



Chief Procurement Office

Bill Grunloh, Department of Transportation - Construction

August 31, 2016

Mr. Michael Hoffman, Acting Director
Department of Central Management Services
401 South Spring Street – Room 715 Stratton Bldg.
Springfield, IL 62706

Re: Report of Service-Disabled Veteran Owned Small Business (SDVOSB) and
Veteran Owned Business (VOSB)

Dear Director Hoffman:

Pursuant to Public Act 97-260 (30 ILCS 500/45-57(b)), the Chief Procurement Officer for the Illinois Department of Transportation (Highway Construction) is providing you with the Fiscal Year 2016 report of Service-Disabled Veteran Owned Small Business (SDVOSB) and Veteran Owned Small Business (VOSB).

My office continues to work with the Illinois Department of Transportation (IDOT), the Illinois Department of Veterans' Affairs (IDVA), and the Illinois Department of Central Management Services (CMS) to encourage Illinois veterans who own businesses to become certified in the state's Veterans Business Program (VBP).

Currently there are 111 certified businesses in the VOBP. Out of those certified, only 28 firms are prequalified and certified with IDOT. Those 28 consist of the following: 4 prequalified prime contractors, 5 prequalified consultants and 19 registered subcontractors.

- IDOT prequalified prime contractors - 750 (4 certified in the VBP)
- IDOT registered subcontractors - 1244 (19 certified in the VBP)
- IDOT prequalified consultants - 400 (5 certified in the VBP)

Per 30 ILCS 500/45-57 (b), the CPO shall report:

1. Total number of veteran small businesses that submitted bids for contracts = IDOT (**Highway Construction**) - **6**
2. Total number of veteran small businesses that entered into contracts = **4 VOSB for a total of 9 contracts.**
3. Total number of veteran small businesses that had a subcontract = **1**
4. Total contract awarded amount = **\$9,395,453.42**

Please note that these numbers represent only “construction and construction related” procurements and do not include “supplies and services”.

Progress to report:

In July, the four Chief Procurement Officers collectively conducted a survey of Certified Veteran Owned Small Business firms. The survey requested ways to improve and advance the program. The survey was sent to all certified VOSB and SDVOSB firms with responses due back by August 9. The results of this survey are attached for your reference.

I continue to meet with Secretary Blankenhorn and executive staff at IDOT to discuss recommendations on the VBP going forward. The department continues to look at the possibility of having our prequalification process tie in to the CMS SDVOSB/VOSB certification thereby streamlining the process.

I continue to recommend to the department that they implement a vigorous outreach effort to all the department’s prequalified prime contractors, prequalified consultants and registered subcontractors. Hopefully with this additional outreach, IDOT can create some interest and increase VBP certification within IDOT’s pool of business partners.

After much discussion with the department, I am happy to report that there is now assigned personnel in the Office of Business and Workforce Diversity (OBWD) that is dedicated to the veterans program. With new personnel, IDOT is in the process of conducting a survey with industry partners. We will forward the results of this survey when they are available. With Executive Order 15-2, the department is capturing information about the number and proportion of participants in apprenticeship and training programs by the contractors who are veterans.

My continued recommendation to IDOT and CMS is the importance of vigorous outreach to increase the number of certified firms in the Veterans Business Program so it can become a viable program in highway construction and construction related procurements.

Sincerely,



Bill Grunloh

Chief Procurement Officer

cc: Randy Blankenhorn, Secretary
Matt Magalis, Chief of Staff
Omer Osman, Deputy Secretary for Project Implementation
Aaron Weatherholt, Deputy Secretary for Program Development
Pam Simon, Director of Office of Business and Workforce Diversity