



HJ0063 Enrolled

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1 HOUSE JOINT RESOLUTION 63

2 WHEREAS, The State of Illinois and its operating units are
3 currently experiencing a fiscal situation that is demanding the
4 close attention of the people of Illinois; and

5 WHEREAS, The State of Illinois and its operating units are
6 constantly incurring millions of dollars of expenses every day
7 just to continue to operate, with much of these operating
8 expenses being piled up into what is now a backlog of more than
9 \$14 billion in unpaid State bills; and

10 WHEREAS, One element of these overall operating costs, and
11 of the State's unpaid bill backlog, are the moneys paid by the
12 State and its taxpayers to rent or lease parcels of real
13 property; and

14 WHEREAS, Serious questions have arisen as to the
15 interrelationship between some of the lease agreements entered
16 into by the State in recent months, the actual market values of
17 the properties being leased, the lease payments that would be
18 paid if their properties were leased in an arm's length
19 transaction between independent parties, and the overall
20 fiscal situation of the State; therefore, be it

21 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE

1 HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE
2 CONCURRING HEREIN, that the Auditor General is directed to
3 conduct a performance audit of the State's decision to enter
4 into a five-year, \$2.4 million lease for property at 2410 South
5 Grand Ave. East, Springfield, Illinois ("lease"); and be it
6 further

7 RESOLVED, That the audit include, but not be limited to,
8 the following determinations:

9 (1) The justification for the space request by the
10 Department of Human Services (DHS), including the location
11 and condition of the premises where the records were
12 previously stored and the functions were previously
13 performed ("existing space");

14 (2) Whether the Department of Central Management
15 Services (CMS) or other appropriate State agencies
16 considered renovating the existing space and, if so, what
17 projections were made for the cost of renovating the
18 existing space;

19 (3) Whether CMS considered the availability of other
20 State-owned or leased space before the decision to enter
21 into a new lease was made, including what specific
22 State-owned or leased properties were reviewed prior to

1 making the decision to enter into a new lease;

2 (4) Whether CMS conducted an analysis of the
3 cost-benefit of purchasing instead of leasing the property
4 at 2410 South Grand Ave. East, Springfield, Illinois,
5 including costs associated with renovating and maintaining
6 the property;

7 (5) Whether DHS or any other appropriate State agency
8 has conducted a cost-benefit analysis comparing the costs
9 of digitizing records as compared to maintaining records in
10 hard copy form, including the costs of storage, access, and
11 travel, if any, to retrieve hard copy records for various
12 official purposes, as well as the security risks of
13 confidential records in one form as compared to the other;

14 (6) The role of the Procurement Policy Board ("Board")
15 in reviewing the lease, including whether the Board has any
16 conflict-of-interest procedures for members to recuse
17 themselves because of personal, professional, or financial
18 relationships;

19 (7) Identification of the persons involved in the
20 procurement, and their respective roles and
21 responsibilities;

1 (8) The process, time frame, and coordination followed
2 by CMS in examining the lease requirements and advertising
3 the procurement opportunity, including any steps taken to
4 ensure adequate competition;

5 (9) Whether any confidential information was shared
6 between the CMS leasing agent and any of the bidders or
7 potential bidders in the procurement process;

8 (10) The decision of CMS to proceed with the warehouse
9 lease after receiving only one bid; and

10 (11) Whether relationships between the seller of the
11 property ("Barney's"), the buyer of the property, and the
12 chairman of the Procurement Policy Board played a role in
13 the warehouse lease; and be it further

14 RESOLVED, That we call upon the State of Illinois and its
15 operating units, including, but not limited to, the Department
16 of Central Management Services, to immediately suspend the
17 drafting, negotiation, perfection, and signing of any lease on
18 any parcel of real property, and that this suspension is to
19 continue until the conclusion of the audit directed by this
20 resolution; and be it further

21 RESOLVED, That the Department of Human Services, the

1 Department of Central Management Services, the Procurement
2 Policy Board, and any other State agency or other entity having
3 information relevant to this audit shall cooperate fully and
4 promptly with the Auditor General's Office in the conduct of
5 this audit; and be it further

6 RESOLVED, That the Auditor General commence this audit as
7 soon as possible and report his findings and recommendations
8 upon completion in accordance with the provisions of Section
9 3-14 of the Illinois State Auditing Act; and be it further

10 RESOLVED, That for the purpose of this resolution, the
11 conclusion of this audit shall not be deemed to have taken
12 place until the Legislative Audit Commission has reviewed the
13 findings of this audit in a public meeting, and the General
14 Assembly has been accorded adequate time on its legislative
15 calendar to take any actions that may be reasonably deemed
16 necessary or desirable to implement any recommendations made by
17 the audit and to remedy any problems or dysfunctions uncovered
18 by the audit; and be it further

19 RESOLVED, That suitable copies of this resolution shall be
20 presented to Governor Bruce Rauner; Michael Hoffman, the Acting
21 Director of Central Management Services; Frank J. Mautino,
22 Auditor General; and Jane Stricklin, the Executive Director of
23 the Legislative Audit Commission.