

STATE OF ILLINOIS

FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST

VENDOR MANUAL

Purpose of Vendor Manual

The State of Illinois' Chief Procurement Officer (CPO) for Capital Development Board, CPO for General Services, CPO for Higher Education, and CPO for Transportation provide this manual, which includes a section on Frequently Asked Questions (FAQ), to further inform vendors how to complete the Financial Disclosures and Conflicts of Interest form. This manual supplements but does not replace the instructions given in the Financial Disclosures and Conflicts of Interest form.

Statutory Authority

The general form of solicitation and contract documents shall be determined by the Chief Procurement Officer. 30 ILCS 500/10-5.

General Information

A Financial Disclosures and Conflicts of Interest form (form) is included with this manual. The form includes red text fields, e.g., [Click here to enter text](#). Vendor must click the text field to enter information. When Vendor clicks the text field, a prompt is provided. Included in each prompt is a "V." "V" indicates Vendor should complete the text field. If a particular text field is not applicable to Vendor, Vendor should type "N/A" or "Not Applicable" in the text field. If any red text fields remain after Vendor completes the form, the form is incomplete.

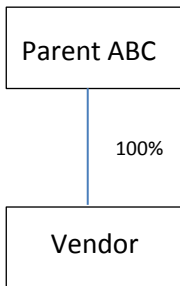
The form in this manual includes circled numbers, such as ① and ②, next to certain text reserved for Vendor to complete. This manual is organized to correspond with each circled number in the form. This gives Vendor the ability to easily locate additional instructions for corresponding sections in the form. For example, ① in the template corresponds with ① in this manual.

[Balance of page left intentionally blank.]

1 – Disclosure submitted for

Vendor must always submit at least one form. If Vendor has a parent entity(ies) or utilizes subcontractors whose subcontract has a value of greater than \$50,000, additional forms must be submitted as further explained. Please select the box that correlates to the entity for which the disclosures are being submitted. Below are illustrative examples. Please note that there are many more:

Example 1 – Vendor is wholly owned by Parent ABC. A separate form must be submitted for each **Vendor** and **Parent ABC** each.



- On the form submitted for **Vendor**, please check the box next to Vendor. The remainder of the form should be completed from the perspective of **Vendor**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

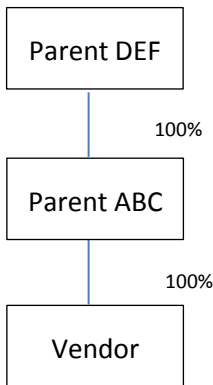
- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Parent ABC**, please select the box next to Vendor's Parent Entity(ies) (100% ownership). The remainder of the form should be completed from the perspective of **Parent ABC**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

Example 2 – Vendor is wholly owned by Parent ABC and Parent ABC is wholly owned by Parent DEF. A separate form must be submitted for Vendor, Parent ABC, and Parent DEF each.



- On the form submitted for **Vendor**, please check the box next to Vendor. The remainder of the form should be completed from the perspective of **Vendor**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

- Vendor
- Vendor’s Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor’s Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Parent ABC**, please select the box next to Vendor’s Parent Entity(ies) (100% ownership). The remainder of the form should be completed from the perspective of **Parent ABC**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

- Vendor
- Vendor’s Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor’s Parent Entity(ies) (100% ownership) > \$50,000

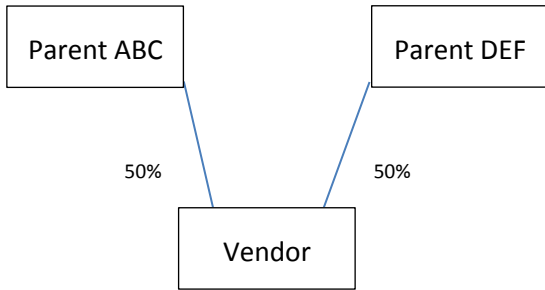
- On the form submitted for **Parent DEF**, please select the box next to Vendor’s Parent Entity(ies). The remainder of the form should be completed from the perspective of **Parent DEF**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

- Vendor

- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

Example 3 – Vendor is owned by two parents, with each having less than 100% ownership (e.g., 50% each). No disclosure form is required for Parent ABC or Parent DEF, unless later requested by the Chief Procurement Office or Procurement Policy Board. A form must be submitted for Vendor, which should also be listed as the Disclosing Entity.

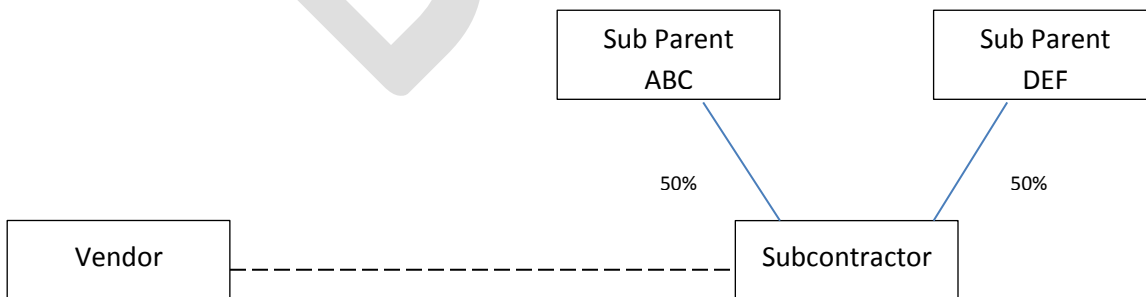


- On the form submitted for **Vendor**, please check the box next to Vendor. The remainder of the form should be completed from the perspective of **Vendor**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

Example 4 – Vendor will utilize a subcontractor whose subcontract is greater than \$50,000. A separate form must be submitted for Vendor and Subcontractor each. Subcontractor has two parents, Sub Parent ABC and Sub Parent DEF, who each own 50% of Subcontractor.



- On the form submitted for **Vendor**, please check the box next to Vendor. The remainder of the form should be completed from the perspective of **Vendor**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Subcontractor**, please check the box next to Subcontractor. The remainder of the form should be completed from the perspective of **Subcontractor**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- No separate disclosure form is required for Sub Parent ABC or Sub Parent DEF unless later requested by the Chief Procurement Office or Procurement Policy Board.

Example 5 – Vendor will utilize a subcontractor whose subcontract is greater than \$50,000. Subcontractor is wholly owned by Sub Parent ABC. Sub Parent ABC is wholly owned by Sub Parent DEF. A separate form must be submitted for Vendor, Subcontractor, Parent ABC, and Parent DEF each.



- On the form submitted for **Vendor**, please check the box next to Vendor. The remainder of the form should be completed from the perspective of **Vendor**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Subcontractor**, please check the box next to Subcontractor. The remainder of the form should be completed from the perspective of **Subcontractor**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Sub Parent ABC**, please check the box next to Subcontractor's Parent Entity(ies) >\$50,000. The remainder of the form should be completed from the perspective of **Sub Parent ABC**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Sub Parent DEF**, please check the box next to Subcontractor's Parent Entity(ies) >\$50,000. The remainder of the form should be completed from the perspective of **Sub Parent DEF**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

Example 6 – Vendor is wholly owned by Parent ABC and Parent ABC is wholly owned by Parent DEF. Vendor will utilize a subcontractor whose subcontract is greater than \$50,000. Subcontractor is wholly owned by Sub Parent RST. Sub Parent RST is wholly owned by Sub Parent XYZ. A separate form must be submitted for Vendor, Subcontractor, Parent ABC, and Parent DEF each.



- On the form submitted for **Vendor**, please check the box next to Vendor. The remainder of the form should be completed from the perspective of **Vendor**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor’s Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor’s Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Parent ABC**, please select the box next to Vendor’s Parent Entity(ies) (100% ownership). The remainder of the form should be completed from the perspective of **Parent ABC**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

- Vendor
- Vendor’s Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor’s Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Parent DEF**, please select the box next to Vendor’s Parent Entity(ies). The remainder of the form should be completed from the perspective of **Parent DEF**, which should also be listed as the Disclosing Entity.

This disclosure is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Subcontractor**, please check the box next to Subcontractor. The remainder of the form should be completed from the perspective of **Subcontractor**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Sub Parent RST**, please check the box next to Subcontractor's Parent Entity(ies) >\$50,000. The remainder of the form should be completed from the perspective of **Sub Parent RST**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

- On the form submitted for **Sub Parent XYZ**, please check the box next to Subcontractor's Parent Entity(ies) >\$50,000. The remainder of the form should be completed from the perspective of **Sub Parent XYZ**, which should also be listed as the Disclosing Entity.

This form is submitted for:

- Vendor
- Vendor's Parent Entity(ies) (100% ownership)
- Subcontractor(s) >\$50,000
- Subcontractor's Parent Entity(ies) (100% ownership) > \$50,000

FAQS – Disclosure Submitted For

1. **Question** - When do I stop disclosing information about a parent entity?

Answer – Disclose information about all 100% parent entities up to and including a split in ownership (a person and/or a publicly traded entity that owns less than 100%).

2. **Question** - Is a disclosure form required for all parents?

Answer – No. A form for a parent entity is required only for 100% ownership parent(s) of the Vendor or subcontractor. If there are several layers of 100% ownership parents, a separate form for each 100% ownership parent is required. Although separate disclosure forms are not requested for Parent entities that own less than 100% of the Vendor, the Chief Procurement Office or Procurement Policy Board may later request a disclosure form be completed for those entities.

3. **Question** – Is a disclosure form required for parent entities of subcontractors?

Answer – Yes. If there is a subcontractor whose subcontract value is greater than \$50,000 and if the subcontractor has any 100% ownership parent(s), a separate form must be submitted for each 100% ownership parent of the subcontractor.

4. **Question** – Is there a different form for subcontractor disclosures?

Answer – No. There is no separate template for the subcontractor disclosures. Subcontractors should use this form and mark that the form is submitted for a subcontractor or a subcontractor’s parent entity.

2 – Project Name and Illinois Procurement Bulletin Number

This refers to the project name found on the respective State procurement bulletin: Illinois Procurement Bulletin, Illinois Public Higher Education Procurement Bulletin, Illinois Transportation Procurement Bulletin, and Illinois Capital Development Board Procurement Bulletin.

3 – Illinois Procurement Bulletin Number

This refers to the procurement identifier number found on the respective State procurement bulletin: Illinois Procurement Bulletin, Illinois Public Higher Education Procurement Bulletin, Illinois Transportation Procurement Bulletin, and Illinois Capital Development Board Procurement Bulletin.

4 – Vendor Name

If the entity is registered with the Illinois Secretary of State, use the name of the entity exactly as it is registered with the Illinois Secretary of State.

5 – Disclosing Entity

This form should be answered from the perspective of the disclosing entity. Include the name of the disclosing entity. If Vendor is the disclosing entity, the Vendor’s name should be included in both the Vendor Name text field and the Disclosing Entity text field. If the parent is the disclosing entity, the name of the parent for whom responses are being submitted should be listed in the Disclosing Entity text field. In the event subcontractor is the disclosing entity, include the name of the subcontractor here.

Example: Sample Vendor is wholly owned by Parent ABC. Vendor is utilizing Sample Subcontractor. Parent ABC is wholly owned by Parent DEF. These disclosures are submitted for Parent ABC. Parent ABC is specified as the Disclosing Entity. Parent ABC also states that it has a parent entity, Parent DEF.

| | |
|---|--|
| Project Name and Illinois Procurement Bulletin Number | Sample Project IPB # 1234567 |
| Vendor Name | Sample Vendor |
| Doing Business As (DBA) | Sample Vendor |
| Disclosing Entity | Parent ABC |
| Disclosing Entity's Parent Entity | Parent DEF |
| Subcontractor | Sample Subcontractor |
| Instrument of Ownership or Beneficial Interest | Corporate Stock (C-Corporation, S-Corporation, Professional Corporation, Service Corporation) <input type="checkbox"/> If you selected Other, please describe: N/A |

6 – Instrument of Ownership or Beneficial Interest

Although not exhaustive, the drop down list includes the most frequently selected organization types. If one of the drop-down selections does not describe your organization, select “Other” and then explain your organization ownership in the description box.

Example:

| | |
|--|--|
| Instrument of Ownership or Beneficial Interest | Other <input checked="" type="checkbox"/> If you selected Other, please describe: Employee Stock Option Plan |
|--|--|

7 – Header

Each step in the document has a header that explains the general nature of the step and informs the Vendor and Subcontractor whether they need to complete the step.

Example:

STEP 1

SUPPORTING DOCUMENTATION SUBMITTAL

(All vendors complete regardless of annual bid, offer, or contract value)

(Subcontractors with subcontract annual value of more than \$50,000 must complete)

8 – Step 1 – Option 2

Only for-profit corporations with more than 200 shareholders may select this option. If Vendor’s entity is a corporation with fewer than 200 shareholders or Vendor’s entity does not have shareholders, Vendor cannot use this option.

Example: Partnerships cannot use this option. Limited Liability Companies cannot use this option.

9 – Step 1 – Option 3

All United States private for-profit entities with fewer than 200 shareholders or whose owners are not shareholders, not including sole proprietorships, must select this option.

Example: A United States formed partnership must select this option.

10 – Step 1 – Option 4

Foreign entities, i.e., non-United States formed entities, must select this option.

Example: Foreign entities that file a Form 20-F or 40-F with the Securities and Exchange Commission (SEC) may use this option.

11 – Step 2 – Option A

Only for-profit entities complete this sub-step.

Example: Even if Vendor has a partnership agreement and claims the partnership agreement is private, State law requires this disclosure for all State government contracts.

12 – Or

Example: Vendor should disclose either percentage of ownership **or** value of ownership but not both.

13 – You can write “see attached” if your company includes a stand-alone document that lists all of the owners and provides the information requested by the table.

14 – Remove lines in the Table

Click where it says [Click here to enter text.](#) Then press delete. Alternatively, you may select the entire row, and then press delete.

15 – Distributive Income

Distributable or distributive income means the income of a company after payment of all expenses, including employee salaries and bonuses, and retained earnings that is distributed to those entitled to receive a share of that income. In the case of a for-profit corporation, distributable income means “dividends. When calculating entitlement to distributable income, the entitlement shall be determined at the end of the company’s most recent fiscal year.

16 – Step 3 Disclosure of Lobbyist or Agent

Only disclose those hired to assist you with obtaining a contract award for this procurement and who may assist you in the future with the bid or offer. You do not need to disclose a lobbyist **not** lobbying for this procurement or resulting contract. If your company has more than one lobbyist and you do not know which one will lobby for this procurement or any resulting contract, please list all of them.

Even if you have a lobbyist, as long as they are not paid with proceeds from a resulting contract, you are not prohibited from receiving a contract award for this procurement.

17 – Step 4 Prohibited Conflicts of Interest

This step requires disclosure of elected State officers (specifically the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, and Treasurer) and members of the General Assembly. It does not apply to elected officers in units of local government or in school districts.

18 – Step 5 Potential Conflicts of Interest Relating to Personal Relationships

This is a broader disclosure than Step 4 (discussed in callout 16). In this step, all persons holding an elected office, including those in units of local government or in school districts in the State of Illinois, offices of the State of Illinois, and office of the United States government, must be disclosed.

19 – Step 6 Explanation of Affirmative Responses

This step requires Vendor to explain any affirmative response in Step 4 or Step 5.

- For example, if you checked “Yes” in Step 5, No. 2 because your spouse worked for a state agency, your response in Step 6 might look like:

Step 5, No. 2: My wife, Jane Smith, works for the Illinois Department of Central Management Services as an attorney (Senior Public Service Administrator 1) in the Labor Relations Division. Her annual salary is \$75,250.

- Salary information is required if you answered “Yes” in Step 4 or Step 5. With regard to salary information, it can be provided as the exact dollar amount of the annual salary, or if the salary does not exceed \$106,447.20 in any year, as a statement that the annual salary did not exceed \$106,447.20 for any of the years at issue. If the salary did exceed \$106,447.20, the exact dollar amount of the salary for that year should be included.
- As another example, if you marked “Yes” in Step 5, No. 6 because your son was appointed to the Illinois Commerce Commission, your response in Step 6 might look like:

Step 5, No. 6: My son, John Smith, was appointed to the Illinois Commerce Commission as a commissioner until July 2011. His annual compensation from the appointment did not exceed \$106,447.20.

- With regard to the position title of the individual, this can be the personnel title but can also be the title within the division where the person works. It is usually more helpful to include the title from the division as it gives more insight into the person’s duties. Using the same examples above, while technically accurate, the following response gives little insight into what this person does for the State and may require additional information be supplied before your company’s disclosures can be approved:

Step 5, No. 2: My wife, Jane Smith, works for the Illinois Department of Central Management Services as a Senior Public Service Administrator
1. Her annual salary is \$75,250.

By contrast, the following response omits the personnel title but contains more specific information. It is a better submission because it provides a specific description of this person’s job:

Step 5, No. 2: My wife, Jane Smith, works for the Illinois Department of Central Management Services as an attorney in the Labor Relations Division. Her annual salary is \$75,250.

20 – Step 7 Potential Conflicts of Interest Relating to Debarment and Legal Proceedings

This step must be completed for each person and/or entity disclosed in Step 2, Option A; for each person disclosed in Step 3; for the sole proprietor disclosed in Step 1; and for each entity named in this form prior to Step 1, in Step 2 and/or in Step 5 even if no entity is listed in Step 2.

21 – Step 8 Disclosure of Current and Pending Contracts

Only contracts with units of State of Illinois government should be listed. Do not list contracts with cities or local municipalities.

22 – Step 9 Sign the Disclosure

Each form must be signed by an either authorized officer or employee on behalf of the bidder or offeror. If Vendor has a parent entity and that parent entity authorizes vendor to sign the form on its behalf, Vendor may sign the form.