

Organization Name: Illinois Tollway

Project or Program Name: Illinois Tollway Diversity Program

Goal that best reflects your Project or Program's achievements: Provides professional growth or leadership opportunities for People of Color through our policies, projects, hiring practices, or actions

Launch date for the Project or Program

8/18/2011

How many months of proven experience is this submission based upon?

In the nearly 10 years since it was created in August 2011, the Illinois Tollway's Department of Diversity and Strategic Development has taken many steps to grow and improve the agency's ever-evolving diversity program. Illinois Tollway leadership continues to develop new and innovative ways to further break down barriers to give small, diverse and veteran-owned businesses greater opportunities to participate on Tollway projects.

Is this Project or Program complete? If no, when will it be completed?

No. There is no expiration date for the Illinois Tollway's diversity program. Diversity will remain an integral part of all Tollway operations.

Briefly describe the Project or Program

The Illinois Tollway's diversity program is constantly evolving, building on the agency's long-established commitment to diversity. The Tollway makes diversity an integral part of all its business operations, with an emphasis on providing small, diverse and veteran-owned firms with contract opportunities for construction, professional engineering services and goods and services, as well as helping small and diverse businesses grow and succeed and creating jobs for underrepresented individuals. In 2011, the Tollway took its diversity efforts to the next level as it prepared to launch its 15-year, \$14 billion Move Illinois capital program. The Tollway created the Department of Diversity and Strategic Development to focus on increasing diversity participation, meeting or exceeding diversity contract goals and creating jobs for historically underrepresented individuals. Early efforts included investing in programs to provide technical assistance to help small and diverse firms grow and succeed, expanding its Mentor/Protégé Program and providing incentives to contractors to hire economically disadvantaged individuals for work on Tollway projects. The Tollway then set aside select construction contracts and set goals specifically for small businesses to perform as prime contractors and established small business goals on a project-by-project basis through its Small Business Initiative. The initiative waives prequalification requirements to eliminate a major barrier to participation for small firms. The Tollway provided further assistance by working in partnership with other agencies to help small and diverse firms obtain surety bonding - one of the biggest hurdles for small businesses. Further demonstrating its leadership, the Tollway led the way in providing greater opportunities for veteran-owned small businesses, becoming one of the first state agencies in Illinois to evaluate all contracts for inclusion of veteran-owned small business goals. The State of Illinois Veterans Business Program encourages all state agencies and universities to commit at least 3 percent of all solicitations to veteran-owned firms. The Tollway reinforced its leadership internally and externally. The Tollway Board of Directors established a Diversity and Inclusion Committee to give directors direct input on diversity issues and policies. A separate Diversity Advisory Council was created to give representatives of small and diverse firms the chance to meet with Tollway leadership on a regular basis and make their voices

heard on what works and what doesn't. In 2017, the Tollway expanded its existing Technical Assistance and Partnering for Growth programs. The Technical Assistance Program helps prepare emerging and established transportation-related construction firms, including small, diverse and veteran-owned firms, to participate on highway and vertical construction contracts through customized business development assistance. Partnering for Growth encourages prime consultants and contractors to assist D/M/WBE firms and veteran-owned firms in remaining self-sufficient, competitive and profitable businesses through mentorship agreements. The Tollway took a regional approach, working with local community colleges, chambers of commerce and advocacy agencies, to ensure that technical assistance was available to firms throughout the 12 counties the system serves, from the Rockford and Chicago metropolitan areas and from the farthest points north to the farthest points south. Formerly known as the Mentor/Protégé Program, Partnering for Growth was first created to assist professional engineering services firms on a contract basis, allowing protégé's to work with mentors on agreed-upon scope to help expand the protégé's technical capabilities and develop skills needed to work with the Tollway. The program was expanded to construction firms to encourage prime contractors and subcontractors to assist small firms on a term basis, which enables partnering contractors to continue working on areas of development without being contingent on contract awards, project milestones or completion dates. Partnering for Growth for Construction offers participating contractors - both mentors and protégé the opportunity to earn up to \$100,000 per year in bid credits that can be applied to future Tollway construction bids as an incentive to participate in the program. Bid credits are also used by the Tollway as an incentive for contractors to hire from a pool of eligible job candidates that meet low-income eligibility requirements, including underemployed African Americans, Hispanics, Asian-Americans, women, eligible offenders and exonerated individuals, veterans and other economically disadvantaged individuals. More recently, the Tollway has stepped up efforts to unbundle and set aside right-sized contracts specifically for small and diverse firms. The Tollway also introduced its Rolling Owner Controlled Insurance Program, a first-of-its kind self-insurance program for small and diverse businesses. This program provides liability insurance coverage for on-site activities for contractors, subcontractors and vendors. ROCIP covers projects designated for certified small businesses bidding on upcoming Move Illinois contracts.

What objective(s) was the Project or Program designed to accomplish?

The Illinois Tollway recognizes the social and economic importance of supporting and creating opportunities for disadvantaged, minority- and women-owned business enterprise (D/M/WBE) firms, as well as for small veteran-owned firms, and ensuring access to job opportunities for underemployed individuals.

While current programs have achieved substantial results – making the Tollway a national leader that serves as a model for other states to follow – the agency's goal is simple: focus on removing obstacles to participation to create new opportunities and provide assistance to increase access, participation and advancement.

The Tollway has built an impressive track record of including small, diverse and veteran-owned firms in every facet of agency business, including construction, professional engineering services, goods and services and hiring practices.

Small, diverse and veteran-owned firms are finding opportunities to participate in the Tollway's Move Illinois capital program and work with the Tollway on the day-to-day operations and customer service funded by a \$1.42 billion annual budget for 2021.

While the results to date are solid, the Tollway believes it must constantly evolve to continue to drive change. When workers and firms compete for Tollway business, it gives the agency an advantage –

more bids, better prices, greater perspectives on the best way to get work done.

So, the Tollway is not stopping its efforts to improve and its leadership is committed to being truly inclusive by addressing barriers that can keep emerging businesses on the sidelines, and in some cases, where it makes sense, even working to remove them.

How did the Project or Program accomplish the stated objectives?

The Illinois Tollway is accomplishing its stated objectives by successfully increasing participation on Tollway contracts among small, diverse and veteran-owned firms, providing mentorship relationships, business coaching and training opportunities, assisting firms take their business to the next level and better compete for Tollway contracts.

The diversity program has been improved and expanded over the years, building upon a foundation of inclusion – the meaningful participation by diverse, women- and veteran-owned firm – to grow the next generation of companies that will maintain and rebuild roads and infrastructure well into the future.

The Tollway designs its diversity programs and initiatives with three goals in mind:

- Provide greater access for firms interested and capable of performing on Tollway contracts
- Increase meaningful, capacity-building opportunities for companies and job and career opportunities for historically disadvantaged individuals
- Provide learning opportunities for emerging firms so they are armed with the tools and knowledge necessary to compete as primes or tier one subs on Tollway contracts

The Tollway's success can be attributed to its "all-in approach." Everyone has a seat at the table to make sure their voices are heard.

The Tollway invites a wide variety of diverse organizations and individuals to closely examine agency policies and procedures for its diversity program and to come up with ideas on ways to further break down barriers to increase participation for small, diverse and veteran-owned firms and traditionally underrepresented individuals.

The Tollway regularly takes the pulse of the availability of DBE businesses in the region and utilization of diverse firms on Tollway projects. Through a series of disparity studies, the Tollway looks at the number of DBE firms available to provide construction and professional engineering services and the actual number of firms providing these services to the Tollway.

As part of these studies, the Tollway meets with community leaders and business owners at DBE firms to gain a better understanding of their perspectives, come up with ways to resolve any potential barriers to participation and improve upon best practices.

In the wake of the COVID-19 pandemic, the Tollway launched a weekly webinar series, "Building for Success," to spotlight opportunities for small and diverse firms and help these firms learn about what is offered to support their efforts. Building for Success topics have included business technical and prequalification assistance, workforce development, access to capital and other topics that help break down barriers to participation.

What were the successful, demonstrable results of the Project or Program that positively affected the customer, agency and/or the community?

The Illinois Tollway has made significant progress to advance efforts in diversity and inclusion over the years, achieving the highest diversity participation numbers in the agency's history. Through 2020, about \$8.7 billion has been invested by the Tollway since Move Illinois began in 2012, with more than \$2 billion of that total committed to small, diverse and veteran-owned firms. Of the nearly 1,530 firms that have or are currently participating on contracts during Move Illinois, more than 950 are working with the Tollway for the first time. Further, in 2020, the Tollway achieved the highest diversity participation numbers in the agency's history. In 2020, disadvantaged, minority and women-owned businesses won construction contracts worth \$348 million, or nearly 26 percent of the \$1.34 billion in contracts awarded. That's a jump from 2019, when small, diverse and veteran-owned firms won about 22 percent of the \$655 million in construction contracts awarded by the Tollway. Diverse firms won an even bigger share in 2020 of contracts for professional design and engineering services, with minority-owned businesses winning 62 percent of the \$169 million in contracts awarded – nearly double the share of those contracts for D/M/WBE firms won in 2019. The value of contracts won by African American-owned construction firms and Hispanic-owned construction firms soared in 2020 compared to the previous year. African American-owned firms won construction contracts valued at \$37.6 million, an increase of nearly 150 percent from the \$15.2 million in construction contracts awarded to those businesses in 2019. Hispanic-owned construction businesses won contracts valued at \$158 million in 2020, a nearly 160 percent increase from the \$61 million in construction contracts awarded to Hispanic-owned firms in 2019. Hispanic-owned and African American owned professional services firms also saw substantial increases in the value of Tollway contracts won in 2020. African American-owned design and engineering businesses in 2020 won contracts valued at \$38.4 million, nearly double the \$19.3 million in contracts they won the previous year, while Hispanic-owned design and engineering firms were awarded contracts valued at \$17.7 million in 2020, a 72 percent increase from the \$12.8 million in contracts won in 2019. Through 2020, about \$8.7 billion has been invested by the Tollway since the Move Illinois Program began in 2012, with more than \$2 billion of that total committed to small, diverse and veteran-owned firms. Additional highlights include: In 2020, nearly 79 percent of construction contract advertisements were unbundled, with unbundled contracts accounting for more than 9 percent of the total value of construction contract awards. Since the Technical Assistance Program was introduced in 2016, nearly 740 unique firms have received assistance from one of the program's providers, including help with project estimating or bid submissions and securing funding to weather the financial impact of the COVID-19 pandemic. Of those firms, more than 50 have been awarded Tollway contracts, including eight firms with prime construction contracts. Since the Partnering for Growth Program was created in 2005, the Tollway has executed 170 agreements between large and emerging firms. The Illinois Tollway isn't stopping there. The agency is committed to raising the bar by further breaking down key barriers to participation, which includes project size and complexity, technical support, insurance requirements, bonding capacity and access to credit. The Tollway is working to do more

Is your Project or Program relevant and applicable to the overall toll industry? If so, how?

Due to its scope, reach and impact across multiple communities, the tolling and transportation industry has a responsibility to make sure that everyone - regardless of race, gender or orientation - has an opportunity to participate in capital programs like Move Illinois. The success of the Illinois Tollway's diversity program demonstrates how transportation agencies can succeed in reaching out to small, diverse and veteran-owned firms and provide them the opportunity to work on major construction projects in their local communities and grow their businesses. Tollway leadership is routinely invited to speak at industry conferences hosted by local, state and national organizations representing African Americans, Latinos, women, veterans and other diverse groups, as well as meet with local leaders to share insights on how to

increase diversity. The Tollway is positioned to lead the conversation on inclusion efforts in Illinois. Tollway leadership has served on the DBE Focus Board of Innovations in Construction, Asphalt and Transportation, an annual conference hosted by the Bradley University Center for Emerging Technologies in Infrastructure that draws more than 300 firms from the state transportation industry. Transportation officials in neighboring states also have recognized the Illinois Tollway as an example for how to build an effective diversity program. For example, the Tollway has been invited for years to present at the annual transportation conference hosted by the National Association of Minority Contractors of Wisconsin and the Wisconsin Department of Transportation, which attracts as many as 250 construction and professional engineering services firms in Wisconsin.

How did this Project or Program achieve or demonstrate excellence?

The Illinois Tollway's commitment to providing economic opportunities for small, diverse and veteran-owned firms has been met with widespread accolades from a wide range of diverse organizations. The Black Chamber of Commerce named the Illinois Tollway the Government Agency of the Year in recognition of the agency's efforts to increase opportunities for African American firms to participate in Tollway projects. The chamber commended the agency and its leadership for demonstrating openness and transparency that gives diverse firms confidence in the Tollway's commitment to diversity. "We hope other agencies will follow this model," said Larry Ivory, president and chief executive officer of the Illinois Black Chamber of Commerce. The Hispanic American Construction Industry Association honored the Illinois Tollway for its leadership in promoting contract opportunities for Hispanic-owned businesses and jobs for Hispanic workers. "The Tollway has been a strong partner in furthering the participation of Hispanic-owned businesses and workers in the construction industry," said Jorge Perez, former executive director of HACIA. The Illinois Chapter of the Elite Service Disabled Veteran-Owned Business Network named the Illinois Tollway the first recipient of its Veteran Business Champion Award in recognition of the agency's efforts to increase opportunities for veteran-owned businesses. "The Illinois Tollway is a clear leader among state government agencies and tolling agencies nationwide in supporting veteran-owned businesses," said John Scifers, president of the Illinois Chapter of the Elite SDVOB Network.

Describe any innovative aspects of your Project or Program

The Illinois Tollway is increasing opportunities for more diverse participation by recognizing the barriers to participation for small, diverse and veteran firms and pushing those barriers out of the way. Access to insurance, right-sized contracts, technical support, lines of credit and bonding are some of the obstacles that stand in the way for small and diverse firms to pursue contract opportunities with the Tollway. The Tollway is tackling these obstacles through various new and expanded diversity programs. One of the innovations the Tollway introduced is its Rolling Owner Controlled Insurance Program. The program includes commercial general liability and excess liability insurance, with coverage for all contractors and subcontractors with onsite exposure. This effort goes hand-in-hand with the Tollway's ongoing efforts to support small and diverse firms that want to work for the Illinois Tollway, including unbundling larger construction contracts to ensure a greater number of right-sized contract opportunities for small businesses. It's estimated that nearly \$200 million in work will be eligible for the ROCIP, including previously unbundled and Illinois Tollway Small Business Initiative contracts. Right-sized contracts provide new opportunities for small and diverse firms to participate on Tollway projects. Unbundling involves breaking down larger contracts into smaller jobs in amounts generally under \$5 million. In 2020, nearly 79 percent of Tollway construction contracts were unbundled, accounting for more than 9 percent of the total value of all construction contract awards for work that includes structural, roadway, material fabrication, landscaping, grading, drainage, electrical and demolition. To continue fostering inclusion and diversity, the agency is embarking on two new disparity studies - on with the Illinois Department of Central Management Services - to ensure that it has the best data possible on the market availability and utilization of businesses owned by historically underrepresented populations to establish future diversity goals for all eligible construction,



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engineering and goods and services contracts. Through this data-driven approach, the Tollway seeks to further develop and support programs and services that will increase access to economic opportunities for minorities, women and veterans, as well as job opportunities for historically underrepresented individuals.

List individuals worthy of special recognition for this Project or Program

- Will Evans, Chairman of the Board of Directors
- José Alvarez, Executive Director
- Terry Miller, Chief of Diversity and Strategic Development
- Stephen L. Davis, chairman of the Board Diversity and Inclusion Committee