



Chief Procurement Office General Services

Matt Brown, Chief Procurement Officer

Notice 2012.04 General Services

TO: State Purchasing Officers
Agency Procurement Staff
CMS Bureau of Strategic Sourcing

FROM: Matt Brown *MB*
Chief Procurement Office General Services

CC: Procurement Compliance Monitors
Procurement Policy Board

DATE: October 3, 2011

SUBJECT: Small Business Set-Aside Program

This CPO Notice is effective October 3, 2011.

This is notice pursuant to Section 45-45(a) of the Illinois Procurement Code [30 ILCS 500/45-45] for designation of small business set-asides.¹ For information on how a business may qualify for the Small Business Set-Aside Program, please see <http://www.sell2.illinois.gov/>.

Procurements must be set-aside for small businesses if the:

- a) Desired supply or service meets the definition of one of the 64 mandated categories (see attached list), or
- b) Procurement has a value under \$50,000, or
- c) The State Purchasing Officer determines a procurement outside the scope of a) and b) is appropriate.

The 64 set-aside categories have been formalized in 44 Ill. Admin. Code §1.4545. Procurements that fall within the 64 mandated categories and/or \$50,000 dollar threshold must be set-aside for

¹ On August 11, 2011, the Small Business Contracts Act (P.A. 97-0307) was signed into law. The Act requires that not less than 10% of the total dollar amount of State contracts shall be established as a goal to be awarded to small businesses. For information on implementation of this Act, please see Notice 2012.05.

small businesses. Bids or proposals received from businesses not qualified as a small business will be rejected as non-responsive.

An agency may request a Small Business Set-Aside Program Waiver. To obtain a Small Business Set-Aside Program Waiver, agencies must demonstrate a discernible, clear justification.

Following are examples of guidelines that can be considered for justification of a waiver:

- The Chief Procurement Officer has established a master contract to meet agency needs.
- The product or service is provided by a large business sole source vendor.
- There is a need for a brand name product and there are no small businesses that provide the product.
- There is an opportunity to establish a no-bid contract with a State Use vendor.
- The supply base for the product or service includes several larger diversified vendors that can be counted toward the Business Enterprise for Minorities, Females and Persons with Disabilities Act [30 ILCS 575].
- The product or service is available from Illinois Correctional Industries.
- Small business vendors were solicited and no offers were received.
- The prices by qualified small businesses are substantially greater than the prices offered by large businesses.
- The small business supply base does not meet regional or geographical requirements for the product or service.

Request for waivers related to the \$50,000 threshold must be approved by the State Purchasing Officer. Waivers from the designated 64 set-aside categories must be approved by Scott McKinnery, State Purchasing Officer for Small Business, at Scott.McKinnery@illinois.gov.

Any solicitation (i.e., purchases that fall outside of the 64 categories and \$50,000 or greater) may be set-aside for small business. However the following guidelines should be taken into consideration prior to establishing a small business set-aside not already designated by the CPO:

- There is ample number of certified small businesses that provide the product or service.
- The small business supply base meets regional or geographic requirements for the product or service.
- There is no measurable substantial increase in cost by a small business providing the product or service rather than a large business.

The CPO is required to report to the General Assembly each year on the value of awards set aside for small businesses by each agency in the preceding fiscal year. Each agency must ensure that this information is appropriately tracked so it may be reported to the CPO at the end of each fiscal year.

If there are any questions regarding this notice, please contact Scott McKinnery at (217) 558-3723 or the Chief Procurement Office at (217) 558-2157.

SMALL BUSINESS SET-ASIDE CATEGORIES

The following is a list of 64 procurement categories that have been set aside for competition among small Illinois businesses registered in the Small Business Set-Aside Program:

| Procurement Category | Classification | Procurement Category | Classification |
|---|-----------------------|--|-----------------------|
| Addressing and Mailing | S370-100 | Janitorial | S320-425 |
| Air Conditioner Repair | S120-100 | Jugs and Caps | 5085-288 |
| Air Filters and Air Filter Media | 3585-016 | Labeling Services | S370-400 |
| Asphalt Paving | S210-120 | Landscaping | S340-200 |
| Automotive Maintenance, Batteries | 5013-114 | Laser Printer Cartridges and Supplies | 5096-646 |
| Automotive Maintenance, Belts and Hoses | 5013-097 | Lawn Care, Misc. | S340-225 |
| Automotive Maintenance, Exhaust | 5013-105 | Mailing Services | S370-500 |
| Building and Grounds Maintenance | S340-100 | Masonry Services | S210-310 |
| Calendars (excluding Calendar Pads) | 5112-572 | Painting | S210-390 |
| Carpentry | S210-380 | Parking Lot Maintenance | S460-450 |
| Carpet Cleaning | S320-250 | Pavement Maintenance | S210-400 |
| Carpet/Linoleum/Tile Laying | S210-150 | Plastering | S210-410 |
| Computer Supplies, Data Tape Cartridges | 5083-859 | Plumbing, Misc. | S450-050 |
| Concrete Finishing | S210-190 | Plumbing Services | S450-200 |
| Data Entry | S420-340 | Plumbing Supplies and Equipment, Misc. | 3292-618 |
| Drapery Cleaning | S200-100 | Pneumatic Tools | 3423-621 |
| Dry Wall Services | S210-230 | Power Tools | 3423-782 |
| Electrical Services | S160-200 | Roofing | S210-440 |
| Electricians | S210-240 | Safety Supplies | 3840-843 |
| Excavating | S210-250 | Snow Plowing | S340-450 |
| Exterior Building Cleaning | S320-300 | Trucking and Hauling Services | S370-800 |
| Fencing | S210-260 | Typing Services | S420-740 |
| Fertilizer Application | S340-150 | Upholstery Cleaning | S200-700 |
| Flags | 5189-357 | Ventilating | S120-700 |
| Floor Maintenance Machines | 3589-355 | Ventilation Services | S210-700 |
| Floor Surfacing | S210-270 | Video and Audio Tapes | 5043-823 |
| Floor Wax Components | 5087-455 | Wallpaper Hanging | S460-700 |
| Furniture Cleaning | S200-200 | Water Heaters | 3292-619 |
| Gloves, Disposable, Medical Type | 3841-284 | Window Washing | S320-650 |
| Heating Repair | S120-400 | Wiping Rags | 5140-660 |
| Housekeeping | S320-400 | Word Processing Services | S420-800 |
| Imprinted Notions | 5136-549 | Woodworking | S210-550 |

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