

News and Views

**A Publication of the Illinois Association of
Public Procurement Officials, Inc.**

Chapter of the National Institute of Governmental Purchasing, Inc.



PRESIDENT'S MESSAGE - Spring 2007

By Larry Widmer, CPPB

I would like to begin my message by asking the question, what kind of member have you been this year? Did you attend the spring and/or fall conferences, attend a seminar or participate in NIGP web based training? Are you working toward your CPPB or CPPO, serving on one or more of IAPPO's various committees and/or serving as an officer or a board member?

Refining your life through education, honing a specific skill set or accomplishing a set of goals is what an active IAPPO member gains from being a contributor. We know that the time we spend on a committee, going to conferences (both IAPPO & NIGP), lending a hand with association activities, and being active on the board is time well spent.

Do you know of a good speaker or want to spend time with members and enhance their/your knowledge about the purchasing profession? IAPPO is always in need of outgoing and motivated people who want to network and convey a sense of enthusiasm about our organization. IAPPO wants to add more creative people that will make a difference. If you are interested in becoming more involved, just ask any officer or board member about volunteer opportunities.

The 2007 IAPPO Spring Conference will be held on May 10 & 11 at the Chateau Hotel and Conference Center in Bloomington, Illinois. Topics include Snow and Ice Control Methods, Electrical Deregulation and Green Purchasing. This event kicks off IAPPO's 30th Anniversary Celebration Year! There will be many opportunities for

educational training and networking as well as some "Anniversary Surprises." Please plan on attending the Spring Conference.

The NIGP 62nd Annual Forum and Products Exposition (Insure Your Success in New England's Rising Star) will be held from August 4 through August 8, 2007 in Hartford, Connecticut. This Forum and Exposition is the largest conference exclusively for individuals in Public Purchasing and is NIGP's educational highlight of the year!

The 2007 IAPPO Fall Conference will be held on October 10, 11 and 12, at the Holiday Inn Itasca, Itasca, Illinois. IAPPO in conjunction with the Midwest Association of Public Procurement (MAPP) will host its first "Reverse Vendor Fair" (RVF) at this time and a wonderful 30th Anniversary celebration. Cathy Link, our Vice-President is working diligently to secure a special speaker for this conference.

It is both IAPPO's and MAPP's sincere hope that by hosting a RVF, vendors will have the opportunity to switch places with us and gain a chance to ask us the questions that they want to ask. The desired outcome is to build a business relationship with vendors that can result in better service, better communications and better prices. *The RVF will also assist in sourcing new vendors and help IAPPO in raising funds for professional training!*

The result of your life is dependent on how you spend each moment. Do not throw away a second, become a vigorous and active IAPPO member now! IAPPO's future success depends on you.

There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction – John F. Kennedy

Biobased Purchasing Power Goes Mainstream

By Scot Case

Excerpt from Government Procurement Magazine -
December 2006

... Computers made with corn starch. Carpets made from soybeans. Clothing made from bamboo. Cups, bowls, spoons, knives, and forks made from potato starch. Diesel fuel made from old french fry grease. Hydraulic fluid, oil, and other lubricants made from soybeans. Sound farfetched? It's not. These are just some of the products government purchasers are buying as they seek high quality, affordable, "green" products that also reduce the country's dependence on foreign oil.

Government purchasers interested in reducing the country's dependence on foreign oil or interested in improving the environmental performance of the products they buy are rediscovering biobased products. Biobased products are products manufactured from plant-based materials such as corn and soybean rather than from petroleum-based materials.

In many cases, the biobased products perform just as well or better than their petroleum-based counterparts. They can also be significantly more environmentally preferable because they are made from rapidly renewable materials and they produce significantly fewer global warming pollutants.

The benefits of biobased purchasing are so powerful that federal agencies are actually required to buy biobased products designated by the U.S. Department of Agriculture (USDA). State and local governments are also specifying biobased for similar reasons.

Federal Buy-Biobased Requirements

The 2002 Farm Bill (formerly known as the Farm Security and Rural Investment Act of 2002) requires federal purchasers to buy products made from biobased materials designated by USDA "to the maximum extent practicable." USDA designates biobased products and recommends minimum biobased content in a process similar to the one used by the U.S. Environmental Protection Agency (EPA) to designate recycled-content products.

USDA has compiled a list of more than 100 products for potential designation. Thus far, it has formerly designated six products and recently proposed designating an additional ten products. In addition, USDA provides minimum biobased content recommendations, although purchasers are encouraged to buy products with the highest biobased content.

Federal agencies that buy more than \$10,000 worth of designated items annually are required to purchase the items containing biobased content. When a new item is designated, purchasers have one year to implement procedures to ensure they are buying products identified by USDA. Like the federal requirement to buy recycled-content products designated by EPA, agencies must buy designated biobased products unless the agency determines the items are not available within a reasonable time period, they fail to meet applicable performance standards, or they are unreasonably expensive.

For additional information, visit the USDA Federal Biobased Products Preferred Procurement Program Web site at www.govinfo.bz/5973-100.

Contracting Resources and Additional Information

USDA maintains a website with extensive information about biobased products, including a catalog of biobased products and templates for specifying them. It also contains a copy of the agency's Affirmative Procurement Program plan for biobased products. Visit www.usda.gov/biobased for additional information.

The White House Office of the Federal Environmental Executive's Fall 2006 issue of Closing the Circle News includes a variety of biobased purchasing examples from the federal government. It is available online at www.ofee.gov.

The Federal Green Construction Guide for Specifiers includes a section devoted to "alternative agricultural products"; Visit www.govinfo.bz/5973-101.

The difference between a successful person and others is not a lack of strength, not a lack of knowledge, but rather a lack of will – Vince

Lombardi

2008 Budget Calls For Cooperative Contracts

By Katherine Frisch

Government Procurement

February, 2007

The \$2.9 trillion budget submitted by President W. George Bush for fiscal year 2008 would balance the budget by 2012 and continue to cut taxes by eliminating or reducing billions of dollars in spending for federal, state, and local programs.

Funding for transit programs, first responders, and emergency management training would be reduced or eliminated in cities large and small. The federal budget provides nearly 30 percent of state revenues, making it the largest single source of funds for many states. Any cuts could have a lasting effect on state finances.

Regardless of the decisions made by the U.S. [Congress](#), the House Appropriations Committees, and the Budget Committees, procurement professionals have a duty to obtain best value solutions for the taxpayers. Best practices and procedures that serve individual entities may also serve the common requirements of multiple governments. For example, cooperative purchasing is an effective tool that can reduce prices and save time, administrative overhead, and other costs, all while leveraging the experience and expertise of entities with specialized knowledge.

Cooperative contracts continue to gain popularity at the local, state, and federal levels, but sharing procurement contracts between governments is not without challenges. The National Association of State Procurement Officials (NASPO) cautions procurement and public officials to understand best practices and make informed decisions about cooperative purchasing, as they would any other procurement decision.

Certain commodities and services are more suited to cooperative contracts, but always analyze specifications, price, terms and conditions, and other factors that ensure best value. Early cooperative efforts involved bulk commodities. Today, cooperative contracts are available for IT services and software, digital copiers and printers, as well as heavy equipment, vehicles, and just about everything else the government purchases.

Purchasing cooperatives come in many shapes and sizes, including similar or varied entities with common procurement goals. Choose the cooperative(s) that make sense for your procurement needs. From the U.S. General Services Administration (GSA) to small groups within defined geographic areas, government entities are saving with true cooperatives, piggyback options, and third-party aggregators.

By standardizing products and services and aggregating requirements, entities benefit from the combined purchasing power of multiple organizations. Cooperative purchasing contracts may also provide higher quality goods and services. Specialized specification writers, procurement professionals, and technical evaluation committees combine efforts to produce expertly crafted contracts. The convenience of selecting a product or service from cooperative contract catalogs allows entities to use procurement services elsewhere.

The four-volume budget proposal lays out the President's priorities, and Congress will begin the 2008 budget cycle with hearings on spending requests. Procurement professionals have numerous best practices to call upon to make better use of resources and provide more efficient government operations.

Cooperative contracts are just one tool available to lower the total cost of government. Information on cooperative purchasing is readily available on the Internet. The GSA provides answers to Frequently Asked Questions (FAQs) at www.govinfo.bz/6774-100.

To download the NASPO white paper, "Strength in Numbers: An Introduction to Cooperative Procurement," visit www.govinfo.bz/6774-101. For a wide variety of articles and resources, visit the National Institute of Governmental Purchasing (NIGP) at www.govinfo.bz/6774-102. Visit govpro.com for information on our free Webcast, "Cooperative Purchasing: How to Purchase and Sell More Effectively Within and to Local and State [Government](#)." The 60-minute Webcast, sponsored by H-GAC, was held on Tuesday, February 27, at 2 p.m. (EST). Check govpro.com for the archived Webcast.

**NIGP Webinar:
The Art Form of Specification Writing**

Duration: 90 minutes
Presenter: Robin J. Rickard, CPPO
Contact Hours: 1
UPPCC Re-Certification Points: 0.125
CEU: 0.1

Registration Fees: Members: \$100
 Member guest: \$25
 Non-Member: \$125
 Non-Member Guest: \$35

Date/Time:
 Thursday, June 7, 2007 (1:00 – 2:30 PM EST)

Registration at: NIGP.org

- Course Objective:**
- Differentiate between the kinds of specifications
 - Know when and how to use specifications
 - Apply some best practices in writing specifications
 - Utilize standardization in specification writing, and
 - Translate the end-users description into usable specifications

- Course Outline:**
- Examples and case studies will be used to demonstrate for the participant the art from of developing specifications
 - The value of doing market research as a part of specification development will be reviewed
 - Participants will also analyze methods for writing clear, concise specifications
 - The process of protesting specifications and its value will be discussed
 - Specification standardization will be analyzed and a case study shared on that topic

Presenter’s Biography:
 Mr. Robin (Rob) J. Rickard, CPPO, is the Purchasing Manager for the Oregon Secretary of State. He came to the State of Oregon in 1983 after over fifteen years of Purchasing Management in the private sector. Rob directs the Central Purchasing Staff for the Oregon Secretary of State, Business

Services Division. In 1997 he achieved the designation of Certified Public Purchasing Officer (CPPO), from the Universal Public Purchasing Certification Council (UPPCC). Rob has conducted training sessions on many aspects of procurement throughout the United States. In May 2000, he received the Harold F. Vaughn award for outstanding service to public purchasing. In 2001 Rob was awarded NIGP’s Purchasing Manager of the Year. He is a Past President for the Columbia Chapter of NIGP in Oregon/Southern Washington, and the Oregon Public Purchasing Association. Rob teaches a one-day seminar for NIGP on Procurement Protests and other NIGP courses.

Legislative Committee Review by Larry Widmer, CPPB & Rick Hughes, CPA JD, Co-Chairs

**95TH GENERAL ASSEMBLY
 State of Illinois
 2007 and 2008**

SB0087

Date	Chamber	Action
1/31/2007	Senate	Filed with Secretary by Sen. Christine Radogno
1/31/2007	Senate	First Reading
1/31/2007	Senate	Referred to Rules
2/21/2007	Senate	Added as Co-Sponsor Sen. Frank C. Watson
2/21/2007	Senate	Added as Co-Sponsor Sen. Bill Brady
3/5/2007	Senate	Added as Co-Sponsor Sen. Dan Rutherford
3/8/2007	Senate	Added as Co-Sponsor Sen. William E. Peterson
3/12/2007	Senate	Added as Co-Sponsor Sen. Pamela J. Althoff
3/13/2007	Senate	Added as Co-Sponsor Sen. Dale A. Righter

SYNOPSIS AS INTRODUCED:

Creates the Legislative Contract Disclosure Act and the Lieutenant Governor's Contract Disclosure Act

and amends the State Budget Law, the Attorney General Act, the Secretary of State Act, the State Comptroller Act, the State Treasurer Act, and the Illinois State Auditing Act. Requires that the offices of statewide officers, legislators, legislative agencies, and the Auditor General post on their websites disclosures with respect to each of their contracts with an annual value of \$50,000 or more. Specifies the contents of the disclosure, including the names of the contracting entity and others with whom the contracting entity has a financial relationship.

Amends the Illinois Procurement Code to require posting on the online Procurement Bulletin of similar disclosures by bidders and offerors on State contracts with an annual value of \$50,000 or more. Amends the Illinois Procurement Code to make changes with respect to the following: amendments to contracts; contents of the Procurement Bulletin; contract renewals; use of competitive bidding; sole source procurements; emergency procurements; bidders and offerors authorized to do business in Illinois; contract specifications; expense reimbursement; contract payments; lease renewals; lease holdovers; conflict of interest waivers; and contract voidability. If passed would become effective immediately.

**Senate Resolution
SR0052**

Senate Chamber - Placed on Calendar Order of Secretary's Desk Resolutions March 13, 2007

RESOLVED BY THE SENATE OF THE NINETY-FIFTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THAT THERE IS CREATED A Senate Task Force on the Illinois Procurement Code for the purpose of examining the bidding process on State of Illinois contracts, particularly on the preference given to Illinois businesses; and be it further

RESOLVED, That the Senate Task Force on the Illinois Procurement Code shall consist of the following members:

- (1) A chairperson who is a member of the Senate, appointed by the President of the Senate;
- (2) Four members of the Senate, two of whom are appointed by the President of the Senate and two of whom are

- appointed by the Minority Leader of the Senate;
- (3) Two staff members of the Department of Central Management Services appointed by the Director of Central Management Services; and
- (4) Two staff members of the Procurement Policy Board appointed by the Procurement Policy Board; and be it further

RESOLVED, That all members of the Senate Task Force shall be considered to be members with voting rights, that a quorum of the Senate Task Force shall consist of a simple majority of the members of the Senate Task Force, and that all actions and recommendations of the Senate Task Force be approved by a simple majority of the members of the Senate Task Force; and be it further

RESOLVED, That the Senate Task Force on the Illinois Procurement Code shall meet at the call of the chairperson and shall summarize its findings and recommendations in a report to the Senate no later than January 1, 2008.

Far and away the best prize that life offers is the chance to work hard at work worth doing - Theodore Roosevelt

Ethics Corner – by Cathy Link, CPPB, County of McHenry

Ethics and Taxes—Do They Go Together????

April 15th...a date that almost everyone remembers. Apparently as outlined in the article below, most taxpayers do remember that date and act accordingly.

Uncle Sam wants you -- to pay your taxes

WASHINGTON, March 6 (UPI) -- The U.S. government is looking for ways to trim the \$300 billion annual tax gap created by people who fail to ante up.

The Internal Revenue Service's Oversight Board recently found that nearly 9-in-10 taxpayers believe cheating on income taxes is wrong, USA Today said Tuesday. But the IRS also estimates individuals account for more than 70 percent of the tax gap.

"If you're going to do away with the entire tax gap, it's going to be real painful for everybody," says Mel Schwarz of financial adviser Grant Thornton LLP in Washington.

Going forward, the federal government will be looking at simplifying the tax code to make it easier for people to determine their fair share, USA Today said. The IRS also may conduct more audits to round up scofflaws and better discourage anyone thinking of cheating.

IRS taxpayer advocate Nina Olson told that the newspaper audits can be effective if aimed at specific problem groups. She also agreed that while the tax code is too complicated it's no excuse to cheat.

"We have to start talking about paying taxes as a civic duty," she said in the USA Today article. "I'm really proud of our system being based on that trust."

Practicing good ethics not only in the workplace, but in our lives as we go about our day to day business, should come naturally to those in the procurement field. A system that is based on trust---Now doesn't that sound familiar.

Our lives begin to end the day we become silent about things that matter - Martin Luther King Jr.

IAPPO Website Update (IAPPO.org)

Our goal was to launch a new website before the end of last year and it happened! It took a tremendous amount of effort from several people but we are very proud that IAPPO & Balcom-Vitello have made it happen. Please go to IAPPO.org and navigate the website. The new design is very intuitive and user friendly.

There are still some outstanding issues Balcom-Vitello needs to resolve, like figuring out the secure (username/password) database system. This system will be functional in the near future.

Now that we've got a newly designed website we are going to make sure that the information is updated on a regular basis! We hope that you are as pleased with it as we are!

Education & Training by Patti Huth, CPPO, Village of Lisle

The chapter hosted several successful NIGP seminars this spring in Lisle: the CPPO and CPPB Review seminars February 27-28, 2007; and the three-day Contract Administration seminar March 27-29, 2007.

There were fourteen students in the CPPO and CPPB Review classes and ten students in the Contract Administration seminar. Jennie Readey, CPPO, flew in from Colorado to teach the review classes. Jennie has a 98 percent "pass" rate for students who have taken her review seminars and then taken the CPPO and CPPB written examinations. Bill Davison, CPPO (Minnesota), co-authored the Contract Administration textbook, so we were fortunate to have Bill as the instructor for our class.

A group written examination for both CPPO and CPPB candidates, who have been preapproved by the UPPCC, is scheduled for May 9, 2007, in Bloomington, Illinois. This is the day preceding IAPPO's spring conference, which begins May 10 in Bloomington.

Historically, education and training seminars are held in the spring and fall. The fall 2007 schedule of classes has not been determined, but you will receive notification of all the educational opportunities through the newsletter, email, or the IAPPO and MAPP websites.

Patti Huth, CPPO, CPPB
Education and Professional Development Chair

By-Law Proposed Amendments (prepared by Patti Huth, CPPO, Village of Lisle)

ILLINOIS ASSOCIATION OF PUBLIC PROCUREMENT OFFICIALS BYLAWS PROPOSED AMENDMENTS MAY 2007

According to the IAPPO Bylaws, proposals to amend any part of the Bylaws must be mailed to the membership at least ten (10) days prior to the meeting that would consider the changing of the Bylaws. The rationale behind these proposed amendments is stated below:

Current:

14.1 Time for Filing Proposals. All proposals to amend, alter, or repeal any part of the Bylaws must be mailed to the membership at least ten (10) days prior to the meeting that would consider the changing of the Bylaws.

Proposed Amendment: Communication to the membership has evolved into electronic (email and facsimile) rather than the U.S. mail.

14.1 Time for Filing Proposals. All proposals to amend, alter, or repeal any part of the Bylaws must be **forwarded to the membership via U.S. Postal Service, by facsimile, or email** at least ten (10) days prior to the meeting that would consider the changing of the Bylaws.

Article VII COMMITTEES

Proposed Amendment: The Budget Committee was added as a new standing committee last year. To maintain consistency with the other Standing Committees, the following is proposed:

PROPOSED ADDITION:

7.6 Budget Committee. A Budget Committee of not less than two (2) active members shall be appointed by the President.

7.6.1 Responsibilities. The Budget Committee shall analyze revenue and expenditures of the Corporation; the Budget Committee shall prepare a proposed budget for consideration by the Executive Board at its spring meeting; the Budget Committee shall monitor and adjust the budget as required.

7.6.2 Meetings. The Budget Committee shall meet as often as necessary to accomplish their goals. The Budget Committee chairperson shall make periodic progress reports to the President on the status of their activities.

CURRENT:

6.9 Vacancies. A vacancy may exist in any office for the following reasons:

- Death
- Resignation in writing
- Inability to perform the duties of the office

- Removal from office for cause

Proposed Amendment—Discussion: The Executive Board is defined in these Bylaws, Article VI, 6.7 as, “Executive Board. The governing body of this Corporation shall be the Executive Board, chaired by the President and consisting of the President, the immediate past President, Vice President, Secretary, Treasurer and the At Large elected members.” The Bylaws were silent with regard to Executive Board Member attendance at board meetings and leaving public sector employment. The Bylaws needed more detail with regard to resignations.

PROPOSED ADDITION:

6.9.1 Any Executive Board Member may resign at any time by written notice to the President. The President may resign at any time with written notice to the Secretary.

6.9.2 Any Executive Board Member who has left public sector employment and is employed in the private sector shall automatically vacate his or her elected position.

6.9.3 Any Executive Board Member who has left public sector employment may serve in his or her elected position for up to six (6) months from the date of their employment termination. If public sector employment has not been procured by the end of the sixth month requirement, the Executive Board Member shall automatically vacate his or her position.

6.9.4 Any Executive Board Member who is absent for three consecutive executive board meetings (face-to-face or telephonic) without an acceptable excuse shall be deemed to have resigned on the effective date of the third absence.

These proposed amendments will be voted on at the spring meeting of the Illinois Association of Public Procurement Officials.

Mark Your Calendars!

The 2007 IAPPO Spring Conference will be held on May 10 & 11 at the Chateau Hotel and Conference Center in Bloomington, Illinois

The NIGP 62nd Annual Forum and Products Exposition will be held from August 4 through August 8, 2007 in Hartford, Connecticut.

The 2007 IAPPO Fall Conference and Reverse Vendor Fair will be held on October 10, 11 and 12, at the Holiday Inn Itasca, Itasca, Illinois. IAPPO in conjunction with the Midwest Association of Public Procurement (MAPP) will host its first ever **“Reverse Vendor Fair”** on October 10 from 9:00 a.m. until 3:30 p.m.

MAPP will host a Round Table Meeting (Performance and Uniform Specifications) on April 27, at the Village of Niles from 1:30 p.m. until 3:00 p.m.

IAPPO Officers and Executive Board**President:**

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