**Section 357.40 Procuring Services**

a) The Department procures professional child welfare and youth services by means of negotiated contracts and competitively bid contracts.

b) Negotiated contracts are used in the following circumstances:

1) When the nature of the service is such that it can only be obtained from a single service provider.

2) When, in the opinion of the Department, maintenance of ongoing established services is necessary to ensure the continuity of care and assistance to children, youth and families served by the Department.

3) When, in the opinion of the Department, an emergency exists and the urgency for the service will not allow time for preparing requests for proposals.

4) When the Department is not required to use competitive bidding by statute or by the provisions of subsection (c)(1):

c) Although the professional services governed by this Part are exempt from the competitive bidding procedures of the Illinois Procurement Code [30 ILCS 500] as opposed to the goods and services governed by the standard procurement rules of the Department of Central Management Services, the Department nevertheless recognizes the value of competition and therefore issues Request for Proposals (RFPs) in the following situations:

1) The Department shall issue a RFP for all new service initiatives over $25,000 except where the RFP is required by Federal regulations such as 45 CFR 74. The Director shall waive the RFP requirement when a determination is made that an emergency exists. An emergency shall include, but not be limited to, the following situations:

A) When the service initiative is immediately needed to prevent interruption in services to current clients, or

B) The service initiative is immediately needed to assure the clients' health and welfare.

2) In addition, the Department shall issue RFPs for service contracts (except for substitute care and day care) over $50,000 at least once every 6 years. However, comprehensive community-based youth services provided through local boards or local service systems shall be reviewed once every 4 years in accordance with Department of Human Services' requirements found in 89 Ill. Adm. Code 334 (Administration and Funding of Community-Based Services to Youth). When requests for proposals are issued, purchase of service providers shall submit a response in accordance with the RFP in order to be considered for contracts for the fiscal year specified. When an RFP is not required, subsequent contracts may be negotiated and renewed at the Department's discretion without recourse to a RFP. The Department will review such contracts in order to determine that the provider is complying with the provisions of the current contract and providing effective services that meet the needs of the Department's clients.

3) When equal proposals for family preservation services have been submitted to the Department, not-for-profit corporations are to be given preference over for-profit corporations.

(Source: Amended at 29 Ill. Reg. 8706, effective June 8, 2005)