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Our View: State needs better oversight on its contracts

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If government reformers get their way, even in part, big changes may be on the horizon for the way Illinois government operates.

The commission Gov. Pat Quinn picked to find solutions to the widespread corruption in state government came out with its initial proposals last week. They call for wholesale reform of our campaign finance system, freedom of information rules, and the awarding and oversight of state contracts.

The latter accounts for about \$10 billion in state business - a significant chunk of the annual \$53 billion operating budget - so it's vital to know that it's being spent properly and that the process is as transparent and untainted as possible. Any changes that can better ensure that contractors are landing deals with the state for the right reasons - having the highest qualifications and the lowest bids rather than relying upon political connections - should be pursued aggressively.

The commission recommends that all contracts and procurement in agencies that report to the governor should flow through an independent agency, with a director nominated by the governor and confirmed by the state Senate to serve a term that runs into two gubernatorial terms. That agency chief could only be removed by impeachment, not at the whim of any governor. The Legislature, courts and other constitutional offices would have to set up similarly independent offices on their turf.

All those offices would get extra oversight through an office of independent review, which would be paid for with an anti-corruption tax - they label it an "integrity surcharge" - of one-tenth of 1 percent of the payments from the state to its vendors. In effect, anybody getting a state contract would be paying to make sure they got the contract by above-board means.

Reformers would also close loopholes in the existing procurement code and put more limits on no-bid contracts. The data on all contracts - and the bidding process that led to them - would be searchable online, and lobbyists and subcontractors would have to disclose more of their political and financial connections.

Some of the proposal's key elements were suggested separately by Auditor General Bill Holland, whose investigations put the spotlight on no-bid contracts, poorly negotiated contracts, inefficient "purchasing efficiency" programs and other political shenanigans carried out under the regime of disgraced former Gov. Rod Blagojevich. He's told the Legislature he's particularly keen on adding more transparency.

University of Illinois-Springfield professor and legislative expert Kent Redfield predicts that some type of state purchasing reform will take hold this year, but probably not the wholesale change the reform commission has been pushing. As he noted, we have a "status-quo-oriented, risk-averse Legislature." He expects the oversight component might get added in, but that the state won't move to a single agency for procurement.

We think this:

First, given the problems the state's chief purchasing agency, the Department of Central Management Services, had with its efforts to save money through some of that consolidation under Blagojevich - in which the "savings" either didn't exist or couldn't be documented - we can understand the skepticism legislators may have at trying something that involves more consolidation.

Second, we should try to avoid redundancy here. Doesn't the Auditor General's office already do some of this work, at the Legislature's behest? Beyond that, though Holland has done an admirable job - his sometimes blistering criticisms of the way the Blagojevich administration and CMS in particular conducted themselves go back to 2005 - arguably it took a U.S. attorney, Patrick Fitzgerald, operating outside of state government, to really do something about it. So maybe you give the existing Auditor General's office more tools and teeth - we're just thinking out loud here - or wrap these "independent reviewers" into that agency.

Finally, this is going nowhere unless the legislative leaders - Senate President John Cullerton and Speaker of the House Mike Madigan perhaps most of all - take these reforms and run with them. If Redfield is right about a Legislature obsessed with the power-preserving elements of the status quo, awful and embarrassing to state government as it has been, significant public pressure may very well have to be exerted here.

This reform proposal deserves to be debated rationally and out in the open. If state tax hikes are inevitable, taxpayers could at least draw some measure of comfort from legislation that provides greater assurances their dollars are being safeguarded, that the criteria for awarding contracts is being followed to the letter. If we want to halt corruption in Illinois, ultimately voters need to hire better people. But in the meantime, sad as it is that it has come to this, anything to make it harder for bad politicians to do bad things should be welcomed.

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