



# Chief Procurement Office

Bill Grunloh, Department of Transportation - Construction

October 23, 2017

Department of Transportation  
Secretary Blankenhorn  
2300 South Dirksen Parkway  
Room 300  
Springfield IL 62764

Re: Report of the Small Business Set-Aside Program FY 2017

Dear Secretary Blankenhorn:

In accordance with 30 ILCS 500/45(f) of the Illinois Procurement Code, the State Purchasing Officer is required to submit a report by November 1 of each year concerning the award of contracts to small businesses made in the preceding fiscal year under the designation of small business set-aside. The Department of Transportation (IDOT) has diligently pursued contracting opportunities with small businesses during Fiscal Year 2017. The Chief Procurement Officer for the Illinois Department of Transportation, Highway Construction (CPO-IDOT) oversees the small business set -asides for road construction through the Department of Transportation's Bureau of Small Business Enterprises.

The Illinois Department of Transportation's Small Business Set-Aside Program started in 2005. The designated small business set-aside projects are identified in the Transportation Procurement Bulletin. In accordance with Section 500/45-45 of the Illinois Procurement Code and the rules of the department, only bids from qualified small businesses will be considered for award. The nature of road and bridge construction does not lend itself well to small contracts that would fit into the Small Business Set-Aside Program. Projects are unbundled to the greatest extent possible to increase available projects for these lettings. To encourage maximum competition, these small business set-asides are open bidding items and prequalification is waived on these items. All bidders, including those correctly prequalified by the department, are required to submit with the bids a Qualification and Equipment Inventory Certification form which is included with the proposal and bidding documents.

Typically, the department administers an average of seven (7) scheduled lettings per year with approximately seven (7) small business set-aside projects per each letting.

The total number of contracts awarded to small businesses, by IDOT in FY17, was 71 with a total dollar amount of \$7,309,962.45.

Per the Business Enterprise Program Act (BEP), 30 ILSC 575/6(d) notwithstanding any provisions to the contrary in this Act, any State agency or State university which administers a construction program, for which federal law or regulations establish standards and procedures for the utilization of minority, disadvantaged, and female-owned business, shall implement a disadvantaged business enterprise program to include minority, disadvantaged and female-

owned businesses, using the federal standards and procedures for the establishment of goals and utilization procedures for the State-funded, as well as the federally assisted, portions of the program. As a recipient of federal-aid and pursuant to the requirements of the federal regulations, 49 CFR Part 26, IDOT (Construction) implemented a Disadvantaged Business Enterprises (DBE) program. In FY17, IDOT awarded \$161,684,704 to DBE firms for a total of 1921 contracts.

The Chief Procurement Office for IDOT Construction continues to work with the department to expand competition and State contracting opportunities to assist small businesses, enhance their credentials and grow their revenue, which in turn, spurs economic growth and job creation throughout Illinois.

Sincerely,



Colleen Caton  
Deputy Chief Procurement Officer/SPO