



Chief Procurement Office Capital Development Board
Fredrick Hahn, Chief Procurement Officer

TO: Thomas Klein, CDB General Counsel

FROM: Fredrick Hahn, Chief Procurement Officer

DATE: September 20, 2013

RE: FY13 Small Business Utilization Report and FY14 Small Business Compliance Plan

Thank you for submitting the referenced documents, as well as the information categorized between architect-engineer entities and contractors. For FY13, this shows that a large majority of prequalified vendors are small businesses (682 of 974 A/Es - 70%, and 925 of 966 contractors – 95%). Nearly all CDB contracts for construction go to prequalified vendors. Coupled with CPO information, this also shows that 99 of 148 A/E and 87 of 169 construction contracts were with small businesses. The total value to small businesses was \$65,544,779.81, or 36.5% of the \$179,287,344 awarded. The 36.5% is a significant increase over last year's 10.5% amount, and is more in line with the data from the previous three years.

CDB does not have a formal compliance plan because small businesses have made up such a large portion of CDB's vendor pool, and they have received a significant portion of the contracts (53% last year), making up 36.5% of the total contract value. These numbers exceed the levels contained in the Small Business Contracts Act and Section 45-45 of the Procurement Code. As required by Section 15 of the Small Business Contracts Act, I approve this approach.

CDB obtains the information about the annual sales level from prequalification applications submitted by vendors. The information is submitted every two or three years, depending on the category of the vendor, and there is no check of the information. CDB should consider a more formal process for recognizing a small business.

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TO: Fredrick Hahn, Chief Procurement Officer for Construction

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Chairman

Glyn M. Ramage

Michael Y. Chin

Stewart A. Muñoz

Miles W. Beatty, III

Anthony J. Garippo

FROM: Thomas Klein, General Counsel 

DATE: July 1, 2013

Subject: Capital Development Board FY2013 Small Business Utilization Report

Pursuant to Section 15(b) of the Small Business Contracts Act (30 ILCS 503/15(b)), the Illinois Capital Development Board (CDB) submits this report evaluating CDB's utilization of small businesses during fiscal year 2013. In fiscal year 2013, CDB had \$179,287,344.26 worth of contracts. Of this amount, \$65,544,779.81, or approximately 36.5%, went to small businesses. In addition, 175 of CDB's 328 (or approximately 53%) total contracts went to small businesses. In accordance with Section 5 of the Small Business Contracts Act and Section 45-45(b) of the Procurement Code, CDB defined "small business" to include construction businesses whose annual sales and receipts did not exceed \$10,000,000. CDB exceeded the goal of 10% dollar value of contracts contained in Section 10 of the Small Business Contracts Act and the goal of 25% total number of contracts contained in Section 45-45 of the Procurement Code.

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FROM: Thomas Klein, General Counsel *TK*

DATE: July 1, 2013

SUBJECT: Capital Development Board FY2014 Small Business Compliance Plan

Pursuant to Section 15(a) of the Small Business Contracts Act (30 ILCS 503/15(a)), the Illinois Capital Development Board (CDB) submits this report providing a compliance plan for FY2014. As shown below, CDB has exceeded the 10% goal contained in Section 10 of the Small Business Contracts Act in recent years:

Fiscal Year	Total Dollar Amount of Contracts	Total Dollar Amount of Contracts with Small Businesses*	Approximate Percentage
2009	\$135,300,000	\$42,000,000	31%
2010	\$174,300,000	\$39,000,000	22%
2011	\$125,500,000	\$49,500,000	39%
2012	\$287,710,891	\$30,014,229	10.5%
2013	\$179,287,344	\$65,544,779	36.5%

* In accordance with Section 5 of the Small Business Contracts Act and Section 45-45(b) of the Procurement Code, CDB defined "small business" to include construction businesses whose annual sales and receipts did not exceed \$10,000,000.

Because a large percentage of the businesses prequalified to do business with CDB are small businesses, CDB has been able to exceed the goals through the normal course of business. Therefore, CDB plans to continue selecting architects based on qualifications and contractors based on the bidding process.

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