



Illinois Commission on Equity and Inclusion

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Governor Pritzker and Members of the General Assembly:

On behalf of the Illinois Commission on Equity and Inclusion (CEI), and in accordance with 30 ILCS 500/45-57(b), I am pleased to present the Fiscal Year 2024 Veterans Business Program (VBP) Report.

To fulfill its statutory obligations and advance its VBP goals and objectives, CEI remains dedicated to strategic prioritization. By developing policies and programs that ensure an inclusive, fair, and equitable procurement process, while providing assistance, training, and mentorship, CEI aims to enhance supplier diversity, fairness, and inclusion by ensuring access to contracting opportunities. Now more than ever, CEI must continue to foster a diverse, equitable, and inclusive procurement environment where supplier diversity, equality, and inclusion are acknowledged and opportunities are accessible to all.

CEI is committed to transformative community progress and fulfilling its statutory responsibilities while encouraging collaboration with various internal and external stakeholders. This includes engagement with the four chief procurement officers, all state purchasing officers, and approximately 108 agencies, boards, commissions, and public institutions of higher education to align strategies and initiatives with the broader statewide supplier diversity goals. In FY24, CEI's external stakeholders also included 231 VBP-certified vendors, potential VBP-eligible businesses, various industry organizations, numerous prime vendors, and legislators. This extensive network of stakeholders plays a vital role in CEI's collaborative efforts to promote diversity, equity, and inclusion in Illinois' procurement landscape.

This report highlights progress and identifies the FY24 VBP achievement of Illinois agencies and public institutions of higher education subject to the Illinois Procurement Code. The State of Illinois spent \$66,663,748 in eligible contract dollars with VBP-certified vendors during FY24.

While we value the growth seen in FY24, we are committed to building upon the last fiscal year's successes while addressing areas for improvement. We will continue leveraging data-driven insights and stakeholder feedback to refine VBP strategies and processes, focusing on enhancing supplier diversity, equity, and inclusion across all facets of the procurement process. Through ongoing collaboration and a shared commitment to our mission, we are confident that we can create meaningful and lasting change that benefits all stakeholders involved in Illinois' procurement landscape.

Respectfully,

A handwritten signature in cursive script that reads "Alexandria M. Wilson".

Alexandria M. Wilson
Executive Director

**Commission on Equity and Inclusion
Veterans Business Program Annual Report
Fiscal Year 2024**



Fiscal Year 2024
Veterans Business Program Annual Report
VBP Achievement Executive Summary

The Commission on Equity and Inclusion (CEI) presents this annual Veterans Business Program (VBP) Report to Governor Pritzker and the General Assembly. This report identifies the total number of veteran-owned small businesses (VOSBs) and service-disabled veteran-owned small businesses (SDVOSBs) that submitted contract bids in FY24, along with the total number of VOSBs and SDVOSBs that entered into contracts with the State of Illinois (State) and the value of those contracts. It also outlines year-by-year comparisons of VBP certification and VBP-certified contract award numbers. Additionally, the report highlights CEI's FY24 VBP operational accomplishments, programmatic updates, and future growth initiatives.

VBP continues to support, promote, and encourage the economic development of VOSBs and SDVOSBs participating in State procurement as prime vendors and subcontractors. By engaging and collaborating with other partnering organizations and stakeholders, VBP expands its impact by increasing participation in State contracting opportunities.

FY24 Metric Highlights

The State reports solid improvements in total spending during FY24. VBP spending peaked at \$66,663,748, surpassing the previous year's spending by \$20,554,794. This increase is attributed to a 158% rise in contracts awarded by agencies under the purview of Chief Procurement Office for General Services (CPO-GS), including VBP goals. The total number of SDVOSB and VOSB contracts awarded in FY24 decreased from 351 in FY23 to 318. This drop in awarded contracts is due to fewer projects from firms under the jurisdiction of Chief Procurement Office for the Capital Development Board (CPO-CDB).

Furthermore, the contracts received by VBP firms on Capital Development Board (CDB) projects were of lower value than in the previous year. Despite the decline in awards, the average contract amount increased from \$131,365 in FY23 to \$209,635. This 60% year-over-year gain is primarily driven by higher-valued contracts awarded by CPO-GS.

The VBP is committed to supporting VBP-certified firms and promoting their success in the State's marketplace. While we have made significant progress in several areas, ongoing dedication is required to ensure the success of veteran-owned firms and to further enhance their opportunities.

FY24 Operational Accomplishments and Programmatic Highlights

VBP made significant progress in supporting and empowering VBP-certified firms during FY24. To further increase accessibility for these businesses, CEI launched its new online training academy designed to enhance knowledge of supplier diversity and promote equity and inclusion within the State's procurement landscape. By casting a wide net, this training clarifies the VBP certification and compliance processes, identifies the supplier diversity responsibilities of chief procurement officers and purchasing entities, and illuminates the intricacies of goal calculations, waivers, and exemptions. By educating State personnel and the public, CEI provides learners with a clear grasp of the supplier diversity ecosystem, fostering an environment of equity and inclusivity for diverse vendors.

Supplier Diversity Management Portal (SDMP)

Through a competitive bidding process, Viva USA, Inc. was awarded the contract to host CEI's Supplier Diversity Management Portal ([SDMP](#)). This system change enhances CEI's supplier diversity management by streamlining processes, improving user experience, and increasing data accuracy. On July 15, 2024, the SDMP became available for public use. Purchasing entities can now search the portal for VBP-certified firms (for goal-setting and utilization plan responsiveness) and the contracts executed with supplier diversity goals. New certification applications, renewals, and revision submissions reopened on that date. Please visit <https://cei.illinois.gov/about-the-commission/supplier-diversity-management-system.html> regularly for the latest information and portal updates.

Office Location Updates

During FY24, CEI successfully undertook several facility relocation projects. Early in the year, CEI moved its headquarters from the 4th floor to the 14th floor of the James R. Thompson Center, a temporary measure while Central Management Services prepared the building for new ownership. Less than a year later, CEI made another significant move to the newly acquired 115 S. LaSalle building in Chicago's financial district. Shortly after settling into the new Chicago location, CEI expanded its presence by opening a second office at 524 S. 2nd Street in Springfield, Illinois. This new branch enhances CEI's ability to conduct business, facilitate public meetings, engage with stakeholders, and build relationships within the greater Springfield area. Establishing these locations marks a pivotal milestone in CEI's ongoing evolution.

VBP Certification Unit Updates

The VBP certification unit made notable progress in supporting and empowering veteran-owned businesses during FY24. In FY24, 24 additional vendors received approval, increasing the total number of certified vendors to 231. This expansion in the vendor base can be attributed to the VBP certification unit's diligent engagement in targeted outreach efforts, virtual office hours, and informational webinars aimed at prospective vendors throughout Illinois. The increase in vendor certification indicates a growing interest among veteran firms in participating in State contracting opportunities. The VBP has experienced growth in certified VOSBs and SDVOSBs over the past four years.

Monthly internal unit meetings were established to improve communication, collaboration, and operational efficiency among certification staff. These meetings offered a structured environment for sharing best practices, discussing policy updates, and tackling procedural challenges. The unit also comprehensively updated its standard operating procedures to accurately reflect current practices and decision-making processes. This update has enhanced transparency, consistency, and efficiency in processing applications. A staff expansion initiative was approved in FY24 to increase workload efficiency and better support the growing demands of the certification unit. This expansion will enhance application processing times and vendor engagement moving forward.

The focus on transparency, responsiveness, and customer service has resulted in noticeable improvements in vendor relations. Enhanced processes have led to quicker response times for inquiries and more streamlined communication between vendors and certification staff. Furthermore, ongoing education efforts have empowered vendors with a clearer understanding of how to navigate State procurement opportunities effectively.

A key milestone in FY24 was the decommissioning of the old supplier diversity certification and management system in preparation for the transition to the new SDMP. This shift represents a significant technological and procedural enhancement aimed at providing a more efficient, user-friendly, and integrated experience for vendors and purchasing entities seeking certification and managing supplier diversity compliance. The transition required carefully planned FY24 closeout preparations. The new system will significantly streamline certification workflows and improve data integrity in future reporting periods.

The certification unit has developed an updated National Institute of Governmental Purchasing (NIGP) code crosswalk. Vendors use the crosswalk document to translate between NIGP commodity codes and another classification system, the North American Industry Classification System (NAICS) codes. This tool helps users compare and match product categories across different platforms. The crosswalk table shows the NIGP code alongside the corresponding code from the other system, allowing users to look up a specific product category in one system and find its equivalent in the other. This crosswalk is an essential resource in ensuring that vendors request certification for all commodity codes where they can perform a commercially useful function.

FY24 was a year of strategic growth, operational refinement, and system modernization for the VBP certification unit. Key initiatives, such as enhanced vendor education, procedural updates, staffing expansion, and system transition efforts, position the unit for greater efficiency, increased vendor engagement, and a stronger impact on supplier diversity within Illinois. Looking ahead, the certification unit remains committed to expanding certification access, enhancing customer service, and leveraging new technological advancements to support the success of VBP-certified firms.

VBP Compliance Unit Updates

CEI's VBP compliance unit ensures adherence to supplier diversity contracting requirements in the State's procurement process. The VBP compliance unit oversees goal-setting for contracts, reviews individual contract exemption requests, evaluates Utilization Plans (U-Plans), monitors the utilization of VBP-certified primes and subcontractors, and provides necessary reporting and assistance to all agencies, boards, commissions, and public universities.

With the implementation of CEI's new SDMP, the VBP compliance unit has made significant strides in promoting equitable and inclusive procurement practices across State agencies, boards, commissions, and public institutions of higher education. The new portal will simplify various aspects of supplier diversity contracting, including contract monitoring and compliance reviews before award. Additionally, it will feature a compliance dashboard for data visualization and reporting, along with statistical tracking that will establish a live feedback loop, offering insights into progress toward VBP goals for each solicitation and the fulfillment of collective purchasing entity objectives, which is an invaluable resource for CEI as a whole. The VBP compliance unit will also introduce an updated goal-setting methodology, a standardized U-Plan template, a good faith effort form, and individual and class exemption request forms to align with current best practices and enhance efficiency. Furthermore, the VBP compliance unit aims to fill all vacancies, thereby increasing its overall capacity.

As part of its oversight role in FY24, the VBP compliance unit actively monitored the contract goal commitments of purchasing entities, ensuring transparency and adherence to diversity commitments. The team provided vendors with responsive assistance, guidance, and clarity regarding VBP compliance

matters. The VBP compliance unit consistently generated reports to maintain data accuracy and current insights, enabling informed decision-making and progress evaluations. Additionally, the VBP compliance unit attended pre-bid conferences as needed, addressing concerns and challenges confronted by VBP vendors and purchasing entities.

CEI's Outreach Unit Updates

In FY24, CEI emphasized outreach and strategic partnerships to network and actively engage with current and potential VBP vendors. The VBP successfully completed four VBP certification workshops and participated in eight community engagement opportunities. During these events, 20 vendors registered for additional CEI and VBP information.

CEI's outreach unit significantly expanded its efforts in FY24, increasing participation from 71 outreach initiatives in FY23 to 121 in FY24. CEI's dedicated team fosters awareness and participation in VBP through targeted outreach initiatives and promotion to the business community through the new SDMP, LinkedIn, purchasing entity partnerships, external communications and collaborations, local community groups and associations, chambers of commerce, and legislative outreach.

At the end of FY24, CEI's outreach accomplishments included launching and expanding educational certification training workshops, creating a new VBP brochure, boosting outreach to diverse business owners, and providing valuable information on the benefits and process of becoming certified vendors. The outreach unit has also leveraged social media and stakeholder relationships to promote CEI's programming, offer free certification virtual office hours, and enhance accessibility and engagement. The unit remains dedicated to strengthening connections and supporting diverse business communities.

The list of VBP-specific events includes:

- 2023 Illinois State Fair Veterans Day
- Veteran Business and Resource Summit
- Veteran Business Resources "Coffee Chat"
- 2024 Veterans Outreach Forum
- Beyond the Call: Veteran Business Support Symposium
- North Shore Veteran's Benefit Fair
- Memorial Day Veteran Hiring and Resource Expo
- Black Veterans Expo and Pitch Competition

The CEI outreach unit is committed to enhancing its outreach efforts and fostering meaningful engagement with external stakeholders. To achieve this, CEI will prioritize filling staff vacancies to ensure optimal capacity for executing outreach initiatives effectively. CEI will build on this to create targeted outreach programs that connect, inform, and increase engagement with diverse businesses, promoting supplier diversity and inclusion.

In alignment with CEI's commitment to continuous improvement, CEI will launch a dedicated supplier diversity training course to empower purchasing entities conducting procurements and vendors seeking procurement and contract opportunities. This training course will equip these purchasing entities and businesses with valuable insights and resources to thrive in procurement. Additionally, CEI will collect, update, and distribute supplier diversity metrics and key performance indicators to track progress and inform data-driven decision-making. These metrics will focus on increasing supplier diversity and fostering

economic development among diverse businesses. These next steps will fortify CEI's role in advancing supplier diversity and positively impacting the State's procurement practices.

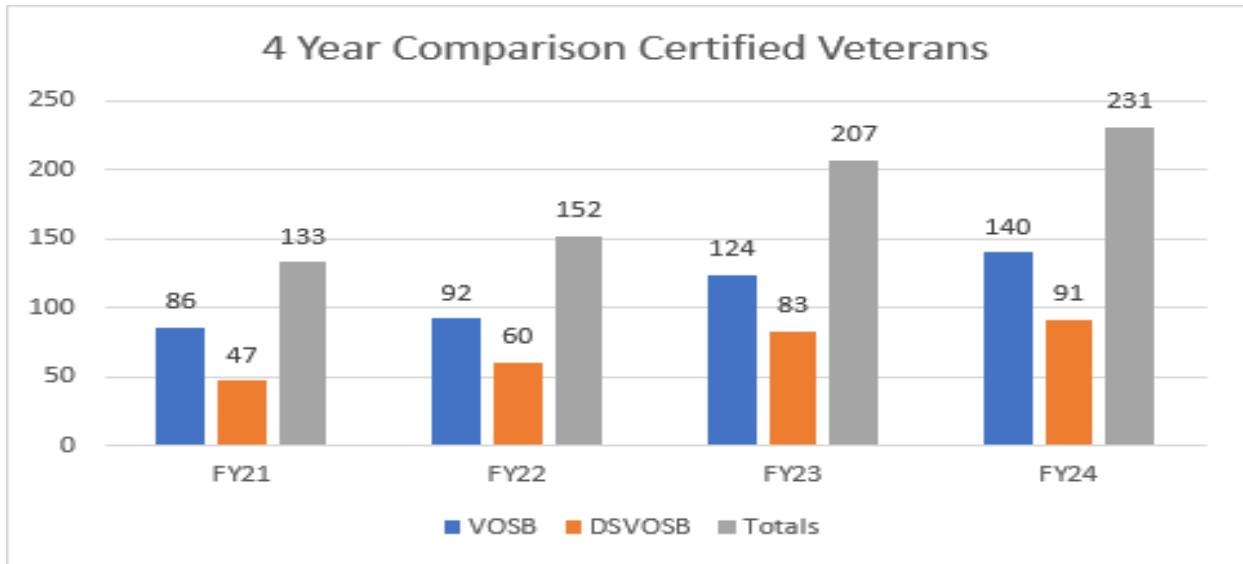
Fiscal Year 2025 VBP Target Growth Initiatives

This list of target growth initiatives outlines specific objectives and actions to drive VBP growth and progress within CEI. CEI meticulously designed these initiatives to broaden the reach and impact of its mission, emphasizing increased supplier diversity and promoting economic development among diverse businesses. By establishing clear growth targets and strategic priorities, CEI seeks to create a more inclusive and equitable procurement landscape, thus contributing to advancing diversity and economic opportunities throughout Illinois. Through the following initiatives, CEI strives to strengthen its role as a catalyst for positive change and a driver of meaningful progress in supplier diversity:

- Continued monitoring of contract VBP goal commitments.
- Align the VBP compliance process with the Business Enterprise Program's (BEP) compliance process, ensuring consistency in timelines and requirements.
- Increased accuracy and efficiency of CEI's supplier diversity tracking and reporting processes.
- Standardized supplier diversity processes and procedures.
- Increased purchasing entity direct and indirect spending with VBP-certified vendors seeking procurement and contract opportunities.
- Diverse business outreach initiatives that connect, inform, and increase engagement.
- Prioritize filling the staff vacancy within the VBP unit, ensuring that CEI has a dedicated and proficient team to drive CEI initiatives.

CEI's VBP Expenditure Analytics Assessment

According to 30 ILCS 500/45-57(b), CEI must review and report on the progress of each chief procurement officer (CPO) in achieving the State's 3% aspirational VBP goal. CEI is also responsible for making recommendations to increase the number and value of contracts awarded to VOSBs and SDVOSBs and for identifying potential barriers. CEI aims to boost the number of VBP-certified vendors involved in State procurement. The graph below presents a year-by-year comparison of the number of certifications awarded by the State to VOSBs and SDVOSBs.



CEI's VBP Recommendations

One of the most effective ways to strengthen the VBP is to foster collaboration with chambers of commerce, veteran organizations, and other key stakeholders that serve the veteran community. Through partnerships with these groups, CEI can expand its outreach efforts to raise awareness of the VBP and its benefits for veteran-owned businesses. Increased program visibility will lead to more VOSBs and SDVOSBs pursuing certification, which, in turn, can contribute to a more diverse and robust pool of businesses eligible to compete for State contracts. These partnerships can also provide valuable support networks for veteran entrepreneurs, enhancing their chances of success in the business world.

To better understand the needs and challenges faced by veteran-owned businesses, CEI should develop and distribute a comprehensive survey targeting Illinois veterans. The survey should assess their interest in participating in the VBP and identify common obstacles they face when trying to start or grow their businesses. By gathering direct feedback from the veteran community, CEI can obtain valuable insights that will guide the creation of more tailored policies and initiatives to tackle those challenges. This data-driven approach will ensure that the VBP stays responsive to the needs of veterans and effectively eliminates any barriers hindering their success.

To support the inclusion of VOSBs and SDVOSBs in State procurement, it is recommended that agencies, boards, commissions, and public universities explore alternative methods for awarding contracts when no specific VBP goal is calculated during the goal-setting process. This could involve creating an approach where SDVOSBs and VOSBs are prioritized in contract awards, even without a formal goal. By removing

the barrier that a set goal may create, purchasing entities can actively promote veteran-owned businesses in public procurement, ensuring that veterans are given fair opportunities to compete and thrive. This recommendation aims to empower veteran-owned businesses by ensuring they are not inadvertently excluded from opportunities due to technicalities in goal-setting.

An important step in enhancing opportunities for VOSBs and SDVOSBs is identifying which National Institute of Governmental Purchasing (NIGP) codes are most commonly associated with veteran-owned businesses. By analyzing procurement data and trends, CEI can identify the sectors where veteran-owned businesses are most active and work to establish targeted set-asides in these areas. A VOSB or SDVOSB set-aside for competitive purchases would ensure that veteran-owned businesses have a fair and equal chance to compete in their strongest sectors. This initiative would help increase VBP participation and guarantee that veteran-owned businesses have access to opportunities where they are most likely to succeed.

To further support veteran-owned businesses, it is recommended that CEI work towards amending certain provisions of the certification process that currently pose challenges for VOSBs and SDVOSBs. Two specific issues are the five-year certification term and the requirement that businesses must be located in Illinois to qualify for certification. By addressing these obstacles, such as extending the certification term or allowing businesses based outside Illinois to qualify if they meet other criteria, CEI can broaden the pool of eligible VOSBs and SDVOSBs. These changes would facilitate greater competitiveness and growth for veteran-owned businesses, while ensuring that more veterans can participate in the VBP, regardless of location or time constraints.

VBP Contracting Barriers

A significant barrier that VOSBs and SDVOSBs face is the requirement to re-certify every five years to maintain their certification. This recurring re-certification process can be burdensome and costly for small businesses, especially when resources are stretched thin. Additionally, another issue is the requirement that VOSBs and SDVOSBs must be located in Illinois to obtain or maintain certification. This restriction excludes veteran-owned businesses outside of Illinois, even if they meet all other qualifications. Extending the re-certification period and re-evaluating the geographic limitation would help alleviate this barrier, ensuring that veteran business owners can maintain their certification without unnecessary hardship and that CEI can increase the pool of eligible businesses.

Unlike the BEP, which encompasses a wide array of diverse businesses, VOSBs and SDVOSBs represent a smaller segment of the supplier base. This limited pool leads to fewer vendors qualifying for State contracts, resulting in fewer contract goals specifically set for veteran-owned businesses. Consequently, VOSBs and SDVOSBs frequently encounter fewer procurement opportunities, diminishing their chances of securing contracts. Therefore, there is a pressing need to ensure that veteran-owned businesses receive more targeted support and are included in procurement strategies to avoid being overlooked due to the smaller size of their community. This could be achieved through set-asides and enhanced incentives for purchasing entities to prioritize veteran-owned businesses.

The complexity of State procurement processes poses another barrier for VOSBs and SDVOSBs. Many veteran business owners struggle to navigate the often intricate requirements of public procurement, which include understanding eligibility criteria and meeting necessary documentation and compliance standards. These processes can feel overwhelming for businesses already striving to overcome numerous

challenges in the marketplace. Providing more targeted guidance and support for VOSBs and SDVOSBs would not only reduce confusion but also enable these businesses to better access the State contracting opportunities available to them, empowering veteran business owners to fully leverage their VBP certification.

Chief Procurement Office Totals

	FY23	FY24
Total VOSB and SDVOSB Contracts	351	318
Total VOSB and SDVOSB Contract Values	\$46,109,014	\$66,663,748
Average VOSB and SDVOSB Contract Amounts	\$131,365	\$209,635

The following CPO reports were submitted to CEI by the CPOs on or before the statutory deadline of November 1, 2024.

The Chief Procurement Office for the Capital Development Board

Pursuant to 30 ILCS 500/45-57(b), Chief Procurement Officer for the Capital Development Board (CPO-CDB), provides you with the Fiscal Year 2024 report of Service-Disabled Veteran-Owned Small Business (SBVOSB) and Veteran-Owned Small Business (VOSB) (collectively Veteran Business Enterprise or VBE) for the Capital Development Board (CDB).

According to the CEI Veterans Business Program (VBP) report (as of June 2024), CEI has 233 certified VBE businesses. Of the CEI certified VBE firms, 89 are construction or construction-related professional service (architectural/engineering) firms. Of the 89 VBE certified construction or construction-related professional firms, 51 of the firms are prequalified or registered with CDB. Contractors must be prequalified to participate as a prime contractor for CDB projects; subcontractors must be registered with CDB.

For FY 2024, VBE goals applied to CDB projects include the following:

CDB VBE Firms	Total	Prequalified by CDB as Prime	Registered w/CDB as subcontractor
Contractors	75	75	22
Architects and/or Engineers	74	74	5
Totals	149	149	27

The scope, location of work, and the number of certified VBE firms in the region impact the ability of CDB to place goals on all projects. CDB set veteran goals on 149 (56%) of 262 contracts that were solicited for construction and construction-related professional services.

Contracts and Subcontracts

CDB’s contract awards in FY24 totaled \$493,599,112 of which \$12,658,476 was awarded to veteran-owned small businesses. CDB achieved an overall 2.56% goal participation to VBE firms, which is a 0.64% decrease from FY-23 achievement (3.2%). Please note these numbers represent only “construction” and “construction-related” contracts and do not include “supplies and services”.

The Illinois Procurement Code requires each chief procurement officer to review the progress of State agencies under their jurisdiction in meeting the 3% goal, with input from statewide veterans’ service organizations and from the business community, including businesses owned by qualified veterans, and to make recommendations that are to be included in CMS’ report to the General Assembly regarding continuation, increases, or decreases of the percentage goal. CDB continues to attend outreach events hosted by other agencies, governmental entities, and industry groups to promote both minority and veteran certification, prequalification, and participation on CDB projects. By Increasing the number of prequalified and registered VBE firms, CDB will be able to increase the pool of qualified VBE firms who may bid on CDB projects. In addition to the continued outreach efforts the following recommendations are being made by my office.

CPO-CDB Recommendations

- A high concentration of CMS certified VBE firms are in the Chicagoland area. The CPO-CDB continues to recommend identifying projects in the area that would allow for the establishment of goals that exceed the traditional 3%.
- The CPO-CDB recommends that CDB projects that contain VBE goals be identified and promoted to increase visibility regarding these projects.
- Continue outreach efforts to increase the number of certified VBE firms who are also pre-qualified or registered with CDB.

The Chief Procurement Office for General Services

Each year, CPO-GS reviews progress of all State agencies under its jurisdiction in meeting the goal of awarding not less than 3% of the total dollar amount of State contracts, as defined by the Commission on Equity and Inclusion, to SDVOSBs and VOSBs. This review of Fiscal Year 2024 encompasses more than 42,000 Purchase Orders (POs) transacted in BidBuy valued at more than \$5.7 billion. In Fiscal Year 2024, 16 VBP firms submitted bids for contracts and received 98 POs with an award value greater than \$39.8 million.

	Count of PO Number with Release	Sum of NOA Amount Total plus Renewals
1 st Call Technical Services Inc.	1	\$13,485.00
BioMetric Impressions Corp.	6	\$3,015,874.99
Bravo Company Engineering Inc.	1	\$3,000,000.00
H & N Construction, Inc.	3	\$329,800.00
Hairadox LLC	1	\$110.00
HERLIHY MID-CONTINENT COMPANY	1	\$24,001,072.14
Holly's Office Solutions SDVOSB	74	\$114,770.81
Industrial Fence, Inc.	1	\$3,406,260.83
Intech Innovations Inc.	2	\$53,923.00
Juneau Associates, Inc., P.C.	1	\$5,000,000
Kuhn & Trello Consulting Engineers, LLC	1	\$9,900
Patriot Property Services, LLC	1	\$88,000
Semper Fi Yard Services, Inc.	2	\$416,613.40
Sullwood Inc.	1	\$38,837
Terrazas LLC	1	\$353,942
TROPICAL ENVIRONMENTAL INC.	1	\$2,750
TOTAL:	98	\$39,845,339.17

CPO-GS Recommendations

CPO-GS believes that the use of set-asides is the most important mechanism for increasing the total dollar value of awards to veteran-owned businesses. Contracts set-aside for veterans will provide a strong incentive for qualified veteran-owned businesses to enroll in VBP and remove the ongoing assertion by State agencies that if there were more businesses in VBP, there would be more contract opportunities.

To create set-aside contracts for SDVOSB and VOSB, the Procurement Code must be amended giving the chief procurement officers this authority. Veteran-owned small business set-aside contracts would limit competition for State contracts to only firms certified in VBP. Additionally, when only one vendor in VBP offers a supply or service not offered by another VBP vendor, any State agency may contract with that unique VBP business if the terms of a contract can be negotiated to the mutual benefit of the State and vendor. This removes the requirement that at least two VBP vendors exist before establishing a veteran subcontracting goal.

In the 101st General Assembly, Senator Munoz introduced SB1680 which amends Section 45-57 of the

Procurement Code and provides for chief procurement officers to create set- asides for veteran-owned small businesses. It passed the Senate 45-0-0. The Covid-19 pandemic affected many bills including this one. In the 102nd, Representative Vella introduced HB2770. The bill mirrored the language of SB1680. It passed the House 113-0-0. In the 103rd General Assembly, Representative Vella filed HB5802 reintroducing the veteran's set-aside amendment to the Procurement Code. It was not able to move out of committee.

CPO-GS recommends that you support a set-aside legislative measure if re-introduced in the 104th General Assembly. If you would like to discuss this recommendation or other ideas that may increase contracting with veteran-owned businesses, please reach out at any time. The 3% contracting goal continues to remain appropriate.

The Chief Procurement Office for Higher Education

It is the goal of the State to promote contracting with qualified veteran-owned small businesses and service-disabled veteran-owned small businesses. Not less than 3% of the total dollar amount of State contracts is established as a goal to be awarded to VOSBs and SDVOSBs. Given the low numbers of certified VOSBs and SDVOSBs in general and in the proximity of many institutions, progress towards the goal has been limited. However, five institutions did identify spend with certified VOSB and/or SDVOSB prime contractors. Those are reflected in the tables below along with dollar value and the number of VOSB and SDVOSB prime contractors who submitted bids as defined by 30 ILCS 500/1-15.01. CPO-HE will be working with public institutions of higher education over the coming year to attempt to increase participation and track and report on these contracts.

<i>FY24 University and IMSA Contracts and Spend (Combined) with Qualified Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses</i>				
Procuring Institution	# VOSB Prime Contracts	# SDVOSB Prime Contracts	\$ Value of Contracts to Certified VOSB & SDVOSB Prime & Subcontractors paid from adjusted budget	% of contract value paid from adjusted budget to certified VOSB & SDVOSB Prime & Subcontractors
Chicago State University	0	0	\$ -	0.00%
Eastern Illinois University	0	0	\$ -	0.00%
Governors State University	0	0	\$ -	0.00%
Illinois Math and Science Academy	4	1	\$76,338.50	2.01%
Illinois State University	4	3	\$53,805.00	0.03%
Northeastern Illinois University	0	0	\$ -	0.00%
Northern Illinois University	0	3	\$91,353.00	0.09%
Southern Illinois University	2	0	\$346,442.81	0.00%
University of Illinois	2	2	\$4,659,411.60	0.29%
Western Illinois University	0	0	\$16,622.34	0.03%
TOTAL:	12	9	\$5,243,973.25	0.25%

<i>FY24 University and IMSA Contracts with Qualified Veteran-Owned Small Businesses</i>		
Procuring Institution	# Certified VOSB Prime Contractors submitting Bids	# Certified VOSB Prime Contracts
Chicago State University	0	0
Eastern Illinois University	0	0
Governors State University	0	0

Illinois Math and Science Academy	0	4
Illinois State University	0	4
Northeastern Illinois University	0	0
Northern Illinois University	0	0
Southern Illinois University	2	2
University of Illinois	29	2
Western Illinois University	0	0
TOTAL:	31	12

<i>FY24 University and IMSA Contracts with Qualified Service-Disabled Veteran-Owned Small Businesses</i>		
Procuring Institution	# Certified SDVOSB Prime Contractors submitting Bids	# Certified SDVOSB Prime Contracts
Chicago State University	0	0
Eastern Illinois University	0	0
Governors State University	0	0
Illinois Math and Science Academy	0	1
Illinois State University	0	3
Northeastern Illinois University	0	0
Northern Illinois University	0	3
Southern Illinois University	0	0
University of Illinois	16	2
Western Illinois University	0	0
TOTAL:	16	9

Each institution has and maintains its own accounting system and methods for collecting this contracting data. The CPO-HE relies on the institutions to provide this information.

CPO-HE Recommendations

The CPO-HE has provided several recommendations regarding the program and for increasing veteran participation in contracting.

In consultation with the Commission on Equity and Inclusion (CEI) and the Illinois Department of Veterans Affairs (IDVA):

Evaluate the number of certified vendors in each NIGP Code and compare to available contracting opportunities within those codes to determine if the 3% goal for contracting with veteran-owned businesses should be retained or revised.

Evaluate the number of veteran-owned businesses in the State of Illinois as compared to the number of

businesses certified in the Veterans Business Program and determine why more businesses are not becoming certified.

Increase outreach to veteran-owned businesses in coordination with IDVA and CEI, including development of a marketing plan to increase the number of certified veteran-owned businesses. A veteran-owned business approached the CPO office at an outreach event and requested a veteran focused vendor fair be held in the Southern half of the state. The CPO office would be happy to assist in the facilitation of this or any other veteran outreach events.

The Chief Procurement Office for the Illinois Department of Transportation

The numbers being reported are achieved without veterans goals in place. The department has received guidance from the Federal Highway Administration that Veteran's goals are not permitted to be included alongside, or in-lieu-of, goals established under the United States Department of Transportation Disadvantaged Business Enterprise regulations.

These numbers are being provided for informational purposes. Currently there are 194 certified businesses in the Veterans Business Program (VBP). Out of those certified, only 38 firms are prequalified and certified with IDOT. Those 38 consist of six prequalified prime contractors, nine prequalified consultants, and 25 registered subcontractors.

- IDOT prequalified prime contractors - 581(6 certified in the VBP)
- IDOT registered subcontractors - 1051 (25 certified in the VBP)
- IDOT prequalified consultants - 363 (9 certified in the VBP)

Per 30 ILCS 500/45-57 (b), the CPO shall report:

1. Total number of VOSB that submitted bids for contracts = IDOT - 13
2. Total number of VOSB that entered into contracts= 8 VOSB for a total of 50 contracts.
3. Total contract awarded amount= \$8,915,959.74

CPO-IDOT	FY23	FY24
FY23 Number of VOSBs and SDVOSBs that submitted bids for contracts	10	13
Number of VOSBs and SDVOSB that entered in contracts	9	8
Total VOSB and SDVOSB contracts	60	50
Total Amount Awarded	\$12,365,377	\$8,915,960

CPO-IDOT Recommendations

The CPO-IDOT continues to work with IDOT executive staff to discuss recommendations on VBP potential future endeavors. IDOT executive staff has interacted with the United States Department of Transportation (USDOT) regarding the use of the VBP on projects that are eligible for federal funding. IDOT has been advised by the USDOT that the use of VBP goals on federally funded projects would be in direct conflict with the federally approved Disadvantaged Business Enterprise (DBE) program, and therefore, IDOT is considering the possibility of implementing VBP goals on state funded projects. This is something IDOT continues to work on, but it remains a work in progress. CPO-IDOT continues to recommend vigorous outreach to increase the number of certified firms in the VBP and cites the activity as an important aspect of fostering the viability of VBP.