

Illinois State Toll Highway Authority

OPERATIONAL GUIDE FOR CONSTRUCTIONWORKS BID CREDIT INCENTIVE PROGRAM

I. OBJECTIVE OF THE CONSTRUCTION WORKS BID CREDIT INCENTIVE PROGRAM: To encourage contractors, subcontractors and fabricators to hire QUALIFIED ConstructionWorks (CW) candidates and assist workforce development efforts to employ and retain QUALIFIED CW-ELIGIBLE CANDIDATES in the construction trades including, AFRICAN AMERICANS, ASIANS, HISPANICS, EX-OFFENDERS, EXONERATED INDIVIDUALS, FEMALES, VETERANS, economically disadvantaged individuals and other traditionally underserved populations, the hiring firm can earn BID CREDITS that may be used toward future TOLLWAY construction bids. A bidder can apply incentive BID CREDITS to lower their bid amount and increase the chances of winning the contract as the low bidder.

The TOLLWAY CW Program may facilitate REFERRALS of CW-ELIGIBLE CANDIDATES. A REFERRAL is not a guarantee of employment or an endorsement by the TOLLWAY of a particular candidate. The TOLLWAY makes no guarantee of suitability of CW-ELIGIBLE CANDIDATES for employment. All employment screening decisions are made by the employing entity through their established human resources hiring procedures using appropriate due diligence.

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 of all Active Bid Credit Certificates, indicating certificate number, value, owner and issue date.
- B. **AFRICAN AMERICAN:** Persons having origins in any of the Black racial groups of Africa.
- C. **ASIANS:** Persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos Cambodia, the Philippines, Samoa, Guam, or the U.S. Trust Territories of the Northern Marinas.

- D. BID CREDIT: Virtual dollar credits earned through a TOLLWAY BID CREDIT Program.
- E. 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.
- F. BID CREDIT CERTIFICATE: A numbered document that identifies contractor's name, and BID CREDIT accrual detail. For accrual via CW, the detail will include CW-ELIGIBLE PARTICIPANTS by name, payroll time frame and active credits earned.
- G. 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.
- H. TOLLWAY'S WORKFORCE DEVELOPMENT TECHNICAL ASSISTANCE PROVIDER FOR CONSTRUCTIONWORKS: The TOLLWAY's prime contractor responsible for the administration and service delivery of the CONSTRUCTIONWORKS Workforce Development technical Assistance Initiative throughout the comprehensive TOLLWAY service area.
- I. CW-ELIGIBLE CANDIDATE: A job-seeker who is also a CW program member as an individual 18 years of age or older eligible to work in the United States, and meets/met the eligibility criteria as documented by the TOLLWAY'S WORKFORCE DEVELOPMENT TECHNICAL ASSISTANCE PROVIDER FOR CONSTRUCTIONWORKS as being unemployed or underemployed and/or has not successfully completed a trade apprenticeship and training program in the past, and/or is not a journey worker in good standing and/or is an economically disadvantaged individual or an entry level worker in the trades seeking upskilling and is receiving CW services.
- J. CW-ELIGIBLE PARTICIPANT: A CW-ELIGIBLE CANDIDATE who is employed by an CW participating contractor, placed into a USDOL-registered apprenticeship and/or other suitable construction and related employment for not less than 160 hours within a 12 consecutive month period with the objective of gaining the necessary on-the-job experiences to fulfill the task competency requirements of an apprenticeship program to achieve journey worker status as evidenced by certified payroll.
- K. EX-OFFENDER: A person who has been convicted of a crime in Illinois or of an offense in any other jurisdiction that does not include any offense or attempted offense that would subject a person to registration under the Sex Offender Registration Act, the Arsonist Registration Act, or the Murderer and Violent Offender Against Youth Registration Act. EX-OFFENDER does not include a person

who has been convicted of committing or attempting to commit a Class X felony, aggravated driving under the influence of alcohol, other drug or drugs, or intoxicating compound or compounds, or any combination thereof, aggravated domestic battery, or a forcible felony.

- L. EXONERATED INDIVIDUALS: A person who is legally cleared from guilt, blame, liability or punishment for a criminal or otherwise illegal or wrongful act.
- M. FRINGE BENEFITS: A form of compensation for the performance of services such as vacation pay, sick pay, holiday pay or health benefits. This amount is not included in BID CREDITS.
- N. HISPANIC: Persons of Mexican, Puerto Rican, Cuban, Central American, South American or other Spanish culture or origin, regardless of race.
- O. NET WAGES PAID: Gross wages (excluding FRINGE BENEFITS) paid to the CW-ELIGIBLE PARTICIPANT(S) (s) from the hiring contractor/fabricator.
- P. NEW HIRE BONUS CREDIT: A one-time \$5,000 BID CREDIT earned through the employment of a first-time CW-ELIGIBLE CANDIDATE and retaining that person as a CW-ELIGIBLE PARTICIPANT for not less than 160 hours.
- Q. QUALIFIED: Individual who meets basic construction employment requirements as identified by the specific trade, unions or construction management thereof.
- R. REFERRALS: Individuals referred to contractors by various agencies via community-based networks that are determined to be CW-ELIGIBLE CANDIDATES and have been determined to meet eligibility criteria, are drug free and are otherwise suitable candidates for construction-related employment opportunities.
- S. TOLLWAY: The Illinois State Toll Highway Authority.
- T. TRADITIONALLY UNDERSERVED POPULATIONS: See groups as referenced in Section 1: Objectives of the ConstructionWorks Bid Credit Incentive Program.
- U. VETERANS: Individuals who have served in the U.S. military and are in possession of a DD214 Form.

III. CONSTRUCTIONWORKS PROGRAM INCENTIVES:

Interested contractors, subcontractors and fabricators may employ CW-ELIGIBLE PARTICIPANTS on any public or private job located within the State of Illinois and accumulate BID CREDITS, which may be applied to TOLLWAY construction contracts advertised for public bidding.

IV. EARNING BID CREDIT THROUGH THE CONSTRUCTIONWORKS PROGRAM:

- A. CW-ELIGIBLE PARTICIPANTS employed on any public or private job located within the State of Illinois may accumulate BID CREDITS at the following rates for the employing firm:
 - 1. Operating Engineers and Structural Steel Ironworkers: 75 cents for every dollar of wages paid;
 - 2. All other skilled trades and fabricators: 65 cents for every dollar of wages paid;
 - 3. Skilled Laborers: 55 cents for every dollar of wages paid.
- B. Contractors are eligible for a \$5,000 NEW HIRE BONUS CREDIT when they employ first-time CW-ELIGIBLE CANDIDATES, retain them for not less than 160 hours and provide written documentation of employment and wages paid.
- C. CW-ELIGIBLE PARTICIPANTS shall be eligible to earn BID CREDITS for a period not to exceed five (5) years from the first date of initial hire by the first contractor participating in the CW program inclusive of any layoff periods.

Example 1: CW-ELIGIBLE CANDIDATE hired by Contractor A for one (1) year and was then laid off for six (6) months. Contractor B hired the CW-ELIGIBLE PARTICIPANT and the CW-ELIGIBLE PARTICIPANT continues to earn BID CREDITS for Contractor B, up to three and a half years, or the remainder of the five (5) year eligibility term.

- 1. A contractor/fabricator who employs a first-time CW-ELIGIBLE CANDIDATE shall earn credits for wages paid to the CW-ELIGIBLE PARTICIPANT for up to five (5) years from date of hire as stipulated in Section IV.B. above.
- 2. A contractor may re-hire a CW-ELIGIBLE PARTICIPANT previously terminated and continue to earn credits for that CW-ELIGIBLE PARTICIPANT.

3. If the CW-ELIGIBLE PARTICIPANT is not re-hired, a different contractor/fabricator may hire the CW-ELIGIBLE-PARTICIPANT and becomes eligible to earn credits for that CW-ELIGIBLE PARTICIPANT.

Example 2: Contractor A hired and employed a CW-ELIGIBLE CANDIDATE for one year and did not re-hire the CW-ELIGIBLE PARTICIPANT the following year, the CW-ELIGIBLE PARTICIPANT may earn credits for Contractor B.

- D. CW BID CREDITS shall only be given for CW-ELIGIBLE PARTICIPANTS up to 3 months retroactively from the date the completed Request for BID CREDIT CERTIFICATE FOR CW - Form 0006 is submitted with evidence of eligibility and receipt of documents as provided in Section VI.

The total period of eligibility of 5 years can be met by:

1. up to 3 months retroactive plus four years and 9 months real-time eligibility,
or
 2. five years of real-time eligibility.
- E. CW 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.
 - F. Unused BID CREDITS do not expire.
 - G. Situations not outlined in this Operational Guide will be reviewed on a case-by-case basis by TOLLWAY staff.

V. CW 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. Completed Request for BID CREDIT CERTIFICATE FOR CW - Form 0006, inclusive of CW-ELIGIBLE PARTICIPANTS' information and NEW HIRE BONUS CREDIT request selection.
- B. Certified Payroll as evidence of wages paid that includes:
 1. Contractor name
 2. Week ending date;
 3. Project and location
 4. Project or Contract No.

5. Name and Individual Identifying Number of Worker—last 4 digits only
6. Work Classification
7. Hours worked
8. Total hours
9. Rate of Pay
10. Gross Amount Paid
11. Deductions
12. Total Deductions
13. NET WAGES PAID

C. CW BID CREDITS shall only be given for CW-ELIGIBLE PARTICIPANTS up to 3 months retroactively from the date the completed Request for BID CREDIT CERTIFICATE FOR CW - Form 0006 is submitted with evidence of CW eligibility and receipt of documents as provided in Section VI. This period is inclusive of the CW-ELIGIBLE PARTICIPANT'S five (5) year eligibility period as provided in Section IV.

D. All hours worked may be subject to review and confirmed by the TOLLWAY.

E. Failure to properly substantiate paid wages with the required information as stated in VIII. on TOLLWAY forms will result in a delay of processing and may result in the loss of BID CREDITS. The Contractor shall maintain a record of wages paid to TOLLWAY REFERRALS in accordance with the contract auditing record retention requirements.

F. Any contractor found to be reporting CW PROGRAM wages that were not in fact paid or submitting forged BID CREDIT CERTIFICATES shall be permanently barred from participating in any TOLLWAY BID CREDIT program. The TOLLWAY may report such reporting abuses to the Office of the Inspector General and applicable law enforcement authorities.

VI. JOINT VENTURE AND SUBCONTRACTOR/FABRICATOR PARTICIPATION:

Refer to the TOLLWAY'S Special Provision for Bid Credit Incentive Programs.

VII. PROCEDURE FOR REQUESTING BID CREDIT CERTIFICATES: The participating contractor or fabricator determines whether there are upcoming TOLLWAY bid opportunities that the firm is interested in pursuing as a prime contractor/subcontractor/supplier of fabricated goods 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 Diversity

Department and makes an official request for a formal copy of their BID CREDIT CERTIFICATE for CW as outlined in Section VIII, via e- mail at bidcredits@getipass.com.

VIII. ISSUANCE AND TRACKING OF BID CREDIT CERTIFICATES FOR

CW: The BID CREDIT CERTIFICATE shall be numbered by the TOLLWAY for tracking purposes prior to issuance to the requesting firm. The requesting firm shall receive the requested BID CREDIT CERTIFICATE within the following schedule:

A. Contractors requesting new BID CREDIT CERTIFICATES for CW BID CREDITS earned in the prior month must submit their certified payroll (as listed in Section VI.B) and supporting information to the TOLLWAY by the 15th of the following month.

B. TOLLWAY's schedule for issuing new certificates is on a first-come, first-served basis. All steps possible will be taken to have requests processed within thirty days of receipt by the Tollway but this is dependent upon completeness of information received, work period covered by requests, and requests already received and awaiting processing, and issuance within a certain requested timeframe is not guaranteed

C. ACTIVE BID CREDIT CERTIFICATE REGISTER, indicating certificate number, value, owner and issue date, is posted on the TOLLWAY's website at <https://www.illinoistollway.com/doing-business/diversity-development/programs>.

D. 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:

Refer to the TOLLWAY'S Special Provision for BID CREDIT Incentive Programs.

X. OTHER SUPPORTIVE SERVICE INCENTIVES PROVIDED BY

TOLLWAY'S WORKFORCE DEVELOPMENT TECHNICAL ASSISTANCE PROVIDER FOR CONSTRUCTIONWORKS: Participating contractors and fabricators may be eligible to receive additional incentives from the CW-ELIGIBLE PARTICIPANTS via the TOLLWAY'S WORKFORCE DEVELOPMENT TECHNICAL ASSISTANCE PROVIDER FOR CONSTRUCTIONWORKS. The following is a non-exhaustive list of potential reimbursements that the contractor/fabricator may be able to obtain after submission of the necessary receipts/documentation:

- A. Costs associated with mandatory physicals;
- B. Costs associated with mandatory training;
- C. Costs associated with tools, work clothes and work boots; and
- D. Tax incentives associated with hiring specified area codes or group members.

Contractors and fabricators should contact the TOLLWAY'S WORKFORCE DEVELOPMENT TECHNICAL ASSISTANCE PROVIDER FOR CONSTRUCTIONWORKS for more information. Such reimbursements are not payable by the TOLLWAY.

X. ADDITIONAL INCENTIVES

Additional incentives such as wage reimbursement for work performed by CW-ELIGIBLE PARTICIPANTS on Tollway contracts may be available. Check the individual contract specifications for applicability.