



CHIEF PROCUREMENT OFFICE
 Art Moore, Capital Development Board

February 27, 2018

Mr. Michael M. Hoffman
 Acting Director
 Department of Central Management Services
 401 S. Spring Street – Room 715 Stratton Bldg.
 Springfield, IL 62706

Re: CPO-CDB Report of Service-Disabled Veteran-Owned Small Business and
 Veteran-Owned Small Business

Dear Director Hoffman:

Pursuant to 30 ILCS 500/45-57(b), as Chief Procurement Officer for the Capital Development Board (CPO-CDB), I am providing you with the Fiscal Year 2017 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).

- CMS has 144 certified VBE businesses.
- Of the CMS certified VBE firms, 98 are construction or construction-related professional service (architectural/engineering) firms.
- Of the 98 VBE certified construction or construction-related professional firms, 52 of the firms are prequalified or registered with CDB. Prime contractors must be prequalified to participate as a prime contractor for CDB projects; subcontractors must be registered with CDB.

For FY 2017, certified VBE firms include the following:

CMS Certified VBE Firms			
	Total	Prequalified by CDB as Prime	Registered w/CDB as subcontractor
Contractors	67	12	28
Architects and/or Engineers	31	12	-
Totals	98	24	28

Due to the FY 2017 budget impasse, the number of projects CDB awarded was limited. 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 9 of 42 contracts that were solicited for bid (construction services).
- Additionally, veteran goals were set on 5 of 7 CDB projects for construction-related professional services.

Contracts and Subcontracts

Total contract amount awarded to veteran small businesses by CDB = \$106,600

Total of all contracts and subcontracts to veteran-owned small businesses by CDB = \$289,522

- CDB’s total spend in FY17 was \$50,802,974 of which \$31,281,003 was subject to participation goals. CDB achieved 0.9% goal participation to VBE firms, which is decrease from FY 2016 achievement of 1.9%.



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- CDB awarded contracts or processed subcontracts to 13 unique VBE firms through 1 prime contract and 16 subcontracts.

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

The 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 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:

Recommendations

- Public Act 100-43 creates the Special Committee on Minority, Female, Persons with Disabilities, and Veterans Contracting. The Special Committee shall review Illinois’ procurement laws regarding contracting with minority-owned businesses, female-owned businesses, businesses owned by persons with disabilities, and veteran-owned businesses to determine what changes should be made to increase participation of these businesses in State procurements.(30 ILCS 575/8g) As a member of this committee, I look forward to working with other committee members to review current state laws and to find a way to increase veteran participation in state contracting.
- A high concentration of CMS certified VBE firms are located 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.
- Contract awards need to be made on a timely basis.

Thank you for consideration of these recommendations and for including them in your report to the General Assembly. Please let me know how the CPO-CDB can be of assistance in promoting the Veteran’s Business Program and increasing state construction business opportunities for veteran-owned businesses.

Sincerely

Arthur Moore
Chief Procurement Officer for Capital Development Board