

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

**MONTHLY COUNCIL MEETING MINUTES**

100 W. Randolph  
Room 9-040  
Chicago, IL 60601

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

**Monday, February 23, 2015- 1:30 PM**

**COUNCIL MEMBERS IN ATTENDANCE**

Fred Coleman, Florence Cox, Larry Ivory, Corinne Pierog, Jesse Martinez, Perry Nakachi, Hedy Ratner, Charisse Witherspoon, Denise Barretto, Karen Eng, Beth Doria, Rodney Lewis

**COUNCIL MEMBERS NOT IN ATTENDANCE**

Samantha Hufnagel, Lynne Turner, Susan Shaw, Charles Lowder, Edward McKinnie, Kacy Bassett

**COUNCIL CHAIR**

Tom Tyrrell, Chairman

**COUNCIL SECRETARY**

Paul H. Cerpa

**CMS STAFF IN ATTENDANCE**

Elias Ricks Ngwayah II, Harry Reinhard, Carlos Gutierrez, Ellen Daley, Ben Jones, Leslie Taylor, Ignacio Cuevas, Mike Basil

**OTHERS IN ATTENDANCE**

Gustavo Geraldo, John Cieslik, Deanna Rossetto, Elvina Stegall, Herman Strahan, Terrence Walsh, Van Austin, Dale Morrison, Sharla Roberts, Bill Mables, Mayme Buckley, Ireatha Jones, Charma St. Louis, Charmin Edwards, Donna Werner, Dr. Moriel McClerklin, Edwin Ukpaby, Darrell Dean, Tim Hall, Paul Williams, Lester Blair, Celine Ba, Angela Davis

**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 23, 2014  
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 26, 2014.
- V. Chair's Report
- VI. Posted Business
  - FY14 Annual BEP Report
- VII. Committee Updates
  - Procurement Committee
  - Business Development Committee
  - Capital Access and Banking Committee
  - Certification Committee
  - Policy, Rules and Enforcement Committee
- VIII. New Business
- IX. Public/Vendor's Testimony
- X. Adjournment
  - Next Council Mtg. – March 23, 2015

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

**Teleconference Number**  
**Access Number**

**888-494-4032**  
**2587213722**

## **I. Welcome**

- Chairman Tom Tyrrell welcomes all.

## **II. Call to Order**

- Chairman Tom Tyrrell called the meeting to order at 1:40pm. He asked Secretary Cerpa to conduct the roll call.

## **III. Roll Call**

- Roll call conducted. Quorum was not established.

## **IV. Approval of Minutes**

- Vote was postponed until quorum is established. Members are encouraged to review the minutes and recommend changes if needed in the interim until a quorum is established.

## **V. Chair's Report**

- Chairman Tyrrell said he takes the Council's responsibilities very seriously and will spend a great deal of energy toward accomplishing the goals we have set. He also said we got to make sure there is equity in the spending of tax payers' money that we have been entrusted with. He said this responsibility will not be taken lightly and that the necessary resources will be provided to accomplish this goal.

## **VI. Posted Business**

- **Veteran Business Program Report**

Secretary Cerpa recognizes member Beth Doria's organization (Federation of Women Contractors) for getting an award from HACIA for being the best Organization for the Year. Secretary Cerpa informed the Council that the Annual report was complete and that a draft is being presented to the Council before being presented to the General Assembly and the Governor's office by March 1<sup>st</sup> according to the statutes. He also talked about some achievements that were noteworthy. BEP total spend for fy14 was \$425,822,468 which is a 38% achievement of total contract dollars subject to the BEP goal. The BEP goal utilized this year was 1.2 billion and the 38.5% achievement exceeds the statutory goal of 20%. He noted that it also represents the highest achievement within the last 3 years. He said that most of this achievement was attributed to the efforts of this council which is the driving force for the BEP policy.

Secretary Cerpa emphasized that BEP certified 1,712 firms in the last year which he anticipates will be the norm. Most importantly out of the 1,712 certified 902

vendors received contracts. This represents over 52% of the BEP database. The number of contracts with BEP participation was 3,804 with an average amount of \$111,000 for the BEP participants. This reflects a 6.5% increase in BEP's contracted vendors from the previous year. He informed the Council of accomplishments in the Certification division such as a new certification procedure gear toward expediting the process. Such is the electronic application submission. He talked about the elimination of backlog. He stressed the increase in certification from 3 to 5 years. This, he said was consistent with the norm out there.

In the Compliance division, the Secretary emphasized that we have been able to establish consistency in reporting across agencies and universities and also to ensure transparency. He noted that the BEP reports produced in the last three years have been the most transparent ever in the history of the program. He thanked the Council members for their support.

Member Hedy Ratner asked what was the number of days for processing of applications received. Secretary Cerpa responded that according to the statutes it was 90 days.

Member Doria wanted clarification on a portion of the report that mentioned "other agencies dollars" are included in the report. Secretary Cerpa said it has to do with agencies that are not under the purview of the Governor. Their spend which is a small portion of the report was added.

Member Larry Ivory wants to know what the number are reflecting when we spend \$425, 822,468 out of a 1.2 billion. He wants to know if we need to look at the exemption more closely as we have done in the past. Secretary Cerpa responded that he does not know if that will make a difference as we are doing just that. Member Ivory recommends that we take another look at those exemptions more closely. He also recommended that the spend be broken down according to race/ethnicity so that we know whether certain groups are making progress or not. Lastly, he wanted to know when the replacement for Vince Bass was going to be in place so that people that had questions could be referred to.

Secretary Cerpa said he does not know when Vince Bass replacement will be in place. He recommended that people contact him and Carlos for certification and Harry for Compliance until a replacement can be found.

Secretary Cerpa wants the record to reflect that we are now joined by member Karen Eng and that we now have a quorum.

Member Charisse Witherspoon wants to make sure that in our outreach we are taking advantage of marketing opportunities. She wants to know whether there

are other resources other than SBA we can use that have no links to those that we currently use.

Secretary Cerpa responded by saying that during outreach initiatives there are two things that we utilized: Assisting vendors with certification processes and navigating the website for procurement. He said we are utilizing Chambers of Commerce. Member Witherspoon asked if we are telling people about the opportunities. Member Cerpa said yes, but we can do better.

Member Doria thanked Secretary Cerpa and Harry Reinhard for their help and support.

**Vote on approval of minutes is conducted and unanimously approved.**

## **VII. Committee Updates**

### **a. Procurement Committee**

Chairlady Witherspoon said that a draft of a letter to be sent to the agencies has been sent to the Secretary email for any addition he would like to include.

### **b. Business Development Committee**

Chairman Rodney Lewis they have been seeking information for the Secretary of State office and other databases to find vendors that are eligible to become part of the program.

Secretary Cerpa asked member Lewis if his subcommittee members were himself, Fred Coleman, and Denise Berreto. Member Lewis said yes.

### **c. Capitol Access and Banking Committee**

Chairman Coleman said the committee met this morning. The subcommittee met to view the criteria we were considering for vetting the for-profit/ non-for-profit that buy loans or other forms of capital assistance. We met with CMS staff in December to seek guidance. The second criterion was to meet with an association that is very much involved in providing capital to small and medium size businesses. He said they are making good progress. We are hoping by the next Council meeting we will have a new set of vetting criteria that we will be making available to the Council and to CMS.

Member Corinne Pierog said the letter being sent out is a combination of an existing letter that has been previously approved by the Illinois Department of

Commerce and Economic Opportunities. It has also been incorporated by Axium, a Non-For-Profit organization that have capital for start up businesses. Also they met with two mid-size businesses as well. They also met with the Association of Corporate Growth.

**d. Certification Committees**

Member Doria said they met and heard an appeal. The company, Absolute Security Management Inc. had been certified for 12 years. The subcommittee voted to uphold the denial. Member Ivory said the subcommittee feels that it should be considered to not only uphold denials but tell the vendors why they were denied and how they can be approved without being foul of the law.

Member Denise Barreto said the issue of working with the vendors concerning their application could be a responsibility of Outreach. She believes Outreach could play a crucial role in the education of the vendors.

Member Hedy Ratner said WBDC they provide more information when a vendor is denied so that they understand the issues why they were denied.

**e. Policy, Rules and Enforcement**

Chairlady Doria said the subcommittee met on January 26, 2015. They had three waivers to consider. All three were approved by proving good faith efforts. Member Jesse Martinez emphasized that these waivers are not granted easily.

Member Ivory wants his organization along with others in the area to be contacted regarding these solicitations.

Member Pierog wants to know how large is the list he uses to contact these vendors. Member Martinez said it is very subjective. He said you got to have at least 4 or 5 contacts to the table.

**VIII. New Business**

Member Corinne Pierog informed the Council that there is going to be an outreach in Kane County on June after the legislative session is over. The city of Aurora is very excited about this opportunity. The city of Aurora has a regular chamber of Commerce, a Latino chamber of Commerce, and an African America Chamber of Commerce. The program is going to be about 3 to 4-hour program. The marketing is going to be from Elgin all the way to Aurora. There might be a spill over in Dupage and Kendall Counties. About 50 to 75 businesses are expected to participate. Refreshments will be served and packets of information will be distributed to all vendors.

Member Ivory informed the Council that the Department of Correction had an audit and their report talks about how they do business with BEP. He urged the Council to look at that audit. He also talked about the minority participation in the healthcare contracts. He said the previous number was not encouraging. He also wants the Council to focus on IT issues too.

Member Coleman wants an update on two issues from the January 26 meeting. The first is the Disparity Study. BEP legal counsel, Ben Jones said all data have been collected and they are in the final stages of analysis. The draft should be with CMS the first week in March and final draft within a week or two of that. Next, member Coleman asked about a vendor testimony from Mr. Gabriel David Mitchell from Angel Flight Marketing regarding a 12% goal that was dropped from the contract. He wanted to know whether there has been a follow-up. Secretary Cerpa said there was an intervention from the Council and the contract is expected to be cancelled. He is awaiting a statement from the agency.

Member Doria asked if someone has been in touch with Mr. Mitchell. Member Barreto said his representative had called her and that she will be circling back with them.

Member Coleman said the northern section of the Illinois Higher Education is having a Higher Education Diverse Business Opportunity Fair on March 12, 2015 at Governor State University and will be starting at 10am and ending at 3pm. He said there will be a panel discussion and that registration process is ongoing. He said 90 BEP vendors have signed up to attend.

Legal Counsel Jones reminded that Council that if it has been more than a year since you took the Open Meeting Act Training, you should do so at the Attorney General website.

Member Doria asked about the new member packet. Secretary Cerpa that is still ongoing but is now sent out electronically.

Member Witherspoon asked when was the deadline for those who have comments about the annual report and wants to submit them. Secretary Cerpa said by Thursday.

## **IX. Public/Vendor's Testimony**

Lester Blair from Blair Capital Management Firm, wants to know if CMS is focus on the impact the pending cuts in the budget will have on minority firms and what is being done to educate those firms. Secretary Cerpa said there will be

increase in outreach activities and also use of webinars in our training for certification.

Dr. Moriel McClerklin from Southland Care Coordination Partners which is a minority business is concerned about his firm being denied for absentee ownership and asking the Council to look at the issue of absentee ownership. He said it is 100% minority owned. He claims owners can have multiple businesses but it does not mean you are an absentee owner. He is concerned because his company is one of the few minority companies in the Care Management business and there has been a lot of talk about the lack of minority participation.

Elvina Stegall from Lakar Enterprises asked about the status of the commissary bid from the Department of Corrections. Secretary Cerpa said we are all awaiting news about that bid. He said the bid has not yet been put on the street.

Member Ivory said he did have a conversation regarding the commissary contract and that the bid was ready but they were waiting for the new Governor before putting it on the street. He said as soon as it comes out he will reach out to the vendor. He confirmed it will maintain its 20% goal.

## **X. Adjournment**

- Secretary Cerpa called for Adjournment
- Member Ivory casts for a motion (moved) for Adjournment
- Member Witherspoon seconded the motion to Adjourn.
- Meeting was Adjourned as of 3:05PM
- Next Council Meeting will take place on Monday, March 23, 2015-1:30 PM