CAPITAL EXPENDITURES TO FEMALE-OWNED, MINORITY-OWNED, VETERAN-OWNED AND SMALL BUSINESS ENTERPRISES

Under the provisions of the Illinois Health Facilities Planning Act (20 ILCS 3960/5.3 (b) (2)), **any hospital having more than 100 authorized beds, and having any capital expenditures in excess of $350,000 for the erection, building, alteration, reconstruction, modernization, improvement, extension, or demolition of or by the hospital,** is required to complete this section of the annual hospital questionnaire (items A through J). The hospital may include capital expenditures below the $350,000 threshold, if desired.

A health care system may develop a system-wide annual report that includes all hospitals in order to comply with this requirement. If the health care system chooses to report in this manner, please indicate the health care system as the reporting entity. The health care system shall use as much State-specific data as possible in this report. If State-specific data is not available, the health care system shall include national data and explain why State-specific data is not available, and what steps the system will take to provide State-specific data in future reports.

If information pertaining to the open-ended questions in this section is currently available for the hospital or health care system on-line, the hospital or health care system may provide the on-line reference for the pertinent information.

Hospital or Health Care System*	Advocate Health Care
Contact Person for this Section	Stacy Crouther
Contact Telephone	
Contact E-Mail	stacy.crouther@aah.org

* If the reported information is for a Health Care System, please indicate in the space below the hospitals included in the Health Care system.

If the reporting entity cannot provide all State-specific data, explain why State-specific data is not available, and what steps will be taken to provide State-specific data in future reports:

This is a system wide report for Advocate Health MW region (IL/WI).

Please provide the following information based on your hospital or health system's most recently completed fiscal year

For this section, **Qualifying capital expenditures** include "only expenditures ... for the erection, building, alteration, reconstruction, modernization, improvement, extension, or demolition of or by a hospital" [20 ILCS 3960/5.3(b)(1)].

A. What was your organization's goal for qualifying capital expenditures to the following categories of businesses?

	Percentage
Female-Owned Businesses	15.1 %
Minority-Owned Businesses	19.9 %
Veteran-Owned Businesses	0.2 %
Small Business Enterprises	0.0 %

B. What was the amount of your organization's total qualifying capital expenditures for the reporting period? **If your organization had no qualifying capital expenditures, proceed to question D.**

Total Qualifying Capital Expenditures for the Reporting Period (Dollars)	$ 349,786,050.00

C. What amount of your organization's qualifying capital expenditures actually were to the following types of businesses?

	Actual Amount Expended (Dollars)	Percentage of Total (Calculated)
Female-Owned Businesses	$ 52,856,878.00	15.11 %
Minority-Owned Businesses	$ 69,536,347.00	19.88 %
Veteran-Owned Businesses	$ 572,664.00	0.16 %
Small Business Enterprises	$ 13,116.00	0.00 %

D. For what type or types of qualifying capital expenditures is/are your organization actively seeking supplier diversity?

Our organization seeks qualified suppliers for new construction projects, renovations, goods and services (where applicable) and some maintenance. We understand the importance of fairness and equal opportunity in our procurement processes and are dedicated to making these principles a fundamental part of our sourcing of construction suppliers.

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E. What is your organization's plan for alerting and encouraging enterprises of your efforts to promote supplier diversity in your planned qualifying capital expenditures?

We have a number of strategies to continue to keep this top-of-mind with our core vendors and our construction leaders.

1. Senior leaders, as a part of these presentations, present on our commitment to partnering with a variety of qualified vendors.
2. Meetings with vendors and system leaders on spend include discussions of promoting fair, equitable processes that ensure engagement with a broad array of qualified subcontractors.
3. We ask for and expect reports quarterly from our major suppliers for tracking purposes.
4. We promote our project objectives, goals, strategies and measures (OGSM) during the year.
5. Advocate Health has an experienced, full-time system leader for this work, who works with senior construction leaders closely.
6. Construction Directors for Advocate Health have discussions about results on their projects in the 1:1 reviews with the System VP- Design & Construction quarterly
7. We exhibit and present at tradeshows and events to share current organizational needs.

F. What challenges has your organization encountered in its efforts to promote and encourage supplier diversity?

As a general matter, across all vendor categories, Advocate has faced challenges identifying new suppliers that have experience with healthcare-specific construction and other project needs.

G. What could the Illinois Health Facilities and Services Review Board do to assist your efforts to increase supplier diversity?

Continue to support the communities you serve by promoting programs and requirements that uplift local businesses. Healthcare construction may involve distinct levels of risk and necessitate additional training and awareness compared to other industries. Courses and entry-level programs in healthcare construction can be designed to create new opportunities for individuals in this field. Engaging a subject matter expert can provide valuable support to advance these initiatives. Additionally, supporting organizations that facilitate these developments could help expedite the process.

H. What certifications does your organization recognize in the recruitment of diversely-owned vendors/suppliers?

--State certification (IL DOT)
--CMSDC
--WBDC
--CASE suppliers
--NMSDC and WBENC certification
--City of Chicago
--VET/VETD

CAPITAL EXPENDITURES TO FEMALE-OWNED, MINORITY-OWNED, VETERAN-OWNED AND SMALL BUSINESS ENTERPRISES

I. How should a potential vendor/supplier contact your organization (point of contact)?

Contractors should understand and learn who Advocate Health's major design firms and contractors are. Those contractors also have information sessions, training, and partner with our organization to offer healthcare construction exposure. Networking with multiple groups helps. I would also encourage potential vendors to become listed with those prime contractors, too.

Stacy Crouther
System Director-Supplier Diversity & Inclusion

J. How would a vendor/supplier enroll with your organization to be recognized as a vendor/supplier of diversity ownership?

Contractors should understand and learn who Advocate Health's major design firms and contractors are. Those contractors also have information sessions, training, and partner with our organization to offer healthcare construction exposure. Networking with multiple groups helps. I would also encourage potential vendors to become listed with those prime contractors, too.

Stacy Crouther
System Director-Supplier Diversity & Inclusion

K. Do you have particular examples of successful recruitment of diversely-owned vendors/suppliers which could be instructive to other organizations to emulate in their efforts to recruit diversely-owned vendors/suppliers?

Our on-going work with Chicago United, Health Anchor Network Impact Purchasing Commitment, and match making exchanges continues to be an example of how large companies and qualified vendors can connect and gain exposure. Our construction directors strategically seek innovative opportunities to help businesses grow.

Advocate Health is a founding member of The Democracy Collaborative now known as the Healthcare Anchor Network (HAN), a national organization of 70 health systems. We are able to network and learn from other health systems and see the impact of a place-based approach