Illinois State Toll Highway Authority

SPECIAL PROVISION FOR EARNED CREDIT PROGRAM

I. OBJECTIVE OF THE EARNED CREDIT PROGRAM: To encourage union contractors, subcontractors and fabricators to sponsor into applicable unions and employ and retain qualified and eligible disenfranchised African American, Hispanic, females, ex-offenders and veterans referred to them by the Tollway.

This Earned Credit Program is applicable only to the Tollway’s Congestion Relief Plan.

II. CONTRACTOR ASSURANCE: The Contractor agrees to include the following assurance in each subcontract that the Contractor signs with a subcontractor: “The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sexual orientation in the performance of this contract. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.”

III. DEFINITIONS:

A. ILLINOIS EMPLOYMENT AND TRAINING CENTER (IETC): State of Illinois agency that receives Workforce Investment Act funding to provide program eligibility and suitability assessments to individuals seeking employment and training services and supportive services to enhance the individual’s success in securing and retaining employment.

B. TOLLWAY: The Illinois State Toll Highway Authority.

C. DISENFRANCHISED: Individuals who meet the Workforce Investment Act eligibility criteria.

D. ELIGIBLE: IETC representative reviews applicable documentation to determine economic eligibility, as defined by the Workforce Investment Act, as well as evidence of U.S. citizenship or legal residence in the state, selective service registration as applicable, dislocated/displaced worker status, and other employment barriers.

E. QUALIFIED: Individual who meets basic union requirements as identified by the specific trade union or local thereof.

F. SUITABILITY: IETC provides extensive career counseling modules and counseling and makes an official determination of the likelihood of an individual’s success in a particular career choice based on test scores and verbal responses to targeted questions.

G. TOLLWAY REFERRALS: Individuals referred to the Tollway by various agencies via community and faith-based networks that are determined to be candidates for the Earned Credit Program, have successfully completed a three-phase screening process, are drug free and are suitable candidates for construction-related employment opportunities.

H. AFRICAN AMERICAN: Persons having origins in any of the Black racial groups of Africa.

I. HISPANIC: Persons of Mexican, Puerto Rican, Cuban, Central American, South American or other Spanish culture or origin, regardless of race.

J. EX-OFFENDER: Individuals who have been convicted of a crime.

K. 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.

L. VETERANS: Individuals who have served in the U.S. military and are in possession of a DD214 Form.

M. BASE BID: The bid amount excluding bid credits. The successful bidder will be awarded the base bid amount.

N. BID CREDIT: Bid credit earned through sponsoring, employing and retaining Illinois Tollway referrals.

O. AWARD CRITERIA: Contractor’s base bid minus earned bid credit subject to the Earned Credit Cap identified for each solicitation.

P. EARNED CREDIT CERTIFICATE: A numbered and notarized document that identifies contractor’s name, Earned Credit Program participant(s) names and each individual’s employment time frame along with applicable credit earned.

Q. WAGES EARNED: Gross wages (excluding fringe benefits) earned by the Earned Credit Program participant(s) from the original hiring contractor/fabricator.
R. WORKFORCE INVESTMENT ACT (WIA): Signed into law in 1998; creates and funds services provided through the IETCs.

IV. EARNED CREDIT PROGRAM INCENTIVES: All union contractors and fabricators interested in participating in the Earned Credit Program may earn bid credits which may be applied to Tollway construction contracts advertised for public bidding.

Only the original contractor/fabricator who sponsored and employed a Tollway referral shall earn bid credits for wages earned by the participant during the life of the participant’s employment with the contractor/fabricator. If the original contractor must lay the participant off due to slow work, the original contractor may re-hire the participant when employment conditions change and continue to earn bid credits as long as the re-hire takes place within one year from the date of the last lay off date.

V. CALCULATING EARNED CREDIT: Interested union contractors and fabricators may sponsor Tollway referrals into an applicable union and/or employ referrals on any job located within the State of Illinois and accumulate bid credits at the following rates to be applied to future Tollway construction contracts advertised for public bidding:

A. Operating Engineers and Structural Steel Ironworkers: 50 cents for every dollar of wages earned;
B. All other skilled union trades and fabricators: 40 cents for every dollar of wages earned;
C. Skilled Laborers: 30 cents for every dollar of wages earned.
D. An additional $5,000 will be earned by any contractor who hires an appropriately trained participant prior to becoming indentured by any trade union.

VI. BIDDING PROCEDURES: All bids must comply with the applicable public bidding statutes, rules and regulations and the specific requirements of this solicitation to be considered responsive. Bids that fail to meet these minimum requirements may be considered non-responsive.

Each bid solicitation will have a contract-specific cap on the amount of Earned Credit that can be applied as a bid credit. This particular solicitation has a cap of $-----------------. Any credits applied above and beyond the bid earned credit cap will not be considered.

A. The base bid is to be clearly identified on line #1 of the P page;
B. Line #2 is to include the total amount of bid credits applied to the bid;
C. Line #3 is to include the Award Criteria (Line #1 minus Line #2 equals Line #3).

All Earned Credit Certificates used to arrive at the bid credit included on Line #2 must be included in the original bid package. All Earned Credit Certificates applied to a successful bid will become null and void at the time the bidder’s award criteria figure is deemed the lowest bid and the bid is determined responsive and responsible, and shall not be available for inclusion in any other bid.

VII. SUBCONTRACTOR AND FABRICATOR PARTICIPATION: Union subcontractors and fabricators may participate in the Earned Credit Program as long as they adhere to the requirements specified herein for prime contractors. Subcontractor and fabricator Earned Credit Certificates may be provided to prime contractors and used/applied by prime contractors in a bid solicitation, provided the prime contractor has committed to utilizing the subcontractor/fabricator in the performance of the contract.

In the event the prime contractor submits a subcontractor and/or fabricator’s Earned Credit Certificate in a Tollway bid solicitation, the prime contractor is required to perform the following:

A. Ensure that the subcontractor and/or fabricator are aware of and have provided permission to the bidder to use the Earned Credit Certificates in the bid solicitation;
B. Identify the scope of work and dollar amount committed to each subcontractor and/or fabricator where an Earned Credit Certificate is being calculated in the bid credit;
C. Ensure that the Earned Credit Certificate is not in a suspended or voided mode. (This can be done through checking the Tollway Earned Credit website (www.illinoistollway.com and click on “Doing Business”) prior to submitting Earned Credit Certificate in a Tollway bid solicitation); and

6/09/06 Page 2
D. Ensure that the total amount of Earned Credit Certificates do not exceed the contract-specific cap.
In the event of a successful bid, any bid credit exceeding the cap will be lost.

VIII. EARNED CREDIT REPORTING:

A. The Contractor must submit evidence of wages earned through the Earned Credit Program by the Tollway referrals through cancelled payroll checks or monthly union reports documenting wages earned. Failure to properly substantiate earned wages will result in the loss of earned credit(s).

B. The Contractor shall maintain a record of wages paid to Tollway referrals in accordance with the contract record retention requirements.

IX. PROCEDURE FOR REQUESTING EARNED CREDIT CERTIFICATES: The participating contractor or fabricator reviews the Tollway’s bid letting schedule and determines whether there are upcoming bid opportunities that the firm is interested in pursuing as a prime/sub-supplier of fabricated goods; and whether it would like to “cash in” some (or all) of the bid credits earned to date by one (or all) of the Tollway referrals employed by the participating firm. The firm contacts the Tollway’s EEO Manager: Roberto Rivera @ (630) 303-8345 and makes an official request to “cash in” credits earned by completing and submitting Form 006 via e-mail @ rrivera@getipass.com or facsimile (630) 271-7548 to the attention of Roberto Rivera. The following information must be submitted to the Tollway for the Tollway to calculate an interested firm’s earned credits and prior to the Tollway’s issuance of an Earned Credit Certificate(s):

A. Name of each Tollway referral that the firm is requesting bid credits on;
B. Social security number of each of the aforementioned individuals;
C. Union and Local each participant was sponsored into; and
D. Beginning and end date of each individual’s term of employment that the firm is “cashing in” on*.

* The participating firm shall continue to earn credits for the period of employment not previously “cashed in” on.

X. ISSUANCE AND TRACKING OF EARNED CREDIT CERTIFICATES: The Earned Credit Certificate shall be numbered for tracking purposes, signed and notarized by the Tollway prior to issuance to the requesting firm. The requesting firm shall receive the requested certificate within three working days from the date of receipt of Form 0006.

XI. LONGEVITY OF EARNED CREDIT CERTIFICATES: The Earned Credit Certificate will be voided once it is used in a successful bid. All Certificates will expire within one year of issuance. Should the same Earned Credit Certificate be submitted in multiple bids, the first bid opened containing the Earned Credit Certificate will be considered for bid credit. All other bids containing a duplicate Earned Credit Certificate will be placed in a suspended mode until the award recommendation has been issued; at such time, all duplicate Earned Credit Certificates will be voided out and the remaining bid credit(s) and award criteria will be recalculated. It is foreseeable that a contractor may apply the same Earned Credit(s) to multiple solicitations that have the same bid opening date. Where multiple solicitations have the same bid opening date, the Tollway will open bids in numerical order with the lowest project number being opened first.

XII. FRAUDULENT USE OF EARNED CREDIT CERTIFICATES: Any contractor who intentionally submits an Earned Credit Certificate that had been previously voided and reported as voided on the Tollway Earned Credit website shall be permanently barred from participating in the Earned Credit Program.

Any contractor who submits a subcontractor/fabricator’s Earned Credit Certificate without the permission of the subcontractor/fabricator and/or without committing to utilizing the subcontractor/fabricator by scope of service and dollar value of commitment in the bid shall be permanently barred from participating in the Earned Credit Program.

Any contractor found to be reporting Earned Credit Program wages that were not in fact earned shall be permanently barred from participating in the Program. The Tollway may report such reporting abuses to the Office of the Inspector General and applicable law enforcement authorities.
XIII. POTENTIAL SUPPORTIVE SERVICE INCENTIVES PROVIDED BY THE ILLINOIS EMPLOYMENT AND TRAINING CENTERS (IETCs): Participating contractors and fabricators may be eligible to receive additional incentives from the enrolling IETC. The following is a 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. Costs to bring an ECP participant’s outstanding union dues back to good standing status.

Contractors and fabricators should contact the applicable IETC for more information.