

ROLL CALL

PURCHASE RECOMMENDATIONS

The "Purchase Recommendations" are presented by campus and a Summary 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 Director of Purchases has proposed and the Vice President, Chief Financial Officer recommends the following purchases. 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 Utilities Administration

Item Purchase of extended service agreement, including repair service, replacement parts, and unlimited overhauls, for the campus's three combustion turbine generators for the period July 20, 2012 through June 30, 2017.

Cost \$6,557,000 (estimated)

Vendor Solar Turbines Incorporated, San Diego, CA

This purchase is a sole source because the vendor is the original equipment manufacturer and is the sole provider of compatible replacement parts, engineering expertise, and factory-trained personnel to perform the desired services. The equipment and replacement parts are also patented and not available from any other vendor.

This purchase will provide repair services, replacement parts, and unlimited overhaul for the University's three Solar Taurus 70 combustion turbine generators. The generators are located at the University of Illinois at Chicago (UIC) Power Plant and supply electricity to the entire campus. The generators also provide steam for heating, dehumidification, and sterilization purposes for the University of Illinois Hospital, the UIC Outpatient Care Center, and the UIC College of Medicine Research Building, as well as other customers that include Rush University Medical Center.

The previous agreement with the vendor allowed for one overhaul per turbine during the life of the contract. However, one of the three turbines required two overhauls during the most recent five-year period. Therefore, it was determined that the most cost-effective approach to preventing the University from incurring the steep costs of additional turbine replacements is to opt for an agreement that allows for more frequent overhauls. Without such an agreement in place, a single turbine failure could cost the University up to \$1,800,000. This five-year agreement mitigates the University's risk and is considered fair and reasonable.

2 Unit University of Illinois College of Medicine at Peoria (UICOMP)

Item Access to electronic patient care system, including electronic health record, scheduling software, practice management software, training services, and help desk support services, for the period July 20, 2012 through March 31, 2017, with the option to renew for five additional one-year periods.

Cost \$1,645,000 (estimated)

Renewal Options:

April 1, 2017 to March 31, 2018	\$275,000 est.
April 1, 2018 to March 31, 2019	\$275,000 est.
April 1, 2019 to March 31, 2020	\$275,000 est.
April 1, 2020 to March 31, 2021	\$275,000 est.
April 1, 2021 to March 31, 2022	\$275,000 est.

Vendor OSF Healthcare System Corporation, Peoria, IL

This purchase is an economically feasible sole source because the vendor’s pricing model is the only cost-effective strategy for the University of Illinois College of Medicine at Peoria (UICOMP) to acquire an integrated Electronic Medical Records (EMR) and Practice Management System (PMS). This agreement involves an annual payment to the vendor for use of their customized electronic patient care system through a sublicense agreement, as well as one-time installation costs. OSF has also agreed to provide technical support with no mark-up of software maintenance fees or technical staff support fees.

OSF has spent years customizing EPIC’s Patient Care System, adding scheduling software, practice management software, training services, and help desk support services to the standard EpicCare electronic medical record. The resulting product is uniquely tailored to OSF’s needs and is not available for purchase from any other vendor.

The agreement allows for the installation, use, and support of the system at approximately thirty University outpatient clinical practice sites in the greater Peoria area. These sites are staffed by approximately 100 physicians, 300 residents, and 150 medical students.

Access to the EPIC Patient Care System will provide UICOMP with improved access to OSF referring physicians and OSF diagnostic tests and results; allow for the coordination of care, treatment, and medication management across the entire continuum of care; an improved clinical care experience for medical students; access to a clinical database for engaging in translational and outcomes research; and improved patient care with a single scheduling system.

This agreement will also allow UICOMP to phase out its paper-based medical record process in favor of an electronic medical record. The EPIC System will also provide the dual functionality of EMR and PMS by providing a record of information and data necessary for regulatory billing requirements.

The estimated one-time implementation cost is \$270,000, and the estimated annual access cost is \$222,000. Pricing for annual access cost reflects a 37% savings off the list price of EPICS’s standard electronic medical record, which does not include the additional components that OSF’s system encompasses. This results in annual savings of approximately \$378,000 for the University.

SUMMARY OF PURCHASES	
Chicago Campus	\$ 8,202,000
Recommended from Institutional Funds	
Grand Total	\$ 8,202,000