

From:

To: Marcia.Adams@SCDMV.net Marcia.Adams@SCDMV.net

Date: 6/6/2007 3:47:04 PM

Subject:

Attachments: Small Business Code Rule.doc

CPONotice43\_Small%20Business%20Set-Aside%20Program.pdf

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Marcia,

Here is information from Illinois on their small business preference. My apologies for sending all of this piecemeal, but I'm trying to get it to you as I get it.

Delbert

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**From:** Smith, Mike [mailto:Mike.Smith@Illinois.gov]  
**Sent:** Wednesday, June 06, 2007 3:38 PM  
**To:** Voight Shealy  
**Cc:** Singleton, Delbert; Quoss, Nancy  
**Subject:** RE: Impact of Your Small Business Preference

Voight --

We can provide a great deal of information on our small business program as it has been a primary focus of ours over the last three years. To start, I have attached the current law (from our Code) and rules pertaining to the Small Business Set-Aside program. In addition, I have attached our current policy (not a good copy but readable) which will answer your threshold question. I have also copied Nancy Quoss on this e-mail. Nancy is the Manager of our Supplier Diversity Division and can provide you with additional details on the growth of the program, our outreach efforts, and any lessons learned.

I assume at least part of your first question refers to any economic impact, whether real or perceived, that has been experienced as a result of utilizing small business more. I will offer my two cents on this issue and I am sure Nancy will be able to provide more insight.

First, we are setting aside categories for small business that are normally performed by small business anyway -- should be no economic impact. Second, if we decide to set a large dollar procurement aside, we only do so if we feel sufficient competition exists to ensure prices will be kept low. Third, our small business program is restricted to Illinois vendors. Therefore, we ensure all dollars spent on a set-aside contract are kept in the State, thus growing Illinois economy. Overall, it has been our experience that the small business set-aside program has been positive for Illinois. The only two drawbacks may be; 1) the State pays slow (I know you're probably shocked by that) so some small businesses are unwilling or unable to participate and 2) having enough vendors qualified in our database to cover all categories in all parts of the State has been a challenge (we qualify vendors through a application process). Our database has grown substantially but we could use a lot more.

I'll let Nancy respond as well if she has anything to add. Let us know if you need more information.

Mike

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**From:** Voight Shealy [mailto:VShealy@mmo.state.sc.us]  
**Sent:** Wed 6/6/2007 1:54 PM  
**To:** Smith, Mike  
**Cc:** Delbert@oed.sc.gov  
**Subject:** Impact of Your Small Business Preference

Mike, the Governor has appointed a committee to evaluate the efficiency and effectiveness of our agency, including procurement. One question has been raised that you may be able to assist with. A commission member has asked:

What was the impact in Illinois for giving small businesses

preferences? What is the threshold in Illinois?

Any help would be appreciated.

Thanks,  
Voight