

ROLL CALL

PURCHASE RECOMMENDATIONS

The "Purchase Recommendations and Renewal Options" are presented by university, 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 university.

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 Assistant Vice President for Procurement Services has proposed and the Vice President, Chief Financial Officer recommends the following purchases and renewals. 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

Urbana-Champaign

1	Unit	Administrative Information Technology Services
	Item	Final payments of a sole source procurement for maintenance of Banner Baseline ERP Software for the period July 1, 2018 through June 30, 2020.
	Cost	\$2,089,114 (estimated)
	Vendors	Ellucian Support, Inc., Malvern, PA

Sole source procurement procedures were followed in accordance with the Illinois Procurement Code, 30 ILCS 500/20-25.

This request is for payment of maintenance for the fifth and sixth years of a multi-year contract that was first executed on July 1, 2014 expiring June 30, 2020. This purchase is a sole source because the items are proprietary to Ellucian and no other vendor has the rights to, or access to, the source code. Therefore, no other vendor is able to provide support and maintenance on the software.

Banner Baseline ERP Software is currently the system of record for the University System. The maintenance includes, but is not limited to, Banner Student Self-Service, Banner Faculty Self-Service, Banner Financial Aid, Banner Financial Aid Self-Service, CSS Profile for Financial Aid, Banner Finance, Banner Human Resources, Banner Document Management Suite, Banner Integration for eLearning, Banner Integration for eProcurement, and Banner Integration Technologies.

On-going maintenance provided by Ellucian also provides mandatory upgrades throughout the contract term. These upgrades are critical to ensure the system is running the most up to date versions which include federally mandated releases for financial aid and State/Federal tax upgrades.

Price adjustments for the various programs contained within Banner have been limited to a 5% increase.

Chicago

2	Unit	University of Illinois Hospital and Health Sciences System, Materials Management Department on behalf of Surgical Services
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	Item	TAVR Evolut Valves used for transcatheter aortic valve replacement (TAVR) for the period August 1, 2018 through June 30, 2022.
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	Cost	\$8,000,000 (estimated)
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	Vendor	Medtronic USA, Incorporated, Minneapolis, MN
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This purchase is exempt from competitive selection procedures in accordance with the Illinois Procurement Code Section 30 ILCS 500/1-13(b-5) regarding contracts for medical supplies and services necessary for the delivery of care and treatment.

Surgical Services recently brought on a new surgeon, Dr. Elliott Groves, who anticipates doing approximately four TAVR procedures a month. The

procedure is a treatment option for people with severe (high risk and intermediate risk) aortic stenosis that does not require open heart surgery. The TAVR Evolut Valves have a list price of \$35,500.00 each. Because of the surgical procedure volume, Medtronic is discounting the price to \$30,000.00 each. The University may also qualify for additional discounts via bulk purchases.

3 Unit University of Illinois Hospital and Health Sciences System, Materials Management Department, on behalf of Surgical Services

Item Craniomaxillofacial/Thoracic Plating Systems used in a variety of specialty surgical applications in the following areas: neurosurgery, plastic reconstructive surgery, oral surgery, and thoracic surgery for the period August 1, 2018 through July 31, 2023.

Cost \$6,000,000 (estimated)

Vendor Biomet Microfixation, Incorporated, Jacksonville, FL

This purchase is exempt from competitive selection procedures in accordance with the Illinois Procurement Code Section 30 ILCS 500/1-13(b-5) regarding contracts for medical supplies and services necessary for the delivery of care and treatment.

The Biomet Microfixation plate systems offers the "RapidFire" 5-screw pre-loaded cartridge and patented "IQ Powers Screwdriver," which is faster than any other on the market makes these products superior to other vendor products. The "RapidFire" preloaded cartridge is the only five cartridge screw device on the market; coupled with the fastest "IQ Power Screwdriver" on the market for securing microfixation plates offering uninterrupted screw and plate placement to the surgeon. This feature bypasses reloading screws one at a time, therefore, saving the patient and surgeon critical time.

The original sole source (735JCM), published in June, 2016, for \$2,610,000 was based on the spend history for FY13, FY14, and FY15. Over the past year and a half there has been an increase in spend for these devices because new oral surgeons were brought on in the past year.

Pricing negotiations have resulted in discounts of at least 20% and up to 70% off list price for the entire product line, including custom implants.

4 Unit University of Illinois Hospital and Health Sciences System, Department of Radiation Oncology

Item Specialized Radiation Oncology services, including the services of Radiation Oncology Attending Physicians, PhD Medical Physicists and Radiation Oncology Resident Physicians for the period October 1, 2018 through September 30, 2021.

Cost \$9,567,880 (estimated)

Vendor University of Chicago, Department of Radiation and Cellular Oncology, Chicago, IL

This purchase is exempt from competitive selection procedures in accordance with the Illinois Procurement Code Section 30 ILCS 500/1-13(b-5) regarding contracts for medical supplies and services necessary for the delivery of care and treatment.

The University of Illinois Hospital and Health Sciences System (UIHHSS) does not employ radiation oncology physicians, PhD level medical physicists, or radiation oncology resident staff in the Radiation Oncology Department. Since 2004, these professional radiation oncology services have been provided through an outsource agreement with the University of Chicago Hospitals through their Department of Radiation and Cellular Oncology. This agreement allows for the continuance of the provision of comprehensive radiation therapy services to approximately 25-50 patients per week, utilizing University of Chicago staff.

The pricing proposal is considered reasonable and acceptable based upon the historical cost of the service. We were able to realize a savings of about \$1,106,497 for the next three years compared to the current contract.

5 Unit University of Illinois Hospital and Health Sciences System, Materials Management on the behalf of Surgical Services

Item Spinal cord stimulator and drug pump surgical implants for the period August 1, 2018 through June 30, 2023.

Cost \$10,000,000 (estimated)

Vendor Saint Jude Medical, Inc., St. Paul, MN

This purchase is exempt from competitive selection procedures in accordance with the Illinois Procurement Code Section 30 ILCS 500/1-13(b-5) regarding contracts for medical supplies and services necessary for the delivery of care and treatment.

Neuromodulation is a medical therapy that targets the nervous system for restoration of function, relief of pain, or control of symptoms following surgery or injury. Neuromodulation is also a therapeutic alteration of activity either through stimulation or medication, both of which are introduced by an implanted device. Spinal cord stimulation (SCS) is the most common form of neurostimulation and administers low voltage stimulation to the spinal cord or a targeted nerve to hinder or block the transmission of pain.

The pricing is considered reasonable and acceptable based upon the historical cost of the supplies. The negotiations have resulted in discounted pricing of 50% off list price.

SUMMARY OF PURCHASES	
Urbana-Champaign	\$ 2,089,114
Chicago	\$33,567,880
Recommended from Institutional Funds	\$25,656,994
Grand Total	