

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

**Monday, December 03, 2018 - 1:30 PM – 3:30PM
MONTHLY COUNCIL MEETING MINUTES**

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

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

COUNCIL MEMBERS IN ATTENDANCE

Sharla Roberts; Tim McDevitt; Beth Doria; Jaime Di Paulo; Jesse Martinez; Khari Hunt, Alex Bautista; Bola Delano; Jorge Perez; Larry Ivory, Hedy Ratner, Edward McKinnie, Sheila Hill-Morgan

COUNCIL MEMBERS NOT IN ATTENDANCE

Derrick Champion, Emilia DiMenco; Denise Barreto; Karen Eng

COUNCIL CHAIR

Tim McDevitt

COUNCIL SECRETARY

Cate Costa

CMS STAFF IN ATTENDANCE

Ben Jones, Terrence Glavin, Ngozi Okorafor, Elias Ricks Ngwayah II; Harry Reinhard; Carlos Gutierrez; Irma Lopez; Leslie Taylor; Jeanetta Cardine

OTHERS IN ATTENDANCE

Michelle Flagg; Charles Harrell II; Andrew Johnson, Jean Pierre

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

December 3, 2018
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 August 27, 2018 and October 22, 2018
- V. Chair's Report
- VI. Subcommittees Reports
 - Certification Subcommittee Report - Chair Sharla Roberts
 - Outreach Subcommittee Report – Chair Emilia DiMenco
 - Compliance Subcommittee Report – Chair Sharla Roberts
- VII. Old Business
 - B2GNow full launch timeframe
 - Sheltered Market Discussion
 - Agency Exemption Requests
 - Vendor /Contract Concerns
 - Wesco/Obama Energy
 - Internet Egress RFP
 - Lottery/Camelot
 - Department of Aging Solicitation
 - Guest Speaker: Gladys Taylor, Department of Corrections
 - Discussion of Senate Bill 65
- VIII. New Business
 - 2019 BEP Council Meeting Calendar
 - Discussion of the creation of an attendance and participation policy for Council members
 - Discussion of how to define and access BEP performance metrics
 - Discussion of “BEP wish list” with a focus on giving the BEP Council more enforcement authority
- IX. Public/Vendor's Testimony
- X. Adjournment
 - Next Subcommittee Meetings
 - Certification Subcommittee Meeting – January 28, 2019
 - Outreach Subcommittee Meeting – January 29, 2019
 - Compliance Subcommittee Meeting – January 30, 2019
 - Next Council Mtg. – February 25, 2019

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>

Note: There will be no IPB Notices and Solicitations Reports for this meeting.

**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

MINUTES

December 03, 2018
1:30 p.m. – 3:30 p.m.

I. Welcome

Chair McDevitt welcomed all to the BEP Council Meeting.

II. Call to Order

Acting Chair Jones called meeting to order and requested a roll call at 1:35pm.

III. Roll Call

Secretary Costa conducted roll call and quorum was established for this meeting. Member Doria motioned to have the people recognized on the phone. Vote taken, motion passes.

IV. Approval of Minutes of Council Meeting held on August 27, 2018 and October 22, 2018

Chair McDevitt requested a motion to approve the minutes from the August 27, 2018 and the October 22, 2018 meetings. Member Doria motioned for the approval of the minutes and member Ratner seconded. Vote taken motion passes.

V. Chair's Report

- Chair McDevitt talked about being in contact with the Pritzker's transition team. He said there were information relating to BEP that had been given to the transition team, and if any pertinent information arises, he will inform the Council about it.

VI. Subcommittees Reports

- Certification Subcommittee Report - Chair Sharla Roberts
 - Chair Roberts said the Certification Subcommittee meeting was held on Monday, November 26, 2018. She said there were 5 appeals from 5 different firms that were denied by the Business Enterprise Program. She said decisions were still pending due to the lack of quorum.
- Outreach Subcommittee Report – Chair Emilia DiMenco
 - Member Bautista said the Outreach Subcommittee met on Tuesday, November 27, 2019. He said they discussed the invitation to the Department of Corrections, who despite being invited, did not show up for the meeting. He said they would do a follow-up. He also said they discussed legislations and the survey for speakers to appear before the Council. Lastly, he said they talked about an Orientation booklet for new members, which will help them better understand the responsibilities and function of the Council

Member Doria told the Council that a few years ago each new member was given an orientation book. She said she could like to know if this is not the situation now.

- Compliance Subcommittee Report – Sharla Roberts

- Chair Roberts said that the Compliance Subcommittee meeting was held on Wednesday, November 28, 2019 but did not have a quorum. She said there were several items on the agenda, including the letters that went out. She said due to the lack of quorum, those items will be put on the next meeting’s agenda for discussion.

Old Business

➤ B2GNow full launch timeframe

- Chair McDevitt informed the Council that CMS had been in discussion with the CPO’s office. He said one of the challenges relate to the data sharing and the level of data access between two different systems: Bidbuy and B2GNow. He said the CPO’s office said that when the new Bidbuy is introduced this winter, it would allow for data sharing with B2GNow.
- Member Roberts wants to know if BEP has started its implementation. Chair McDevitt said yes. Secretary Costa explained that the B2GNow is live and we do have contracts in there and we are monitoring them. She said just when BEP is notified of a contract, it is manually entered and not automated. She said just by entering these contracts manually, it has greatly improved our reporting ability because those primes and subs are notified, and they need to update in the system. She said the part that we do not have is the contract automatically going in the system so that we can be aware of everything that is out there and begin monitoring immediately instead of waiting for the agency to notify us. She said this part requires Bidbuy to talk to the system. She further said we have what we need from the Comptroller office, but we cannot integrate that until we have the Bidbuy. She said those two things need to happen simultaneously.
- Member Roberts wants to know whether there is an estimated time for full integration. Secretary Costa said there is no estimated timeframe at this time.

➤ Sheltered Market Discussion

- Chair McDevitt said this is an ongoing topic in case Council members have any concerns. He also said that he has no new update and that it continues to be at the CPO’s office.
- Member Roberts wants to know whether we have a timeframe for a response from the CPO’s office because it’s been several months since we have been waiting to hear from the CPO’s office. She also wants to know whether CMS will have a response after hearing from the CPO’s office. Lastly, member Roberts wants to know what data was looked at in deciding to create Sheltered Market for Advertising.
- Member Ivory echoed member Roberts concerns regarding the CPO’s response timeframe. He recommended that the Council send a letter to the CPO’s office requesting a timeframe for a response from their office.
- Member Roberts wants to know what is being done regarding looking at other areas of opportunities for sheltered markets for Minorities, Females, and Persons with Disabilities. Chair McDevitt said they have looked at other areas including Legal. Assistant Director Jones said they looked at Legal, Advertising, and Staffing and decided to present Advertising to the Council based on the data. He said this item will be an ongoing standing item on the agendas.
- Member McKinnie asked whether agencies and universities are required to be part of the Sheltered Market. Chair McDevitt said it depends on how universal the data is that is being studied. He said if it is limited to agencies under the purview of the Governor, then you will limit to the data to those agencies. If you are looking more broadly, then you will take data from a wider universe. He said the intent was to make it as broad as possible.

- Member McKinnie wants to know why Construction is not part of the Sheltered Market. Assistant Jones said we know that there is discrimination, but based on Collette Holt's recommendation, we must show a quantitative discrimination. He said he does not think the case would be there for construction.
- Member Ivory wants to know if a Sheltered Market could be established for an agency that has a disparity in a certain area. Chair McDevitt said it is his preference to have larger samples with more representation instead of a smaller sample.
- Member Roberts wants to know what is being done with the vendors' testimonies that are delivered at the Council meetings about their lack of participation in certain areas. She wants to know whether those testimonies can play a part in the formation of a Sheltered Market. Chair McDevitt said they can reach out to vendors in those categories and gather what the challenges are that they faced which could be used to buttress this argument.
- Member Doria motioned that the Council send a letter to the CPO's office requesting a timeframe for a response regarding her position on the Sheltered Market. It was seconded by member McKinnie. Member Hill-Morgan said it would be prudent to have a definite date included instead of leaving the request open ended. Member Doria amended her original motion to include a response date of December 21, 2018. The amendment was seconded by member Ratner. Vote was taken and the motion passed unanimously.

➤ Agency Exemption Requests

- Assistant Director Jones reminded the Council that at the last Council meeting, the Council voted to not grant that agencies exemption requests that was non-statutory. He said CMS drafted a letter that was requested by the Council and they were sent out to all the APOs and procurement professionals. He said based on the feedback that was received, there was a kick-start procurement conference held in Springfield. He said there were lots of intense feedback and criticisms we received. He said they felt that they will never be able to meet the goal and there was a lot of push-back. In return, Assistant Director Jones said they reminded them that this was the Council's decision and that they acted according to the statute. However, he encouraged them to engage with the Council and make some time to come to the Council Meeting.
- Member Martinez said it is a good idea to get them to the table so that they can explain to us why they need those exemptions.
- Member Hunt said they purchased vehicle services thru Master contracts from CMS involving large funds which would be considered non-exempt. He wants to know how those funds can be accounted for or have them exempt from the BEP goal. He also wants to know how Purchase Care can be exempt under the current policy. Member Martinez said he believe there are legitimate exemptions, but they will have to be brought to the table so that we can identify them.
- Member Hunt wants to know whether there will be a conversation of how agencies that purchase goods through master's contract can be accounted for or exempted. Chair McDevitt asked that the question be tabled for now because we need to talk to BOSS (Bureau of Strategic Sourcing) and BEP (Business Enterprise Program) to figure out the best way forward.

➤ Vendor/Contract Concerns

- Wesco/Obama Energy: Andrew Billhammer, Brian Cooper, Assistant General Counsel, Tee Hapburger, Account Manager, Stan Lee, Central District of Illinois Manager, Sam Donoski, Sale Manager, and Elizabeth Nash, Contract Manager from Wesco introduced themselves. Assistant Director Jones gave a brief overview of the complaint levied against Wesco. Assistant General Counsel Cooper acknowledged that there are differences between Obama Energy and Wesco regarding the nature of utilization on the contract. He said Obama Energy was introduced to them after the contract was renewed in 2016.
- Andrew Billhammer said after understanding the issue with Obama Energy, they met with them and talked to them about the contract. He said they also looked into different areas of participation. He said Obama Energy told us they were able to obtain electrical supplies. He also

said they asked Obama Energy to give them pricing for these supplies because they are locked in with pricing with the University. He concluded that currently they are still awaiting a response from Obama Energy.

- Member Doria said she appreciates the fact that Wesco is considering working with Obama Energy on future contract, but that Obama Energy had appeared before the Council and said they were under-utilized on the project. She wants to know why that was the case. Counsel Cooper said Obama Energy is one of many diversity companies being utilized on the contract and that the scope of work that Obama Energy can provide is not something that we are selling to the University. He said Obama Energy mainly does install and that is not part of their contract with the University.
- Member Doria wants to know why they were included on the utilization plan after the contract was awarded when you should have known they could not be utilized. Counsel Cooper responded that when they were brought to their attention, they were told that they were LED lights supplier. He said they tried to work with them.
- Assistant Director Jones wants to know how much have been spent on Obama with far. Counsel Cooper said he does not have the specific figures with him, but he believes it is about 16 thousand dollars.
- Member Hill-Morgan wants to know how Wesco is looking in their overall compliance. She also asked whether it was their practice to do due diligence on their subcontractors before doing business with them on a contract. Counsel Cooper said yes, it is their standard practice to do their due diligence and that they intended to do business with Obama Energy, but the University rejected the product that they offered.
- Member Ivory expressed surprise that Wesco, a company that have been around for some time, is not prepared to give the percentage of spend needed to achieve their diversity goal based on the subcontractors they have. He wants to know how Wesco plan to meet their goal and how much have they met so far.
- Counsel Cooper said he does not know how much they have achieve toward meeting their goal. He explained he does not have the numbers with him. He also said they are still looking for vendors that they can utilize toward meeting their goal. He said they had made good faith effort toward meeting the goal, but he cannot speak to what the number is today.
- Member McKinnie wants to know whether someone can attempt to get those number why the Council hears from Obama Energy.
- Member Roberts wants to know who the minority subcontractors on this contract are and how much have been spent so far on those companies.
- David Locke, representative of Obama Energy, said the Wesco spend with Obama Energy was 15 thousand. He said the letter of intent has 22% on it for his company.
- Mr. Billhammer said the 22% was not geared only toward Obama Energy. He said they could not supply the products needed therefore they are looking at other BEP vendors to be able to meet their goal. He said they are challenged working with them but are still trying to find ways to work with them. He reiterated that they are still waiting for Obama Energy response.
- Mr. Locke said he had a meeting with Wesco, and it was decided that they would get in touch with the specific manufacturer of these items preferred by the University and procure them for the contract and not utilizing their own supplies.
- Member Roberts asked Wesco to provide the spend analysis that was done with the University and how they plan to meet their overall 22% goal.
- Member Hill-Morgan expressed her dissatisfaction with the phone participation of Wesco instead of their physical presence before the Council. She said she expected them to be prepared with their numbers, which was not the case.
- Chair McDevitt thanked Wesco and Obama Energy for their participation and urged Wesco to get the requested documents to Member Roberts for the Council.

➤ Internet Egress RFP

- Secretary Costa said the RFP is on the street and the pre-bid conference was held this afternoon. She said there is a 20% and responses are due on the 18th of December.

➤ Lottery/Camelot

- Norman Sutton, Director of Procurement for Camelot Illinois, said Camelot is committed to doing business with minority, women, and persons with disabilities so that they can achieve economic benefits from doing business with the State of Illinois and with Camelot. She said their BEP goal for fiscal year 2018 was 3.8 million and 8.9 million dollars for fiscal year 2019. She said from January until now, they have issued 6 RFPs and have awarded several contracts to BEP vendors. She said their goal is 20%. She said 31% of their workforce are minorities: 16% African American; 9.2% Asians; 3.5% Hispanics; 1.15 % Native American. Ms. Sutton spoke of having a program for college students to come and learn the operations of the lottery.
- Member Doria said there is a confusion regarding what amount goes toward prizes and what amount goes toward procurement. She asked Ms. Sutton for clarification. Member Roberts clarified that the contract with Camelot is for the management of the lottery and not related to the prizes.
- Ms. Sutton said they have a 3 billion budget. Two billion is for prizes according to Ms. Sutton and the rest is for operations.
- Member Ivory commended the Lottery for their work with African American businesses.

➤ Department of Aging Solicitation

- Secretary Costa clarified the issue relating to an allegation made by a vendor at the last meeting that inaccurate code used for a Department of Aging solicitation. She said CMS agreed with the agency and did not pursue it further based on their description of the services needed to be provided.

➤ Guest Speaker: Gladys Taylor, Department of Corrections

- Ms. Taylor apologized for missing the last meeting. She said she knows the agency's commissary operations have been of particular interest to the BEP Council, CMS, and the Procurement Policy Board for the past 8 years. She said in 2011, the Procurement Policy Board did an assessment of the Commissary Operations. She said its about 20 million dollars for the employees' commissaries. She said one of the major issues is that those procurements have not been done according to the State's standard procurement guidelines. She said there have been numerous findings regarding solicitations. She also said each time the commissary solicitation goes out to bid, it's been protested by small vendors in areas where the facilities are located because they are not going to be a part of it. Since the last protest in June of 2016, Ms. Taylor said they have started to do a Central Management Solution statewide accounting for all the goods that come thru the commissary operations because previously, each of our 28 facilities had been responsible for their own procurement. She said structures across security and classification are being addressed. She said new applications will be online for the first three facilities by May 2019 and the entire operations by September. She said one of the things they have done to date is to standardize the product classification.
- Member Roberts wants to know the annual spend of the Commissary. Ms. Taylor said 30 million for the offender population and 20 million for the employees. Member Roberts wants to know who the current provider is. Ms. Taylor said from the 2011 study, there are about six vendors who account for about 90% of the sales. She said Keefe is one and there are four or five others.
- Assistant Director Jones wants to whether Ms. Taylor has a date for when the new solicitation will be published. She said if all 28 facilities get online by September 2019, then the new solicitation will be around July 2020. She said she would like to do it on a ten-year contract cycle, and have it adjusted every two years.
- Member Roberts wants to know whether all the bids for the inmate commissary have line items. Ms. Taylor said yes. She further said that 10 years ago they had 48 thousand inmates, but now they have about 39 thousand inmates. She said the spend however, have not changed. She said there are different level of purchase by security levels and separate purchase by gender. She said someone in a disciplinary situation is only allowed to spend \$30 dollars a month; minimum security inmate can spend \$150 dollars a month; medium security can spend \$125 a month; maximum security can spend \$100 a month. Member Roberts asked whether there were

restrictions on employee commissary purchases. Ms. Taylor said no, but they will have to infuse some accountability.

➤ Discussion of Senate Bill 65

- Chair McDevitt said this bill will not receive a full vote by both houses. He said this bill was created by Senator Claybourne and was related to allocated of points for vendor diversity efforts.
- Assistant Director Okorafor said Senator Claybourne is retiring and Representative Davis is the sponsor in the house. She said the second amendment to the bill was adopted in committee, but the house decided to table session until January 7, 2019. She said it can be acted upon prior to spring legislative session. She noted that there is a third amendment that will resolve the concerns of BEP staff and BEP Council had operationally. She said it has not yet been adopted.

New Business

➤ 2019 BEP Council Meeting Calendar

- Secretary Costa told the Council that an electronic meeting invite would be sent out to all members early next year.

➤ Discussion of the creation of an attendance and participation policy for Council members

- Secretary Costa explained that this issue had come up in the Outreach Subcommittee meeting. She said it was discussed that the BEP does not have the power to add or remove people from the Council, but there was a certain expectation of attendance and participation. She said if a certain member is not participating or attending, there will be a note sent to the Governor's office to inform him that this person is not participating. Because of time factor, this was postponed to the next meeting

➤ Discussion of how to define and access BEP performance metrics

- Secretary Costa said this is about what BEP performance metric we should be measuring and then ensuring there is some mechanism for us to have access to all that data. She said this came out of the discussion of some of these issues we were having in terms of if we are examining Sheltered Market, do we have access to the University data? Switching to a new B2GNow, can we get what we need in terms of data? She said there was a discussion about the things that BEP needs to measure.

➤ Discussion of "BEP wish list" with a focus on giving the BEP Council more enforcement authority

- Secretary Costa said there was a desire to make a wish list for the new administration about things that are important to the Council which will be highlighted for the new administration and will be passed along as part of the transition.
- Member Roberts motioned to have the last 3 items under "New Business" be moved and discussed at the first meeting in 2019. It was seconded by member Ratner. Vote taken, motion passes unanimously.
- Ms. Okorafor said there is a survey from the Fair Practice Task Force website with a deadline of December 1st which was extended to December 8th. She said the Task Force is a critical stick holder and would like to hear specifically from BEP Council members. Ms. Okorafor informed the Council that there is a final Task Force meeting which will be held on December 13, 2018 at Chicago State University. She said it is going to be a round table with stick holders, University representatives, Community Colleges, and anyone who wants to attend. It will be the last opportunity for the general public to give oral and written testimonies. She said it will be from 1:30pm to 5:00pm.

➤ Public/Vendor's Testimony

- 1) Andrew Johnson, Executive Director, Native American Chamber of Commerce of Illinois
 - He said 20% of natives live on reservations and 80% live in an urban area. He said Illinois is kind of unique because there are no federal recognized tribes or land here. He said their population is about 100 thousand. He said they have no seat at the economic table and therefore he wants to introduce himself and wish to rectify that.
- 2) Jean Pierre, Co-founder of Adunosory
 - He said company was created in 2008 and got the BEP certification in May 2018. They have over 12 years' experience working with Motorola and other companies. He said since he got his certification it has been difficult for him to get business from the State. He wants to know how he can get alerts about opportunities that his company can bid on. Chair McDevitt encouraged Mr. Pierre to give his information to Secretary Costa and he will be assisted in getting to know how to navigate the application to find opportunities within the State. Also, Assistant Director Jones talked about there being several procurement bulletins that he could register with.
- 3) Charles Harrell II, CEO, IT Architect
 - Thanked the Council for removing those discretionary exemptions from the agencies. He said this increases the amount of dollars available within the agencies for BEP goals to be applied. He believes that was a win for taxpayers, CMS, and BEP. Lastly, he thanked the Council for working on the Internet Egress RFP.
- 4) Aresha Banza, Executive Director, Progress for Independent Living of Forest Park
 - He said his company exist to maximize independent living for elderly people. He talked about independent living centers in Illinois obtaining BEP certification.
- 5) Michelle Flagg, Redacre Solutions
 - She wants to know whether there is a plan to exempt non-profit. Chair McDevitt said no.

VII. Adjournment

Meeting adjourned at 4:10pm

- Next Subcommittee Meetings
 - Certification Subcommittee Meeting – March 25, 2019
 - Outreach Subcommittee Meeting – March 26, 2019
 - Compliance Subcommittee Meeting – March 27, 2019
- Next Council Mtg. – April 22, 2019

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>