



Chief Procurement Office

Bill Grunloh, Department of Transportation - Construction

August 19, 2015

Mr. Tom Tyrell, 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 Tyrell:

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 2015 report of Service-Disabled Veteran Owned Small Business (SDVOSB) and Veteran Owned Small Business (VOSB).

My office has worked 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).

In Fiscal Year 2013, I urged IDOT to conduct a survey of all the departments prequalified and certified prime contractors, consultants and subcontractors. As a result of that survey we identified 122 firms owned by veterans that showed an interest in the VBP. In December, of that year, the list of firms was provided to CMS and IDVA. We were hopeful that a majority of those firms would become certified, that was not the case.

Currently there are 139 certified businesses in the SDVOSB/VOBP. Out of those certified, only 28 firms are prequalified and certified with IDOT. Those 28 consist of the following: 5 prequalified prime contractors, 3 prequalified consultants and 20 registered subcontractors.

- IDOT prequalified prime contractors - 750 (5 certified in the VBP)
- IDOT registered subcontractors - 1227 (20 certified in the VBP)
- IDOT prequalified consultants - 400 (3 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**) - 9

2. Total number of veteran small businesses that entered into contracts = **5 VOB for a total of 10 contracts.**
3. Total contract awarded amount = **\$5,596,126.60**

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

Progress to report: I’ve met with Secretary Blankenhorn and Executive Staff at IDOT to discuss recommendations on the VBP going forward. Even with the limited number of certified participants, we have 18 registered subcontractors in the greater Chicagoland. I have recommended that the department identify suitable projects in this geographic area and implement goals on those projects. It’s my recommendation that those projects be advertised on an upcoming letting.

In addition, Secretary Blankenhorn, Director Jeffries and I met on July 28 to discuss additional outreach and other ideas to generate interest in the program. All agreed that additional outreach and continued public awareness of the program would be critical in its success. The Department is looking at the possibility of having our prequalification process tie in to the CMS SDVOSB/SOSB certification process thereby streamlining the process. I recommended that the department 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 increased VBP certification within our pool of business partners.

A Public Forum hosted by the four State Chief Procurement Officers was held on July 22, 2015 for the purpose of receiving input and comments from vendors, contractors and constituent groups. The forum was well attended and valuable information was received to enhance the VBP going forward. It also highlighted the need for additional outreach.

We also heard from several people attending the forum that certification and re-certification was very burdensome. I would recommend that the certification process be reviewed and made as simple and straightforward as possible. The suggestion was also made to have the certification time period extended from one to two years which would be consistent with the Federal program.

To that end, the department and my office continues to be committed to see the Veterans Business Program grow and become a viable program in highway construction.

Sincerely,



Bill Grunloh
Chief Procurement Officer

cc: Randy Blankenhorn, Acting Secretary
Christine Reed, Deputy Secretary
Omer Osman, Director of Highways