



**Business Enterprise Program Council
OUTREACH SUBCOMMITTEE MEETING
Wednesday, May 30, 2018
1:30 pm – 3:00 pm
Room 4-404
Via Teleconference Number - 888-494-4032
Access Number - 2587213722**

Minutes

SUBCOMMITTEE COUNCIL MEMBERS IN ATTENDANCE

Emilia DiMenco, Jesse Martinez, Hedy Ratner, Alex Bautista

SUBCOMMITTEE COUNCIL MEMBERS NOT IN ATTENDANCE

Karen Eng, Khari Hunt

OTHERS IN ATTENDANCE

Amiel Harper, Ngozi Okorafor

COUNCIL SECRETARY

Cate Costa

CMS STAFF IN ATTENDANCE

Irma Lopez



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AGENDA

- I. Welcome
- II. Call to Order
- III. Roll Call
- IV. Posted Business
 - Pending Legislations
 - Legislative Hearing Proposals
 - Appropriate Speakers for Full Council Meeting
 - Vendors Payments
- V. Define Action Items
- VI. Suggestions for full BEP Council meeting agenda item(s)
 - Next Council Meeting -June 25, 2018
 - Next Subcommittee Meeting – July 23, 2018
- VII. Public /Vendor Testimony
- VIII. Adjournment



I. Welcome

Chair DiMenco welcome everyone to the meeting.

II. Call to Order

Chair DiMenco called the meeting to order and conducted a roll call.

III. Roll Call

Roll call conducted. Quorum was established.

Chair DiMenco called for the approval of minutes from March 27, 2018 meeting. Vote taken, minutes approved. She further said the previous minutes from past meeting would be reviewed and voted on later.

IV. Posted Business

- **Pending Legislation**

BEP Council Secretary informed the subcommittee that there is an Executive Order that came out recently that specifically directs BEP to issue an outreach strategy to address the underrepresentation of African American businesses in state contracts. It is due 120 days from the date of May 11, 2018.

Chair DiMenco suggested that we need to align economic development with small business organizations that are devoted to communities with high population of African Americans. She said that would be CMSDC, Chicago Urban League, Bethel, and Sunshine Enterprises. She recommended that we work with them to do the outreach.

Outreach Manager, Irma Lopez named CHA, Prairie State, Construction Business Development Centers, and others that she had worked with in the past. She said they had co-hosted events with her and she had participated in their own events and exhibits. She also named Project Hood as one of the new organizations that she had worked with recently and was very impressed. Member Ratner named Illinois Black Chamber of Commerce as one of the organizations to work with.

Chair DiMenco said the relationship with these organizations should be one that we ask them to host outreach events for us. She also wants to know what the presentation would look like. Outreach Manager Lopez talked about the "Did you know" that she and Assistant Director Harper worked on which talks about the amount of money the state spends on purchases and how they could be a part of it.

Chair DiMenco wants to know what manager Lopez leave the prospective vendor with. Manager Lopez said she leaves them with the steps to become certified; the basic requirements to become qualified; how important that you be qualified to provide the goods and services you are signing up for; and lastly, she tells them about the SBDCs, PTACs, and SBAs and the help they can have along the way.



Chair DiMenco said one of the things that we need to put on the agenda for the next council meeting is that the Outreach Division of BEP has been tasked with this responsibility and that we need the council members help in this endeavor.

Member Bautista said he enjoyed the comprehensiveness and the global overview of BEP outreach presentation.

Irma Lopez talked about the six pillar-industries identified for BEP: Construction, I.T., Professional Services, Equipment and Commodities, Food, and Health. She said it was started last year by doing some presentation every month. She said she would identified all the vendors by commodity codes in our database for any given industry and then setup an informal networking event where partners such as WBDC, state procurement, Department of Human Rights would come and talk. She said mostly people were encouraged to network. She said we have gotten great feedback. She said we have grown to the point whereby we need to make it a little more formal. She said going forward her next format will be panel discussions. She said she will identify two prime vendors, two successful BEP vendors, a purchasing officer and a partner to come and speak about best practices, contracting struggles, and successes.

Member Martinez said one of the value of the BEP council is its advocacy. He said it is important to let vendors know that if they have issues with the contracts, they should come to the council and vent those concerns because that is where they can be helped. He said it is important to add this to the presentation that they have an advocate within the state.

Chair DiMenco said we are limited in what we can do right now because we only have Irma and we have no budget. She said once we help more help and a budget, we will expand our reach throughout the State.

Secretary Costa said they are working to have webinar presentations for manager Lopez available so that people who have questions can have them answer in real time. Member Bautista said he is going to look into the possibility of making their CIOs services available. He said we can leverage technology so that we do not have to spend unnecessary money. He lastly said we should be able to work smartly. Chair DiMenco said his is something that should be put on the agenda for the full council.

Ms. Okorafor read out the Executive Order in order to give the subcommittee a clear and concise understanding of what it says and what is expected. She said there are two components to the Executive Order: 1) Issuance of an Outreach Strategy that addresses the underrepresentation of African American businesses in State contracts and 2) Develop quarterly evaluation matrix to measure state agencies achievements in engaging underrepresented communities. She said both components are to be done in 120 days. She recommended that all BEP Council members get a copy of the Executive Order. She stressed that these components are to be done by the BEP staff in consultation with the council.



- **Legislative Hearing Proposals**

Assistant Director Harper said SB2365 is still in the amendment stage, but it changes the procurement codes. He said the two major changes occurring is that we are adding to the scoring of 20% for evaluating how companies do diversity and the other part of the bill states if you are a BEP vendor and you failed to reach your BEP goals, you will not have your contract renewed for the duration of the contract. He said the bill is sponsored by Sen. Clayborne in the Senate and Rep. William Davis in the House.

Chair DiMenco wants to know if it passes into law, will there be legal challenge to it. Assistant Director Harper said this is something they are working on.

- **Appropriate Speakers for Full Council Meeting**

Member Martinez said he would like to see some decision makers within their agency come to talk to us about their process of decision making in their program and what are they doing to increase diversity. Member Ratner concurred with member Martinez. Assistant Director Harper said he will send the subcommittee a template to use as a guide for how to approach the agencies about getting representatives to come before the council and explain their procedures and process of decision making within their agencies.

- **Vendors Payments**

Chair DiMenco talked about vendors not being paid on time for work performed under contract. She also talked about the delay in signing contracts. She said a lot of WBDC vendors do not want to do business with the state because it is a financial hardship. She said the State really has a bad reputation on documentation, vouchering, and payment of vendors. She said a lot of these vendors cannot afford to wait 18 months to get paid.

Assistant Director Harper recommended that we should have someone from the Vendor Payment Program come and explain how that program works so that vendors will have a clearer understanding. Chair DiMenco said the only way some of their vendors get paid is by writing hardship letters to the Comptroller's office.

Secretary Costa said the problem is that there is no guarantee that any of the qualified purchaser will accept any of the vendors.

Chair DiMenco said this is way too complicated for the small businesses. She said we are spending all this time on outreach, however, until we fix the payment piece, we are just hurting small businesses.

V. Define Action Items



- Executive Order and Outreach strategy
- Provide copy of the Executive Order for all Council Members

VI. Public/Vendor Testimony

None

VII. Adjournment

Member Ratner moved to adjourn. Member Martinez seconded. Meeting adjourned at 2:40pm.