

Board Meeting
July 13, 2006

ROLL CALL

PURCHASES AND CHANGE ORDERS

The "Purchase and Change Order Recommendations" are presented by campus and a Summary of Purchases and Change Orders from "Appropriated Funds" (i.e., from State appropriations to the University) and from "Institutional Funds" is included. The latter term is used here to designate 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 Summary also indicates a total amount by campus.

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 Directors of Purchases have proposed and the Vice President for Administration recommends the following purchases and change orders. Unless otherwise specified, the purchase in each case is recommended on the basis of the lowest acceptable bid.

The President of the University concurs.

PURCHASES RECOMMENDED

Chicago Campus

1	Unit	Hospital Pathology Laboratories – Clinical Pathology
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Item	Estimated quantities of reagents and supplies to be purchased during the period July 1, 2006 through June 30, 2011, to be used for the detection of sexually transmitted diseases.
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Cost \$2,000,000 f.o.b. delivered (estimated)

FY07	\$300,000
FY08	\$350,000
FY09	\$400,000
FY10	\$450,000
FY11	\$500,000

Vendor Gen-Probe, San Diego, CA

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

Gen-Probe offers a patented transcription mediated amplification Aptima technology which is an FDA approved instrument that will be used to detect sexually transmitted diseases. Gen-Probe will provide an automated direct tube sampling system and a dry heat bath/vortexer which is essential for the high volume testing of the Pathology Lab for the University Outreach Program.

Pricing for the reagents and supplies is firm for the five year period of the contract. Gen-Probe will also provide, at no additional cost, the use of the two instruments for the duration of the contract. The University will not take title to the equipment.

The estimated expenditure is calculated by multiplying the estimated quantity of reagents and supplies by the unit cost per item. Actual expenditures will vary based upon actual quantities used. An estimated 12% quantity growth factor is included for expenditures in years two through five of the agreement.

The price is considered reasonable and acceptable.

2 Unit Hospital Pathology Laboratories – Molecular Pathology

Item Laboratory testing for the detection of cervical cancer for the period July 1, 2006 through June 30, 2009.

Cost \$750,000 f.o.b. delivered (estimated)

FY07	\$200,000
FY08	\$250,000
FY09	\$300,000

Vendor Digene Corporation, Gaithersburg, MD

This purchase is a sole source because this vendor is the only known

supplier that has FDA approved assay testing to detect 13 types of human papillomavirus (HPV) in liquid based cytology cervical specimens and is the only known supplier that provides FDA approved instrumentation. The equipment and technology is patented by Digene Corporation, and the reagents and assay tests must be purchased from Digene to assure complete compatibility with the equipment. These types of HPV tests are not available from distributors or dealers.

Pricing for the reagents and assay tests are firm for the three year period of the contract. The University will not take title to the equipment.

The estimated expenditure is calculated by multiplying the estimated quantity of reagents and tests by the unit cost per item. Actual expenditures will vary based upon actual quantities used. Due to the rapid growth of the Pathology Laboratories University Outreach Program, an estimated escalation factor has been added to the estimated reagent and supply costs for years two and three of the agreement.

The price is considered reasonable and acceptable.

3 Unit Hospital Pathology Laboratories - Microbiology

Item Estimated quantities of HIV reagents and rental of one automated enzyme immunoassay Evolis instrument system for the detection of HIV-1 plus O/HIV-2 antibodies for the period July 1, 2006 through June 30, 2011.

Cost \$1,750,000 f.o.b. delivered estimated

FY07	\$250,000
FY08	\$300,000
FY09	\$350,000
FY10	\$400,000
FY11	\$450,000

Vendor Bio Rad Laboratories, Hercules, CA

This purchase is a sole source because this vendor is the only supplier that has an FDA approved enzyme immunoassay platform for the detection of HIV-1 plus O/HIV-2 and has the only approved instrumentation for this assay. The Bio-Rad HIV-1 plus O/HIV-2 assay is used to detect antibodies to both M and O serogroups in order to detect both strains and deliver optimal patient care.

Pricing for the reagents are for the five year period of the contract. Bio-Rad will provide instrumentation at no additional cost for the duration of

the contract period and the University will not take title to the equipment. The increases from year-to-year are not reflective of price increases, but are a result of escalators built in for anticipated volume increases for HIV mandated testing of all prisoners in a newly acquired State of Illinois Prison contract.

The estimated expenditure is calculated by multiplying the estimated quantity of reagents by the unit cost per item. Actual expenditures will vary based upon actual quantities used. Due to the rapid growth of the Pathology Laboratories University Outreach Program, an estimated escalation factor has been added to the estimated reagent costs for years one through five of the agreement.

The price is considered reasonable and acceptable.

4 Unit College of Dentistry

Item Estimated quantities of rotary polishing and specialty dental burs to be purchased during Fiscal Year 2007, with the option to renew for five additional one year periods, subject to availability of funds, continuing need and satisfactory performance, with the Comptroller authorized to exercise such options.

Cost \$222,373 f.o.b. delivered (estimated)

Vendor Brasseler USA, Savannah, GA

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

<u>Bid Received</u>	<u>Estimated Cost</u>
Axis Dental Corp., Coppell, TX	\$ 236,396

The estimated expenditure is calculated by multiplying the estimated number of units by the unit price bid. Actual expenditures may vary based upon actual quantity usage.

These dental burs will be used by students at the College of Dentistry in pre-patient care courses.

Urbana-Champaign Campus

5 Unit Facilities and Services

Item Various Adobe Software Licenses and Media for the period July 1, 2006

through June 30, 2007 with the option to renew for nine additional one year periods, subject to availability of funds, continuing need and satisfactory performance, with the Comptroller authorized to exercise such options.

Cost \$400,000 (estimated)

Vendor Douglas Stewart Company, Madison, WI

This purchase is a sole source because the software manufacturer, Adobe, has designated Douglas Stewart to be their only distributor through special arrangements and pricing for the educational market known as Contractual License Program (CLP).

Douglas Stewart distributes personal computer software, hardware, and peripherals to the higher education market for institutional use and resale to faculty, staff, and students. Products for distribution are selected by Facilities and Services based on institutional demand.

Douglas Stewart offers the manufacturers' educational discounts from the manufacturer's list prices, plus an additional Douglas Stewart discount and volume discount when orders are combined for consolidated shipments.

An assessment of the costs indicates that the University is receiving a 50-75% discount by purchasing through the CLP program versus purchasing individual shrink wrapped copies from the manufacturer.

The price is considered reasonable and acceptable.

6 Unit Campus Information Technologies and Educational Services (CITES)

Item Secondary Internet Access Services for the period July 1, 2006 through June 30, 2007 with options to renew for two additional one year periods subject to availability of funds, continuing need and satisfactory performance, with the Comptroller authorized to exercise such options.

Cost \$316,500

Vendor AT&T, Springfield, IL

The award evaluation was based on a total point assessment that considered technical merit, service, ability to deliver, and price.

Proposals Received Point Summary of Proposals
(Maximum Score of 450)

AT&T, Springfield, IL 450

McLeod USA, Chesterfield, MO 422

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

CITES uses the Illinois Century Network (ICN) as its primary Internet Access supplier. This secondary internet access service will permit CITES to load balance between two providers as well as to provide redundancy should the primary service experience technical or volume difficulties.

7 Unit University Risk Management

Item Dental Insurance for the UIUC graduate assistants and their families for academic year 2006/2007, with options to renew for nine additional one year periods at an increase that will not exceed 15% for each renewal period, subject to availability of funds, continuing need and satisfactory performance, with the Comptroller authorized to exercise such options.

Cost \$726,600 (estimated)

Vendor Delta Dental of Illinois, Lisle, IL

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

The award evaluation was based on a total point assessment that considered technical merit and price.

<u>Proposals Received</u>	<u>Point Summary of Proposals</u> (Maximum Score of 100)
Delta Dental of Illinois, Lisle, IL	97
HSAC, Osprey, FL	90
United Healthcare, Minneapolis, MN	50
Chickering Group, Cambridge, MA	44

The estimated expenditure is based on program participation in the 2006/2007 academic year. Each academic year's cost will vary based on the number of assistants with waiver generating appointments and allowable premium adjustments.

Selection of the carrier was based on the rates for the benefits offered. Also assessed were the number and location of carrier's panel of providers; ability of proposer to manage enrollment and payment for graduate students and dependents who want to voluntarily purchase the insurance; the proposal that best complied with the RFP specifications; and the proposer's qualifications and organizational capability.

The Office of the Provost pays the insurance cost for graduate assistants, research assistants, teaching assistants, and certain graduate fellows who have waiver generating appointments. Coverage is also extended to families of graduate assistants and other graduate students who may enroll and pay the carrier directly.

Coverage includes preventative and diagnostic services as well as selected major services.

8 Unit Veterinary Teaching Hospital

Item Veterinary Magnetic Resonance Imaging (MRI) system with four years of extended maintenance specifically engineered for the dual-purpose of scanning large and small animals.

Cost \$612,000 (estimated)

\$479,000 equipment – f.o.b. shipping point and installed

\$116,000 four years of maintenance

\$ 10,000 removal and disposal of current equipment

\$ 7,000 estimated shipping

Vendor Universal Medical Systems, Inc., Solon, OH

This purchase is a sole source because Universal Medical Systems is the only manufacturer of the Vet-MR Grande, the world's first dual-purpose dedicated MRI system for all large and small animals.

The system's specially designed magnet and large stationary surface scanning area will provide the Veterinary Teaching Hospital with superior small and large animal images. The customized Windows interface features appropriate veterinary terminology and intuitive system handling and is suitable for small or large animals.

The Veterinary MRI system includes veterinary-specific functionality with patient orientation specific to animal anatomy, pulse sequences specific to animal anatomy, patient tables specific to equine and small animal anatomy, and is enclosed in a self-contained perforated RF cage allowing sight and sounds through the cage eliminating expensive HVAC RF design and lighting design.

Universal Medical Systems, Inc. offers a 35% discount from the list price of the MRI and a 25% discount for the annual maintenance plan.

The price is considered reasonable and acceptable.

9 Unit Institute for Genomic Biology

Item 12 Tesla Shielded Superconducting Magnet System

Cost \$400,000 f.o.b. delivered and installed

Vendor Oxford Instruments America, Inc., Concord, MA

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

This magnet system will be the main component in an ultra-high performance mass spectrometer that will serve an interdisciplinary research facility located at the Institute for Genomic Biology. Studying the small molecules and proteins from agricultural plants, bacteria, human cells and tissues will give researchers a clearer picture of bacterial, virile, and cancerous cells and their structure and growth.

This investment in University infrastructure will permit laboratories across the campus to be more competitive in conducting leading edge biotechnology research and enhance the potential for obtaining fiscal support through sponsored research projects.

10 Unit Institute for Genomic Biology

Item Three lab freezer sizes: 7 -86 degree 24.4 cubic foot upright freezers; 21 -86 degree 32 cubic foot upright freezers; and 3 -86 degree 20.5 cubic foot chest freezer bottles for the new Institute for Genomic Biology laboratories.

Cost \$290,760 f.o.b. delivered and installed

Vendor Fisher Scientific, Hanover Park, IL

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code. The low bid was selected for each size of freezer.

Funds for this transaction are being provided by the Capital Development Board. This will be a one time purchase to furnish this new laboratory.

11 Unit School of Chemical Sciences

Item Femtosecond Laser and Optical Parametric Amplifier with a pulse energy range of greater than 2.0 millijoules.

Cost \$251,370 - f.o.b. delivered

Vendor Quantronix Corporation, East Setauket, NY

<u>Bids Received</u>	<u>Total Cost</u>
Quantronix Corporation, East Setauket, NY (Integra – 1 2.5mJ)	\$254,205
Clark-MXR, Dexter, MI	\$258,656
Quantronix Corporation, East Setauket, NY (Integra –C 2.5mJ)	\$259,780

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

Funds for this transaction are being provided by the U.S. Army Research Office Defense University Research Instrumentation Project. The research project involves using an advanced type of laser spectroscopy called nonlinear coherent vibrational spectroscopy to look at molecules on the surface of the electrodes of fuel cells. The laser is the key component in the optical system. The purpose of this work is to understand the fundamental mechanisms of fuel cell electrochemistry

University Administration

12 Unit Administrative Information Technology Services (AITS)

Item Consulting Services for the SunGard SCT Banner system for the period of July, 2006 through June 30, 2007, with Starpoint offering options to renew for five additional one year periods with prices firm for the first option period and based on the Midwest Consumer's Price Index for the second through fifth option periods and SunGard SCT offering options for three additional one year renewal periods with rate increases not to exceed 5% per year. All renewals are subject to the availability of funds, continuing need and satisfactory performance, with the Comptroller authorized to exercise such options.

Cost \$622, 500 (estimated)

\$440,000 – SunGard/SCT
\$ 10,000 – SunGard/SCT Travel
\$150,000 – Starpoint Solutions
\$ 22,500 – Starpoint Travel

Vendor SunGard/SCT, Melbern, OH (\$450,000)

Starpoint Solutions, Chicago, IL (\$172,500)

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

<u>Proposals Received</u>	<u>Point Summary of Proposals</u> (Maximum Score of 100)
SunGard SCT, Melbern, OH	76.1
Starpoint Solutions, Chicago, IL	74.4
TAG, Naperville, IL	62.9
Tek Systems, Bloomington, IL	56.6

The University implemented the SunGard SCT Banner Enterprise Resource Planning System (Banner) in July 2003. As the transition to the Banner system has proceeded, there is a continuing need to engage technical and functional consultants to assist in implementing either new features in Banner or in the analysis, design, or construction of new “bolt-on” applications to Banner as well as to troubleshoot ad hoc problems.

Once a requirement or problem has been identified, contractors will be requested to submit resumes of contractor’s service personnel available for assignment as resources. The University will review resumes and select the most qualified personnel. The service personnel will be given a list of expected deliverables and the timeframe for the completion of the deliverables.

Awarding contracts to two firms will ensure that resources will be available at the time of need and permit engaging personnel with the most relevant professional expertise. Determination as to which contractor’s temporary, as-needed resources will be utilized at the time of the requirement will be based on availability of qualified resources with the critical skill sets. The estimated costs are based on the anticipated maximum annual expenditures for the two vendors.

SUMMARY OF PURCHASES	
(Rounded to nearest dollar)	
Chicago Campus	\$4,722,373
Urbana-Champaign Campus	2,997,230
University Administration	622,500
Recommended from Institutional Funds	

Grand Total	\$8,342,103
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