

ILLINOIS STATE TOLL HIGHWAY AUTHORITY

OPERATIONAL GUIDE FOR PARTNERING FOR GROWTH - CONSTRUCTION for VETERAN-OWNED SMALL BUSINESS ENTERPRISE BID CREDIT INCENTIVE PROGRAM

I. OBJECTIVE OF THE PARTNERING FOR GROWTH (P4G) MENTOR BID INCENTIVE PROGRAM:

To encourage contractors to participate in the Partnering for Growth Program and provide a mutually beneficial working relationship between the MENTOR firm and a VETERAN-OWNED SMALL BUSINESS ENTERPRISE (VOSB) PROTÉGÉ firm via assistance to and training of the VOSB firm, thereby improving the firm's management and operating skills and leading to an increase in capacity and the ability to remain a self-sufficient, competitive and profitable business enterprise, a firm performing as a MENTOR in an approved Partnering for Growth – Construction relationship can earn BID CREDITS that may be used toward future TOLLWAY construction bids. A bidder can apply Partnering for Growth BID CREDITS to lower their bid amount and increase the chances of winning the contract as the low bidder.

Use of BID CREDITS from the Tollway's BID CREDIT Incentive Programs is applicable only to construction projects advertised by the TOLLWAY for public bidding.

II. DEFINITIONS:

Additional definitions can be found in the TOLLWAY's Special Provision for BID CREDIT Incentive Programs.

- A. ACTIVE BID CREDIT CERTIFICATE REGISTER: Listing on the TOLLWAY's website, <https://www.illinoistollway.com/doing-business/diversity-development/programs>, of all BID CREDIT Certificates, indicating certificate number, value, owner and issue date.
- B. BID CREDIT: Virtual dollar credits earned through a TOLLWAY BID CREDIT Program.
- C. BID CREDIT CAP: A contract-specific limit as determined by an approved TOLLWAY formula on the amount of BID CREDIT that can be applied. Any BID CREDITS SUBMITTED above and beyond the BID CREDIT CAP will not be considered.
- D. BID CREDIT CERTIFICATE: A numbered document that identifies contractor's name and BID CREDIT accrual detail. For accrual via P4G, the detail will include the PROTÉGÉ firm's name and the applicable BID CREDIT earned.

- E. BID CREDITS SUBMITTED: BID CREDITS included in a construction bid as evidenced by a BID CREDIT CERTIFICATE. The total amount of the certificate will be considered as tendered unless otherwise indicated on the physical certificate.
- F. MENTOR: a firm/representative who teaches or provides help and advice to a PROTÉGÉ.
- G. METRICS: a standard for measuring or evaluating performance of the P4G relationship, as defined by the P4G AGREEMENT
- H. P4G AGREEMENT: document executed by both the MENTOR and PROTÉGÉ, and approved by the TOLLWAY, defining the P4G relationship between the MENTOR and PROTÉGÉ, defining the TERM, objectives and METRICS of the relationship.
- I. P4G BID CREDIT/AGREEMENT MAXIMUM: the upper limit of P4G BID CREDIT that can be assigned, as determined by the P4G OVERSIGHT COMMITTEE review of a P4G AGREEMENT and published in the P4G AGREEMENT Approval Letter, to that individual P4G AGREEMENT up to the PROGRAM MAXIMUM of \$100,000 per year for MENTORS.
- J. P4G BID CREDIT/PROGRAM MAXIMUM: the upper limit of P4G BID CREDIT that can be assigned to any P4G AGREEMENT. The PROGRAM MAXIMUM for MENTORS is \$100,000 per year, typically split into equal \$25,000 per quarter. Reference Section IV.C.
- K. P4G FINAL REPORT: three separate and final statements of performance of relationship to METRICS and objectives of the P4G AGREEMENT. One report is filed only by the MENTOR, one only by the PROTÉGÉ and one by the MENTOR and PROTÉGÉ together.
- L. P4G - CONSTRUCTION OVERSIGHT COMMITTEE: a TOLLWAY-appointed group performing as the "working arm" of the P4G Program for review of firm matching, agreements, reports, progress and issues.
- M. P4G QUARTERLY REPORT: three separate and quarterly statements of performance of relationship to METRICS and objectives of the P4G AGREEMENT. One statement is filed only by the MENTOR, one only by the PROTÉGÉ and one by the MENTOR and PROTÉGÉ together.
- N. P4G TERM: length of the P4G relationship between the MENTOR and PROTÉGÉ as specified in the P4G AGREEMENT, from a minimum of 12 months to a maximum of 36 months per the TOLLWAY Partnering for Growth for Construction Guidelines
- O. PROTÉGÉ: a VOSB firm who is guided and supported by a MENTOR.
- P. TOLLWAY: The Illinois State Toll Highway Authority.
- Q. VETERAN-OWNED SMALL BUSINESS ENTERPRISE (VOSB): as defined in the most current revision of the Veteran Small Business Participation and Utilization Plan - Construction.

III. P4G PROGRAM INCENTIVES FOR MENTORS: Firms who serve as MENTORS and who enter into an approved P4G AGREEMENT with a PROTÉGÉ firm may earn BID CREDITS during the TERM of the relationship which may be applied to TOLLWAY construction contracts advertised for public bidding.

IV. EARNING BID CREDIT THROUGH THE P4G-CONSTRUCTION PROGRAM:

A. The MENTOR shall be party to a P4G AGREEMENT approved by the TOLLWAY's P4G-CONSTRUCTION OVERSIGHT COMMITTEE.

B. The MENTOR and PROTÉGÉ must submit regular P4G QUARTERLY REPORTS (QR) describing performance on METRICS and Milestones as stated in that P4G AGREEMENT and per Section V. below.

C. An upper limit of \$100,000 P4G BID CREDITS may be earned by the MENTOR on an approved P4G AGREEMENT per year of the relationship, for a maximum of 3 years (three years) or the TERM of the P4G relationship, whichever is shorter. This upper limit is the P4G BID CREDIT/PROGRAM MAXIMUM.

1. The P4G AGREEMENT approval letter will stipulate the maximum P4G BID CREDIT allowed for accrual for that specific AGREEMENT each year of the relationship. This AGREEMENT-specific upper limit is the P4G BID CREDIT/AGREEMENT MAXIMUM. This maximum shall be less than or equal to the P4G BID CREDIT/PROGRAM MAXIMUM of \$100,000 per year of the relationship. The TOLLWAY P4G-CON OVERSIGHT COMMITTEE reserves the right to reduce incentives released in any quarter from the maximum for that AGREEMENT based on performance of the relationship as stated in the QR.

2. The TOLLWAY P4G-CON OVERSIGHT COMMITTEE will review all QUARTERLY and FINAL REPORTS, and recommend release of P4G BID CREDITS as applicable.

E. If a P4G relationship is terminated for any reason, no additional BID CREDITS will be released after the date of termination. BID CREDITS approved for release prior to termination of the relationship remain redeemable.

F. P4G BID CREDITS may be used in conjunction with credits from other BID CREDIT programs to a maximum BID CREDIT CAP as stated in the solicitation documents for each project. Reference Section V. of the TOLLWAY Special Provision for BID CREDIT Incentive Programs.

G. Unused P4G BID CREDITS do not expire. Reference Section VI. Of the TOLLWAY Special Provision for BID CREDIT Incentive Programs.

H. Program participants agree that interpretation of this Operational Guide, the P4G – Construction Guidelines, and award of P4G BID CREDITS shall rest with the P4G – Construction OVERSIGHT COMMITTEE.

1. Parties may seek interpretation of any provision they find ambiguous or confusing.
2. If both Participants so desire, they may jointly appeal any adverse Committee decisions to the TOLLWAY’s Chief of Diversity and Strategic Development. These requests shall be in writing. The Chief’s determination shall be final.

V. P4G BID CREDIT RECORDING: To calculate a participating firm’s BID CREDITS the Contractor is **required** to submit the following information prior to the TOLLWAY’s issuance of a BID CREDIT CERTIFICATE:

A. Regular P4G QUARTERLY REPORTs (QR), or a P4G FINAL REPORT that covers the last quarter of the P4G TERM, describing performance on METRICS and Milestones as stated in that AGREEMENT.

1. Three separate statements of performance of relationship to METRICS and objectives of the P4G AGREEMENT make up each QR and P4G FINAL REPORT. One statement is filed only by the MENTOR, one only by the PROTÉGÉ and one by the MENTOR and PROTÉGÉ together. All three statements are required for processing of the QR or P4G FINAL REPORT.
2. Each QR or P4G FINAL REPORT submitted must be approved by the P4G-CONSTRUCTION OVERSIGHT COMMITTEE per the P4G Guidelines in order to be considered for BID CREDIT release.
3. Once the QR or P4G FINAL REPORT is approved, the P4G BID CREDITS awarded for that QR or P4G FINAL REPORT will be released to the MENTOR via P4G BID CREDIT CERTIFICATE.

- C. BID CREDITS can be released no more often than quarterly.

VI. JOINT VENTURE AND SUBCONTRACTOR/FABRICATOR

PARTICIPATION: Reference the TOLLWAY's Special Provision for BID CREDIT Incentive Programs.

VII. PROCEDURE FOR REQUESTING BID CREDIT Certificates:

The participating contractor determines whether there are upcoming TOLLWAY bid opportunities that the firm is interested in pursuing as a prime/subcontractor/fabricator; and whether it would like to relinquish some (or all) of the BID CREDITS earned to date. The firm confirms the BID CREDIT CERTIFICATE is the most current or contacts the TOLLWAY's Department of Diversity and Strategic Development and makes an official request for a BID CREDIT CERTIFICATE via e-mail at diversity@getipass.com.

VIII. ISSUANCE AND TRACKING OF PARTNERING FOR GROWTH BID CREDIT CERTIFICATES:

- A. The P4G BID CREDIT CERTIFICATE shall be numbered for tracking purposes prior to issuance to the requesting firm.
- B. An ACTIVE BID CREDIT CERTIFICATE REGISTER, indicating certificate number, value, owner and issue date, is posted on the TOLLWAY's website, <https://www.illinoistollway.com/doing-business/diversity-development/programs>.
- C. BID CREDITS are non-transferable unless as part of a merger or acquisition of a firm. The original firm issued the BID CREDIT CERTIFICATE is the sole owner of the BID CREDITS and shall not transfer, sell, loan or otherwise engage in transactions not specified in this document.

IX. BIDDING PROCEDURES, LONGEVITY OF BID CREDIT CERTIFICATES AND FRAUDULENT USE OF BID CREDIT CERTIFICATES:

Reference the TOLLWAY's Special Provision for BID CREDIT Incentive Programs.