16

Board Meeting September 23, 2010

ROLL CALL

PURCHASE RECOMMENDATIONS

The "Purchase Recommendations" are presented by campus and a Summary from "Appropriated Funds" (<u>i.e.</u>, 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	Department of Chemistry				
	Item	Purchase of an Advance III 750 Wide Bore High-Performance Digital Nuclear Magnetic Resonance (NMR) system with accessories and a three-year service plan on parts after the expiration of the initial twelve-month warranty.				
	Cost	\$1,926,251 (estimated)				
	Vendor	Bruker BioSpin Corp., Billerica, MA				

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code. Two vendors submitted bids. One vendor was deemed non-responsive.

This purchase will consist of a new Advance III 750 Wide Bore High-Performance Digital Nuclear Magnetic Resonance (NMR) system, 400 MHz wide-bore NMR system upgrade, a 750 MHz inverse triple resonance probe, a 1.3 mm stator module, a 3.2 mm stator module, and two ultra low-dew point dryers. The system will be used for solid-state NMR structural analysis of biomolecules such as amyloid proteins and membrane proteins research associated with Alzheimer's disease.

The University of Illinois at Chicago will serve as a new site for unique interdisciplinary collaboration for researchers within the Chicago area. This NMR system will be the only system of its kind in Chicago. It will provide the latest advanced technology for stable operation.

The University will realize an estimated cost savings of \$350,000 through an unconditional price reduction. The total purchase price includes software, hardware, delivery, installation and training.

The purchase of the system is supported by a National Institutes of Health (NIH) high-end instrumental grant.

2 Unit University of Illinois Medical Center, Hospital Information Services

Item Purchase of information technology consulting services for the period October 1, 2010 through September 30, 2013, with an option to renew for two additional one-year periods. The funding for the option years will be based on any remaining balances after the initial contract period. All renewals are subject to continuing need, availability of funds, and satisfactory performance.

Cost \$15,000,000 (estimated)

Renewal Options: October 1, 2013 to September 30, 2014 October 1, 2014 to September 30, 2015

Vendors	Cerner Corporation, Kansas City, MO	\$5,000,000 est.
	Vitalize Consulting, Kennett Square, PA	\$5,000,000 est.
	MaxIT, Westfield, IN	\$5,000,000 est.

Proposals Received	Point Summary of Proposals
	(Max. Score 4350)
Cerner Corporation, Kansas City, MO	3850
Vitalize Consulting, Kennett Square, PA	3775
MaxIT, Westfield, IN	3600
CTG Healthcare Solutions, Cincinnati, OH	3355
Perot Systems, Plano, TX	2930
Courtyard Group, New York, NY	2855
Beacon Partners, Weymount, MA	2855
Lazaro Consulting, Bourbonnais, IL	2780
Huntzinger Management Group, Plains, PA	2685
Tec Services, Naperville, IL	2635
Impact Advisors, LLC, Naperville, IL	2505
Encore Health Resources, Houston, TX	2305
Arias Information Solutions, Chicago, IL	2220
York Solutions, Westchester, IL	1695
MTG Management Consultants, Seattle, WA	1465

Competitive selection procedures were followed in accordance with the Illinois Procurement Code. One additional award is recommended to CTG Healthcare Solutions of \$950,000 to help support the various project needs of the Medical Center.

The American Recovery and Reinvestment Act of 2009 (ARRA) encourages the adoption of "Meaningful Use" (MU) of electronic health records through Medicare and Medicaid incentive payments to hospitals and eligible providers. The federal regulations regarding MU are intended to enable the transformation of the health system to improve healthcare quality, efficiency, equity, and safety through the effective use of health information technology. Starting in 2015, healthcare providers are expected to be in compliance with MU or will be subject to financial penalties under Medicare. It is imperative that the University undertake new technology and other operational changes to achieve the MU requirements. The program will require the acquisition of software, hardware, and resources for staff augmentation and subject matter expertise not available within the Medical Center.

The recommended consultants will be engaged on a project basis to provide the following services over a period of three to five years in order to assist the University in becoming compliant with ARRA and MU:

- 1. <u>Cerner Millennium software implementation services</u> there are components of the Cerner electronic medical record that must be enhanced or implemented for the first time. The consultants will be utilized for their expertise because the Medical Center does not have sufficient resources or staff with the knowledge to write custom reports or implement new modules, such as electronic prescription writing.
- 2. <u>Midas software implementation services</u> Midas is used to manage the quality clinical data that is produced by the Medical Center, which is a core requirement of MU that will be expanding. A consulting firm that is experienced in this area will be beneficial to the Medical Center.
- 3. <u>Guidance on the ARRA stimulus plan</u> a consulting firm that has a division focused on this major federal initiative will be used to validate the efficacy of the plans being proposed by the Medical Center and to recommend improvements in the proposed plans.
- 4. <u>Strategic planning assistance</u> the consultant(s) will provide guidance to the Information Services (IS) department to ensure that its business plans are properly aligned with Medical Center's plans as the needs of the business change.

It was determined that the top four vendors with the highest overall technical and pricing scores will meet the University's needs and are recommended for award. Utilizing multiple vendors allows the Medical Center to acquire the best skilled resources available for all the required engagements.

After Best and Final Offer negotiations, the blended rates range from \$130 to \$220 per hour depending on position title. Based on the dollar value estimated for the contracts, the approximate cost savings potential may be \$1,100,000.

- 3 Unit Department of Physics
 - Item Purchase of a 200kV cold field-emission gun probe aberration-corrected highresolution and analytical scanning transmission electron microscope with accessories and a one-year warranty on parts and labor.
 - Cost \$2,941,007 (estimated)
 - Vendor JEOL USA, Inc., Peabody, MA

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

This purchase will consist of a new 200kV cold field-emission (CFEG) gun probe aberration-corrected high-resolution and analytical scanning transmission electron microscope, a double tilt cooling stage, a double tilt heating stage, and a tomography stage. The system will be used for multidisciplinary research and educational study of atomic scale and formation property relationships of functional nano-materials. The system will allow the University to study a wide range of materials, including how new structures can convert excess heat into clean energy, how materials can be used for more efficient data storage, and the effects of welding fumes on human lung cells.

The purchase of the CFEG will create a regional center of excellence within the central Midwest which will provide access to students and scientists from four other universities, Fermilab, and Argonne National Laboratory to study electron microscopy.

The University will realize an estimated cost savings of \$131,180 through an unconditional price reduction. The total cost of the system includes the trade-in of the current CFEG, warranty, installation, and training.

The purchase of the system is primarily supported by a National Science Foundation (NSF) grant.

SUMMARY OF PURCHASES			
(Rounded to nearest dollar)			
Chicago Campus	\$19,867,258		
Recommended from Institutional Funds			
Grand Total	\$19,867,258		