



Chief Procurement Office

Bill Grunloh, Department of Transportation - Construction

October 27, 2017

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 2017 report of Service-Disabled Veteran Owned Small Business (SDVOSB) and Veteran Owned Small Business (VOSB). Public Act 100-43, the procurement omnibus legislation that became effective August 8, 2017, changed the annual due date of this report from September 1 to November 1. As a result, I have included contracts awarded in July, August and September of 2017 in this report.

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 137 certified businesses in the VOBP. Out of those certified, only 25 firms are prequalified and certified with IDOT. Those 25 consist of the following: 4 prequalified prime contractors, 5 prequalified consultants and 17 registered subcontractors.

- IDOT prequalified prime contractors - 625 (4 certified in the VBP)
- IDOT registered subcontractors - 1200 (16 certified in the VBP)
- IDOT prequalified consultants - 392 (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 VOB for a total of 14 contracts.**
3. Total number of veteran small businesses that had a subcontract = **2**

4. Total contract awarded amount = \$73,398,792.67*

Please note that these numbers represent only "construction related" contracts and do not include "supplies and services" which are procured through the General Services CPO.

I continue to meet with IDOT executive staff to discuss recommendations on the VBP going forward. IDOT executive staff has had interaction with the United States Department of Transportation over the last year and are trying to get written guidance from them on the use of the Veterans Business Program on projects that are eligible for federal funding. Possible conflicts between the state Veterans Business Program and federal programs could exist.

Numbers for the last six years seem to indicate that the number of businesses becoming certified in the program has hit a wall: (2012 – 13) (2013 – 37) (2014 – 85) (2015 – 139) (2016 – 111) (2017 – 137). My continued recommendation to 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.

Sincerely,



Bill Grunloh
Chief Procurement Officer

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

*Includes two contracts awarded as a Joint Venture with a company that is not VOSB or SDVOSB