



State of Illinois  
Department of Central Management Services

# Veterans Business Program

*For Service Disabled Veteran-Owned and  
Veteran-Owned Small Businesses*

**Annual Report-Fiscal Year 2019**



**JB Pritzker, Governor**

**Janel L. Forde, Acting Director, Central Management Services**



## FY 2019 VETERAN BUSINESS PROGRAM ANNUAL EXPENDITURE REPORT

### EXECUTIVE SUMMARY

The Veteran Business Program (VBP) Fiscal Year 2019 report is submitted by the Department of Central Management Services (CMS) Business Enterprise Program for Minorities, Females, and Persons with Disabilities (BEP), and outlines the qualified State dollars spent with VBP certified prime vendors beginning July 1, 2018 and June 30, 2019.

Created in 2011 and pursuant to the Veteran Business Program Act (97-0260), the VBP continues its efforts to drive procurement access and opportunities for Veteran entrepreneurs.

#### **Fiscal Accomplishments**

The data for the Veteran Business Report shows an increase of 5.5 million from FY18. This was primarily due to the increase in the expenditures for Veteran Contracting by the Illinois Department of Transportation. The total value of contracts awarded for FY19 amounted to **\$41,322,740.64**. FY18 total value of contracts awarded amounted to \$35,836,414.

Based on the analysis of the FY19 VBP report, the spend is trending toward increase growth in VBP through construction.

#### **Operational Outlook**

**Outreach** has renewed focus on reaching out to Veterans throughout the State and making them aware there are opportunities when they partner with the State. Outreach is excited about this adventure and looks forward to an increase in certified Veteran vendors.

**Compliance** is working with the Bureau of Strategic Sourcing (BOSS) to support our goals through Bidbuy and BEP databases. This inter-bureau collaboration is expected to yield positive outcome beneficial to agencies achieving their VBP goals. This is expected to enhance our goal achievement.

**Certification** is now at full strength with 6 analysts and looks set to reduce the processing time of applications. Certification looks set for a record year.

The Business Enterprise Program is expected to introduce a **Mentor Protégé Program** this spring. The Program will be headed by a Mentor Program Manager and will be responsible for managing the relationship between the mentoring company and the mentored company. The program is expected to help Veteran contractors to gain the necessary experience and skills to

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become primes. VBP looks forward to having Veteran Businesses being a part of the Mentor Protégé program

The Veteran Business Program looks forward to yet another successful fiscal year in 2020, with a redoubled focus on vendor engagement, process improvement, compliance optimization, and increased procurement opportunities.



March 1, 2020

To the Honorable Governor J.B. Pritzker and  
Honorable Members of the Illinois General Assembly:

On behalf of the Illinois Department of Central Management Services, pursuant to Public Act 097-260 (30ILCS 500/45-57(b)), we submit the FY19 Annual Report for the Service Disable Veteran-Owned Small Businesses (SDVOSB) and Veteran-Owned Small Businesses (VOSB).

CMS oversees certification eligibility of SDVOSB/VOSB firms and identifies their utilization in State contracts. BEP works in conjunction with the State's Chief Procurement Officers (CPOs), in carrying out strategic marketing plans which encourage Veteran vendors to participate within the State's procurement process. These efforts have included statewide recruitment and outreach events conducted in partnership with Illinois Department of Veteran Affairs (IDVA), with support from the Illinois Department of Transportation (IDOT), Illinois State Toll Highway Authority (ISTHA), the Capital Development Board (CDB), and the Illinois Higher Education University System.

Pursuant to our commitment to increase our Veteran vendor base, in FY19, CMS engaged in five Statewide presentations and workshops, serving a total of 215 Service-Disabled Veterans and Veterans.

To date, CMS has certified a total of 158 VBP applications, with 57 identified as SDVOSB and 101 identified as VOSB. CMS is committed to increasing these numbers for FY19 and is working vigorously toward that goal.

According to reports from the Chief Procurement Offices (CPOs)

Total VBP contracts awarded as either primes or subcontractors = 202

Total number of Decision Memorandums approved = 7

Total number of good faith efforts waivers granted = 2

Total value of contracts awarded = **\$41,322,740.64**

The total value amount of \$41,322,740.64 represents an increase of 5.5 million dollars from FY18. This increase is due primarily to the elevation of Veteran contracts awarded the by Illinois Department of Transportation in FY19.

CMS continues to review the Program recommendations made by the Chief Procurement Officers and Statewide Veteran's service organizations and from the business community. The following recommendations have been presented to CMS for consideration:

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CMS and IDOT need to pursue Outreach efforts vigorously in order to increase the number of certified VBE firms so that the Veterans Business Program can become a viable program. IDVA should select an official source to represent the potential number of veteran-owned businesses in Illinois thus determining the Foundational Number of potential VOSB and SDVOSBs.

IDVA and CMS coordinate to develop an annual marketing plan to increase new vendor enrollment.

CMS and General Services should work together to evaluate contract opportunities and participation by reviewing the number of certified vendors registered in each commodity code and compare that to State contract opportunities within those codes. This is especially worthwhile if new codes may be added as SBSP set-asides to benefit firms enrolled in both VBP and SBSP.

IDVA and CMS should facilitate matchmaking by creating in-person and online opportunities for veteran-owned small businesses to meet current and potential prime contractors in their fields, allowing VOSBs immediate contact, increased exposure, and potentially leading to future subcontracting opportunities.

The CPO-CDB continues to recommend the identification of projects in the Chicagoland area, where there exists a high concentration of certified VBE firms, that would allow for the establishment of goals exceeding 3%.

Projects that contain VBE goals should be identified and promoted to increase their visibility. CMS BEP should continue outreach efforts to increase the number of certified VBE firms who are also prequalified or registered with CDB.

Contracts awards need to be made on a timely basis.

CMS BEP should increase the pool of veteran-owned businesses.

CMS will be reviewing ways in which to implement the recommendations outlined above in FY20.

We remain steadfast in our determination to the continued improvement of our Veteran Business Program. CMS will continue to focus on our staunch commitment to enhance the program by increasing our outreach, public awareness, and agency training in implementation of VBP goal setting and compliance review and facilitating and encouraging qualified prospective Veterans to seek State business.

Respectfully,



Janel L. Forde  
Director



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