The University of Illinois System is among the preeminent public university systems in the nation and strives constantly to sustain and enhance its quality in teaching, research, public service, healthcare, and economic development.
The Special Advisor to the President & Deputy Comptroller’s office provides services in the most cost-effective manner to support the research, teaching, public service, health and economic development missions of the University of Illinois System. This annual report encompasses the guiding values, accomplishments, staff achievements and new initiatives of Fiscal Year 2022.
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Mike Bass announced his retirement in the Spring of 2022, concluding his service to the University on May 31, 2022. Mike gave nearly 22 years to the University of Illinois System, providing outstanding leadership and advancing the mission of the University of Illinois System and three amazing Universities. Mike served as leader of the office of Capital Programs, and later transitioned into his role as the Senior Associate Vice President, overseeing the Office of Business and Financial Services from 2005 to 2019. Mike finished his services to the University of Illinois System as Special Advisor to the President and Deputy Comptroller.

Prior to joining the University of Illinois system, Mike worked in Springfield, leading state agencies and serving as Budget Director for the Illinois Senate Republicans, including for the Senate President Pate Phillip.

Mike has been a leader and mentor to many during his time at the University of Illinois System. Mike has been the consummate leader, advancing the collective mission of the flagship Universities and advancing higher education in Illinois. Mike was a champion for best practices, cost savings and expanding university activity with diverse partners and has had an immeasurable impact on so many at the University of Illinois System. We collectively wish Mike the very best in enjoying his much-deserved retirement.
Though distinct, our units work together to support the mission of the University of Illinois System. We provide procurement functions and oversight, promote diversity-enhancing and healthcare initiatives, and lease and build physical spaces.
COVID-19 RESPONSE ASSISTANCE

SHIELD/T3 Support

Our units helped the university procure testing supplies, ensured delivery of those supplies in Illinois and beyond and executed leases for testing spaces throughout the state.

PROMOTED DIVERSE VENDOR UTILIZATION

A University-Wide Initiative

Led by the Office of Procurement Diversity and supported by all other units in our organization, FY22 saw the implementation of the Diverse Supplier Development Program.

INVESTMENT IN OUR PHYSICAL PLANT

Growing and Improving

The Offices of Capital Programs and Real Estate Services delivered capital through both traditional methods and a strong investment in Public-Private Partnership (P3) opportunities.

COLLABORATION WITH STATE AGENCIES

Improving Relationships

In addition to legislative advocacy, our units worked closely with the Illinois Department of Healthcare and Family Services, and the Capital Development Board.
**Our Mission**

Established in 2012 via Intergovernmental Agreement with the Illinois Department of Healthcare and Family Services (HFS), OMI is a specialty unit within the University of Illinois System that seeks to provide administrative, clinical, and operational services to HFS in support of its administration of Illinois’ Medicaid Program.

**OMI Funding**

Through strategic partnership with HFS, OMI receives an estimated $30M per year in payments for administrative services provided by the university in support of the Illinois Medicaid program. OMI distributes most of these funds to its various partnering units from UIC and UIUC, with the majority of distributed funding covering the costs of university staff with clinical knowledge or experience directly supporting HFS’ Medical Programs.

Quarterly, OMI completes and remits a Medicaid Certified Public Expenditure (CPE) to HFS for all qualifying costs, allowing HFS to seek Medicaid Federal Financial Participation (FFP) at a rate of 50% or greater, returning most of the cost of university services to the State. OMI estimates that state taxpayers are responsible for less than 40% of all OMI funded services, following Illinois’ receipt of federal Medicaid matching funds.

**Medicaid Technical Assistance Center (MTAC)**

In state fiscal year 2022, OMI began development of the Medicaid Technical Assistance Center (MTAC). Established via The Medicaid Technical Assistance Act (30S ILCS 75), MTAC is envisioned as a cross-system educational resource to strengthen the business infrastructure of entities that are either, publicly funded healthcare providers or seeking to become a publicly funded healthcare provider, in Illinois to increase the capacity, access, health equity, and quality of Illinois’ Medicaid managed care program.

MTAC will be committed to promoting an equitable service delivery system in which all Medicaid recipients in the State of Illinois have access to high quality health care from trusted providers in the neighborhoods where they live, work, and play.

MTAC will provide outreach and engagement as well as in-person and virtual training opportunities designed for providers across all levels of experience with the Illinois Medicaid program.
HFS/OMI Partnering Units

UIC College of Pharmacy
- Pharmaceutical Prior Authorization
- Pharmaceutical Quality Reviews
- Pharmaceutical Academic Detailing
- Illinois DocAssist

UIC College of Nursing
- Children’s Mental Health Residential Supports
- Community Transitions Initiative (CTI)

UIC College of Applied Health Sciences
- Adaptive Behavioral Support (ABS) Services Prior Authorization

UIUC School of Social Work
- IM-CANS Training Office
- Behavioral Health Transformation 1115 Demonstration Waiver Evaluation
- Continuity of Care 1115 Demonstration Waiver Evaluation

UI Health Institute for Healthcare Delivery Design (IHDD)
- Healthcare Transformation Collaborative Support
- HFS Branding Supports

UIC Division of Specialized Care for Children (DSCC)
- Specialized Behavioural Health Care Coordination
IPHEC prioritizes cost reduction, efficiency of use and diverse vendor participation. For the fifth consecutive year, IPHEC grew certified diverse participation over $2M, now totaling over $15M annually or 82% from FY16. Notably, as the second year of the award term with IPHEC’s Diverse & Prime Supplier for electrical supplies concludes in FY22, overall spend with this supplier has increased over $1.5M, with off contract spending continuously decreasing quarter after quarter. IPHEC continues to work to increase diversity participation through partnerships, networking, prime awardees, etc. As an example, IPHEC recently completed an award for promotional products, which comprised of 8 awardees. 7 of which are diverse suppliers.

IPHEC continues to grow and provide support to all the Illinois public universities. Year over year spend has increased $22M. IPHEC services over 250 awards with 300 active vendors. FY23 total spend with IPHEC awards totalled over $350M dollars. As the market for goods and services continue to cause exponential concerns related to inflation, supply and demand, and freight/shipping logistics IPHEC’s role has and will continue to play a crucial role in these areas and others. Through the collective purchasing power of these universities, IPHEC is able to better position the universities to gain access to supplies to meet their individual and collective demands at price points that meet their budgetary requirements. IPHEC awards are held to a high standard and have shown considerable cost avoidance in denying unwarranted price increases and tying agreements to Producer Price Indices.
System Purchasing and Support Services oversees procurements for goods and services for all system-level units. In addition to providing excellent customer service, the unit is devoted to ensuring compliance with state law and fostering relationships with small and diverse business enterprises.

**SYSTEM PURCHASING AND SUPPORT SERVICES FY22 BY THE NUMBERS:**
- Over 3,700 Purchase Orders (PO) issued for system units.
- Over 1,060 Contracts executed for system units. The prior year’s reporting was only around 300 contracts. The increase is due to inclusion of revenue generating and no fund contract processing and the SHIELD Illinois agreements.
- 377 analytics reports completed.
- Over $140M in spend managed through issued POs.
- Since the office’s inception, we have continued to increase spend with certified BEPs. Obtained a 126% increase from Q3 FY21 to Q3 FY22.

**SHIELD Illinois Support**
- Presidential Commendation received by Daniel Szajna for support of SHIELD Illinois’ testing initiative.
- Over 300 testing agreements executed for K-12 schools, community colleges, corporate partners, and other higher education institutions.
- Completed an emergency $1.9M antigen test kit purchase in support of the Chicago Public Schools and Illinois Department of Public Health testing initiatives.
- Obtained approval from The Board of Trustees for 21 purchase contracts in support of testing initiatives.

**Efficiency Gained**
- Collaborated with Administrative Information Technology Services (AITS) to design a bot capable of closing POs.
- Number of POs successfully closed using the bot: Over 700 POs closed.
- Over 1,400 POs processed for closing (includes requests to close POs that were already closed or could not be closed due to the PO originating from a closed accounting period or having outstanding invoices).
- Number of man-hours saved versus manually closing POs (assuming it takes 2.5 minutes to manually close a PO): 60+ hours saved.

**Business Enterprise Program (BEP) Initiatives**
- Increased goals set on published solicitations.
- Guided system units to use contracts awarded to BEP vendors.
- $400,000 purchase with Industrial Electric Supply for HID-branded card readers for building access.
- Transitioned a number of SHIELD Illinois purchases to certified BEPs under solicitation 1SLE1702.
- Issued 47 IT/electronic equipment purchases with Volunteer Supply Industries, a new certified BEP supplier with an active iBuy catalog.
- Completed a sheltered market RFP for IT software and hardware. The award was made to Pier Group LLC, a WBE firm, with estimated spend of $34M over the initial term of the award.

The mission of System Purchasing and Support Services is to serve and support the University of Illinois System by leveraging our knowledge and expertise to provide data analytics and procurement services to deliver efficient, accurate and innovative solutions.

Contact Information: procurement@uillinois.edu 217-333-9BUY (9289)
Launched University of Illinois Diverse Supplier Development Program

- Designed to grow the capacity and talent of our diverse suppliers, empowering them to grow their businesses.
- University of Illinois benefits from elevated performance and service level and strengthens our communities and the region by driving jobs and business.
- Strengthened the relationship with University of Illinois and University of Illinois’s diverse supplier base. (experiential learning opportunities for our students, collaboration with University of Illinois Corporate Relations Council)

Implemented Vendor Diversity Management Tool

- Assists diverse vendors doing business with the university.
- Assists with managing the successes of the vendors that participate in University of Illinois agency sourcing and procurement opportunities.
- Tracks vendor certification of firms and total monies spent with firm can now be counted towards overall goal.
Capital Programs works with each university’s capital construction units to ensure policy compliance and provide oversight. The unit also serves as an intermediary between the universities and the Board of Trustees, the Capital Development Board, and the Illinois Board of Higher Education.

**FY22 Highlights**

**Contracts+ Implementation**

Capital contracts are often much more detailed than standard contracts because of regulatory requirements. Capital Programs led the initiative to incorporate capital contract templates into the new Contracts+ system.

**State-Funded Capital Projects**

Capital Programs continues to work closely with the State of Illinois Capital Development Board and the Governor’s Office of Management and Budget to advocate for the release of appropriated capital funds. More than $200 million in state funds have been released for projects currently in design and construction.

**Diverse Utilization Goals Increased**

Capital Programs has long been a leader in diverse vendor utilization and this year was no exception. Effective August 1, 2021, our office incorporated new language in all capital contracts requiring diverse vendor utilization of at least 30 percent, with an additional 3 percent of each contract being required to go to a Veteran-owned business entity.

**FY22 Capital Spend**

$224 Million

System-wide capital expenditures totaled approximately $224 million in FY22. This represents a 16% decline over FY21 and is considered a lagging indicator of the pandemic. Spend is expected to increase in FY23.
Project Spotlight

Discovery Partners Institute

The planned Chicago flagship for Discovery Partners Institute has been in design throughout FY22. A dedicated project manager from our office oversees all aspects of the project to ensure that owner needs are met.
Real Estate Services is responsible for all property acquisitions, sales and leases. The unit executed 99 contracts that became effective in FY22 alone, including the lease of an additional 22,560 GSF of office space for Discovery Partners Institute in Chicago’s Loop. The unit also led a collaboration and lease agreement with Core Development to secure 100,000 GSF of office space on Daniel Street in Champaign. Real Estate continues to facilitate Public-Private Partnerships (P3) in order to grow the university’s capital footprint. Major P3 projects from FY22 are detailed below.

**UI Health Specialty Care Building**

The project will provide a new home for outpatient surgery procedures now performed within the hospital building’s operating suite, allowing the space within the hospital building to be improved and used for the expansion of the existing inpatient surgery department. The project was scheduled for substantial completion in July 2022 and the first patient day was scheduled for September 2022. This 200,000 square feet facility is a critical component in providing comprehensive medical care to the community.

**Campus Instructional Facility**

“Innovative education is at the heart of what we do. The Campus Instructional Facility will be a space for supporting that education through pedagogy experiments, classroom technologies, and professional development for the next generation.”

Dean Rashid Bashir, College of Engineering

This 124,00 square feet instructional facility was opened to students in the Fall of 2021 and is essential in providing contemporary learning environments for our students.

**Feed Technology Center**

The University of Illinois is a global leader in research and teaching in animal nutrition, animal sciences, and feed ingredient utilization. With a newly constructed, state-of-the-art Feed Technology Center, the University of Illinois and the College of Agriculture, Consumer and Environmental Sciences live up to their reputation as global leaders for new discoveries and advancement in animal management, nutrition, and production. The $20M facility is located at the University of Illinois South Farms.
Units reporting to the Office of the Special Advisor to the President are transitioning to either the Office of the Vice President/Chief Financial Officer or the Office of the Assistant Vice President of Procurement Services.

Office of the Special Advisor to the President
Unit Head: Mike Bass
• Capital Programs and Utility Services
• Real Estate Services
• Illinois Public Higher Education Cooperative
• Office of Medicaid Innovation
• Office of Procurement Diversity
• System Purchasing and Support Services

Office of the Vice President/Chief Financial Officer
Unit Head: Paul Ellinger
• Capital Programs and Utility Services
• Real Estate Services
• Office of Medicaid Innovation

Office of the Assistant Vice President of Procurement Services
Unit Head: Aaron Carter
• Office of Procurement Services
• Illinois Public Higher Education Cooperative
• Office of Procurement Diversity
• System Purchasing and Support Services
• University Payables
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