



**NOTICE**

**Business Enterprise Council  
COMPLIANCE SUBCOMMITTEE MEETING**

**Wednesday, January 27, 2021**

**1:30 pm – 3:30 pm**

**Location: Webex Meeting**

**MINUTES**

I. Welcome

Chair Roberts welcomed everyone to the meeting.

II. Call to Order

Chair Roberts called the meeting to order at 1:35 pm. Kori Acosta proceeded with roll call.

III. Roll Call

Roll call was conducted. Quorum was established.

<b>BEP Compliance Subcommittee</b>				
<b>ATTENDANCE ROSTER: COUNCIL MEMBERS</b>				
<b>Members</b>	<b>Present</b>			<b>Absent</b>
	<b>In person Chicago</b>	<b>In person Springfield</b>	<b>via WebEx</b>	
<b>Sharla Roberts, Chair</b>			<b>x</b>	
<b>Denise Barreto</b>				<b>x</b>
<b>Larry Ivory</b>			<b>x</b>	
<b>Jesse Martinez</b>			<b>x</b>	



Sharron Matthews			x	
Jonathan McGee			x	
Edward McKinnie				x

Note: Meeting was held via WebEx video conference to adhere to the social distancing guidelines, due to the COVID -19/Coronavirus pandemic.

Agency Representatives

BEP Compliance Subcommittee				
ATTENDANCE ROSTER: Agency Representatives				
Agency	Representative	Present		
		In person - Chicago	In person - Springfield	via WebEx
Central Management Services	Kori Acosta			
	Paul Kuchuris			
	Arielle Johnson			
	Radhika Lakhani			
	Nicole Mandeville			x
	Patricia Perez			
	Ivan Ramirez			
	Harry Reinhard			

Total: 8 CMS and other Agency Employees attended this meeting.

IV. **Posted Business**

a. **Approval of the Minutes for December 18, 2020 BEP Compliance Subcommittee Ad Hoc Meeting**

Member Martinez motioned to approve the minutes from December 18, 2020.

Member Matthews seconded. All agreed. The minutes were approved.

b. **Goal Setting**

i. 1:30 – 2 pm; IL Department of Innovation & Technology (DoIT)

1. Reginald Lampkin introduced himself and colleagues Dante Watson, Jenifer Johnson, and Jennifer Ricker. He stated their BEP goal setting is based on available vendors they find using NIGP and NAICS Codes and historical context of similar procurements to find out what the goals should be.
2. Mr. Lampkin stated that many of their contracts are proprietary and sole source with subscribed licensing agreements with no available subcontracting opportunities. He added that they issue more Decision Memos than they would like to because procurements are proprietary in nature.
3. Mr. Watson reported they have attended the trainings for the new goal setting processes.
4. Chair Roberts asked about the Request for Proposals (RFP) for the sheltered market sometime last June, and the Internet Egress contract which the council wanted to work with DoIT to ensure that contract had a 20% goal. The Chair remarked that when the contract was awarded it did not have a BEP goal on it. Chair Roberts added that sometimes there is opportunity on software contracts for vendors to come on to these contracts through the maintenance portion.
5. Mr. Watson responded they have the first three or four groups of sheltered market awards moving through the CPO's office now for PRISM. He said the 2<sup>nd</sup> phase of PRISM is set to open February 16<sup>th</sup>.
6. Mr. Watson stated they have not resolicited for Internet Egress. He said they have done ERate Fiber contracts. He commented that he is unaware of how the schools are receiving related services.
7. Mr. Charles Harrell, II stated that during the pre-bid conference there were going to be many opportunities for telecom companies to provide services. He said there was only capital-intensive work carved out for that RFP and it seemed like the opportunity shifted. Mr. Harrell asked

what is the thought process on carving out construction work that may or may not occur, when the real work is in the professional services areas of opportunity.

8. Mr. Watson stated he is not familiar with the professional services aspect on those contracts. He said that not all those types of contracts require construction services.
  9. Chair Roberts stated she wants a meeting and discuss that RFP and go over the contract deliverables. Mr. Watson agreed. Chair Roberts requested Mr. Harrell give a written report of his statements and send it to Kori Acosta and Ms. Johnson to have on file.
  10. Member Ivory asked whether the new goal setting process will be better. Mr. Watson replied that from what he has seen it will be much better and anticipates an 8-12% increase.
  11. Member Ivory asked about a State Police procurement. Mr. Watson explained there was some confusion over the Small Business Set Aside threshold when it comes to IT services, but he believes it was resolved, but does not know the status of the procurement. DoIT understands they need to give primes enough time to find quality vendors to participate in the contract.
- ii. Update on IL Tollway potential sheltered market contracts
    1. The update was not available. The agenda item was moved to the next meeting date.
- c. **SIMPCO interest in TDF**
- i. Member Matthews gave the background for this IL Department of Human Services (DHS) procurement. She stated that in November 2019 her CSEP office in conjunction with the procurement office received a request to set a BEP goal on a procurement providing services at the Treatment and Detention Facility (TDF) in Rushville. Services were provided for Sexually Violent Persons Detained at this facility after their release date from prison.
  - ii. Member Matthews explained the scope of services were specialized services, treatment, general case management, objective sex offender assessment services, and specialized service sex offender surveillance. She also listed the provisions of sex education, skill training, focus groups, psychiatric evaluation, medication monitoring, transitional housing, transitional and crisis intervention, testing and work skill evaluations, pre-employment, job readiness, on the job training, job placement, and follow-up.



- iii. Member Matthews was informed by the DHS APO office that this contract has been awarded to the current prime contractor, Liberty Health Care. A company based in Pennsylvania, for 9 years. She reported the contract is running out in June and were told by Liberty Health Care they were struggling to meet a 2% goal. Member Matthews stated that DHS is setting a 5% goal on the contract as the minimum goal. There was only one bidder on the contract, and that vendors bid was found non-responsive and a cure was allowed by DHS.
- iv. Member Matthews reported that it was a five-year contract with extensions totaling four years. The awarded value the contract was \$92.8 million for the nine-year contract. The DHS and CMS General Counsels held several meetings regarding the bidding vendor Liberty Health. The discussions resulted in a BEP goal of 1.07% on a nine-year contract Three BEP vendors have been identified by the prime for the goal participation.
- v. Member Matthews reported that SIMPCO, a health care provider, has the capability and capacity to fulfill the DHS TDF contract for the State and that is why they are present at the meeting today.
- vi. Dr. Sterling, President of SIMPCO, stated they have approximately 100 BEP certified vendors on their roster that assist them with various procurement opportunities and projects. He reported they have already identified 10 vendors who would allow them to perform the scope of service required for the TDF contract.
- vii. Dr. Adams validated and verified that SIMPCO can provide the clinical background necessary and has interest in the outcomes that will help serve the community.
- viii. Member Martinez asked if Dr. Adams and the other seven potential providers of the TDF services were contacted for this procurement.
- ix. Dr. Adams replied they recently learned of the opportunity and Liberty Health did not reach out to them for contract participation.
- x. Member Ivory motioned to terminate the TDF contract and have it rebid. The motion was not seconded and did not pass.
- xi. Ms. Lakhani suggested that members put together a document with their recommendations on how the subcommittee should proceed.
- xii. Chair Roberts requested that Member Matthews provide the subcommittee with the necessary chronological detailed information on this contract, and for SIMPCO to provide information on how they would provide the necessary scopes of work outlined in the current contract. The subcommittee will base their recommendations on the documentation provided.



- d. **Harvard Institute of Politics BEP Study**
  - i. Member McGee made a brief introduction to the Harvard study and the principals of access to certification, developing a robust vendor pool, and their recommendations.
  - ii. Chair Roberts requested the agenda item be moved to the next meeting for further discourse.
- e. **Update on Guidance Memo for excluding additional requested exemptions**
  - i. Member Matthews reported that Director Forde in the last Council meeting noted that the Guidance Memo will be discussed in the next full Council meeting and has deferred activity on this item until then. Ms. Mandeville confirmed this.
- f. **Sheltered Market**
  - i. Guidance Memo on Sheltered Market on IT and Advertising
    - 1. Ms. Mandeville reported that a memo went out on these sheltered markets in January of 2020. Chair Roberts stated that neither she nor Member Matthews. Ms. Mandeville responded that this would be remedied.
  - ii. Sheltered Market Potential Areas
    - 1. Chair Roberts recognized that Member Ivory is requesting a data assessment on the categories of Security Services, Legal Services, Architects and Engineers to see if there are any disparities in these categories. He also asked how non-eligible firms participate in the State's procurement process in doing business in those areas compared to eligible firms. The Chair asked Ms. Johnson if the BEP Act referenced any direction in these areas or any other potential areas. Ms. Johnson confirmed.
    - 2. Member Ivory stated the need to educate people on the sheltered market process. He remarked mentioning sheltered markets to some junior colleges and they had never heard of a Sheltered Market.
    - 3. Member Matthews noted disparities in Professional Services firms and Accounting.
- g. **Compliance Plans**
  - i. This item was skipped
- h. **SB 1608**
  - i. Chair Roberts stated that if this bill passes, it will have a great impact on the way the Business Enterprise Program is run, which will become effective immediately.



- ii. Ms. Johnson stated they value the initiatives of the Black Caucus to root out historical, systemic racism through this legislation. She reported that they are working together right now to identify the potential challenges or issues that could result. She said there are some conversations needed and as they receive any more information, they will be sharing it with the Council.
- iii. Member Matthews requested BEP's position on the legislation. Ms. Johnson stated they would provide more information soon.

VII. **Define Action Items**

VIII. **Public / Vendor Testimony**

Chair Roberts opened the floor to public/vendor testimony.

a. Mr. Malcolm Weems

Mr. Weems spoke about the legislative intent and what are some of the issues. He begged that the BEP Council be aware that there is a focus on enforcement of the BEP Act. They want to raise the statewide statutory goal from 20 to 30%. Mr. Weems said the goal is to give people more business. He stated that when the Black and Latino Caucuses start looking at the agency as the problem, soon they will think that lack of enforcement may be a problem. Mr. Weems knows from working with the Council that the will to enforce is present. He noted that this legislation is a signal to the Council. Mr. Weems stated the creation of this other Diversity Inclusion Board is an indication of how they feel.

Mr. Weems said the Accenture company worth millions of dollars, have a multi-million-dollar contract with the state. He said in just Illinois, they have messed up to the tune of over \$100 million. When you talk about people not being able to perform the contract work properly, that argument can only be made after the contract is awarded. All the diligence performed on the front end gives these vendors an opportunity. He said when a 1% goal be decided, talk about how the goal is going to be enforced. If you are enforcing goals, most people will pass on a contract if they don't think it will be fruitful. Mr. Weems emphasized enforcement again.



Mr. Stokes stated he is not trustworthy that in terms of compliance. He said he is going to do things to support this council. Mr. Stokes said he is going to be here to bring about change but also to bring *about*

- b. Mr. Charles Harrell, II – CEO & President, The Information Technology Architect Corporation

Mr. Harrell stated that there was another contract that resulted in loss of revenue to BEP vendors and it was based on the BEP statute. He said a BEP firm should not have to fight for an opportunity and it's about the enforcement. Mr. Harrell said his recommendation is looking closely and pulling the process apart. He stated the need to change so you can fill in those gaps.

- c. Mr. Dale Morrison –

Mr. Morrison said that Mr. Weems stated much of what he was thinking. He stated the BEP Council can and should be doing more. Mr. Morrison emphasized enforcement. He said they see contract after contract with only a 1-2% goal and there is no way the State can continue this way, something's got to budge. He asked how can they make this more effective; how can they enforce? Mr. Morrison stated these firms may say they are going to walk away, but they aren't going to walk away from a multi-million-dollar contract.

**IX. Upcoming Business Enterprise Council & Subcommittee meeting dates:**

- Next Council Meeting – Monday, February 22, 2021
- Next Certification Subcommittee Meeting – Monday, March 22, 2021
- Next Outreach Subcommittee Meeting – Tuesday, March 23, 2021
- Next Compliance Subcommittee Meeting – Wednesday, March 24, 2021

**X. Adjournment**

Member Matthews moved to adjourn. Member Ivory seconded. All agreed. The meeting adjourned at 4:04 pm.