

Approved by the Executive Committee
February 11, 2008

Executive Committee Meeting
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REVISED

ROLL CALL

PURCHASE AND CHANGE ORDER RECOMMENDATIONS

The "Purchase and Change Order Recommendations" are presented by the Urbana campus. The source of funding would be "Institutional Funds" received by the University under contracts with the United States Government; contracts with private corporations and other organizations, from foundation grants, and grants from corporations and other donors; and University revolving funds authorized by law.

The board action recommended in this item complies in all material respects with applicable State and Federal laws, University of Illinois Statutes, The General Rules Concerning University Organization and Procedure, and Board of Trustees policies and directives.

The Director of Purchases at Urbana has proposed and the Vice President and Chief Financial Officer recommends the following purchase and change order.

The President of the University concurs.

PURCHASE RECOMMENDED

Urbana-Champaign Campus

1	Unit	Department of Computer Science (DCS), College of Engineering
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Item	Consulting services to assess the competitive position of the Department of Computer Science and for providing direction to improve its position as a leader in its field, to be completed in an eight week study.
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Cost	\$500,000
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Vendor	McKinsey & Company, Inc., Chicago, IL
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This purchase is exempt from competitive bidding requirements under the Illinois Procurement Code because gift funds have been designated for the assessment.

The objectives of the assessment are as follows:

- Benchmark DCS against global competitors across a range of areas, including curriculum, faculty, students, research, and overall brand equity.
- Develop a set of initiatives and overall road map for DCS to achieve its ~~operations~~ aspirations.
- Develop a set of tools and processes that UIUC can deploy in other departmental reviews as applicable.

CHANGE ORDER RECOMMENDED

University Administration

1	Unit	University Wide
	Item	Change order to increase the existing contract for Disaster Response Services for the period September 1, 2007 through June 30, 2010 with the option to renew for two additional three year periods at an increase not to exceed the Consumer Price Index for each renewal period. All renewals are subject to continuing need, availability of funds, satisfactory performance, and Board of Trustees' approval.
	Cost	\$6,832,000 (estimated)
	Vendor	Blackmon-Mooring Steamatic Catastrophe, Inc. (BMS CAT), Fort Worth, TX

	Original Amount (estimated)	Change Order (estimated)	New Total (estimated)
FY08	\$190,000	\$6,832,000	\$7,022,000
FY09	\$190,000	\$ N/A	\$ 190,000
FY10	\$190,000	\$ N/A	\$ 190,000

In November, 2007, the Director of Purchases approved a contract with BMS CAT to provide disaster response services for all three University campuses, including off-campus locations, on an as-needed basis in case of a catastrophic event. Due to the uncertainty of the occurrence of a disaster event, the original contract was established at \$190,000. The award was based on a competitive bidding process in accordance with the Illinois Procurement Code. The proposal response scores from the original RFP are indicated in the table below.

<u>Proposals Received</u>	<u>Point Summary of Proposals</u> (Maximum Score 7,000)
BMS CAT, Fort Worth, TX	6,507
Belfor, Crystal Lake, IL	5,312
Statewide Disaster Restoration, Southfield, MI	4,140

Three current disasters, two at the Chicago campus and one at the Urbana-Champaign campus now require an increase to the original contract in order to provide necessary disaster assessment and mitigation services. The Chicago campus disasters involve the mitigation of fire damage to the College of Pharmacy Building (\$5,960,000) and mitigation of water damage resulting from failure of the heating system at the Molecular Biology Research Building (\$70,000). The Urbana-Champaign campus disaster involves mitigating a mold outbreak in the University's Rare Book and Manuscript Library (\$802,000). The disaster services necessary to mitigate these events are required on an emergency basis to prevent serious loss and minimize further damage to University property and a disruption of University services.

A majority of the costs associated with the handling of these disaster services will be recovered through insurance with the exception of the applicable deductible amounts.

SUMMARY OF PURCHASE	
(Rounded to nearest dollar)	
Urbana-Champaign Campus Recommended from Institutional Funds	
Grand Total	\$ 500,000
SUMMARY OF CHANGE ORDER	
(Rounded to nearest dollar)	
University Administration Recommended from Institutional Funds	
Grand Total	\$6,832,000