



The State Of Illinois Announces New Methodology To Increase Diversity In Contracting

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The Illinois Department of Central Management Services (CMS) Business Enterprise Program (BEP) today announced the roll out of its new formula to increase representation of diverse contractors throughout the state. The new methodology is the first change to the formula since its inception and will help ensure that diversity goals are attainable.

”CMS is committed to increasing access to opportunities for diverse businesses across the State to ensure they have the resources they need to grow and thrive,” said CMS Director Janel L. Forde. “Businesses have been hit especially hard over the last year and we are exploring new options like this methodology to build equity and representation in state contracting.”

BEP establishes diversity contracting goals for state agencies based on the Federal Disadvantaged Business Enterprise (DBE) model. The model uses a formulaic approach to diversity goal setting.

The new formula changes make contracting goals more representative of the overall vendor pool. In the previous methodology, goals were set using the Dun & Bradstreet Hoovers database which is comprised of more than 1M vendors who may not all be interested in doing business with the State. The new methodology replaces that formula input and narrows the data source to the approximately 20,000 vendors who have registered in the State’s BidBuy e-procurement system, demonstrating that these businesses are ready and willing to bid on State contracts.

The new formula divides the number of BEP certified vendors registered with the State, under the relevant scopes of work, by the overall number of vendors registered under the relevant scopes of work to determine the percentage of BEP vendor availability (BEP

Vendors / All Vendors in BidBuy). This change will increase the diversity goal percentage by using a smaller pool of vendors and increasing the contract spend with BEP certified vendors.

For example,

Contract A for uniforms is worth \$250,000. If the previous goal was 1%, the spend with BEP certified vendors would equal \$2,510. Using the new formula, the goal could increase by 15%, resulting in a spend of \$40,160 with BEP certified vendors.

“BEP is excited to continue moving in the right direction as we work to ensure equity and inclusion in the State of Illinois,” said Arielle Johnson, newly appointed Deputy Director of the Business Enterprise Program. “This new goal setting methodology is just the start of things to come from BEP. We are consistently working to increase the number of BEP vendors, as we work to make significant economic impact for minorities, women and people living with disabilities”.

The implementation of the new formula will be conducted using [BidBuy](#), the State’s e-procurement system. BEP certified vendors wishing to respond to future procurements are encouraged to register in [BidBuy](#). The change will increase the spend with BEP vendors commensurate with increased goals created by the data set transition.

The CMS Business Enterprise Program hosted a virtual event today in partnership with the Business Leadership Council and the Chicago Urban League to formally announce the new goal setting methodology and explain its impact moving forward. This event kicked-off a series of CMS Black History Month events to celebrate history and discuss vision for the future.

The Business Enterprise Program was created in 1984 pursuant to the Business Enterprise for Minorities, Females, and Persons with Disabilities Program Act (30 ILCS 5757); the BEP continues its efforts to increase procurement access and opportunities for disadvantaged entrepreneurs. Through engagement and collaboration with State agencies and institutions of higher education, the BEP vendor community, and other stakeholders, the State of Illinois seeks to expand the Program’s impact through increased participation in state contracting opportunities.

BEP’s mission is to increase opportunities for businesses owned and operated by minorities, women and persons with disabilities and the State aspirational goal of 20% participation on contracts.

For more information on CMS BEP and upcoming events visit <https://www2.illinois.gov/cms/events/SitePages/List.aspx>