Overview

The purpose of the Diversity Policy is to communicate for internal and external audiences how UOCPRES and each respective University in consultation with the University Office of Procurement Diversity will apply diverse business enterprise participation goals on capital-related construction projects.

Areas of Responsibility

The AVP will have the following areas of responsibility:

- Implement annual BEP/VBP capital construction goals for each campus and regional site in the University of Illinois system for Construction Contracts per direction of the University of Illinois Board of Trustees.
- Determine the project size and/or expenditure levels to which these goals will apply
- Establish methods under which achievement of these goals will be measured
- Determine the reporting format and timeframe(s) under which achievement of the goals will be reported
- Determine the units and unit leadership responsible for working to achieve these goals
- Determine the documents, forms, and process(es) for the advertisement of projects, qualification and/or certification of bidders and subcontractors, pre-bid requirements and communication (if applicable), bidding of projects, sufficiency of good faith efforts, change waiver requests, bid rejection criteria, post-bid requirements, and post bid award requirements.

The Office of Procurement Diversity will have the following areas of responsibility:

- Evaluate and establish methods for promoting BEP/VBP growth and participation
- Determine the BEP/VBP goals if project specific BEP/VBP goals are defined
- Determine with University staff through an evaluation process whether “good faith efforts” or other appropriate measures were utilized by vendors to achieve inclusion of diverse firms
- Communicate the consequences for unsatisfactory “good faith efforts” as they relate to bid acceptance/bid rejection, in consultation with University Legal Counsel and UOCPRES leadership.
- Report BEP/VBP goal achievement status for each campus to the AVP on a quarterly basis and as required for University of Illinois Board of Trustee meetings.

The Director(s) of Construction, Director(s) of Capital Programs and/or Vice Chancellors for Facilities, Capital and Maintenance will have the following areas of responsibility:

- Provide leadership and resources as appropriate to successfully execute said policy and procedures.
- Communicate the importance of achievement of BEP/VBP goals on behalf of the institution to direct reports, subordinates, general staff and construction vendors
- Communicate expectation of execution of said policies and procedures with all staff that directs the planning and execution of capital construction projects
- Engage the AVP, UOCPRES Leadership, and Office of Procurement Diversity in dialogue and discussion regarding any issues related to this policy or procedure
- Designate staff to serve as a resource for vendors that request immediate assistance relative to these procedures
Pre-Advertisement Period (Internal)

MBE/WBE Goal Setting

1. **Where BEP/VBP goals will apply** BEP/VBP goals will apply to all construction projects that are bid. Good Faith Efforts to meet BEP/VBP goals are required on projects that meet or exceed an estimated construction cost of $250,000, including contingency.
2. BEP/VBP goals will apply to the design-bid-build delivery method for each division of work bid.
3. BEP/VBP goals will apply to the Construction Manager delivery method for the entire project in one or more divisions of work bid.
4. BEP/VBP goals will apply to Energy Performance Contracting delivery method.
5. BEP/VBP goals will apply to Single Prime and Design Build delivery methods.

When will MBE/WBE goals be set

1. Baseline project BEP/VBP goals approved by the Board of Trustees of the University of Illinois will be utilized on all projects and all divisions of work bid, unless revised as provided below.
2. Projects that meet or exceed an estimated construction cost of $1,000,000, including contingency, the BEP/VBP goals may be revised (e.g. raised, combined or split) during design development and prior to 50% completion of the construction documents.

Who will be involved in setting individual project goals

1. The Office of Procurement Diversity, university project manager, and the university staff person responsible for fair employment utilization will recommend BEP/VBP goals utilizing UOCPRES BEP/VBP goals with due consideration for project scope and economically feasible units of work for BEP/VBP construction and supplier contractors.
2. The BEP/VBP goals may be modified with applicable history of achievement with similar projects at the University and from Illinois Capital Development Board (IL CDB) relative to project expenditure level, scope, and BEP/VBP certified vendor division of work experience and/or capacity.
3. The BEP/VBP goals will be communicated to university unit leadership for review and to AVP for approval.

Pre-Advertisement

1. The BEP/VBP goals will be reviewed and approved, modified or rejected by AVP with input from the Office of Procurement Diversity as part of the construction project review process prior to advertisement.
2. Projects that meet or exceed an estimated construction cost of $2,000,000, including contingency, will have a minimum 21 calendar day advertisement window to encourage and facilitate the inclusion of BEP/VBP certified vendors.
3. Projects that meet or exceed an estimated construction cost of $2,000,000, including contingency, will have a mandatory pre-bid meeting a minimum of 10 calendar days prior to bid opening to encourage and facilitate the inclusion of BEP/VBP certified vendors.

Advertisement Period (External)

1. Project advertisement documents will include statements that indicate the University is seeking to comply with state laws and seeks the cooperation, support and willingness of vendors to assist in meeting BEP/VBP goals.
2. Projects with estimated construction costs greater than $250,000, including contingency, and less than $2,000,000, including contingency, will be advertised with a minimum 14-day advertisement window, and may have pre-bid meetings as deemed appropriate by university staff and unit leadership.

3. Projects with estimated construction costs that meet or exceed $2,000,000, including contingency, will have a minimum 21-day advertisement window to encourage and facilitate the inclusion of BEP/VBP certified vendors.

Pre Bid Process (Internal and External)
1. Projects that meet or exceed an estimated construction cost of $2,000,000, including contingency, will have a mandatory pre-bid meeting a minimum of 10 calendar days prior to bid opening to encourage and facilitate the inclusion of BEP/VBP certified vendors.

2. Bidders will contact BEP/VBP certified vendors through personal knowledge, IL CDB BEP/VBP Directory, IL CMS BEP/VBP certifications list, and any diverse trade, community, or contractor organizations that provide assistance in recruitment of BEP/VBP certified construction-related businesses. UOCPRES will work to make available electronically through links or pdf files identified lists or recruitment organizations.

3. If Bidders have questions about achieving the BEP/VBP goal, they should contact the Office of Procurement Diversity to register their concerns/questions and seek to learn of additional recruitment resources they have not utilized to identify vendors that could meet University project requirements.

4. The University of Illinois will only accept diverse vendors certified by the Illinois Department of Central Management Services, Business Enterprise Program.

Bidding (External)
1. The BEP/VBP goal for the project and internal divisions of work is provided in the bidding documents.

2. All Bidders shall list the name, address, telephone number and scope of work or supplies being provided of the BEP/VBP certified firms(s) that will perform any portion of the work. Bidder will also list the proposed dollar value of subcontract(s).

3. All Bidders shall indicate whether the firm is MBE, WBE or PBE and their certifying agency.

4. All Bidders shall use Document 00 40 00 Bid Attachment B (Standard Single or Standard Multiple Contract Set) to record BEP/VBP certified vendor information, scope of work or supplies being provided, certifying agency, proposed dollar value of subcontract(s), and should include a copy of the IL CMS BEP/VBP certificate, or the IL CMS BEP/VBP Recognition Certification Approval Letter.

5. **ALL** bidders not meeting the advertised goal must provide written documentation supporting a good faith effort documentation as well as a utilization plan (Attachment B – Business Enterprise Program (BEP) and Veteran Business Program (VBP) Utilization Plan of bid form 00 40 00) used to date at the time of bid submittal. Bidders are required to use any and all good faith efforts to meet the diversity goal prior to the time of bid submittal. These efforts should demonstrate that every attempt to negotiate and secure diverse business participation was made prior to the bid. Bids with zero or low levels of participation at the time of bid may be determined to have not demonstrated good faith efforts and may be found non-responsive. If bidder requests assistance with this process, the Office of Procurement Diversity may be contacted.

6. Within ten (10) calendar days after Owner notification, the bidder must provide documentation of updated good faith efforts and an updated Attachment B – Business Enterprise Program.
(BEP) and Veteran Business Program (VBP) Utilization Plan of bid form 00 40 00. If bidder requests assistance with this process, the Office of Procurement Diversity may be contacted.

7. If the bidder is a joint venture, the percentage of ownership held by the BEP/VBPBEP/VBP/VBP certified joint venture may be used to meet the BEP/VBP goal for the contract.

8. The University of Illinois values the utilization of BEP/VBP certified vendors in capital construction. All such enterprises must perform a commercially useful function. Enterprises which might be considered "pass-throughs" or "fronts" are not permitted. Failure to comply with this requirement or false representations may result in termination of contracts related to University capital construction projects and result in criminal and civil penalties. Only expenditures to businesses owned by minorities, women, and persons with disabilities that perform a commercially useful function may be counted toward the goals set forth by the BEP/VBP Act. A firm is considered to perform a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved. The BEP/VBP certified vendor must also be responsible, with respect to materials or supplies used on the contract, for negotiating price, determining quality and quantity, ordering the materials or supplies, and installing the materials (where applicable) and paying for the materials or supplies. To determine whether a firm is performing a commercially useful function, the University shall evaluate the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it actually performs, the credit claimed for its performance of the work, industry practices, and other relevant factors. A firm is considered to perform a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved. The BEP/VBP certified vendor must also be responsible, with respect to materials or supplies used on the contract, for negotiating price, determining quality and quantity, ordering the materials or supplies, and installing the materials (where applicable) and paying for the materials or supplies. To determine whether a firm is performing a commercially useful function, the University shall evaluate the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it actually performs, the credit claimed for its performance of the work, industry practices, and other relevant factors. A firm is considered to perform a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved.

Acceptance and Rejection of Bids (Internal and External)

1. University of Illinois Rights. When, in its opinion, it is in the best interest of the University, the University reserves the right to:
   a. Accept any bid
   b. Reject any or all bids
   c. Waive technical deficiencies and irregularities
   d. Allow bidder to remedy technical deficiencies or irregularities within a stated time
   e. Rescind any notice of award if UOCPRES determines the notice of award was issued in error
   f. Rescind any notice of award when it is in the best interest of the University
   g. Rebid any contract

2. Bid Rejection.
   a. Bids will be rejected for the following material deficiencies including but not limited to:
      i. Failure to be prequalified with University of Illinois no later than the close of business day before the bid opening (Section 4.2 and Section 4.4)
      ii. Being determined non-responsible after bid opening as defined by 30 ILCS500/30-22 and 44 IL Admin Code 526.2046.
      iii. Submission of a bid late (Section 9.0).
      iv. Failure to attend a mandatory pre-bid meeting.
      v. Failure to submit a base bid price, bid alternate(s) price, if applicable, and unit price, if applicable, on the Owner bid form 00 40 00 in a manner that pricing can be determined.
      vi. At time of bid, failure to submit a completed Attachment B – Business Enterprise Program (BEP) and Veteran Business Program (VBP) Utilization Plan of bid form 00 40 00 with all
d. Evidence, such as a log, of telephone, e-mail, fax, etc. contact including time and date of contact, telephone number or email address, and name of the person contacted, and a description of the result. Bidders must keep and submit copies of all emails sent and received from prospective BEP/VBP vendors and include a copy of the commodity list or scope of work solicited from prospective BEP/VBP vendors to perform.

e. All other evidence of good faith efforts made by the bidder to secure eligible BEP/VBP certified vendors to meet the specified goal. Evidence may include documentation, at a minimum, that states the following:
   i. Contacting the Business Enterprise Bureau at least 15 days prior to need and requesting
referrals from the vendors list and from any other list maintained by the Bureau;

ii. Advertising in the Official State Newspaper or a local newspaper as time permits;

iii. Contacting appropriate organizations such as unions, contractor associations, and diversity oriented organizations.

iv. Utilize the website: https://cms.diversitycompliance.com to identify BEP/VBP certified vendors within the respective NIGP code(s) on the solicitation documents. At a minimum, email all listed vendors with project specifications sufficient to build a quote, then solicit quotes from all vendors who express an interest with follow-up emails and telephone calls. Documentation of these efforts must be submitted as evidence, including copies of all e-mails sent.

v. Solicit through all reasonable and available means (e.g., attendance at a vendor conference, advertising, written notices) the interest of BEP/VBP certified vendors that have the capability to perform the work of the contract. Bidder must solicit this interest with sufficient advance time to allow the BEP/VBP certified vendors to respond to the solicitation. Bidder must determine with certainty if the BEP/VBP certified vendors are interested by taking appropriate steps to follow up initial solicitations and encourage them to submit a bid or proposal, providing them with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding promptly to the solicitation.

vi. Select portions of the work to be performed by BEP/VBP certified vendors in order to increase the likelihood that the goal will be achieved. This includes, where appropriate, unbundling contract work items into economically feasible units to facilitate BEP/VBP certified vendor participation, even when Bidder might otherwise prefer to perform these work items with its own forces.

vii. Make a portion of the work available to BEP/VBP certified vendors by selecting those portions of the work or needed material based on the availability of BEP/VBP certified vendors.

viii. Negotiate in good faith with interested BEP/VBP certified vendors. Evidence of such negotiation must include the contacted names, mailing addresses, email addresses, and telephone numbers of BEP/VBP certified vendors that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting and evidence as to why additional agreements could not be reached for BEP/VBP certified vendors to perform the work. A Bidder using good business judgment may consider many factors in negotiating with BEP/VBP certified vendors and may take a firm’s price and capabilities into consideration. The fact that there may be some additional costs involved in finding and using BEP/VBP certified vendors may not, in itself, be a sufficient reason for a Bidder’s failure to meet the goal, as long as such costs are reasonable. Bidders are not required to accept higher quotes from BEP/VBP certified vendors if the price difference is excessive or unreasonable.

ix. Thoroughly investigate the capabilities of BEP/VBP certified vendors and not reject them as unqualified without documented reasons. The BEP/VBP certified vendor’s memberships in specific groups, organizations, or associations and political or social affiliations are not legitimate causes for the rejection or non-solicitation of bids and proposals in bidder’s efforts to meet the goal.

x. Where subcontractor capacity and/or access to capital prevents participation, make efforts to assist in obtaining available resources such as State of Illinois
lending programs and the prime’s lending, capital and bonding networks.

xi. Make efforts to assist interested BEP/VBP certified vendors in obtaining necessary equipment, supplies, materials, or related assistance or services.

xii. Utilized resources available to identify available certified vendors, including but not limited to Office of Procurement Diversity staff, BEP/VBP assistance staff; local, state and federal diverse assistance offices; and other organizations that provide assistance in the recruitment and placement of diverse businesses.


f. The University of Illinois will consider all other evidence of good faith efforts made by the bidder to secure eligible BEP/VBP certified firms to meet the specified goal, prior to the bid due date and during the 10- day cure period if applicable.

g. The University of Illinois will take into account the performance of other bidders in satisfying the contracts specified BEP/VBP participation goal(s). For example, when the apparent successful bidder fails to commit to the contract goal, but other bidders commit to the goal, the University of Illinois will raise the question of whether, with additional efforts, the apparent successful bidder could have committed to the goal.

h. An updated Attachment B

i. Other relevant information in support of the change/waiver request.

Request for Change of Subcontractor or Supplier
1. Only upon receipt of Notification of Award (NOA) or Notification of Intent to Award (NOIA) the determined responsive and responsible Bidder may make a request for change of a BEP/VBP certified subcontractor or supplier which it has previously listed on Attachment B Business Enterprise Program (BEP) and Veteran Business Program (VBP) Utilization Plan on bid form 00 40 00. All requests shall be in writing on the Contractor’s letterhead and submitted with documented evidence of cause to university. University and UOCPRES will review each request and may authorize the change.

a. After receipt of NOA and/or NOIA letter, but prior to Contract Execution. The contractor may request approval of a BEP/VBP certified subcontractor or supplier other than one listed on 00 40 00, Attachment B provided sufficient information is supplied by the Contractor as deemed appropriate by CCU and UOCPRES. Supporting documentation from the BEP/VBP certified subcontractor or supplier may be required.

b. After Contract Execution. The Business Enterprise Utilization Plan and Participation Agreement(s) may not be amended after contract execution without University prior written approval. A Bidder may not make modifications to its contractual BEP/VBP certified vendor commitments or substitute BEP/VBP certified vendors without the prior written University approval. Unauthorized modifications or substitutions, including performing the work designated for a BEP/VBP certified vendor with Bidder’s own forces, shall be a violation of the Utilization Plan and therefore a breach of the contract, cause to terminate the contract, and cause to seek other contract remedies or sanctions. For University approval of modifications or substitutions, the facts supporting the modifications or substitutions must not have been known or reasonably should have been known by the parties prior to entering into the contract and/or subcontract. Bidder must negotiate with BEP/VBP certified vendors to resolve problems. Where there has been a mistake or disagreement about the scope of work and/or goods/equipment required by the contract, the BEP/VBP certified vendor can be substituted, but only where agreement cannot be reached for a reasonable price or schedule for the correct scope of work, goods and/or equipment. Any subsequent change must be submitted to the University, in writing, and approved by the University. Substitutions of a BEP/VBP
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certified vendor may be permitted under the following circumstances: Unavailability after receipt of reasonable notice to proceed; Failure of performance; Financial incapacity; Refusal by the BEP/VBP certified vendor to honor the bid or proposal price or scope; Material mistake of fact or law about the elements of the scope of work of a contract where a reasonable price cannot be agreed upon; Failure of the BEP/VBP certified vendor to meet insurance, licensing or bonding requirements; The BEP/VBP certified vendor’s withdrawal of its bid or offer; and/or Failure of the BEP/VBP certified vendor to maintain certification. If it becomes necessary to substitute a BEP/VBP certified vendor, the prime Bidder must notify the University in writing, of the request to substitute a BEP/VBP certified vendor or otherwise modify the Utilization Plan. The request must state specific reasons for the substitution or modification. The University will approve or deny a request for substitution or other change in the Utilization Plan within five (5) business days of receipt of the request. Where Bidder has established the basis for the substitution to the satisfaction of the University, it must make Good Faith Efforts to meet the contract goal by substituting one or more BEP/VBP certified vendors. Documentation of a replacement BEP/VBP certified vendor, or of Good Faith Efforts to replace the BEP/VBP certified vendor, must meet the requirements of the initial Utilization Plan. If the goal cannot be reached and Good Faith Efforts have been made, Bidder may substitute with a non-BEP/VBP certified vendor. Prime Bidders are encouraged to utilize BEP/VBP certified firms. If a Bidder plans to hire a subcontractor for any scope of work that was not previously disclosed in the Utilization Plan and this increases BEP/VBP participation, Bidder must obtain the approval of the University to modify the Utilization Plan and must make Good Faith Efforts to ensure that BEP/VBP certified vendors have a fair opportunity to submit a bid or offer on the new scope of work. If the Prime Bidder wishes to substitute its BEP/VBP certified subcontractor, a BEP/VBP certified vendor Utilization Plan must be executed and submitted to the University within five (5) business days of Bidder’s receipt of the University approval for the substitution.

BEP/VBP Post Award Requirements (00 20 00)

1. Post-Award submittal. The contract awardee shall submit Attachment A - BEP/VBP Subcontractor/Supplier Certification form, for Notice of Intent to Award or Notice of Award Letter for each of the BEP/VBP certified subcontractor(s) and/or supplier(s) being utilized to meet the designated participation goals as specified on the bid form. The form must be signed by the MBE/WBE subcontractor or supplier and shall be submitted to the university.

2. Completion of the Attachment A - BEP/VBP Subcontractor/Supplier Certification form, for Notice of Intent to Award or Notice of Award Letter is not required if the Contractor is a BEP/VBP certified vendor. BEP/VBP certified prime contractors are encouraged to utilize diverse subcontractors/suppliers. If goals are split (separate MBE, WBE and/or PBE goals), then a MBE, WBE or PBE firm must supply Attachment A – BEP/VBP Subcontractor/Supplier Certification form, for Notice of Intent to Award or Notice of Award Letter for the subcontractor firm(s) utilized to meet the MBE, WBE and/or PBE goal, respectively.

3. Listed Firms. Attachment A – BEP/VBP Subcontractor/Supplier Certification form, for Notice of Intent to Award or Notice of Award Letter shall be completed and submitted for each BEP/VBP certified firm listed on the bid form. The awarded contractor shall ensure the firm(s), scope of work or supplies to be provided and dollar amount(s) listed on the completed Attachment A of the BEP/VBP Subcontractor/Supplier Certification form match the firm(s), scope of work or supplies to be provided and dollar amount(s) listed on Attachment B of the Bid Form, 00 40 00, including any additional firms, scope of work or supplies to be provided and/or dollar amounts associated with alternates.

4. Compliance. The BEP/VBP diversity goal dollar value is based upon the total contract sum (including awarded alternates). The participation goal percentage amount(s) shall meet or exceed the goal(s) as specified on the bid form, or in an approved change/waiver request (refer to Section 12 of 00 20 00).

5. Voluntary. Contractors are encouraged to utilize BEP/VBP certified subcontractors/suppliers for those projects that are not designated for diversity participation and complete the Attachment A – BEP/VBP Subcontractor/Supplier Certification form, for Notice of Intent to Award or Notice of Award Letter for each BEP/VBP certified vendor. BEP/VBP certified subcontractors/suppliers may be added at any time
during the project.

6. Subcontracts/Supplier agreements. Copies of subcontracts or supplier agreements to correspond with each Attachment A - BEP/VBP Subcontractor/Supplier Certification form, for Notice of Intent to Award or Notice of Award Letter are required to be submitted within fifteen (15) days after execution of agreement, or execution of subcontract, whichever is later.

Diversity Management System. Awardees are required to login and resolve discrepancies regarding payments to its subcontractors as they arise via The University of Illinois Diversity Management System at https://uillinois.diversitycompliance.com/. Subcontractors are required to login and confirm payments from prime contractors as well as resolve discrepancies as they arise via The University of Illinois Diversity Management System.

Successful Bidder Post Award Requirements

1. Bidder’s Duty to Comply. The Contractor may not proceed with the Work until the following post award requirements are met. These requirements are part of the contract and failure to comply with these requirements shall constitute a breach of the contract. The University shall issue Notice to Proceed upon successful completion of these post award requirements.

2. Submittals. Within fifteen (15) calendar days from the date of the notice of intent to award, or notice of award letter, the Contractor shall furnish, on University forms, the following:

   Prime Vendor Documentation
   a. Contract executed by the Contractor;
   b. Contractor Performance Bond;
   c. Contractor Payment Bond;
   d. Certificates of Insurance;
   e. Builder’s Risk Insurance Policy (if applicable);
   f. Substance Abuse Prevention Program (if the program has been revised since submitted with the annual prequalification).

   BEP/VBP Subcontractor/Supplier Documentation
   a. Attachment A – BEP/VBP Subcontractor/Supplier Certification form, of the Notice of Intent to Award or Notice of Award Letter. Verification of compliance may be made by the University. In addition BEP/VBP certified vendors may be contacted for verification purposes.
   b. The awarded contractor shall ensure the firm(s) and dollar amount(s) listed on the completed Attachment A – BEP/VBP Subcontractor/Supplier Certification form match the firm(s), scope of work or supplies to be provided and dollar amount(s) listed on Attachment B - Business Enterprise Program (BEP) and Veteran Business Program (VBP) Utilization Plan Requirements of the Bid Form, 00 40 00, including any additional firms, scope of work or supplies to be provided, and/or dollar associated with alternates.

3. Cancellation of Award. All post award requirements are mandatory. Noncompliance shall be cause for the University to cancel the Notice of Award, may make a claim against the bid deposit, and proceed with the next responsive and responsible bidder.

4. Post Award Extensions. UOCPRES may extend the time limitations for good cause. No extension shall operate as a waiver of post award requirements, nor shall it extend the contract completion date.

BEP/VBP Baseline Goals by Region for Construction

<table>
<thead>
<tr>
<th>Campus/Medical Center (County)</th>
<th>BEP</th>
<th>VBP Baseline Goal</th>
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</thead>
<tbody>
<tr>
<td>Chicago (Cook)</td>
<td>30%</td>
<td>3%</td>
</tr>
<tr>
<td>Urbana (Champaign)</td>
<td>30%</td>
<td>3%</td>
</tr>
<tr>
<td>Springfield (Sangamon)</td>
<td>30%</td>
<td>3%</td>
</tr>
<tr>
<td>Rockford Medical Center (Winnebago)</td>
<td>30%</td>
<td>3%</td>
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