



1 SENATE RESOLUTION

2 WHEREAS, It is the public policy of the State to promote
3 and encourage the continuing economic development of minority
4 and female owned and operated businesses and that minority and
5 female owned and operated businesses participate in the State's
6 procurement process as both prime contractors and
7 subcontractors; and

8 WHEREAS, It is mandated by the U.S. Department of
9 Transportation, 49CFR Pt. 26, to ensure non discrimination in
10 the award and administration of Illinois Department of
11 Transportation (IDOT)-assisted contracts in IDOT's highway,
12 transit, and airport financial assistance programs by ensuring
13 that only firms owned and controlled by socially and
14 economically disadvantaged individuals are permitted to
15 participate as DBEs; and

16 WHEREAS, It is the public policy of this State to promote
17 and encourage the continuous economic development of
18 businesses owned by persons with disabilities; and

19 WHEREAS, It is mandated by the U.S. Department of
20 Transportation to help create a level playing field for firms
21 owned and controlled by socially and economically
22 disadvantaged individuals in IDOT-assisted contracts; and

23 WHEREAS, The enactment of the Business Enterprise for
24 Minorities, Females, and Persons with Disabilities Act (the
25 Act) serves the State's continuing interest in promoting open
26 access in the awarding of State contracts to disadvantaged
27 small business enterprises victimized by discriminatory
28 practices; and

29 WHEREAS, It is mandated by the U.S. Department of
30 Transportation to help remove barriers to firms owned and

1 controlled by socially and economically disadvantaged
2 individuals in IDOT-assisted contracts; and

3 WHEREAS, The Act establishes goals for awarding State
4 contracts to businesses owned and controlled by minorities,
5 females, and persons with disabilities; and

6 WHEREAS, It is mandated by the U.S. Department of
7 Transportation that recipients must set an overall goal for DBE
8 participation in IDOT-assisted contracts; and

9 WHEREAS, The State of Illinois has observed that the goals
10 established in the Act have served to increase the
11 participation of minority and female businesses in contracts
12 awarded by the State; and

13 WHEREAS, It is mandated by the U.S. Department of
14 Transportation that the overall goal must be based on
15 demonstrable evidence of the availability of ready, willing,
16 and able DBEs; and

17 WHEREAS, The Act creates the Business Enterprise Council
18 (the Council) to help implement, monitor, and enforce the Act's
19 goals through the State's Business Enterprise Program; and

20 WHEREAS, It is mandated by the U.S. Department of
21 Transportation that IDOT must have a DBE Liaison Officer who
22 shall be responsible for implementing all aspects of the DBE
23 program; and

24 WHEREAS, The Business Enterprise Council is charged by
25 statute with devising a certification procedure to assure that
26 businesses taking advantage of the Act are legitimately
27 classified as businesses owned and controlled by minorities,
28 females, or persons with disabilities; and

1 WHEREAS, The U.S. Department of Transportation requires a
2 certification procedure to ensure that only firms meeting the
3 minimum eligibility requirements are eligible to be certified
4 as DBEs; and

5 WHEREAS, The Business Enterprise Council is assisted in
6 administering the Business Enterprise Program by a Secretary
7 and the Department of Central Management Services; and

8 WHEREAS, IDOT implements the requirements of the Federal
9 DBE program through the Illinois Unified Certification Program
10 (ILUCP); and

11 WHEREAS, Recent media attention has identified businesses
12 circumventing similar programs in Illinois municipalities by
13 using straw men or women (known as front corporations and pass
14 throughs) for the purpose of receiving contracts reserved for
15 businesses certified as minority, female, or disabled owned and
16 controlled; therefore, be it

17 RESOLVED, BY THE SENATE OF THE NINETY-FOURTH GENERAL
18 ASSEMBLY OF THE STATE OF ILLINOIS, that the Auditor General
19 shall conduct a management audit of the State's Business
20 Enterprise Program and the Illinois Department of
21 Transportation's certification of businesses as DBEs through
22 the ILUCP; and be it further

23 RESOLVED, That the audit include, but not be limited to,
24 the following determinations:

25 (1) Whether certification and recertification procedures
26 are adequate to assure that businesses participating in the
27 Business Enterprise Program and businesses certified by IDOT in
28 the ILUCP are legitimately classified as businesses owned and
29 controlled by minorities, females, or persons with
30 disabilities;

31 (2) Whether the established procedures and processes that

1 govern certification of businesses owned and controlled by
2 minorities, females, or persons with disabilities are being
3 followed;

4 (3) Whether staff responsible for certification of these
5 businesses have received adequate training;

6 (4) What steps are followed to verify information provided
7 by businesses participating in the Business Enterprise Program
8 and businesses certified by IDOT in the ILUCP, such as review
9 of pertinent documentation, interviews, and on-site visits;

10 (5) Whether the certifications are periodically reviewed
11 to ensure that businesses in the programs continue to be
12 qualified for participation; and

13 (6) Whether procedures for enforcing compliance with the
14 Act and federal regulations, including contract termination
15 and contractor suspension, are adequate and uniformly
16 enforced; and be it further

17 RESOLVED, That the Business Enterprise Council, the
18 Department of Central Management Services, the Illinois
19 Department of Transportation, businesses participating in the
20 State's Business Enterprise Program and IDOT's ILUCP, and any
21 other entity that may have relevant information pertaining to
22 this audit cooperate fully and promptly with the Auditor
23 General's Office in the conduct of this audit; and be it
24 further

25 RESOLVED, That the Auditor General commence this audit as
26 soon as possible and report his findings and recommendations
27 upon completion in accordance with Section 3-14 of the Illinois
28 State Auditing Act; and be it further

29 RESOLVED, That a copy of this resolution be transmitted to
30 the Auditor General.