

Village of Orland Park Procurement Code Amendments

Disclosure of Business Relationships

- §1-16-17: Vendor
- §1-16-18: Officials

Disclosure Ordinance



Amendment to Title
1, Chapter 16
(Procurement)



Connects proposal
process with
conflicts of interest
in §1-16-3



Adds new Sections
§1-16-17 and
§1-16-18

Purpose of Amendment



INCREASE
TRANSPARENCY AND
ACCOUNTABILITY



ADDRESS AND
MITIGATE ACTUAL AND
PERCEIVED CONFLICTS
OF INTEREST



ENSURE PUBLIC
CONFIDENCE AND
STRENGTHEN ETHICAL
STANDARDS

§1-16-3: Authorization and Methods for Procurements

- Introduces a 'conflicts of interest' section
- References Section § 1-16-17
- §1-16-3(2) Conflicts of Interest. Proposers shall comply with §1-16-17 when completing the proposal process as part of their required submission.

§1-16-17: Vendor Disclosures of Business Relationships

(A): Definitions

- “**Appearance of Impropriety**” includes circumstances that would lead a reasonable person to believe a conflict exists, even if there is not actual conflict.
- “**Business Relationship**” includes relationships between vendors and the official, their spouse or domestic partner, or any entity in which they have a financial interest, if the relationship entitles them to compensation, economic opportunity, or payment in excess of \$7,500 annually.. A Business Relationship does not include a political contribution, otherwise duly reported as required by law.
- “**Business Relationship Disclosure Form**” includes the form to be completed by the vendor disclosing any business relationship to the Procurement Officer.
- “**Compensation**” includes any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by themselves or another.
- “**Economic Opportunity**” includes any purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services wherein an Official may gain an economic benefit.

continued §1-16-17: Vendor Disclosures of Business Relationships (A): Definitions

- **“Official”** includes any person (and their spouse or domestic partner) employed for the village as a director, department head, Chief of Police, or person elected and/or appointed into an elected position for the Village.
- **“Payment”** includes the act of paying or a sum of money paid to settle a debt or in exchange for goods or services.
- **“Political Contribution”** includes any gift, subscription, loan, advance, deposit of money, allotment of money, or anything of value given or transferred by one person to another, including in cash, by check, by draft, through a payroll deduction or allotment plan, by pledge or promise, whether or not enforceable, or otherwise, for purposes of influencing in any way the outcome of any election in accordance with the Illinois Election Code.
- **“Vendor”** includes any person or entity seeking to enter or currently in a contractual, financial, or service-based relationship with the Village, including Architects, Engineers, and Land Surveying Services set forth in §1-16-8.
 - All vendors shall also comply with the conflict-of-interest requirements set forth in § 1-16-16-A and 1-16-16-B (1-3).

§1-16-17: Vendor Disclosure of Business Relationships

- Vendors must fully disclose any actual or potential conflicts of interest, financial ties, or appearances of impropriety when seeking contracts or agreements with the Village.
 - compensation greater than \$7,500.00
- Disclosures are submitted through a **Business Relationship Disclosure Form** (and updated if circumstances change)

§1-16-17(c): Business Relationships with Officials

- To avoid even the appearance of impropriety, any vendor who has had any business relationship within the **preceding ten years** or reasonably expects such a relationship in the **following twelve months** with a **current official or a past official** during the preceding 10 years, where such relationship resulted in or is expected to result in financial benefit, shall disclose the following if the relationship entitled the current or past official to compensation, economic opportunity, or payment in excess of **\$7,500** annually:
 - (1) Name(s) of the official;
 - (2) The nature of the business relationship with the Official;
 - (3) The date(s) of engagement or expected engagement [month/year];
 - (4) If the Vendor has been acquired or purchased within the preceding five years:
 - (a) Dates of acquisition of the vendor; and
 - (b) The name(s) of the preceding vendor, if changed.

§1-16-18: Officials' Disclosure of Business Relationships

- Officials must fully disclose any actual or potential conflicts of interest, financial ties, or appearances of impropriety with proposed vendor's transactions.
 - compensation greater than \$7,500.00
- Disclosures are submitted through a **Business Relationship Disclosure Form** (and updated if circumstances change)

§1-16-18(c): Business Relationships with Vendors

- To avoid even the appearance of impropriety, any official who has had any business relationship within the **preceding ten years** or reasonably expects such a relationship in the **following twelve months** with a **vendor** during the preceding 10 years, where such relationship resulted in or is expected to result in financial benefit, shall disclose the following if the relationship entitled the current or past official to compensation, economic opportunity, or payment in excess of **\$7,500** annually:
 - **(1) Name(s) of the vendor or related party;**
 - **(2) The nature of the business relationship with the vendor;**
 - **(3) The date(s) of engagement or expected engagement [month/year];**

§1-16-17 & §1-16-18: Review & Posting

- Procurement Officer reviews disclosures for sufficiency from vendors and officials
- May request additional information
- Procurement Officer provides the Village Board with the disclosure
- Village Board reviews and makes a decision
- Disclosures may be posted publicly in searchable format

Disclosure of the Disclosure



Vendors: does NOT preclude from being awarded a contract, grant, concession, land sale, lease of other matters subject to Village approval. §1-16-17B(1)



Officials: submission is providing full transparency and does not preclude an official from retention of their current position within the Village. §1-16-18B(2)

§1-16-17E(1-6): Penalties — Vendors



Warnings or reprimands



Disqualification from bidding



Suspension or contract termination §1-16-15



Prohibition from contracting with the Village for up to 5 years



Fines: \$500 – \$2,000 per violation

§1-16-
18E(1-5):
Penalties
—
Officials



Warnings or
reprimands



Termination of
employment



Fines: \$500 —
\$2,000 per
violation

Penalties Appeals Process

- Vendors or Officials may appeal within 5 days
- Must be in writing
- Submitted to the Village Clerk
- Village Board considers and issues final decision

The End Result



ORDINANCE
PROMOTES
TRANSPARENCY AND
FAIRNESS



PROTECTS
INTEGRITY OF
VILLAGE
PROCUREMENT



STRENGTHENS
PUBLIC TRUST IN
VILLAGE
GOVERNANCE



QUESTIONS?
