



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

BROM STIBITZ
DIRECTOR

March 17, 2021

The Honorable Thomas Albert, Chair
House Appropriations Subcommittee on General Government
351 Capitol Building
P.O. Box 30014
Lansing, MI 48909-7514

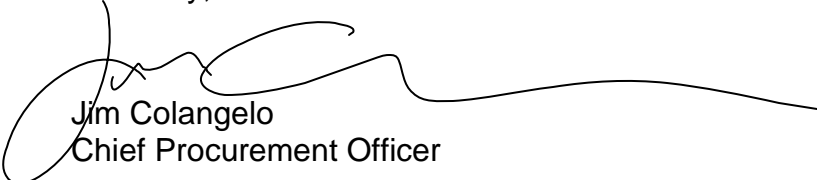
The Honorable Jim Stamas, Chair
Senate Appropriations Subcommittee on General Government
920 Farnum
P.O. Box 30036
Lansing, MI 48909-7536

Dear Legislators:

Enclosed is a report on state contracting with businesses owned by qualified disabled veterans submitted pursuant to the reporting requirements in 1984 PA 431, as amended. The report was prepared based on contract data for fiscal year 2020 as recorded in SIGMA.

If you have questions regarding the information in the report, please contact Genevieve Hayes, at (517) 230-2817.

Sincerely,



Jim Colangelo
Chief Procurement Officer

Enclosure

c: Bree Anderson, DTMB
Senate Fiscal Agency
House Fiscal Agency



Legislative Report: State Contracting with Businesses Owned by Qualified Disabled Veterans, FY 2020

Required by section 18.1261(9) of Public Act 431 of 1984, as amended

Prepared for
House and Senate Appropriations Subcommittees

Department of Technology, Management & Budget
Central Procurement Services
March 2021

Legislative Report: State Contracting with Businesses Owned by Qualified Service-Disabled Veterans, FY 2020

The Management and Budget Act (1984 PA 431, as amended) establishes (i) a goal for the department to award each year not less than 5% of its total expenditures for construction, goods, and services to service-disabled veteran-owned businesses (SDVOBs), and (ii) a price preference of up to 10% of the amount of the contract for qualified SDVOBs when competing for state contracts.

Requested information in the Act includes the following:

- The number of qualified disabled veterans who submitted a bid for a state procurement contract
- The number of qualified disabled veterans who entered procurement contracts in Michigan and the total value of those procurement contracts

This report provides the data points required by the Act and illustrates the department's results toward achieving the 5% goal over the past 5 fiscal years.

SUMMARY

- The aggregate value of contracts awarded to SDVOBs as a percentage of expenditures for construction, goods, and services was 2.26% in FY 2020. The results for the previous X fiscal years are shown in the chart below.
- The aggregate value of contract awards to SDVOBs totaled \$67,591,509 in FY 2020.
- The number of qualified disabled veterans who submitted a bid for a state procurement contract was 35 in FY 2020.
- In FY 2020, 31 SDVOBS signed a total of 119 contracts with the State of Michigan. SDVOBs continue to win a large percentage of project awards for which they bid.

The Department of Technology, Management & Budget recommends that outreach efforts to the service-disabled veteran-owned business community continue.

5% Goal Attainment

