


CPO

State of Illinois
Chief Procurement Office General Services
Matt Brown, Chief Procurement Officer

MEMO

TO: State Purchasing Officers
Agency Directors
Agency Procurement Staff
CMS Bureau of Strategic Sourcing

FROM: Matt Brown 
Chief Procurement Officer General Services

CC: Procurement Compliance Monitors
Procurement Policy Board

DATE: October 25, 2011

SUBJECT: Procurement Authority and Processes

The Chief Procurement Officer (CPO) exercises all procurement authority created by the Procurement Code (Code). Prior to P.A. 96-795 (SB 51), the CPO was the Director of Central Management Services (CMS). The procurement reforms implemented as part of SB 51 separate the CPO's Office and the corresponding procurement responsibilities from CMS. Where before instruction on procurement processes was directed by the CMS Director in his/her role as the CPO, direction is now provided to agencies by the independent CPO and SPOs, who exercise procurement authority at the direction of the CPO. Under the reforms, the CPO is autonomous from CMS, appointed for a 5-year term, subject to Senate confirmation, and owes a fiduciary duty to the State. The Code and best practice in public procurement requires direct and early communication between the program staff who have identified a need and the SPOs whose job it is to authorize the procurement.

My clear direction to agencies has been to include the SPO early in the procurement process. In order for the intended reforms of SB 51 to be realized, the SPO must be involved in the beginning stages of any procurement activity within an agency. The SPO's authority applies to transactions of all types, including, but not limited to purchases, contracts, amendments, renewals, change orders and includes master contracts and contracts for financing through the use of installment or lease purchase arrangements. Program directors, bureau chiefs, deputy directors, and agency procurement support staff must engage the SPO immediately once program specific procurement needs are identified. Determinations of exemptions from the Code must be authorized by the SPO. Following these directives ensures the SPO's expertise is tapped early in

401 South Spring Street
712 Stratton Office Building
Springfield, Illinois 62706
(217) 558-2157
(217) 558-2164 Facsimile

the process and that agencies get the best good/service at the lowest total cost and in compliance with the terms of the Code.

Procurement Business Cases (PBC's) were first implemented through the Illinois Procurement Bulletin, using the Illinois Source tab to provide information for procurement requests. The Illinois Procurement Bulletin PBC (Bulletin PBC) was successful in facilitating early communication between program staff and the SPO, tracking a transaction's progress through steps required by the Code, and providing additional transparency to the Procurement Policy Board. In October 2004, under the Blagojevich administration, CMS transferred the Bulletin PBC to a different platform known as the Remedy PBC system (Remedy PBC), unnecessarily separating PBCs from the Illinois Procurement Bulletin. As the business rules and processes of Remedy PBC have been modified over the years, the Remedy PBC has become a cumbersome tool for advancing procurements.

While the Code requires SPOs have direct communication with agency staff, unfortunately as presently configured the Remedy PBC system does not allow early, direct communication in a single location between SPOs and agency staff, resulting in delayed procurements for agencies. In order to address these inefficiencies the CPO is implementing new procedures as outlined in CPO Notice 2012.07 which will become effective upon its issuance.