Approved by the Board of Trustees

January 26, 2023

**32**

Board Meeting

January 26, 2023

ROLL CALL

# PURCHASE RECOMMENDATIONS

Following are purchase contracts proposed by each university and the System Office. The purchases are to be funded from State appropriations or institutional funds as appropriate. Unless otherwise specified or indicated, purchases are based on the lowest acceptable bid. The Vice President, Chief Financial Officer, and Comptroller has approved all purchases to be funded from State appropriations in accordance with the *Bylaws of the Board of Trustees* and the *General Rules Concerning University Organization and Procedure*.

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*, the *Bylaws of the Board of Trustees*, and Board of Trustees policies and directives.

The President of the University concurs.

**PURCHASES RECOMMENDED**

**University of Illinois at Chicago**

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| 1 | Unit | Office of Vice Chancellor for Research |
|  | Item | JEM-Z200MF: Monochromated-MARS NEOARM microscope |
|  | Cost | $5,800,000 (estimated) One-time purchase |
|  | Vendor | JEOL Solutions for Innovation Peabody, Massachusetts |

This purchase is exempt from competitive selection procedures in accordance with the Illinois Procurement Code (30ILCS 500/1-13) (b) (8), *Procurement expenditures necessary to perform sponsored research and other sponsored activities under grants and contracts funded by the sponsor or by sources other than State appropriations.*

Through a $4 million National Science Foundation grant, the UIC Office of the Vice Chancellor for Research, has received funding to purchase an analytical, aberration-corrected and monochromated transmission electron microscope with a magnetic field-free objective lens. UIC will provide the required cost-share of 30%, or $1.8 million, toward the total cost from sponsored project indirect cost recovery.

The JEM-Z200MF: Monochromated-MARS NEOARM microscope with a new lens design, provides a magnetic-field-free sample region and, when combined with a nearly mono-energetic electron source, allows for atomic-resolution imaging as well as chemical analysis of critical materials.

This microscope purchase leverages the development or acquisition of multi-user research instruments critical to the advancement of science and engineering, specifically for research and research training at institutions of higher education and not-for-profit scientific/engineering research organizations. UIC students and scientists, as well as others throughout the Midwest and the United States, will benefit from this microscope acquisition. Currently, the only other microscope similar to this is at the University of Tokyo in Japan.

This is a one-time purchase. The lead time for this advanced instrumentation is 2.5 years, and to ensure the equipment is installed, tested, and functional by September 2025, in accordance with the requirements of the grant, the procurement must be executed by February 2023.

Business Enterprise Program (BEP) goals are not established for contracts that are exempt from the requirements of the IL Procurement Code.

**CHANGE ORDER RECOMMENDED**

**University of Illinois at Urbana-Champaign**

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| 2 | Unit | Office of the Chancellor/Office of the Provost |
|  | Item | Furnish assistance in implementing a campus-wide plan to improve administrative processes and organizational transformation for the period February 3, 2023, through January 31, 2025 |
|  | Cost | $4,620,000 (Estimated)   |  |  |  |  | | --- | --- | --- | --- | | **Fiscal Year** | **Original Amount (est.)** | **Change Order Amount (est.)** | **New Total (est.)** | | FY21, FY22, & FY23 | $2,802,045 | $4,620,000 | $7,422,045 | |
|  | Vendor | Huron Consulting Services, LLC, Chicago, Illinois    Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.  This will be the second change order approved by the Board of Trustees. Original approval was on May 19, 2022, for an estimated $1,600,000 for the period May 28, 2022, through February 3, 2023.  Operational Excellence @ Illinois emerged from the Next 150 Strategic Plan and is a university-wide initiative to streamline, innovate, contain costs, improve services, and coordinate administrative processes at all levels. The university initiated the Operational Excellence @ Illinois initiative in May 2021 by partnering with Huron Consulting to advance our administrative services in five specific areas: 1) Human Resources, 2) IT & Data, 3) Budget & Procurement, 4) Marketing & Communications, and 5) Physical Space. The initiative is being led by the Operational Excellence @ Illinois Task Force, which includes university senior leadership from each functional area. The first three phases, *Decide,* *Imagine*, and *Detailed Design* have been completed, and this request is to engage Huron in the next and final phase, which is the *Implementation* phase.    During the *Implementation* phase, Huron will work with leadership and stakeholders to implement and achieve operational excellence through organizational, process, and technology changes structured around work completed in the previous phases – *Imagine, Decide, and Detailed Design.* This tailored project plan will be completed over the course of 24 months and will be broken down into two sub-phases – *Planning in Support of Functional Visions* and *Enterprise Implementation.* Huron will support the development of planning and materials for enterprise implementation of the institutional operating model through the articulation and rollout of function-specific prototypes, with the achievement of enterprise implementation by January 2025.  It is essential to note that the projected annualized Return on Investment over a 5-year period across all five functional areas through the final *Implementation* phase is estimated at 18-28%. This factors in both Huron and UIUC efforts and is based on an estimated 10-15% cost containment by capitalizing on opportunities for organizational efficiencies. As UIUC grows, service improvements achieved through Operational Excellence mean that administrative operations and associated costs may not need to grow at the same rate. As a result, the institution prevents unnecessary future expenses. These critical resources can then be redirected to support service improvements further and advance our overall mission.  Operational Excellence @ Illinois constitutes transformational change, leading to financial efficiency gains and non-monetary benefits that will enhance institutional missions and employee engagement.  Spend for the project occurred in FY21 & FY22, therefore there was no spend exceeding $1,000,000 in any single fiscal year, thereby not needing BOT approval.  Per the original contract, Huron Consulting is continuing to utilize a BEP vendor for 8% of the value of the project. |

**University of Illinois at System Office**

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| 3 | Unit | SHIELD Illinois Deployment |
|  | Item | Change order to 1) extend the term of the COVID-19 Electronic Medical Record System contract for the period of January 15, 2023 through August 31, 2023; and, 2) increase the amount of the contract to provide funding for the current contract term (January 15, 2021 through January 14, 2022) and the extension (January 15, 2023) through August 31, 2023. |
|  | Cost | Current Board Approved Total (est.): $2,603,190.50  Change Order Amount (est.): $3,080,601.14  New Total (est.): $5,683,791.64  **Extension**  Extension Term: January 15, 2023 through August 31, 2023 |
|  | Vendor | Point and Click Solutions Inc. Woburn, Massachusetts  This purchase is exempt from the Illinois Procurement Code and competitive selection pursuant to the COVID-19 Gubernatorial Disaster Proclamation filed January 8, 2021. Subsequent proclamations have been filed to-date.  This contract is for an electronic medical record system to track saliva samples through lab processing, maintain collection results, and communicate the results to the tested individuals. This purchase was originally approved at the November 2021, meeting with change orders to extend/increase the contract’s amount reported at the January 2023 and November 2023 meetings.  This change order is required due to the increased duration of the contract and the increased volume of samples being tracked through the electronic medical record system. All values are estimated. Actual spend will be determined by the volume of COVID-19 testing conducted through the end of the extended term. It is important to note that vendors will only be paid if specimens are entered into the system for tracking/processing. Costs for this change order will be paid through the SHIELD Illinois Intergovernmental Agreement (IGA) with the State of Illinois Department of Public Health to provide COVID-19 testing to primary schools (K-12), community colleges, and the general community of Illinois residents at large.  The extension identified is for the term January 15, 2023 through August 31, 2023, to provide time to decommission the electronic medical record system and migrate existing data to storage. The current SHIELD IGA with the State of Illinois Department of Public Health to provide COVID-19 testing is also intended to pay for these services; however, the current IGA expires June 30, 2023. SHIELD Illinois added two months to the extension to allow time to determine its needs after the expiration of the IGA with the Department of Public Health. The University can cancel the contract with 30 days’ notice to the Vendor.  SHIELD Illinois currently operates a network of high-capacity laboratories throughout Illinois certified under the Clinical Laboratory Improvement Amendments. These labs conduct the University of Illinois’ rapid, low-cost, saliva-based covidSHIELD test under Emergency Use Authorization from the U.S. Food and Drug Administration. This electronic medical record system is necessary to track the samples through the labs and communicate results to individuals tested for COVID-19.  It would be impractical to change to a new EMR system due to its incorporation into SHIELD’s testing process, and this EMR is integrated into the Department of Public Health’s COVID reporting system.  Business Enterprise Program (BEP) goals are not established for contracts that are exempt from the requirements of the IL Procurement Code. |

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| **SUMMARY OF PURCHASES** | |
| University of Illinois at Chicago | $ 5,800,000.00 |
| Recommended from Institutional Funds  Grand Total | $ 5,800,000.00 |
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| **SUMMARY OF CHANGE ORDERS** |  |
| University of Illinois Urbana-Champaign | $ 4,620,000.00 |
| University of Illinois System Office | $ 3,080,601.14 |
| Recommended from Institutional Funds  Grand Total | $ 7,700,601.14 |