



No-Bid Contracts Invite Government Corruption

Description

When governments are awarding expensive contracts, competitive bidding is the safeguard that protects taxpayers from shoddy inside deals.

It's a "best practice" mandated by state law, with limited exceptions, to facilitate good service at a reasonable price because, without it, public officials can steer lavish deals to political insiders more concerned with padding their own pockets than delivering quality and value.

Take, for instance, the recent Chicago Public Schools scandal:

Former CEO Barbara Byrd-Bennett pleaded guilty last month to steering principal training contracts worth \$23 million to a former employer in exchange for kickbacks.

CPS awarded the contracts without going through an open, honest, competitive bidding process.

School officials initially defended the no-bid decision, telling reporter [Sarah Karp](#), who now works for the [Better Government Association](#), the work was exempt from competitive bidding requirements because the service was specialized and couldn't be performed by another consultant.

We now know that was nonsense—it wasn't a time-sensitive emergency and other educators offer principal training—and the board members who unanimously approved the deal should have realized it back then.

They could have simply opened up the Illinois School Code to the page that says purchases over \$25,000 should generally go to the "lowest responsible bidder."

CPS eventually cancelled the contracts and audited its no-bid procedures, which will hopefully reduce the likelihood of a scandalous recurrence.

But other public officials are skirting the Illinois Municipal Code, which mandates competitive bidding for most contracts over \$20,000.

Last year the BGA raised questions about an [“arrangement” in west suburban Cicero](#), where the town paid more than \$15 million over ten years to a garbage company that donated nearly \$130,000 to the campaign funds of Town President Larry Dominick.

For years the garbage work wasn’t put out for bid, and Cicero didn’t even have a written contract with the company.

The BGA reported on another questionable suburban deal a month ago—[this one in Berwyn](#)—which paid a tree trimming contractor more than \$1 million over three years without formally bidding out the work.

The contractor also contributed to the campaign fund of Berwyn Mayor Robert Lovero.

It’s not surprising that Berwyn was paying more for less service than nearby Oak Park, which bids out its tree trimming work.

Berwyn has a local ordinance that says certain expenses over \$10,000 “shall be purchased by formal, written contract from the lowest responsible bidder,” but officials either couldn’t or wouldn’t tell us whether this particular deal violated its own rules.

An attorney for Berwyn initially indicated a willingness to find out if the City Council waived the competitive bidding requirement, but the inquiry was apparently dropped after we published our findings.

Berwyn is missing the point: They should care about whether their own rules were broken, regardless of our investigation. That’s called accountability.

The takeaway from these examples is unequivocal: No-bid contracts are generally bad for taxpayers and should be reserved for infrequent time-sensitive emergencies that require fast action of a highly specialized nature.

Whether it’s Berwyn, Cicero, CPS or anywhere else, public officials have to start complying with competitive bidding requirements designed to protect taxpayers, not their friends and cronies.

The state statute offers guidance, but its legalese is unnecessarily fuzzy, so lawmakers should clean up the language, and clarify the rules and penalties, so there’s no excuse for non-compliance.

Let’s “bid adieu” to no-bids.