



SMALL BUSINESS PROGRAM FACT SHEET

Why should I do business with the State of Illinois?

The State of Illinois spends billions of dollars purchasing thousands of different products and services each year. The State's demand is consistent and the State has a number of incentives to help Illinois' small businesses grow and prosper.

The Small Business Contracts Act (Public Act 97-307) recognizes the economic impact of small business and sets an annual goal that at least 10% of the State's contracts are awarded to small business. Reading this Small Business Program Fact Sheet is your first step towards doing business with the State of Illinois. Contacting the Chief Procurement Office (CPO@illinois.gov) is your second step.

How will I compete against a very large company for State contracts?

You won't have to! To promote contracting with small business, the **Small Business Set-Aside Program (SBSP)** designates **64 product and service** categories that the State will procure from small business. You'll only bid against other small businesses.

- From July 1, 2010 to June 30, 2011, the State spent nearly \$114 million (out of more than \$7 billion) with registered small businesses as a result of the SBSP program.
- Our goal is to annually award 10% of the State's contracts (approximately \$700 million) with registered small businesses in Illinois.

What if I don't sell a product or offer a service in the 64 set-aside categories?

The State still wants to do business with you. As part of the SBSP, the Chief Procurement Office requires state agencies making one-time commodity and service procurements of \$50,000 and less to purchase from registered small businesses. These procurements are not category specific.

To see what the State currently wants to purchase, you can view sales opportunities by clicking on "IllinoisBID" at (www.purchase.state.il.us) or enroll for email notifications by clicking on "Registration."

401 South Spring Street
712 Stratton Office Building
Springfield, Illinois 62706
(217) 558-2157
(217) 557-2164 Facsimile

Do I qualify as a small business?

The State defines small business based on industry, annual revenue, and number of employees in the case of the manufacturing industry.

Annual gross revenues:

- Retail/service < \$6 million
- Wholesale < \$10 million
- Construction < 10 million
- Manufacturing < \$10 million (wholesale) and < 250 employees

2

How do I get registered as a small business?

Registration is easy. Here's what you'll need to do to get registered and begin receiving email alerts when the State needs what you're selling:

- Visit www.Sell2.illinois.gov
- Download the Small Business Application Form; complete it and mail it back to the State
- Include your State and Federal Tax returns (first page only) with your application
 - Manufactures must also provide the Illinois W-3.
 - Sole Proprietorships must also provide federal Schedule C.
- Follow the application directions carefully to avoid delay in processing.
- Enroll as a user of the Illinois Procurement Bulletin

Questions?

If you have any questions, please contact Scott McKinnery, State Purchasing Officer, at (217) 558-3723 or Scott.McKinnery@illinois.gov . Mr. McKinnery is the Small Business Specialist in the Chief Procurement Office.