



Illinois Department of Transportation

Office of Business & Workforce Diversity
2300 South Dirksen Parkway / Springfield, Illinois 62764

October 28, 2020

Honorable John Hollman
Clerk of the Illinois House of Representatives
300 Capitol Building
Springfield, Illinois 62706

Dear Representative Hollman:

In accordance with 30 ILCS 500/45-45(f) of the Illinois Procurement Code, the Small Business Specialist is required to submit a report each year concerning the award of contracts to small businesses made in the preceding fiscal year. The Department of Transportation (IDOT) has diligently pursued contracting opportunities with small businesses during Fiscal Year (FY) 2020.

IDOT'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 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 scheduled lettings per year with approximately seven small business set-aside projects per each letting.

The total number of contracts awarded to small businesses under the designation of small business set-aside, by IDOT in FY20, was 49 with a total dollar amount of \$9,600,481.

Public Act 97-0307 changed ILCS 500/45-90 which requires the Chief Procurement Officer to report all spend to qualified small businesses, including subcontractors. Combining these numbers with the designated small business set-aside program, the department total spend to qualified small businesses equates to \$309,040,659.00 with 823 total contracts awarded. This amounts to a 15.6 percent participation of small businesses of all department contracts.

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Per the Business Enterprise Program Act, 30 ILCS 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 implemented a Disadvantaged Business Enterprises (DBE) program. In FY20, 2167 contracts were awarded to DBE firms for a total of \$254,892,643.

The Small Business Specialists 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. If you have any questions or need additional information, please contact me.

Sincerely,



Pamela R. Simon
Director of Business and Workforce Diversity