

**PARK EMPLOYEES' AND RETIREMENT BOARD EMPLOYEES'  
ANNUITY AND BENEFIT FUND OF CHICAGO**

**Non-Investment Procurement Policy**

Approved by Board: June 17, 2021

# **PARK EMPLOYEES' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO**

## **Non-Investment Procurement Policy**

### Purpose

The Board of Trustees ("Board") of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago ("Fund") establishes the following Non-Investment Procurement Policy ("Policy") so that all decisions to procure non-investment goods and services from vendors will be made in the most economical manner and with respect for the principles of competitive selection, full disclosure, objective evaluation, and proper documentation.

### 1. DEFINITIONS

- a. Goods means a physical or tangible item that is necessary to the operations or administration of the Fund.
- b. Minority-Owned Business, Women-Owned Business, or Business Owned By A Person With A Disability, as those terms are defined in the Business Enterprise for Minorities, Women and Persons with Disabilities Act, 30 ILCS 575/2.
- c. Professional Services. Services, which due to their nature or complexity, require a high degree of professional skill, including but not limited to, accounting services, actuarial services, audit services, banking services, and legal services.
- d. Services means those services, other than Professional Services and services provided by investment advisers or investment consultants, which are necessary for the operation or administration of the Fund.
- e. Routine Goods and Services means those expenses that have been budgeted on an annual basis, including, but not limited to, office supplies, postage, office equipment, computers and devices, computer and office equipment maintenance, office janitorial and maintenance, professional subscriptions, memberships, printing, and software licenses.

### 2. APPROVAL AUTHORITY

- a. Board Approval. Expenditures in excess of \$10,000 must be approved by the Board prior to payment and before entering into any contract or issuing any purchase order for that expenditure. The Board's approval of a budget that authorizes expenditures for certain purposes is sufficient approval of those authorized expenditures for those purposes, up to the amounts approved in the budget.
- b. Executive Director Approval. Expenditures up to \$10,000 must be approved by the Executive Director prior to payment and before entering into any contract.

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The Executive Director is authorized to establish limits (not to exceed \$10,000) for approval of expenditures by other Fund employees.

### **3. CONTRACTING AND PURCHASING**

- a. **Contracts.** All expenditures in excess of \$10,000 require a contract or a purchase order. All contracts in excess of \$10,000, and all other contracts when feasible, shall be reviewed by Fund counsel prior to execution. All contracts (regardless of amount) shall be signed on behalf of Fund by the Executive Director, except as provided by separate resolution of the Board. A copy of each contract shall be retained by the Comptroller of Fund.
- b. **Sales Tax; Government Rates.** The Fund shall not pay Illinois sales tax. Employees must direct the vendor to exclude Illinois sales tax from invoices. Employees should also ask if discounted Government rates are available for purchases.
- c. **Invoicing and Payment.** Invoices should be approved for payment within 30 days after the receipt of the invoice. Approval should not be given for goods and services that do not conform to the Fund's requirements. The vendor shall be promptly notified in writing if the Fund does not approve an invoice for payment and shall be advised of the reason for the denial.
- d. **Ethics.** In all aspects involving procurement, purchasing, and contracting, whether or not the Competitive Proposals Process is utilized, Fund employees shall comply with the Fund's Ethics Policy and will notify the Executive Director, or Fund Counsel, if they have reason to believe that there have been any violations of the Ethics Policy or that that collusion, bribery, or other unethical or illegal activities have occurred.

### **4. COMPETITIVE PROCUREMENT FOR NON-INVESTMENT SERVICES**

- a. **Applicability; Exempt Purchases.** The following procurements are not subject to the Competitive Proposals Process, although informal quotes will be obtained and efforts will be made to obtain the best value for the Fund:
  - i. Routine Goods and non-Professional Services of \$5,000 or less.
  - ii. Individual contracts or purchases that (a) do not exceed \$20,000, (b) are nonrenewable, and (c) are one year or less in duration.
  - iii. Emergency procurements, including (a) when there exists a threat to public health or public safety, (b) when immediate expenditure is necessary in order to protect against further loss of or damage to property, (c) to prevent or minimize serious disruption in critical Fund services that affect health, safety, or collection of substantial Fund revenues, or (d) to

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ensure the integrity of Fund records. A written determination must be made that an emergency exists.

- iv. Sole source procurements, meaning that there is only one economically feasible source that provides the Goods, Services, or Professional Services. A written justification must be made that there exists only one feasible source.
  - v. Subscriptions and memberships.
  - vi. Services for legal counsel as approved by the Board.
- b. Competitive Proposals Process. Unless exempt under Section 4.a, above, all procurements for Professional Services and non-Routine Goods and Services in excess of \$5,000 shall be awarded by this competitive process.
- i. Each request for proposals shall set forth a description of the items or services being procured, the material contractual terms and conditions, and the criteria for evaluating proposals.
  - ii. All procurement opportunities subject to this Section shall be advertised on the Fund's website. Notice shall be published at least 14 days before the date on which proposals are due. Fund shall seek at least three proposals whenever possible, but the failure to receive three proposals shall not invalidate the procurement, purchase, or contract.
  - iii. All interested offerors shall return their proposals to Fund's staff, as directed by the proposal document. Staff shall open the proposals, record them, and thoroughly review each for content, quality, and compliance with proposal document requirements. Staff shall compile a list of all offerors to the competitive proposal process.
  - iv. The Fund may interview or directly negotiate with any offeror as to the terms of a proposal.
  - v. Responsive proposals shall be evaluated and ranked based on the evaluation criteria described in the request for proposals. The contract shall be awarded to the responsive and responsible offeror whose proposal is determined to be most advantageous to the Fund, consistent with the evaluation criteria.

### **5. MWDBE**

- a. Principle. The Fund encourages the selection of MWDBE vendors and does not use any criteria that would preclude an MWDBE vendor from being considered or selected. The Fund's goal is to identify qualified and potentially successful MWDBE vendors that can be awarded contracts.

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- b. Selection Process. If an MWDBE vendor meets the criteria, then that MWDBE vendor will be considered a finalist and will present to the Executive Director or the Board. If there are multiple MWDBE vendors that meet the criteria, then the Executive Director or the Board may choose the most qualified vendor or vendors to present.
- c. Certification. MWDBE vendors shall provide documentation establishing their status as a certified MWDBE. Preference shall be given to the appropriate certification from the City of Chicago or the State of Illinois as acceptable documentation. If such certifications are not available, the Fund will accept another state's or city's certification for a MWDBE.