members and the documents required in response.	Lead Agency: City
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✓ **Recommendation Partially Completed. Implementation Ongoing.**

Significant progress has been made on the commodities and professional services Master templates and commodities and professional services Additional Provisions templates.

However, as the City of Chicago finalizes the launch of eProcurement, this important project will significantly impact the language of the City's contract templates due to the nature of the platform. The City's Department of Procurement Services is working with the Department of Law to finalize the contract templates that will be entered into eProcurement. Once eProcurement implementation has been completed, the City's updated contract boilerplate, along with all other Participating Members' up-to-date boilerplate, will then be submitted to a pro bono partner for review and recommendations.

The target date of eProcurement contract template completion is Q1 2018.

Recommendation #5	Charge the Chicago Government IT Coordination Committee (ITCC), which consists of the CIOs of the Participating Members, with identifying the procurement-related systems that can be shared and developed jointly and developing a schedule for implementation.	Lead Agency: ITCC
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✓ **Recommendation Completed.**

The ITCC completed an inventory of all current procurement systems and ongoing implementation initiatives across all agencies that are aligned to major procurement functions. Quarterly ITCC meetings have been scheduled. A meeting was held on July 24, 2017 and the next meeting is scheduled for October 23, 2017. Additionally, a subcommittee was formed to implement recommendation #7 and is meeting biweekly. The next step is to use this inventory to develop a common implementation roadmap which the ITCC subcommittee team is working on.

The remainder of this effort is covered via Recommendations 7, 17, and 28.

Recommendation #6	Post all contracts, vendors, and subcontractors on agency websites in a user-friendly and searchable format.	Lead Agency: CCC
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✓ **Recommendation Partially Completed. Implementation Ongoing.**

✓ All participating members are now posting contracts in some form. The user-friendly and searchable component will come online with the implementation of Recommendation #7.

CCC is reviewing and analyzing a uniform standard for disclosing information related to subcontractors as addressed in the OIG Report. A survey was completed by all agency members and a recommendation being prepared for distribution. The recommendation will require all agencies to provide a summary of the awarded firms in the online contract. The summary shall list the prime contractor and subcontractors. The completed schedules should be included with the contracts online.

Target Completion Date for standard format for disclosing subcontractor information is: Q4 2017.

Long term initiatives include a uniform web portal, which will have all contracts available from all Participating Members. This long-term initiative is being managed by the ITCC. While agencies have posted information, it has been noted that there is not yet a consistent standard for disclosure of this information. Establishing a set of standard metadata related to bid opportunities and awarded contracts will be part of implementing recommendation #7.

Target completion date for this component is Q1 2018.

Recommendation #7	Create an easily accessible website for vendors and the public that provides a single location for: all of the Participating Members' current procurement opportunity listings and other procurement-related information such as the buying plan, notices of award, and prequalified pools; a list of all debarred vendors; and all current contract and vendor databases.	Lead Agency: ITCC
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✓ Recommendation Partially Completed. Implementation Ongoing.

The ITCC now has representatives (both subject matter and technical) from each Participating Member to participate in a working group to complete this recommendation.

CPO and ITCC committee members and their designees have participated in requirements-gathering activities (survey and workshop). The ITCC has asked for representatives (both subject matter and technical) to be identified from each agency to participate in a working group to complete this recommendation. The requirements have been documented, including a proposed standard set of metadata related to opportunities and contracts. Members of the ITCC have established a set of data elements for bid opportunities and awarded contracts, and are finalizing a standard set of data elements for subcontractors. ITCC is currently establishing standard data transmission process with all agencies for these data sets.

In the interim, the CPO Committee will continue to maintain the PRTF page on the City of Chicago website that contains a single location for links to all City of Chicago and Sister Agency's procurement information. The information is contained on the PRTF website ([www.cityofchicago.org/prtf](http://www.cityofchicago.org/prtf)), pending finalization of the single location ([www.chicagoprocurement.info](http://www.chicagoprocurement.info)) site's development and implementation.

Target Completion Date for Recommendation is: Q1 2018.

Recommendation #8	Establish minimum disclosure requirements for subcontractors and require posting subcontractor information online.	Lead Agency: CHA
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✓ Recommendation Completed.

✓ Policy created and requirements established across (7) participating Sister Agencies

The key deliverable for this recommendation is new, standard certification language to be added to specific solicitation documents and contracts utilized by the Participating Members. The language is as follows:

*“The Contractor certifies to the best of its knowledge and belief that it, its principals and any subcontractors used in the performance of this contract, meet the Agency requirements and have not violated any City or Sister Agency policy, codes, state, federal, or local laws, rules or regulations and have not been subject to any debarment, suspension or other disciplinary action by any government agency. Additionally, if at any time the contractor becomes aware of such information, it must immediately disclose it to the Agency.”*

The Participating Members are including the above language to solicitation templates and documents; including the EDS, Contractor’s Affidavits, and Compliance Schedules.

Recommendation #9	Establish minimum standards for conducting due diligence of vendors before entering into a contract.	Lead Agency: City
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- ✓ Recommendation Completed. Process created.
- ✓ All agencies have agreed to perform minimum uniform due diligence of vendors before entering into a contract.

The CPO Committee recommended that all Participating Members perform the following proposed minimum due diligence of vendors before entering into a contract:

- Check federal, state, City, and Sister agencies’ no-contracting or debarment lists;
- Check whether the vendor is registered and in good standing with the Illinois Secretary of State;
- Check whether the vendor owes a debt to the City; and
- Perform a search engine background check.

In addition, the ITCC is working to ensure that Participating Members have access to the debt check databases (IRIS) so that they can determine whether a vendor owes debt to the City and notify that vendor of the nature of the debt and that it should be paid.

Target Completion Date for Recommendation is: Q3 2017.

Recommendation #10	Establish uniform rules governing resolicitation of contracts due to significant changes in scope or value.	Lead Agency: CTA
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- ✓ Recommendation Completed.
- ✓ Implemented across (7) participating Sister Agencies

Participating Members have agreed to adopt the following policies regarding contract changes:

- All Change Orders and Contract Amendments shall be within the general scope of the contract and cannot represent cardinal changes to the contract.
- The contract term shall not be extended more than one calendar year and additional funding shall not exceed 50% of the original contract value.

Details of the policy can be found within the PRTF Annual Report found at: [www.cityofchicago.org/prtf](http://www.cityofchicago.org/prtf).

Recommendation #11	Evaluate the consistency of MBE/WBE/DBE certifications accepted by Participating Members.	Lead Agency: PBC
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- ✓ Recommendation Partially Completed.
- ✓ Evaluation completed across (7) participating Sister Agencies

Participating Members are in the process of analyzing data from a single calendar year to determine the number of certification types that were actually utilized on contracts. The information from these reports will allow the PRTF to make a final recommendation regarding acceptable certifications.

Once data is gathered regarding the certifications, the Participating Members will ensure that the acceptable certifications have rigorous standards that are similar to the City of Chicago and the County of Cook. The Members will make a final recommendation by Q1 2018.

Target Completion Date for Recommendation is: Q1 2018.

Recommendation #12	Implement the uniform criteria and processes for evaluating Good Faith Efforts regarding requests for waivers for MBE/WBE/DBE goals that are currently being developed and will be recommended by the Government Procurement Compliance Forum	Lead Agency: PBC
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- ✓ Recommendation Completed.
- ✓ Implemented across (7) participating Sister Agencies

A template checklist was developed in order to guide Participating Members regarding what they should consider as part of good faith efforts. This list is not exclusive or exhaustive but is a useful resource and will be considered the minimum standard for Participating Members to evaluate good faith efforts. Additionally, a good faith efforts Vendor Guide was created in order for the vendor community to understand the contract requirements. Participating Members will be able to use this Vendor Guide as a useful tool for bidders/respondents and outreach efforts.

Participating Members intend to incorporate the items from the template checklist into their contracts regarding good faith efforts.

Recommendation #13	Require a written, publicly posted protest process for each Participating Member.	Lead Agency: CCC
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- ✓ Recommendation Completed.
- ✓ Implemented across (7) participating Sister Agencies

All on the CPO Committee agreed to standardize to align with the City’s terms and policy approach. The bid protest process includes guidance for numerous areas, including protest timing, adjudicator roles, and pre-bid and pre-awards actions.

With the exception of the Chicago Transit Authority (CTA), which has a Federal requirement for final review, all Participating Members will adopt the uniform terms and develop or update internal policies to document the process.

Details of the policy can be found within the PRTF Annual Report found on: [www.cityofchicago.org/prtf](http://www.cityofchicago.org/prtf)

Recommendation #14	Examine whether Participating Members should support a change in state law to eliminate the newspaper notice requirement for contract solicitations.	Lead Agency: CPD
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- ✓ Recommendation Completed.
- ✓ Examination & analysis completed across (7) participating Sister Agencies

Since most, if not all, of the Participating Members have been advertising in the newspapers for many decades, a shift away from newspaper advertising would require a considerable marketing effort for a few years to properly inform the vendor community of this change in purchasing operations.

Resource needs for such a project will require IT, marketing, and procurement personnel from the City and Sister agencies, all of which are being dedicated to what the CPO Committee believes are more impactful initiatives. The CPO Committee’s current recommendation is to continue to advertise in local newspapers.

Recommendation #15	Establish a process for information-sharing and collaboration among Participating Members on personnel matters such as professional development efforts and recruitment.	Lead Agency: CPS
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- ✓ **Recommendation Partially Completed.**
- ✓ Evaluation completed across (7) participating Sister Agencies.

The Chicago Public Schools drafted a document titled, “Information Sharing and Use of SharePoint,” for CPO Committee review and comment. This has been approved and the document will reside within SharePoint for access by each Sister Agency to post and update.

Within the SharePoint site all agencies are to share the following information regarding personnel matters:

- Job descriptions for the different positions
- List of open positions to facilitate more transfer one Sister Agency to another
- List of all upcoming trainings planned for each Participating Member to offer the possibility for other employees to participate

This recommendation has evolved since the last few drafts in an attempt to close out the matter. Based on the feedback received from sister agencies, this request will now require a customization to Sharepoint to house a library and review job openings. The process has been established and next steps include the buildout of the SharePoint site and upload of required documents.

Target Completion Date for Recommendation is: Q4 2017.

## MID-TERM RECOMMENDATIONS (16 TO 27)

Recommendation #16	Establish uniform standards based on best practices for approval of noncompetitive awards, including small purchase, emergency, and sole source.	Lead Agency: CTA
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- ✓ **Recommendation Completed.**

Chicago Transit Authority (CTA) has developed policies for small purchases, emergency purchases and sole source purchases. Sole source was fully implemented across (7) Participating agencies in Recommendation #3.

The policies for small purchases and emergency purchases have been fully implemented across the (7) agencies at dollar amount thresholds in keeping with their approved policies.

Participating Members will incorporate the following policies.

*“Uniform Standards based on best practices for approval of Emergency Contracts”*

### *Policy*

It is imperative that sister agencies only use emergency contracts in those instances where a situation is of unusual and compelling urgency whereby failure to react to the situation immediately would adversely affect the safety of the agencies’ personnel or the public, or the operation of the agency. In these instances it is important that the duration of the contract be limited to the time it would take to competitively procure the part or service and that the contract be competitively bid when possible. Therefore, it is the recommendation of the CPO Committee that each of the Participating Members follow the procedures outlined below:

### *Procedures*

When any type of operational emergency arises, the first step is to determine if the need may be met through an existing contract even if this requires a modification to the contract. If no such contract exists, the next alternative is a “Small Order.” The dollar amount that can be purchased through the “Small Order” varies from agency to agency with the City being up to \$100,000 and the CTA being up to \$40,000. The sister agencies use a competitive bidding process for this type of procurement.

All emergency contracts that cannot be procured using either of the above methods will require the Using Department or agency to prepare a Justification which describes the nature of the emergency, as well as the estimated cost and a list of potential vendors. This justification must be approved by the head of the department requesting the contract, the Chief Procurement Officer, the General Counsel (Corporation Counsel) and any other official required by the agency.

If time permits, the procurement will be posted on the agency’s website and will be competitively bid via an email solicitation. If the emergency is of such a degree that time is of the essence, then the potential vendors will be contacted by the purchasing department for the availability of the product or service. The agency will request a verbal quote to be confirmed in writing via fax or email.

The agency will then prepare a memorandum justifying the Emergency Request and recommending an award of a contract. The Chief Procurement Officer, General Counsel (Corporation Counsel) (insert appropriate title here), and the Chairman of the Board (insert appropriate title here) of the agency must all approve the Emergency Request prior to award of the contract. The term of the contract must be limited to the time required to competitively bid the procurement.

A report documenting the emergency and the emergency contract must be submitted to the Board (or City Council).

### *“Uniform Rules Governing Small Purchases” Rules/Procedures*

All Small Purchase (or Small Order) procurements shall only be used for the procurement of goods or services when the procurement falls within the established Small Purchase threshold of \$\_\_\_\_\_ to \$\_\_\_\_\_ to be determined by the Agency pursuant to their controlling statutes.

Buyers shall not use Small Purchase procedures when the procurement is estimated to exceed the Small Purchase threshold. A Buyer shall not attempt to circumvent the process for procuring goods and services in excess of the established threshold by splitting a procurement totaling more than the Small Purchase threshold into several purchases.

For each purchase within the established Small Purchase threshold, the Buyer shall solicit quotations from a reasonable number of sources including, when possible, at least one DBE/MBE/WBE to promote competition to the maximum extent practicable.

1. The Buyer shall consider the following factors when deciding how many quotations will be solicited:
  - a. The nature of the item or service to be purchased and whether it is highly competitive and readily available in several makes or brands, or has limited sources;
  - b. Information obtained in making recent purchases of the same or similar item;
  - c. The urgency of the proposed purchase;
  - d. The dollar value of the proposed purchase; and
  - e. Past experience concerning specific vendor prices.

2. Generally, solicitation of at least three sources should be considered to promote competition to the maximum extent practicable. If practical, price quotes should be solicited from two sources not included in the previous solicitation.
- a. If the Buyer determines that the best interest of the Agency indicates that quotations should be obtained from more than three sources, the Buyer may require the solicitation of additional quotations.
  - b. A Small Purchase may be limited to one source if the Buyer determines, in writing, that there is only one available source in accordance with these Regulations.
  - c. A Buyer may solicit phone price quotations. However, a Buyer shall use a written solicitation in the following circumstances:
    - i. When a large number of line items is included in a single proposed procurement;
    - ii. When obtaining phone quotations is not considered economical or practical; or
    - iii. When extensive specifications are involved.
  - d. The Buyer shall establish and maintain records of phone price quotations and include these records in the purchase file. The records shall consist of the names of the suppliers contacted and the prices and other terms and conditions quoted by each to the degree the Agency does not provide and/or require certain terms and conditions.
  - e. The Buyer may limit written records of solicitations to notes or abstracts to show prices, delivery, references to printed price lists used, the vendor or vendors contacted, and other pertinent data.
    - i. The Buyer shall maximize competition for Small Purchases and shall not limit solicitations to suppliers of well-known and widely distributed makes or brands, or solicit on a personal preference basis.

Target Completion Date for Recommendation is 4Q 2017.

Recommendation #17	Develop a common electronic Economic Disclosure Statement system that: allows for the submission of uniform information for all Participating Members' vendors and subcontractors; integrates disclosures and certifications into Participating Members' procurement databases; automates conflict checks and due diligence; and can be updated in real time.	Lead Agency: ITCC
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✓ **Recommendation Ongoing: Process created.**

The City took the lead to develop technology options to deliver the common EDS and the business design was documented.

The City's EDS system was upgraded to Filenet 5 during the last quarter. An updated funding request to account for this was submitted as part of the 2018 budgeting process. If funded, the target implementation timeframe is one year.

Target Completion Date for Recommendation is: Q1 2019.

Recommendation #18	Establish a process for the use of joint pre-qualified vendor pools that recognizes the different statutory requirements applicable to Participating Members.	Lead Agency: City
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✓ **Recommendation Partially Completed. Implementation Ongoing.**

✓ Data analysis continues.

Vendor pool data collection was received from all participating members. In total there are an estimated 114 potential vendor pools. The next steps will be to take a deeper dive in analyzing the data received for Category A and Category B.

The City is requesting the statutory restrictions and funding sources of each Sister Agency for further analysis. This analysis will help determine which pre-qualified vendor pools are appropriate candidates to become joint pools and establishing a process that the agencies should be using in creating joint pre-qualified vendor pools as well as accounting for the Member’s various legal restrictions.

As part of this recommendation, the City will also have each agency gather their “inter agency” language to discuss with designated legal teams and determine if the participating members can or are using this language. If certain Sister Agencies’ legal framework allows, the participating members will discuss and evaluate the opportunity to participate in a potential bid opportunity together. A meeting with the CPO legal team members will be scheduled within the next quarter to discuss the various legal restrictions of each sister agency to determine how to potentially use certain vendor pools together.

Overview of Data Collected:

	<u>POOL CATEGORY</u>	<u># OF POOLS</u>
<b>Category A</b>		
1	Architecture / Engineering	30
2	Pro-Serv. Consulting	47
<b>Category B</b>		
1	Commodities	9
2	Demolition	2
3	Financial Consulting / Audits, etc.	5
4	Roofing	4
5	Vehicles / Heavy Equipment	4
6	Work Serv. (Facilities Maint.)	13
		<b>114</b>
		Total # of Pools

Target Completion Date for completing the analysis of potential pools is: Q4 2017.  
The next steps would include determining feasibility of a joint use process.

Recommendation #19	Develop best practices for routine audits of procurement functions and contract awards, and evaluate use of shared services to perform this function.	Lead Agency: City
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- ✓ **Recommendation Partially Completed. Implementation Ongoing.**
- ✓ Data analysis and feedback continues.

The City has collected the following data from each Participating Member:

- Routine audits performed of its procurements or procurement process
- Description of any routine audits agency performs of its contracts
- Copies of audits
- Current or planned audits performed by the agency or outside entities

An “Audit of Procurement & Contract Awards: Best Practices” guide is being drafted for Participating Members’ review and comments. In addition, the City will be meeting with the Department of Finance within the next couple of weeks to discuss in depth their procedures in place in regards to Routine Audits for further analysis and comparison to finalize the best practices.

Target Completion Date for Recommendation is: Q4 2017.

Recommendation #20	Require each Participating Member to create a comprehensive procurement manual for its staff that is user-friendly and available to the public.	Lead Agency: CCC
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✓ **Recommendation Ongoing: Partially completed.**

The City Colleges of Chicago has completed the analysis of CTA’s robust Procurement Manual. This has led to the conclusion that while custom-tailored, CTA’s comprehensive procurement manual should be the basis for each agency’s manual.

CCC has identified key components that should be contained in each Participating Member’s manual:

- Procurement Standards and/or Procurement Policy including ethics/ code of conduct
- Procurement Goals/ Mission Statement
- A matrix or guideline which outlines “who may authorize and execute contracts” including the amount thresholds
- Glossary of procurement terms
- Outline of the different procurements e.g. Sole source, RFP, RFQ, Sealed Bids, Joint Procurement, Emergency Procurement
- Contract Administration delegation of duties (post-award)
- Contract Amendments Procedure
- Procurement Process- Summarize the life cycle of a procurement at the agency
- Debarred Contractors Criteria
- Bid Protests
- FOIA Requests Procedure
- Procurement Laws and respective board rules and regulations e.g. 30 ILCS 500/, (65 ILCS 5/) Illinois Municipal Code.

CCC provided a draft procurement manual to the Participating members. The next step will be for CPO committee members to address the public availability component of their Procurement Manuals.

Target Completion Date for Recommendation is: Q1 2018.

Recommendation #21	Codify and provide training to Participating Members’ employees on procurement rules and regulations, including appropriate authority, prohibited communications, and reporting obligations.	Lead Agency: City
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✓ **Recommendation Completed. Training Ongoing.**

DPS has begun scheduling various training program sessions with the Sister Agencies and its members.

List of trainings conducted annually by DPS to which Sister Agencies will be invited:

- Certification Overview Including C2
- Compliance Process and Procedures including LCP Tracker
- Emergency Contracts
- Exhibit B (Direct Voucher)
- Non-Competitive Review Board (NCRB)
- Project Checklist
- Record Retention Training
- Small Business Initiatives
- Small Orders
- Task Order Training
- DPS Year End Briefing Report

In addition, DPS is working with the City’s Department of Law and Board of Ethics to develop comprehensive guidelines regarding prohibited communications and reporting obligations.

Recommendation #22	Develop universal programming for vendor outreach and training.	Lead Agency: City
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✓ Recommendation Completed. Training Ongoing.

The City has implemented this Recommendation via the following methods:

- Creation of a Universal Outreach Calendar via the PRTF SharePoint site that Participating Members can access.
- Google Calendar includes City outreach events and workshops, outreach events hosted by the Participating Members.
- Promoting Participating Member outreach events via the DPS Alert Email Newsletter, which reaches 10,000 subscribers, email distribution on the Certification & Compliance (C2) system, and social media.
- A new workshop category featuring Participating Members called “Doing Business with Sister Agencies”.
- Leveraging existing technology by inviting Participating Members to utilize DPS Bid & Bond Room livestreaming capability to broadcast their workshop offerings.

Recommendation #23	Develop uniform, minimum contract close-out procedures for use by all Participating Members.	Lead Agency: PBC
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✓ Recommendation Partially Completed. Implementation Ongoing.

The checklist for contract close out procedures has been finalized for Participating Members’ review and comment.

Target Completion Date for Recommendation Implementation is: Q4 2017.

Recommendation #24	Develop minimum standards for project managers and other on-site review personnel to ensure vendor compliance.	Lead Agency: PBC
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✓ Recommendation Partially Completed. Implementation Ongoing.

The site visit guide that includes tips and frequently asked questions has been finalized for Participating Members to set minimum standards for project managers and other on-site review personnel to ensure vendor compliance.

Target Completion Date for Recommendation is: Q4 2017.

Recommendation #25	Establish a process for information-sharing among Participating Members regarding poor performance, noncompliance, or wrongdoing of a vendor.	Lead Agency: CPD
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✓ Recommendation Partially Completed. Implementation Ongoing.

✓ Evaluation completed across Sister Agencies.

The Chicago Park District has taken the lead to establish a communication process that will actively share vendor information to Participating Members. CPD will present a recommendation for a universal process to share vendor performance information electronically. The goal for this process will be to inform all agencies of negative performance or wrongdoing by vendors prior to award of a project, while ensuring due process for affected vendors. Due to the possibility of providing vendor information regarding poor performance, wrongdoing, etc. to other agencies,

this recommendation will need additional discussion with the CPD and other sister agency legal departments.

Target Completion Date for Recommendation is: Q4 2017.

Recommendation #26	Seek to establish reciprocal debarment among Participating Members through the use of a debarment review board or another mechanism as permitted by law.	Lead Agency: CHA
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✓ Recommendation Completed.

The CHA took the lead to establish reciprocal debarment language for all of the participating members as permitted by law.

The key deliverable for this recommendation is new, standard reciprocal debarment language to be added to Participating Members’ debarment policies/procedures if the information is not already included. The language is as follows:

*The Agency/Authority may impose automatic debarment if the person or entity is debarred by any other government agency for cause including but not limited to fraud, embezzlement, bribery, theft, deception, misrepresentation, indictment, felony conviction, violation or attempted violation of federal or state statutes. Agency reserves the right to consider debarment and proceed with its own debarment process in the case that a person or entity is debarred by any other government agency for contract performance or reasons other than those listed above.*

The Participating Members have included the above language in its debarment policies/procedures.

Recommendation #27	Establish uniform practices, where permitted by law, to expand preferences for local vendors and support a workforce development or similar contract award preference.	Lead Agency: CPS
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✓ Recommendation Completed.

✓ Evaluation completed across (7) participating Sister Agencies, County and State Agencies

The CPO Committee found that only the City and PBC apply preference for local vendors and labor in their procurements and no Participating Member provides credit for employing graduates of workforce development programs.

Preference is limited by the Illinois State Constitution and or by Federal funding guidelines with the exception of the City, which operates under Home Rule Authority.

It is the conclusion of the CPO Committee that there would need to be a change in State laws in order to establish uniform practices across the agencies.

## LONG-TERM RECOMMENDATIONS (27 TO 31)

28	Implement a universal procurement system that serves as a single point of entry for posting and responding to all Participating Members’ procurement opportunities, and as a central repository for all contract and vendor information.	Lead Agency: ITCC
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✓ Recommendation Ongoing.

✓ Data collection and analysis continues.

Leveraging the inventory developed under Recommendation #5, the ITCC will determine the best design for a shared procurement system as well as the implementation path to achieve that design. This may consist of common components rather than a single system.

The first phase would document existing processes and legal or regulatory requirements, and make recommendations for business process or other changes that would need to be implemented across all agencies to support a single system. The target completion for the first phase is approximately six months from start. Since the same subject matter resources will be engaged in developing a common EDS system, this project would begin six months after the start of EDS. Phase 2 would implement the single system across all agencies in approximately two years from start.

Target completion is Q1 2019 for Phase 1 and Q4 2021 for Phase 2.

29	Identify compliance functions that can be shared among Participating Members, including MBE/WBE compliance activities, and establish a joint compliance field team.	Lead Agency: City/CASE
30	Secure a <i>pro bono</i> study regarding the financial impact of the City’s risk shifting contractual provisions.	Lead Agency: City/CASE
31	Evaluate the benefits of center-led or consolidated procurement among the Participating Members.	Lead Agency: City/CASE

✓ **Recommendations Ongoing.**

Recognizing the complexity of the long term recommendations, the City was seeking opportunities to locate additional technical resources to help facilitate the analysis and development of implementation plans for Recommendations 29, 30 and 31.

In April 2017, DPS responded to a RFP from the Citi Foundation and Living Cities City Accelerator program to participate in a national procurement cohort. In addition to a Letter of Interest, DPS submitted a pitch that included a video with an introduction by Deputy Mayor Andrea Zopp. The video is available on the DPS YouTube Channel at the following link: <https://youtu.be/JASuY6hKcmw>

The City of Chicago was selected to participate in this national program, which is designed to help cities refine their approach to procurement in order to increase the diversity of municipal vendors over the course of 12 months. In addition to a \$100,000 grant, the City of Chicago will receive a combination of coaching, technical assistance and implementation resources in the coming year. DPS will be working in concert with Chicago Anchors for a Strong Economy (CASE) of World Business Chicago, who will help to facilitate long-term recommendations 29, 30 and 31 of the PRTF.

In September 2017, DPS participated in an interview with a Fellow for the Living Cities Organization about the Procurement Reform Task Force (PRTF) and Chicago’s participation in the national City Accelerator Procurement cohort. Living Cities has partnered with Governing Magazine to produce a series of articles about individual cohort cities as well as how the cities interact with each other. The goal is to highlight successes and opportunities for growth so cities can learn from one another. The Fellow was focusing on writing a follow-up story to the positive piece that was featured last year in Governing Magazine about the PRTF: <http://www.governing.com/columns/smart-mgmt/gov-procurement-reform-chicago.html>

Additionally, DPS has also been asked to share the information about the City's Consolidated Buying Plan as an industry best practice for the other participating cities. The members of the cohort were also interested in the genesis of the Procurement Reform Task Force (PRTF) and how they too could begin the work of inter-agency standardization in their cities. DPS shared the comprehensive survey that was the foundation of data collection for the establishment of the PRTF.

Detailed below are specific tactics that will be utilized to conduct the necessary data collection, best practice research, analysis, recommendation, implementation, and tracking for each of the Recommendations:

- Universal Procurement: Documenting and developing a finalized roadmap to create a universal procurement system
- Joint Compliance: Develop streamlined central process / workflow, inclusive of all agencies' needs
- Risk-Shifting Provisions: Working with pro bono partners to conduct an economic policy study on risk shifting provisions to affect inclusive economic growth opportunities for our local, small, minority, and women-owned businesses and obtain best value for Participating Members
- Benefit Evaluation: Conduct analysis of data, as needed to evaluate if a specific entity should oversee activities related to entity's industry

Target Completion Date of Recommendation(s) 29, 30 and 31 is: Q3 2018.

# Attachment A: PRTF Implementation Spreadsheet

**Legend / Key:**

- GREEN = Implemented/Completed
- RED = Not Implemented/Incomplete

RECOMMENDATION		DPS	CPS	CTA	CHA	CCC	CPD	PBC
<b>IMMEDIATE RECOMMENDATIONS</b>								
1	Create a Committee of the Participating Members' CPOs to rule on certain administrative decisions, address obstacles to coordination, and ensure best practices across the City and its sister agencies.	City						
2	Charge the CPO Committee with addressing the Task Force recommendations, tracking their implementation, and issuing quarterly progress reports.	City						
3	Establish minimum standards by which all Participating Members will publish their anticipated sole source awards, receive public and vendor feedback, and make decisions about whether a solicitation is necessary.	CTA						
4	Hire or secure pro bono services from a law firm to: (a) Identify contract provisions that could be subject to standardization across Participating Members' templates, and draft uniform contract templates incorporating the required terms of the Participating Members, including contract duration and number of renewals and (b) Where appropriate, standardize solicitation documents issued by Participating Members and the documents required in response.	City	Recommendation Partially Completed. Implementation Ongoing. Significant progress has been made on the commodities and professional services Master templates and commodities and professional services Additional Provisions templates. As the City finalizes the launch of eProcurement, this important project will significantly impact the language of the City's contract templates due to the nature of the platform. DPS is working with the Department of Law to finalize the contract templates that will be entered into eProcurement. Once eProcurement implementation has been completed, the City's updated contract boilerplate, along with all other Participating Members' up-to-date boilerplate, will then be submitted to a pro bono partner for review and recommendations. The target date of eProcurement contract template completion is Q1 2018.					
5	Charge the Chicago Government IT Coordination Committee, which consists of the CIOs of the Participating Members, with identifying the procurement-related systems that can be shared and developed jointly and developing a schedule for implementation.	ITCC						
6	Post all contracts, vendors, and subcontractors on agency websites in a user-friendly and searchable format.	CCC	Recommendation Partially Completed. CCC will review and analyze on a single standard for disclosing information related to subcontractors as addressed in the OIG Report. A survey was completed by all agency members and a recommendation is being prepared for distribution. Target Completion Date for standard format for disclosing subcontractor information is: Q4 2017.					
7	Create an easily accessible website for vendors and the public that provides a single location for: all of the Participating Members' current procurement opportunity listings and other procurement-related information such as the buying plan, notices of award, and prequalified pools; a list of all debarred vendors; and all current contract and vendor databases.	ITCC	Recommendation Partially Completed. A central website has been created per recommendation. Members of the ITCC have established a set of data elements for bid opportunities and awarded contracts, and are finalizing a standard set of data elements for subcontractors. ITCC is currently establishing standard data transmission process with all agencies for these data sets. Target Completion Date for Recommendation is: Q1 2018.  Long term initiatives include a uniform web portal, which will have all contracts available from all Participating Members is being managed by the ITCC. Target completion date for this component is Q1 2018.					
8	Establish minimum disclosure requirements for subcontractors and require posting subcontractor information online.	CHA						
9	Establish minimum standards for conducting due diligence of vendors before entering into a contract.	City						
10	Establish uniform rules governing resolicitation of contracts due to significant changes in scope or value.	CTA						
11	Evaluate the consistency of MBE/WBE/DBE certifications accepted by Participating Members.	PBC	Recommendation Partially Completed. Participating firms are analyzing data from the previous year. The information gleaned from this report will allow the PFTF to make final recommendation regarding acceptable certifications. Once the data is gathered regarding the certifications, the Participating agencies will ensure that the acceptable certifications have rigorous standards that are similar to the City of Chicago and the County of Cook. Target Completion Date for Recommendation is: Q1 2018.					
12	Implement the uniform criteria and processes for evaluating Good Faith Efforts regarding requests for waivers for MBE/WBE/DBE goals that are currently being developed and will be recommended by the Government Procurement Compliance Forum	PBC						
13	Require a written, publicly posted protest process for each Participating Member.	CCC						
14	Examine whether Participating Members should support a change in state law to eliminate the newspaper notice requirement for contract solicitations.	CPD						
15	Establish a process for information-sharing and collaboration among Participating Members on personnel matters such as professional development efforts and recruitment.	CPS	Recommendation Partially Completed. CPS drafted a document titled, "Information Sharing and Use of SharePoint," for CPO Committee review and comment. This has been approved and the document will reside within SharePoint for access to each Sister Agency to post and update. This recommendation has evolved since the last few drafts in an attempt to close out the matter. The process has been established and next steps include the buildout of the SharePoint site and upload of required documents. Target Completion Date for Recommendation is: Q4 2017.					
<b>MID-TERM RECOMMENDATIONS</b>								

RECOMMENDATION		DPS	CPS	CTA	CHA	CCC	CPD	PBC
16	Establish uniform standards based on best practices for approval of noncompetitive awards, including small purchase, emergency, and sole source.	CTA						
17	Develop a common electronic Economic Disclosure Statement system that allows for the submission of uniform information for all Participating Members' vendors and subcontractors; integrates disclosures and certifications into Participating Members' procurement databases; automates conflict checks and due diligence; and can be updated in real time.	ITCC	Recommendation Ongoing. The City took the lead to develop technology options to deliver the common EDS and the business design was documented. The City's EDS system was upgraded to FileNet 5 during Q2 2017. An updated funding request to account for this was submitted as part of the 2018 budgeting process. If funded, the target implementation timeframe is one year. Target Completion Date for Recommendation is: Q1 2019.					
18	Establish a process for the use of joint pre-qualified vendor pools that recognizes the different statutory requirements applicable to Participating Members.	City	Recommendation Partially completed. Vendor pool data collection was received from all participating members. In total there are an estimated 114 potential vendor pools. The next steps will be to take a deeper dive in analyzing the data received for Category A and Category B. A meeting with the CPO legal team members will be scheduled within the next quarter to discuss various legal restrictions of each sister agency to determine how to potentially use certain vendor pools together. Target Completion Date for completing the analysis of potential pools is Recommendation is: Q4 2017.					
19	Develop best practices for routine audits of procurement functions and contract awards, and evaluate use of shared services to perform this function.	City	Recommendation Partially Completed. Data analysis and feedback continues. An "Audit of Procurement & Contract Awards: Best Practices" guide is being drafted for Participating Members review and comments. In addition, the City will be meeting with the Department of Finance within the next couple of weeks to discuss in depth their procedures in place in regards to Routine Audits for further analysis and comparison. Target Completion Date for Recommendation is: end of Q4 2017.					
20	Require each Participating Member to create a comprehensive procurement manual for its staff that is user-friendly and available to the public.	CCC	Recommendation Partially completed. CCC provided the draft procurement manual edition to the Participating Members. A status check point will be sent to the members within the next 30 days. The next step will be for CPO committee members to address and discuss the public-availability component for their Procurement Manuals. Target Completion Date for Recommendation is: Q1 2018.					
21	Codify and provide training to Participating Members' employees on procurement rules and regulations, including appropriate authority, prohibited communications, and reporting obligations.	City						
22	Develop universal programming for vendor outreach and training.	City						
23	Develop uniform, minimum contract close-out procedures for use by all Participating Members.	PBC	Recommendation Partially completed. The checklist for contract close out procedures has been finalized for Participating Members. Target Completion Date for Recommendation Implementation is: Q3 2017.					
24	Develop minimum standards for project managers and other on-site review personnel to ensure vendor compliance.	PBC	Recommendation ongoing. Partially completed. The site visit guide that includes tips and frequently asked questions has been finalized for Participating Members to set minimum standards for project managers and other on-site review personnel to ensure vendor compliance. Members will use the guide and create their respective forms. Target Completion Date for Recommendation is: Q3 2017.					
25	Establish a process for information-sharing among Participating Members regarding poor performance, noncompliance, or wrongdoing of a vendor.	CPD	Recommendation Partially completed. CPD will present a recommendation for a universal process to share vendor performance information electronically. The goal for this process will be to inform all agencies of negative performance or wrongdoing by vendors prior to award of a project. Target Completion Date for Recommendation is: Q3 2017.					
26	Seek to establish reciprocal debarment among Participating Members through the use of a debarment review board or another mechanism as permitted by law.	CHA						
27	Establish uniform practices, where permitted by law, to expand preferences for local vendors and support a workforce development or similar contract award preference.	CPS						
28	Implement a universal procurement system that serves as a single point of entry for posting and responding to all Participating Members' procurement opportunities, and as a central repository for all contract and vendor information.	ITCC	Recommendation ongoing. Data collection & analysis continues. The first phase would document existing processes and legal or regulatory requirements, and make recommendations for business process or other changes that would need to be implemented across all agencies to support a single system. Phase two would implement the single system across all agencies in approximately two years from start. Target completion is Q1 2019 for Phase 1 and Q4 2021 for Phase 2.					
29	Identify compliance functions that can be shared among Participating Members, including MBE/WBE compliance activities, and establish a joint compliance field team.	City/ CASE	DPS in concert with Chicago Anchors for a Strong Economy (CASE) of World Business Chicago will help to facilitate this program. Grant funding from the City Accelerator will help facilitate the project management of long-term recommendations 29-31 of the PRTF. Target Completion Date for Recommendation is: Q3 2018					
30	Secure a <i>pro bono</i> study regarding the financial impact of the City's risk shifting contractual provisions.	City/ CASE	DPS in concert with Chicago Anchors for a Strong Economy (CASE) of World Business Chicago will help to facilitate this program. Grant funding from the City Accelerator will help facilitate the project management of long-term recommendations 29-31 of the PRTF. Target Completion Date for Recommendation is: Q3 2018					
31	Evaluate the benefits of center-led or consolidated procurement among the Participating Members.	City/ CASE	DPS in concert with Chicago Anchors for a Strong Economy (CASE) of World Business Chicago will help to facilitate this program. Grant funding from the City Accelerator will help facilitate the project management of long-term recommendations 29-31 of the PRTF. Target Completion Date for Recommendation is: Q3 2018					