

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

**MONTHLY COUNCIL MEETING MINUTES**

100 W. Randolph  
Room 2-025  
Chicago, IL 60601

401 S. Spring St.  
Room 500 ½  
Springfield, IL 62706

**Monday, February 22, 2016- 1:30 PM**

**COUNCIL MEMBERS IN ATTENDANCE**

Denise Barreto, Karen Eng, Edward McKinnie, Emilia DiMenco, Beth Doria, Sharla Roberts, Catherine Costa, Charisse Witherspoon, Sheila Hill Morgan, Hedy Ratner

**COUNCIL MEMBERS NOT IN ATTENDANCE**

Samantha Hufnagel, Susan Shaw, Larry Ivory, Bobbie Wanzo, Jesse Martinez

**COUNCIL CHAIR**

Kim McCullough, Chairman

**COUNCIL SECRETARY**

Paul H. Cerpa

**CMS STAFF IN ATTENDANCE**

Elias Ricks Ngwayah II, Irma Lopez, Harry Reinhard, Carlos Gutierrez, Chantel Snelling

**OTHERS IN ATTENDANCE**

Mark Hardy, Tom Hwang, Ben Bagby, Gustavo Giraldo, Cheryl Jansen

**PUBLIC NOTICE  
STATE OF ILLINOIS**

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

100 W. Randolph  
Room 2-025  
Chicago, IL 60601

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

**AGENDA**

February 22, 2016  
1:30 p.m. – 3:30 p.m.

- I. Welcome
- II. Call to Order
- III. Roll Call
- IV. Approval of Minutes of Council Meetings held on January 25, 2016 and the January 19, 2016 Disparity Study Presentation
- V. Chair's Report
- VI. Posted Business
  - Overview of the Draft 2015 BEP Annual Report
- VII. Committee Updates
  - Marketing and Community Engagement Committee
  - Business Strategic and Growth Committee
  - Advocacy and Public Policy Committee
  - Certification Committee
  - Policy and Compliance Committee
  - Executive Committee
- VIII. Old Business
- IX. New Business
- X. Public/Vendor's Testimony
- XI. Adjournment
  - Next Council Mtg. – April 25, 2016

**Please note: In case you need to connect to the meeting via teleconference, please use the following number and access code:**

**Teleconference Number            888-494-4032**  
**Access Number                    2587213722**

**I. Welcome**

Chairlady Kim McCullough welcomes all.

**II. Call to Order**

Chairman Kim McCullough called the meeting to order at 1:30pm, requesting Secretary Cerpa to conduct the roll call.

**III. Roll Call**

Roll call conducted, quorum was not established.

**IV. Approval of Minutes**

Approval of Minutes -postponed due to the lack of quorum.

**V. Chair's Report**

Chair talks about the results of the work that the subcommittees groups did in reviewing the recommendations from the Disparity Study and coming up with suggestions that will be presented to the Acting Director Michael Hoffman. Chair McCullough shared a copy of a draft presentation letter to Director Hoffman for the Council's review. She said the Executive Committee found that all the subcommittees' recommendations were in alignment and noted it was important for all recommendations to be seen by the Director. She said the highlight was that all the subcommittees came to the same conclusions.

Member Ratner commended the work of Council in reviewing these recommendations and coming up with suggestions. Chair highlighted two items related to the size standards on gross revenues and small businesses. She reminded the Council that the BEP's Act sunsets in June of this year and there will need to be an extension. This would be an opportunity to include some of the recommendations in the Disparity Study. She said the work of the Council will go into the process of developing a draft legislation to be submitted to the general assembly for consideration. She said in FY2010 the State of Illinois changed the goal from 12% to 20% without any supporting data. She said the Disparity Study gives us data to support the program. She said with the anticipation of the bid by bid goal on every solicitation, there will be a review on all solicitations which makes BEP a stronger program. She said the question is what language will go into the State's statute about what that goal should be. She said the Executive committee came to the conclusion that the ultimate goal of the program is to gain parity in minority participation and contracting. She said they are recommending that the language in the statutes should reflect that. She further said that our over-arching goal is accountability – how do we hold everybody's feet to the fire. The way we can achieve that is establishing on an annual basis, a threshold for over-arching achievement based upon marketability, not state statute. Accordingly, it would change the way the Council reviews BEP participation. She said where there is higher marketability there should be higher goals set and vice versa as this gives us a more focused way in addressing under-utilization.

She said we are already rolling out an online database; we are soliciting for an online compliance system; we are asking for procurement projections from agencies; and we are going to be doing more targeted outreach. She said since healthcare accounts for 50% of the state spend, we should encourage more minorities in the healthcare field.

Member Roberts wants to know what is being proposed different from what we have now in terms of aspirational goal versus contract by contract basis. The Chair said the big difference is that every solicitation will be reviewed for BEP participation. She also said that she could put a higher goal on a contract based on marketability and not on the statutory 20%.

Member Roberts recommended a study be done to see what the impact would be before implementing such a change. The Chair said the study has already been done. Member Roberts said she would like to see the report that was conducted. She also said she would like to see something done over a five year time frame on firms that were rejected from the program because they were too big to participate.

#### Approval of Minutes

With quorum now in attendance, motion and vote for approval of the January 22, 2016 minutes was achieved.

Chair told the Council that they we have also been in conversation with the Department of Corrections over the commissary contract. She said that contract is going to be issued with a goal of 20%. She instructed Harry and Jeanetta to send a link of the solicitation to all council members in order for them to forward to the constituents when available.

Members McKinnie said there is a contract that was awarded on 1/22/16 for 3.6 million without a goal. He wants to know why. Chair said she does not have details regarding that contract but would look into it for him.

## **VI. Posted Business**

Secretary Cerpa presented a summary of the Annual report draft to the Council. He said the BEP program for FY15 total achievement was 34%. BEP participation was \$495,513,503 with an additional \$65,188,733 in Sheltered Workshops for the year. The total amount to be reported for FY15 will be \$557,931,821. It is the highest amount of BEP participation in the last 3 years reflecting 10.4 % achievement over our statutory goal of 20% and \$69.7 million dollars more spend from FY14 totals. Minorities received 55% of those dollars, Caucasian females' received 44%, and 1 % received by Persons of disability. African Americans received \$95.8 million dollars or 19.3%; Hispanic Americans received \$86.1 million dollars or 17%; Asian Americans received \$87 million dollars or 17%; Native Americans received

under \$400,000 dollars or .5%. Caucasian Females received \$222.6 million dollars or 44%; and Persons with Disabilities received a little less than 1% or \$2.7 million dollars.

Regarding outreach, BEP accounted for 61 events. Cerpa further stated the program has certified 1799 firms or a 5% vendor base increase from last year. Out of this amount, 892 or 50% of certified firms received contracts in FY15. The average amount of contracts was a little over \$90,000. He also noted that for FY16, we contracted for the B2G certification tracking program and the completion of the Disparity Study.

Member Doria asked for a copy of the report. Secretary Cerpa indicated all members will be provided links for the complete report after March 1<sup>st</sup> which will also provide detailed information of all ethnic/gender spend and agency/university achievements.

Member Eng asked why the Veteran Business Program is not included in the report although it is administered by BEP. Chair responded by saying that we do administer the program along with the Department of Veteran Affairs which does the outreach aspect of the program. She said we have done review of programs nationally for best practices which will be used to augment the program. She added the reason why they are not included in the report is because they are not necessarily a part of the Business Enterprise Council and follow separate statutes.

Member Witherspoon wants to be provided with information about where the growth is coming from in the Annual Report. Secretary Cerpa said that would be provided.

## **VII. Committee Updates**

### **a. Marketing and Community Engagement Committee**

Chair of subcommittee is not present. No Report.

### **b. Business Strategic and Growth Committee**

Chair Sheila Hill Morgan noted no report at this time.

### **c. Advocacy and Public Policy Committee**

Chair DiMenco said her group had been focused on the Disparity Study work. No report at this time.

**d. Certification Committee**

Chair Doria said the group met this week for an appeal and voted to overturn the denial.

**e. Policy and Compliance Committee**

Chair Barreto said the group focus was on the Disparity Study. No report at this time.

**f. Executive Committee**

Chair McCullough said the Executive Committee did meet to compile the suggestions that came out of the subcommittees and the Disparity Study.

**VIII. Old Business**

None

**IX. New Business**

None

**X. Public/Vendor's Testimony**

None

Member Roberts asks there be an agenda item for discussion of contracts or Disparity Study in order to avoid people talking out of terms.

Secretary Cerpa asked instead Council members utilized the "Old Business" and "New Business" line item on the agenda to talk about issues they suggest to discuss. He also said they have the opportunity to request changes to the agenda format if needed.

**XI. Adjournment**

- a. Chairlady McCullough called for Adjournment
- b. Member Doria casts for a motion (moved) for Adjournment
- c. Member Barreto seconded the motion to Adjourn.
- d. Meeting was Adjourned as of 3:30pm
- e. Next Council Meeting date is March 28,2016