



Roland W. Burris

Comptroller
State of Illinois

ACCOUNTING BULLETIN NO. 24

201 State House
Springfield, Illinois 62706
217/782-6000

November 19, 1979

TO: Agency Heads and Chief Fiscal
Officers of All State Agencies

SUBJECT: Contract Filing Requirements and Bribery Clause
Certifications

Filing of Contracts

Under Section 15 of the Comptroller Act as originally enacted, State agencies were required to file certain contracts, purchase orders, leases and requisitions with the Comptroller within five days of their execution. Experience has shown this blanket deadline to be unrealistic in many cases and legislation was introduced by this office to provide for an across the board extension of filing time for all contractual liabilities and additional flexibility according to circumstance.

Public Act 81-890 (HB 2413) which was signed into law on September 21, 1979, extends the time period in which an agency must file a copy of a contract, purchase order or lease with the Comptroller from 5 to 15 days and allows the Comptroller to provide different time periods, up to 30 days, depending upon the nature of the contract, the place the contract is executed and other circumstances. Cancellations or modifications to contracts, purchase orders, or leases are also subject to these new time periods. A complete text of Section 15 with the HB 2413 amendments underscored is attached to this bulletin for your information.

To provide agencies adequate time to request an extension under this new law the Comptroller has immediately and automatically extended the filing time period to 30 calendar days for all contractual liabilities executed before March 1, 1980. In addition all contracts, purchase orders, or leases executed prior to December 1, 1979 have a filing deadline of December 31, 1979. All contracts, purchase orders, or leases executed on or after March 1, 1980 are subject to the fifteen calendar day filing requirement. Extensions to this time period must be approved by the Comptroller pursuant to a formal request by the agency.

Each request must be in writing, signed by the agency head or his designee, and sent to the Comptroller. The request must contain:

- A. The nature of the contract liability for which the extension is requested.
- B. The location at which the contract is executed.
- C. An explanation of why the extension is necessary.
- D. The time period requested (up to 30 calendar days).
- E. Person to be contacted and telephone number if additional information is needed.

The request should be addressed to:

Office of the Comptroller
325 West Adams Street
Springfield, Illinois 62706

Attention: Larry Roth - Contract Extension Request

In order for the Comptroller to monitor compliance with Section 15 of the Comptroller Act, all contracts executed on or after December 1, 1979 must contain an execution date. An acceptable alternative is for the agency and the vendor to date their signatures. The execution date of purchase orders and similar documents received from the Department of Administrative Services will be the date on the documents.

THE EXECUTION DATE REQUIREMENT AND THE NEW FILING DEADLINES WILL BE STRICTLY ENFORCED BY THIS OFFICE.

Bribery Clause Certification

In a recent decision the Illinois Supreme Court upheld the constitutionality of Section 10.1 of the Illinois Purchasing Act (Ill. Rev. Stat. 1977, Ch. 127, Par. 132.10-1).

Section 10.1 provides:

"No person or business entity shall be awarded a contract or sub-contract if that person or business entity: (a) has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois in that officer or employee's official capacity; or (b) has made an admission of guilt of such conduct which is a matter of record but has not been prosecuted for such conduct. For purposes of this Section, where an official, agent, or employee of a business entity committed the bribery or attempted bribery on behalf of such an entity and pursuant to the direction or authorization of a responsible official thereof, the business entity shall be chargeable with the conduct."

The Comptroller will require a certification of compliance with this section for any contract executed after December 1, 1979. The certification may be a provision in the contract or on a separate form attached to the contract. The certification shall be signed by the contractor or by an authorized representative of the agency. Suggested language for a certification is set forth below:

The undersigned certifies that (name of contractor) has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor has the contractor made an admission of guilt of such conduct which is a matter of record.

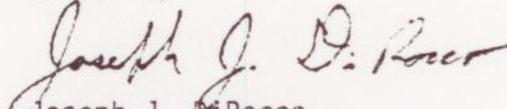
Signature

The above certification may be modified at the discretion of the agency or need not be individually signed if incorporated in the contract.

THE BRIBERY CLAUSE CERTIFICATION REQUIREMENT WILL
BE STRICTLY ENFORCED BY THIS OFFICE.

Questions concerning the procedures outlined in this bulletin should be referred to Mary Jacobs or Lu Irwin, who may be reached at 782-3686.

Sincerely,



Joseph J. DiRocco
Manager, Accounting Operations

JJD:kb

ATTACHMENT

Public Act 81-890 amends Section 15 of the State Comptroller Act as follows:

Sec. 15. (a) Copies of certain contracts to be filed. Whenever a contract liability, except for personal services, equalling or exceeding \$500 is incurred by any State agency, a copy of such contract, purchase order or lease or requisition shall be filed with the Comptroller within 15 5 days thereafter or within such other applicable period as may be specified by the Comptroller under subsection (b) of this Section. Any cancellation or modification to any such contract liability shall be filed with the Comptroller within 15 5 days of its execution or within such other applicable period as may be specified by the Comptroller under subsection (b) of this Section.

(b) Different time periods for the filing of a contract liability or for the filing of any cancellation or modification to any such contract liability, in excess of the 15 day period established in subsection (a) of this Section, but not in excess of 30 days after execution of such contract liability, may be established and revised from time to time as determined by the Comptroller. The different time periods established by the Comptroller under this subsection may vary according to the nature of the contract liability, the location at which the contract liability is executed, and such other circumstances and conditions as the Comptroller considers to be appropriate.

REMEMBER

ALL CONTRACTS, PURCHASE ORDERS, AND LEASES:

- ...Executed prior to December 1, 1979 must be filed with the Comptroller by December 31, 1979.
- ...Executed from December 1, 1979 to February 29, 1980 must be filed with the Comptroller within 30 calendar days of the execution date.
- ...Executed on March 1, 1980 and thereafter must be filed with the Comptroller within 15 calendar days of the execution date unless a request for a greater filing time of up to 30 calendar days has been formally approved by the Comptroller.

ALL CONTRACTS, PURCHASE ORDERS, AND LEASES EXECUTED ON OR AFTER DECEMBER 1, 1979 MUST CONTAIN AN EXECUTION DATE OR DATED SIGNATURES.

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