

Legislative Audit Commission

Resolution No. 160

Presented by Representative Marcus Evans

WHEREAS, It is the public policy of the State to promote and encourage the continuing economic development of minority-owned and women-owned and operated businesses and that minority-owned and women-owned operated businesses participate in the State's procurement process as both prime and subcontractors; and

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

WHEREAS, The Disadvantaged Business Enterprise (DBE) program is a federally mandated program (49 CFR Pt. 26) intended to ensure nondiscriminatory contracting opportunities for small business concerns owned and controlled by socially and economically disadvantaged individuals in the United States Department of Transportation's (US DOT) highway, mass transit, and airport financial assistance programs; and

WHEREAS, the objectives of 49 CFR Pt. 26 are to ensure nondiscrimination in the award and administration of US DOT-assisted contracts in the Department's highway, transit, and airport financial assistance programs; to create a level playing field on which DBEs can compete fairly for US DOT-assisted contracts; and to ensure that only firms that fully meet this part's eligibility standards are permitted to participate as DBEs; and

WHEREAS, It is mandated by the United States Department of Transportation that an overall participation goal is set and that the overall goal must be based on demonstrable evidence of the availability of ready, willing, and able DBEs; and

WHEREAS, The DBE program administered by the Illinois Department of Transportation (IDOT) provides minorities, women, and other eligible small businesses an opportunity to participate in highway, mass transit, and airport contracts that are federal and state funded; and

WHEREAS, DBE goals are placed on projects, and prime contractors must utilize DBE firms to meet those goals; and

WHEREAS, IDOT implements the requirements of the Federal DBE program through the Illinois Unified Certification Program (IL UCP); and

WHEREAS, In 2017, IDOT conducted a disparity study to help inform the agency's implementation of the DBE program; and

WHEREAS, in 2006, the Auditor General released an audit of IDOT's DBE Program and it has been 15 years since the last time the State's DBE program was thoroughly examined; therefore, be it

RESOLVED, BY THE LEGISLATIVE AUDIT COMMISSION, that the Auditor General is directed to conduct a performance audit of the Illinois Department of Transportation's certification of businesses as DBEs through the IL UCP; and be it further

RESOLVED, that the performance audit include but not be limited to, the following determinations:

- 1) Whether certification and recertification procedures are adequate to assure that businesses certified by IDOT in the IL UCP are legitimately classified as businesses owned and controlled by minorities, females, or persons with disabilities;
- 2) Whether the established procedures and processes that govern certification of businesses owned and controlled by minorities, females, or persons with disabilities are being followed;
- 3) Whether staff responsible for certification of these businesses have received adequate training;
- 4) What steps are followed to verify information provided by businesses certified by IDOT in the IL UCP, such as review of pertinent documentation, interviews, and on-site visits;
- 5) Whether the certifications are periodically reviewed to ensure that businesses in the program continue to be qualified for participation;
- 6) Whether procedures for enforcing compliance with federal regulations, including contract termination and contractor suspension, are adequate and uniformly enforced;
- 7) Whether recent DBE goals established by IDOT have been met; and be it further

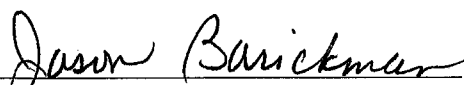
RESOLVED, that the Illinois Department of Transportation, as well as any other entity that may have information pertaining to this audit, cooperate fully and promptly with the Auditor General's Office in the conduct of this audit; and be it further

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

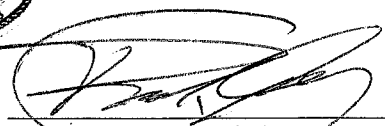
RESOLVED, that a copy of this resolution be delivered to the Auditor General and the Illinois Department of Transportation.

Adopted this 1st day of September, 2021.





Senator Jason Barickman
Co-Chair, Legislative Audit Commission



Representative Fred Creso
Co-Chair, Legislative Audit Commission