**Section 661.305 Compliance with Procurement Requirements**

a) Grantee responsibility

The grantee is responsible for selecting the low, responsive, and responsible bidder or other contractor in accordance with State or local laws or ordinances, and the grant agreement directly affecting procurement, and for the initial resolution of complaints based upon alleged violations. The grantee shall promptly determine each complaint upon its merits permitting the complaining party as well as any other interested party who may be adversely affected to state in writing or at a conference the basis for his or her views concerning the proposed procurement. The grantee must promptly furnish to the complaining party and to other affected parties, by certified mail, a written summary of its determination, substantiated by an engineering and legal opinion, providing a justification for its determination.

b) Arbitration

Disputes between the grantee and any party adversely affected by the determination of the grantee made pursuant to subsection (a) shall be resolved by binding arbitration by a single arbitrator, in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association (140 W. 51st Street, N.Y., N.Y., 10020, 1986). (This incorporation contains no further amendments or editions.) This agreement to arbitrate shall be specifically enforceable under the Uniform Arbitration Act [710 ILCS 5]. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in any court having jurisdiction thereof. A copy of the arbitration award shall be provided to the Agency immediately upon its issuance.

c) Time limitations

Complaints under subsection (a) shall should made in writing to the grantee, with a copy to the Agency, as early as possible during the procurement process, preferably prior to issuance of an invitation for bids to avoid disruption of the procurement process. A complaint authorized by subsection (a) must be mailed by certified mail (return receipt requested) or delivered to the grantee, with a copy to the Agency, no later than five working days after the bid opening. A request for arbitration pursuant to subsection (b) must be made to the American Arbitration Association within one week after the complaining party received the grantee's adverse determination.

d) Deferral of procurement action

When the grantee has received a written complaint pursuant to subsection (a), it must defer issuance of its solicitation or award or notice to proceed under the contract (as appropriate) for ten days after mailing or delivery of any written adverse determination. If a determination is made by either the grantee or the arbitrator that is favorable to the complainant, the terms of the solicitation must be revised or the contract must be awarded (as appropriate) in accordance with this determination.

(Source: Amended at 41 Ill. Reg. 13243, effective October 20, 2017)