

Legislative Annual Report for State Fiscal Year 2025 Targeted Small Business Program (TSB)

The State of Iowa's Targeted Small Business (TSB) program promotes the growth and development of Iowa businesses owned and operated by women, minorities, service-disabled veterans, and persons with disabilities by providing benefits to certified businesses when doing business with the State of Iowa. The TSB Program Supports Businesses through two programs: The TSB Certification Program and the TSB Loan Program.

Businesses eligible for the TSB Program must be 51% or more owned, operated and managed by a targeted group category, located in the state of Iowa, be operating for a profit and be making less than \$4 million in gross income, computed as an average for the preceding three fiscal years.

Certified TSBs are eligible for benefits provided through the program, including procurement opportunities with the State, school districts, vendors, and other public entities. The Iowa Department of Administrative Services (DAS) manages procurement for the State of Iowa. Many private companies identify diverse vendors to do business with by utilizing the TSB Directory. In FY2025, 138 new businesses were certified.

The Targeted Small Business Loan Program provides qualifying startups and existing businesses that qualify to access a microloan of up to \$50,000. Loan terms include favorable fixed interest rates, and no pre-payment penalties. Loan funds can be used for business improvements and expenses, inventory, equipment, and operating expenses.

In FY25, the TSB Loan Program made 24 loans totaling \$1.69 million dollars.

All state agencies are required to establish TSB procurement goals. Iowa Code section 73.16 provides that procurement goals shall be stated in terms of a dollar amount of certified purchases and shall be established at a level that exceeds the level of procurement from Targeted Small Businesses during the previous fiscal year. State agencies are required to provide IEDA with annual TSB spending projections and quarterly performance reports toward their projected goals.

State Agencies Report
Year ended June 30, 2025

No.	State Agency	Agency #	FY 2024 Actual Targeted Small Business Spending Reported	FY 2025 Targeted Small Business Procurement Goal	FY 2025 Actual Targeted Small Business Spending Reported	FY 2025 Actual Spending Over (Under) Goal	FY 2025 Actual As a % of Goal
1	Administrative Services	005	\$ 448,378.26	* \$ 348,000.00	\$ 348,240.22	\$ 240.22	100%
2	Agriculture and Land Stewardship	009	185,460.15	185,500.00	269,542.53	84,042.53	145%
3	Attorney General	112 & 114	40,306.55	50,000.00	32,157.30	(17,842.70)	64%
4	Auditor of State	126	101,995.00	* 100,545.00	5,534.12	(95,010.88)	6%
5	Blind	131	88,648.18	88,700.00	73,928.22	(14,771.78)	83%
6	Ethics and Campaign Disclosure	140	1,266.00	1,267.00	440.00	(827.00)	35%
7	Chief Information Officer	185	213,374.53	215,000.00	142,137.20	(72,862.80)	66%
8	Commerce - Alcoholic Beverages	212	142,334.67	** -	-	-	-
9	Commerce - Banking, Licensing	213 & 217	400.00	1,000.00	-	(1,000.00)	0%
10	Commerce - Credit Union	214	1,685.81	1,700.00	439.98	(1,260.02)	26%
11	Commerce - Insurance	216	199,061.96	200,000.00	84,243.51	(115,756.49)	42%
12	Commerce - Utilities	219	444,545.70	448,991.00	406,275.87	(42,715.13)	90%
13	Corrections - Central Office	238	8,860.10	* 7,500.00	4,276.97	(3,223.03)	57%
14	Corrections - Fort Madison	242	255,378.71	265,000.00	183,906.62	(81,093.38)	69%
15	Corrections - Anamosa	243	75,446.38	76,000.00	32,478.02	(43,521.98)	43%
16	Corrections - Oakdale Medical and Classification Center	244	81,612.49	* 70,613.00	12,774.85	(57,838.15)	18%
17	Corrections - Newton	245	100,386.34	110,000.00	92,538.29	(17,461.71)	84%
18	Corrections - Mt. Pleasant	246	14,498.00	18,000.00	7,212.43	(10,787.57)	40%
19	Corrections - Rockwell City	247	7,119.00	7,200.00	5,089.00	(2,111.00)	71%
20	Corrections - Clarinda	248	39,538.55	50,000.00	38,866.61	(11,133.39)	78%
21	Corrections - Mitchellville	249	10,452.78	11,500.00	93,328.60	81,828.60	812%
22	Corrections - Prison Industries	250	44,215.63	* 44,000.00	29,169.59	(14,830.41)	66%
23	Corrections - Fort Dodge	252	101,622.13	102,000.00	37,797.47	(64,202.53)	37%
24	Iowa Economic Development Authority	269, 275 & 301	264,172.58	264,500.00	443,632.86	179,132.86	168%
25	Iowa Finance Authority	270	69,769.00	* 50,000.00	30,885.00	(19,115.00)	62%
26	Education	282	65,876.22	100,000.00	165,166.51	65,166.51	165%
27	Vocational Rehabilitation	283	49,241.07	50,000.00	9,064.60	(40,935.40)	18%
28	Iowa Public Television	280 & 285	58,851.47	101,884.00	75,421.49	(26,462.51)	74%
29	Aging	297	15,700.00	** -	-	-	-
30	Workforce Development	309	680,794.71	* 526,000.00	543,840.25	17,840.25	103%
31	General Services Capitals	335	219,287.98	252,000.00	221,417.43	(30,582.57)	88%
32	ICN	336	93,453.34	* 90,000.00	50,703.65	(39,296.35)	56%
33	Governor	350	-	500.00	467.50	(32.50)	94%
34	Human Rights	379	18,910.00	** -	-	-	-
35	Human Services - Assistance Payments, Public Health	400, 401, 402, 413, 588	113,022.64	952,000.00	1,159,572.33	207,572.33	122%
36	Human Services - Eldora	405	18,696.68	** -	-	-	-
37	Human Services - Cherokee MHI & CCUSO	407 & 406	31,681.03	** -	-	-	-

State Agencies Report
Year ended June 30, 2025

No.	State Agency	Agency #	FY 2024 Actual Targeted Small Business Spending Reported	FY 2025 Targeted Small Business Procurement Goal	FY 2025 Actual Targeted Small Business Spending Reported	FY 2025 Actual Spending Over (Under) Goal	FY 2025 Actual As a % of Goal
38	Human Services - Independence MHI	409	50,926.20	*** 51,000.00	-	(51,000.00)	-***
39	Human Services - Glenwood Resource Center	411	275,302.30	** -	-	-	-**
40	Human Services - Woodward Resource Center	412	388,062.34	*** 390,000.00	-	(390,000.00)	-***
41	Inspections and Appeals	427	11,719.13	* 11,700.00	68,089.19	56,389.19	582%
42	Public Defender	428	-	-	-	-	NG
43	Racing and Gaming	429	-	-	-	-	NG
44	Judicial	444	313,311.72	450,000.00	661,251.83	211,251.83	147%
45	Law Enforcement Academy	467	967.84	5,000.00	7,455.73	2,455.73	149%
46	Citizens' Aide/Ombudsman	503	-	20.00	-	(20.00)	0%
47	Legislative Services Agency	504	10,981.61	56,407.00	17,440.06	(38,966.94)	31%
48	Management	532	24,286.25	* 8,100.00	5,971.25	(2,128.75)	74%
49	Natural Resources	542 & 543	410,673.12	412,000.00	749,810.94	337,810.94	182%
50	Parole Board	547	-	1,100.00	-	(1,100.00)	0%
51	IPERS	553	457,546.29	* 320,000.00	166,156.57	(153,843.43)	52%
52	Public Employment Relations Board	572	9,416.25	** -	-	-	-**
53	Public Defense	582 & 584	2,687,488.01	2,821,862.41	1,877,287.28	(944,575.13)	67%
54	Homeland Security and Emergency Management	583	8,740.00	8,750.00	5,446.31	(3,303.69)	62%
55	Public Health	588	71,702.66	** -	-	-	-**
56	Public Information Board	592	-	20.00	2,452.00	2,432.00	12260%
57	Public Safety	595	181,268.97	182,000.00	114,724.95	(67,275.05)	63%
58	Revenue	625	30,235.12	172,600.00	9,678.75	(162,921.25)	6%
59	Lottery	627	127,322.91	128,000.00	91,426.76	(36,573.24)	71%
60	Secretary of State	635	135,541.43	260,001.00	172,449.11	(87,551.89)	66%
61	Transportation, Capitals	645 & 646	36,311,807.46	36,500,000.00	53,193,096.72	16,693,096.72	146%
62	Treasurer of State	655	37,403.62	* 12,700.00	3,858.75	(8,841.25)	30%
63	Veteran Affairs	670	-	11,000.00	2,750.00	(8,250.00)	25%
64	Veterans Home	671 & 672	79,925.99	120,000.00	86,380.74	(33,619.26)	72%
65	Board of Regents	BOR	7,698,608.00	* 7,698,608.00	8,265,037.00	566,429.00	107%
	Total		\$ 53,629,280.86	\$ 54,410,268.41	\$ 70,101,312.96	\$ 15,691,044.55	

* - FY 2025 TSB procurement goal is less than or equal to FY 2024 actual TSB spending.

** - Combined with another agency, no goal or spending to report for FY 2025.

*** - Set goal, however spending combined with another agency.

NG - Goal not established.

Source: TSB Procurement Goals and Quarterly Reports on file with the Iowa Economic Development Authority and TSB Purchases of Goods and Services report, Iowa Advantage Report ID: FR194.