

**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, June 27, 2016- 1:30 PM**

**COUNCIL MEMBERS IN ATTENDANCE**

Larry Ivory, Beth Doria , Jesse Martinez, Hedy Ratner (Ph), Sharla Roberts, Cate Costa, Charisse Witherspoon, Kim McCullough, Karen Eng, Sheila Hill Morgan, Emilia DiMenco, Edward McKinnie

**COUNCIL MEMBERS NOT IN ATTENDANCE**

Samantha Hufnagel, Susan Shaw, Denise Barreto, Bobbie Wanzo

**COUNCIL CHAIR**

Kimberly E. McCullough-Starks, Chairman

**COUNCIL SECRETARY**

None

**CMS STAFF IN ATTENDANCE**

Carlos Gutierrez, Jeanetta Cardine, Ben Jones; Michael Hoffman, Marcos Peterson, Leslie Taylor

**OTHERS IN ATTENDANCE**

Ben Bagby, Gustavo Giraldo, Dale Morrison, Mark Hardy, Margaret Van Dijk, Gladyse Taylor, Marian Honel, Vince Bass, Arkeitha Monroe

**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**

June 27, 2016

1:30 p.m. – 3:30 p.m.

- I. Welcome
- II. Call to Order
- III. Introduction of Council Members
- IV. Roll Call
- V. Approval of Minutes of Council Meetings held on February 22, 2016, April 25, 2016, and May 23, 2016
- VI. Chair's Report
- VII. Posted Business
  - Ms. Gladyse Taylor, Assistant Director – Department of Corrections
  - Review of Resume and Approval of Secretary of Council
  - Human Rights Reports by Mariam Honel
  - Employment and Economic Opportunity for Disability Task Force
- VIII. Committee Updates
  - Certification Committee
  - Executive Committee
- IX. Old Business
- X. New Business
  - Moving from monthly to bi-monthly meetings schedule
- XI. Public/Vendor's Testimony
- XII. Adjournment
  - Next Council Mtg. – July 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**

BEP Outreach Events: <http://www.illinois.gov/cms/events/SitePages/List.aspx>

**I. Welcome**

Chair Kim McCullough welcomes all.

**II. Call to Order**

Chair McCullough called the meeting to order at 1:30pm and proceeded with roll call.

**III. Roll Call**

Roll call conducted. Quorum was established.

**IV. Approval of Minutes**

Approval of Minutes was established.

**V. Chair's Report**

Chair McCullough said that she had nothing to report on today.

**VI. Posted Business**

Assistant Director Gladyse Taylor was introduced by Chair McCullough.

Assistant Director Taylor spoke about the Commissary contract and where we are currently. She also spoke about some of the challenges faced in the implementation of this solicitation.

Member Roberts asked which company has the current healthcare services contract? Assistant Director Taylor said Wexford was the company with the current Healthcare services contract. Member Roberts further inquired whether there was a diversity goal established for that contract. Assistant Director Taylor said there was a diversity goal of 20%.

Member McKinnie inquired from Ms. Taylor whether there were any other contracts anticipated anytime soon. Assistant Director Taylor said yes. She mentioned the Commissary contract which would include the offender commissary as well as the employees' commissary. She said it will cover 50 million dollars annually in goods and services. She said the solicitation is regionally focused in order to achieve greater minority participation and it has been posted statewide. She also said another solicitation pending approval to post is the Standard Industrial Classification Codes (NIGP Codes). She said this the first phase of this solicitation represents 9 million dollars of the 50 million dollars. The challenge according to Ms. Taylor is when they evaluated the current BEP certified vendors; it amounts to a goal of 2%. They have looked at other states commissaries contracts to see how they addressed the same challenges.

Member Witherspoon wants to know whether those states that were being studied met their goals. Ms. Taylor said she does not know. She reminded the

council that whenever you try a regional approach, naturally you are not going to get small business set aside that you intend to get. She said when they tried to do the statewide solicitation small businesses protested. She said this is going to be their third attempt.

Chair McCullough said as we look at the state procurement and where the State of Illinois spends its money, we look at the types of vendors we have in the BEP database (1,900 vendors) and doing it in a focused way that is around commodity codes which gives the outreach team a focus approach in terms of making sure that BEP vendors are included in the solicitation. She said they are going out with a small portion of it first and if it is successful that they will know how to proceed with the rest of it.

Member McKinnie wants to know regarding the local people protesting whether they reflect the people in the institution. Chair McCullough said in the past they have used a regional approach based on local businesses and a statewide perspective with a goal of getting more BEP inclusion. She said when this was done in the statewide solicitation the BEP community protested it.

Member Roberts mentioned the audit report that was done on the Department of Corrections (DOC) regarding the commissaries and how they purchase their goods and services. She asked whether those audit recommendations were followed.

Assistant Director Taylor said there were two recommendations and they were to pursue a statewide solicitation and/or a regional. She said both recommendations were attempted that were part of the audit finding.

Member Roberts said personal items typically do not have to be located in the locality, they could be shipped.

Chair McCullough said it creates an opportunity to do a number of things. She said BEP vendors would be able to participate at the subcontracting level to provide a portion of it or they could work together and compete if they have the capacity as a prime. She said there is a goal but it is the floor and not the ceiling. Lastly, she reiterated that the goal is for everyone to have a chance to participate.

Member Ivory said he was intimately involved with this issue years ago when it first came out. He said from historical perspective the Department of Corrections have a poor track record of minority participation. He said when the bid first came out it had a 3% goal. According to member Ivory, the Blacks and Hispanic caucuses were not happy. It also went back out to bid with a 20% goal but had to be pulled back because there was a protest from an African American vendor that was bidding as a general contractor but was not afforded the opportunity because he submitted his bid late due to a snow storm and there were no mail being delivered by FedEx or other mailing

companies. He said he is a puzzled by the statement made by the Chair that the BEP community protested it.

Assistant Director Taylor agreed with member Ivory that in the past minority participation was non-existing because the solicitations were done by facilities. She further said that the issue with the bid being received late, it was due to the State procurement code.

Member Ivory said he did not want people to leave with the thought that it was due to BEP protest that the second procurement was not procured. He said they consulted with him and they finally broke the solicitation into different compartments and enhance the ability for BEP vendors to have a greater participation and still have the goal of 20%.

Assistant Director Taylor said they tried it regionally and decided against line item procurement. She said the current draft is based on categories.

Member Ivory wants to make sure that the goal is still 20% on the overall solicitation. Assistant Director Taylor said yes it is. Member Ivory needs clarity on whether we are doing anything differently now that the procurement has been unbundled and primes and subs can now bid. Chair McCullough said she could not speak of the past because she does not have the historically perspective, but said we now have an opportunity because of the disparity study and an understanding of the number of BEP certified vendors in our database to set goals on a bid by bid solicitation by solicitation basis. She said this is exactly what we intend to do on this procurement. She said some of the commodities that come out of this process may be a goal that is higher than 20% based on market availability. She said overall in this 50 million dollars spend; we want to make sure we have BEP participation at an appropriate level based upon market availability.

Member Roberts wants to know how many categories the Department of Corrections plan to have on this solicitation. Assistant Director Taylor said she will have to confirm but thinks there are six or seven categories.

Member Roberts asked whether there is going to be a targeted outreach to major players for this solicitation since they are known.

Chair McCullough said there have been meetings between the Department of Corrections and BEP concerning this solicitation and the goal is to have a targeted outreach for these areas with the major players both primes and subs. She said the same thing was done with the pharmaceutical contract.

Member Roberts wants to know whether a targeted outreach could be done for Wexford. Assistant Director Taylor said that solicitation was already out there. Member Taylor asked whether she had thought about it since this solicitation is 130 million dollars contract. She said she could talk to the State Procurement Officer about scheduling it.

Member DiMenco wants clarity on the issue of the 2% goal. Assistant Director Taylor said when they evaluated the NIGP codes based on our past response, only 2% qualify under the existing structure of the solicitation. Member DiMenco asked whether that 2% was just for tier 1 and not the sub. Chair McCullough confirmed that it is indeed just for tier 1.

Member Ivory expressed concern that what we have arrived at will not get the results and improve greater participation. He is advocating that 20% should be across the board. He said anyone that cannot reach the goal should request a waiver for their good faith efforts.

Assistant Director Taylor said it is the agency intends that they meet the 20% goal for each classification. Chair McCullough said currently the state has a system in place setting goals and it is being looked at and reviewed to see how it can be improved.

Member Ratner said it seems as though Assistant Director Taylor, DOC, and the BEP staff are looking at the best practices and major initiatives to reach the goal including some of the recommendations that were made in the disparity study and we as council member are here to assist you.

Member Witherspoon said when she asked assistant Director Taylor whether those other organizations she looked at met their goals, it was not meant as a criticism but rather an assessment of other problems or solutions they might have had along the way.

Chair McCullough thanked Assistant Director Taylor for her time spent with the Council and hope she could be available to come again if there are questions.

### **Secretary of the Council**

Chair McCullough deferred this agenda item.

### **Human Rights Report**

Ms. Mariam Honel introduced herself and said she works for the Department of Human Rights. She also said she has work on Housing and Employment discriminations. Currently she's been working on a discrimination report since November. The discrimination report was mandated by the Governor's office. She said she was given a number of issues and 11 topics that they wanted them to cover in the report. Working groups were formed and have been working since February. The 11 topics include: Public Employment, Private Employment, Housing (Fair Housing – affordable and homelessness) , Procurement, Financial Credit, Public Accommodation, Provision of Government Services; Educational Equity, Educational Inclusion, Criminal Justice, and Civic Engagement. She said they were tasked to look at barriers

and challenges, important metrics and measurements, best practices and recommendations out there in order to improve diversity, inclusion, and non-discrimination in the State of Illinois. She said this is not a research group but they are asking the working groups to pull all the information from out there so that they can be in one place. She said the report will be presented to the governor in the fall. Lastly, she said she would be happy to come back and report to the BEP Council on recommendations.

Member Ratner wants to know what is going to be done with the report. Ms. Honel said it is mainly going to be used to put a spotlight on these issues per the directive of the Governor. She said they are going to work with their Public Information Officers along with other members of the group to do some press on it. It would also be posted on their website with the hope of reaching more people regarding these issues.

Member Doria said it would be her hope that the report from the study would prompt the Governor to implement policy changes based on the recommendations that are made.

Member Ratner wants to know if there will be specific recommendations made, and if so will there be review by committees to ensure that all the key and critical issues are addressed. Ms. Honel said she thinks the groups are identifying recommendations, and then sharing it with their groups to get some feedback and then they would be sending them to her to put them together.

Member Ivory wants to know from Ms. Honel whether her group has had any discussion with the Illinois Policy Institution on Criminal Justice Reform and the research they have done. Ms. Honel said yes, they are part of the criminal justice reform working group. She said because criminal justice is so broad, they have tried to narrow it down to two topics: School to Prison pipeline and the issue of people with certain felony record cannot get a job within certain industries. She also said they do have the Illinois Policy Institution report on that study.

Member Hill-Morgan said she just wanted to make sure that the work being done by this group is actionable. Ms. Honel said it is.

### **Employment and Economic Opportunity for Disability Task force**

Chair McCullough said this report is in the packet for today's meeting however member Wanzo who should have done an overview on it is not present. The overview was deferred to the next council meeting.

## **VII. Committee Updates**

### **a. Certification Committee**

Chair Doria said the committee did meet and address the issue of a policy rule that applicants of BEP that had outside employment would be denied based on that. She said there were many of these cases coming before the committee. In order to give the BEP staff some guidance, the committee had asked Carlos to look at other states to see what the rules are around outside employment so that we can formulate a better way to evaluate these applications and perhaps try to minimize the number of appeals that the committee have been reviewing and in many instances overturning. She said currently the group is in the process of gathering the information from other states.

Member Witherspoon commented that this report will be interesting because there are some government agencies that encourage business owners to make sure their businesses are successful before leaving their jobs. Chair Doria said we should not be limiting applicants because of this one issue of outside employment. She believes we should seek to increase our vendor pool not limit it.

Member Martinez said there instances where people would start their business and want the certification to continue their business. He said member McKinnie had an issue with that. He further said there were some language that found from Indiana that would help this issue by giving BEP staff some flexibility and leave room for interpretation.

Member Roberts recommended that this issue be looked at on a case by case basis because there might be some people who will never resign their jobs. Chair McCullough agreed with member Roberts' assessment.

Counsel Jones said this issue stems from the portion of the statute that has to do with control. He said it is meant to prevent someone working for a company but goes out and establish another for government minority contracts purposes. He said there is a need for reform but there has to be a balance.

### **b. Executive Committee**

Chair McCullough said the Executive Committee met and discuss whether it is necessary to meet every month. The Executive Committee proposed that the Council meets every other month (bi-monthly), which means 6 times a year. She said on those dates that the council will not be meeting, the committees will meet. Member Roberts proposed that if we do not have quorum at a certain meeting, the meeting should be rescheduled for the next meeting in order to avoid a long gap between meetings. Chair McCullough said she understood member Roberts concerns but asked that we give this a try for the next 6 months and see how it goes.

Member Ratner wants to know if the committees will meet here or at another location. Chair McCullough said meeting space will be provided here.

Member Doria motioned that the council move to holding bi-monthly meetings, sticking with the present schedule, that the change would start on August 22, 2016, that on the off council meeting months the committees would meet, that we will not have a November and that we will have our December meeting very early in the month.

Chair McCullough made an amendment to the motion saying that the change would start on July 25, 2016 which would be the committees' meeting date. Motion was seconded by member Witherspoon.

Member Witherspoon mentioned that this proposal had come up before and had been voted down. She wants to know what is different. Member Doria said the last time it was voted down was related to the waivers' review. Member Martinez further explained that before the waivers were coming before the whole council. However, now it is going to a committee and decisions are made there due to the granting of approval by the council.

Member Hill-Morgan wants to know which committee the waivers were assigned to. Member Doria said it was the Policy, Rules, and Enforcement Committee. The council voted unanimously to accept the motion. Chair McCullough promised to send an updated calendar.

### **VIII. Old Business**

Member Witherspoon wants to know if the sheltered market will be extended to other contracts. Chair McCullough said there will be more to come around program enhancement that will be shared with the council. She said she does not have an update today but there will be more to come.

### **IX. New Business**

Member Roberts wants to know when there will be a vote on the Secretary of the Council. Chair McCullough said it will be deferred from this meeting.

Member McKinnie said he got a call from a member who said as of July 1<sup>st</sup> because of the budget issues, all construction will stop. He wants to know if there are any other contracts being affected. Chair McCullough said this was the first time she has heard about it. She promised to get back to him with an update.

Margaret Van Dijk, CPO for Capital Development Board, said the Capital Board stopped all capital construction due to the lack of budget. Chair McCullough reiterated that all state funded project would stop if there was no budget as of July 1<sup>st</sup>.

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

None

**XI. Adjournment**

Meeting was adjourned at 2:43pm.