

**Special Business Enterprise Program Council for Minorities,
Females and Persons with Disabilities Meeting Minutes**

100 W. Randolph
Room 2-025
Chicago, IL 60602

401 S. Spring St.
Room 500 1/2
Springfield, IL 62706

FRIDAY, July 12, 2013 - 1:30 P.M

COUNCIL MEMBERS IN ATTENDANCE

Joan Archie	Jesse Martinez	Beth Doria	Fred Coleman
Richard Boykin	Hedy Ratner	Charisse Witherspoon	Larry Ivory
Nelida Smyser-Deleon	Samantha Hufnagel	Perry Nakachi	Marva Boyd

COUNCIL MEMBERS NOT IN ATTENDANCE

Alfred Ramirez	Rodney Lewis	Omar Duque	Alesia Hawkins
Florence Cox	Corinne M. Pierog	Lynne Marie Turner	

COUNCIL CHAIR

Malcolm Weems, Chairman

COUNCIL SECRETARY

Paul Cerpa, BEP Deputy Director

CMS STAFF IN ATTENDANCE

Kevin Connor	Susan Hartman	Sharla Roberts
Ngozi Okorafor	Jeanetta Cardine	Elias Ricks Ngwayah II
Ellen Daley	Leslie Taylor	Carlos Gutierrez
Michelle Jackson	Roger Nondorf	Harry Reinhard

OTHERS IN ATTENDANCE

Joe Kim	Kylie Carter	Gustavo Giraldo
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**PUBLIC NOTICE
STATE OF ILLINOIS**

**Special Business Enterprise Council for Minorities, Females, and Persons with
Disabilities Meeting**

AGENDA

July 12, 2013 - 1:30 p.m.

- I. Welcome
- II. Call to Order
- III. Roll Call
- IV. Posted Business
 - Meeting Minutes Approval
 - Waiver Policy
 - IT/Telecom Availability and Disparity Study
- V. Public/Vendor's Testimony
- VI. Adjournment
 - Next Council Mtg.- July 22, 2013

Welcome

Chairman Weems called the Special Business Enterprise Program (BEP) Council meeting to order at 1:40pm on July 12, 2013.

Roll Call

Council Secretary Paul Cerpa took the roll and announced that a quorum has been obtained.

Posted Business

- **Approval of Minutes**

The Minutes of the June 21, 2013 and the June 24, 2013 BEP Council Meetings had several corrections noted and were voted for approval by the Council. Council member Samantha Hufnagel said she will be voting yes or no but instead present because she was not present for those meeting. Previous minutes of May 28, 2013, were distributed to Council during June 21, 2013, meeting. Unfortunately, this meeting met without reaching a quorum and consequently was unable to be voted upon for approval. The Council elected to table vote and will be redistributed at the July 22nd monthly Council meeting.

- **Waiver Policy**

Secretary Cerpa reminded the council that in the past meeting they have been attempting to establish a policy within the Council to ensure conformity within the statute addressing waivers being enacted upon and also to be able to be reported to the CPO office. He said that the current policy called for the Council to review and approve the waivers. The policy being requested is adoption and approval from the Council in considering delegating that responsibility to BEP and CMS. He stressed that a voted is needed for that authority to be delegated. He said a listing of those waiver requests will be submitted to the Policy, Rules, and Enforcement subcommittee on a monthly basis.

Council member Richard Boykin sought clarification on the delegation of this responsibility by the Council. Chairman Weems said the Council is not giving up its authority to act on waivers but is delegating that responsibility to ensure that operationally the procurement process is not hindered.

Council member Boykin responded by saying that there is a reason the Council was given that authority and it is a very important responsibility. He encouraged the Council to take a long hard look at whether it wants to delegate that responsibility.

Council member Beth Doria reminded Council member Boykin that they have only dealt with the grants from CDB and not the whole State across the board. She said these could be in the hundreds. She advised having the agency do the review and approval with an over sight from the Council. Council member Boykin asked how these waivers were being processed in the previous years. Council member Doria said the agency has been processing them. Council member Boykin said some people have the perception that the reason they have not been getting contracts is because a lot waivers have been granted. Council member Boykin wants to know why the committee has not seeing a lot of waivers. Chairman Weems reminded member Boykin that his committee had been dealing with grants and not procurement issues.

Council member Nakachi asked whether Council member Boykin had more detail regarding his revelation of the granting of a lot of waivers such as the companies being granted these waivers.

Council member Boykin yielded to council member Charisse Witherspoon. Council member Witherspoon said this was the first time she heard of there being hundreds of waivers. She said that is why she recommended that the time the subcommittee meets be clustered to view these waivers. She said it needs to be tested. She said if people are going to get waivers they are going to keep working to get waivers. She said the Council has said it wants to be devoted, strategic, and more dedicated to its work which would encourage more businesses to seek to find minority vendors rather than working on getting waivers because they might feel that waivers are too much trouble.

Council member Nakachi wants to know whether there is a problem out there regarding the granting of waivers. Chairman Weems said none that he is aware of. Council member Nakachi asked whether the Council is to be making policy or actually doing the work - which would require a salary. Chairman Weems said that would require a change of statute.

Council member Ivory stated in the past, a lot of waivers were granted by agencies without coming to the Council. He said this has led to the perception out there. He cited an example of a company that had applied for a waiver with CDB and Council member Jesse Martinez had called him to verify the information this company had given. However he understands that the reviewing of these waivers by the Council could slow down the procurement process. He

said the solution could be for the Council to see the procurement and be as transparent as possible. He said this would make them aware of the number of procurements that had asked for waivers and the ones granted. The Council could do a spot check and if they have any concerns about that then agencies could be asked to come back to the table. Secretary Cerpa said he embraced the concept of having the agencies respond doing the waivers.

Council member Witherspoon said in order to know whether we want to oversee the work or do the work one has to know what the work is. Secretary Cerpa noted that the Council was provided with written procedures and brief presentations from CMS, CDB and U of I within the last few months.

Council member Doria said the Council is not going to give up its authority. She said this was a procedural matter. She said the Council should put some faith in the agency's staff members who are reviewing these waivers now that their procedures are being reviewed by the Council. When we start to see irregularities in the approval of these waivers, we will bring it before the full council and seek redress.

Council member Nelida Smyser-Deleon said at DHS their contracts are about 6000 a year. She said it is difficult with internally with the BEP aspects of these many contracts.

Council member Boykin said he wasn't even aware that this meeting was about the waivers. He thought it was about the Sheltered Market. He said the waivers have been approved without the council for years, therefore, why is it necessary to come before the council and ask for this authority that you have been exercising all along without our approval. Secretary Cerpa indicated this topic was on the agenda and Chairman Weems said the practice existed before his coming to the State. He said the Council wants to do it the right way.

Chairman asked for a motion to vote on the delegation of the responsibility to review the waivers to CDB and BEP. Member Coleman wanted to verify that the motion would incorporate universities in maintaining waiver reviews. Secretary Cerpa indicated affirmatively this was the case. Council member Doria motioned that the responsibilities be given to BEP and CDB and Universities to process the waivers requests and issue a report to the Policy, Rules, and Enforcement Committee for its review and then they would bring it before the full Council at their regular meeting as part of their committee presentation.

Council member Boykin sought clarification of whether this report would come to the subcommittee after the waivers have been granted. Council member Doria

said yes. She said they would look at the data and see if there is a pattern with this specific agency.

Council member Witherspoon sought clarification on the idea that every waiver granted is a lost opportunity for a potential contractor because it is too far in the process for the Council to do anything about it. Council member Doria acknowledged that it would be a lost opportunity because it will be after the fact however she said the Council will be addressing it for the future.

Vote – Delegating Waivers processing to BEP and CDB and Universities:

Joan Archie – Yes
Richard Boykin – No
Fred Coleman – Yes
Nelida Smyser-Deleon – Yes
Beth Doria – Yes
Samantha Hufnagel – Present
Larry Ivory – No
Jesse Martinez – Yes
Perry Nakachi – yes
Marva Boyd – Yes
Hedy Ratner – Yes
Charisse Witherspoon – No

The motion passed.

Secretary Cerpa announced the presence of General Counsel Kevin Connor at the table. He also announced the next item on the agenda as the IT/Telecom Availability and Disparity Study as it relates to the Sheltered Market.

Chairman Weems said that the General Counsel Connor would read a draft resolution and declaration written for the Council after which the Council would vote to accept or reject.

General Counsel Connor read the following resolution:

“Having reviewed anecdotal evidence and the disparity study dated June 13, 2013, the Council finds that there is a strong basis in evidence to determine that discrimination is present in certain sectors of the IT/Telecom industry. The Council does therefore hereby declare that a sheltered market shall exist in those sectors of the IT/Telecom industry where a disparity has been demonstrated.”

Chairman Weems informed the Council that if they voted in favor of the resolution, the council would then do a report, and bring in information from the agencies including the Public Hearings, and Policies in State government.

Council member Coleman expressed concerns over how the Sheltered Market might be perceived when two of the NAICS codes were held out in order for the disparity to become far more evident. He is concern whether the validity of the disparity might be affected.

Secretary Cerpa said that concerns would be forwarded to the consultant to be addressed.

Vote – Resolution on IT/Telecom Sheltered Market:

Joan Archie – Yes
Richard Boykin – Yes
Fred Coleman – Present
Nelida Smyser-Deleon – Yes
Beth Doria – Yes
Samantha Hufnagel – Present
Larry Ivory – Yes
Jesse Martinez – Yes
Perry Nakachi – yes
Marva Boyd – Yes
Hedy Ratner – Yes (Proxy)
Charisse Witherspoon – Yes

The motion passed.

Public/Vendors' Testimony

- None

Adjournment

The next Council Meeting will be held on July 22, 2013

Meeting adjourned at 2:52PM.