

**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, August 22, 2016- 1:30 PM

COUNCIL MEMBERS IN ATTENDANCE

Beth Doria , Jesse Martinez, Hedy Ratner, Sharla Roberts, Cate Costa, Charisse Witherspoon, Karen Eng, Sheila Hill Morgan, Kim White, Denise Barreto (Ph), Michael Hoffman, Jimmy Odom, Khari Hunt, Erin Aleman, Emilia DiMenco

COUNCIL MEMBERS NOT IN ATTENDANCE

Samantha Hufnagel, Susan Shaw, Bobbie Wanzo, Larry Ivory, Edward McKinnie

COUNCIL CHAIR

Michael Hoffman, Chairman

COUNCIL SECRETARY

J. Marcos Peterson

CMS STAFF IN ATTENDANCE

Carlos Gutierrez, LaShonda Hunt, Ben Jones, Harry Reinhard

OTHERS IN ATTENDANCE

Geno Marchizza, Gustavo Giraldo, Dale Morrison, Margaret Van Dijk

**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

August 22, 2016
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 June 27, 2016
- V. Chair's Report
 - Council's Chairmanship
- VI. Posted Business
 - Appointment
 - Jimmy Odom
 - Sheltered Market Initiative
 - Member Participation Policy
 - Sub-Committees Meeting Times
- VII. Committee Updates
 - Certification Committee
 - Marketing and Community Engagement
 - Policy and Compliance
 - Business Strategy and Growth
 - Advocacy and Public Policy
- VIII. Old Business
- IX. New Business
- X. Public/Vendor's Testimony
- XI. Adjournment
 - Next Council Mtg. – October 24, 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 Michael Hoffman welcomes all.

II. Call to Order

Chair Hoffman called the meeting to order at 1:30pm and asked 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 Hoffman thanked everyone for coming and then informed the council of the departure of the former Chair, Kim McCullough, from the Department of Central Management Services to the Department of Healthcare and Family Services where she is serving as Acting Director. He also said going forward he will now be the Chair of the Council.

VI. Posted Business

Appointment

Chair Hoffman told the Council that he was unaware of the procedure that the Council followed regarding the approval of its Secretary and that Deputy Director Marcos Peterson appointment was not a sign of disrespect. He said Marcos was selected for this position primarily because of his outreach background.

Member Doria asked Deputy Director Peterson to give a brief background of his experience to the council.

Deputy Director Peterson said he had worked in the Governor's office for two years before taking this position. His primary focus had been his outreach to the Latino, Gays and Immigrant communities. He also told the council about working with the George Bush administration in the area of logistics in Washington D.C. for three years.

Member Ratner said her concerns remain with the area of procurement. She said there are lots of issues regarding state contracting, subcontracting, sheltered markets, and set-asides and that the council needs to know he (Marcos) will have the specific resources to deal with the issues and not necessarily the expertise.

Deputy Director Peterson responded by saying that with the amazing team BEP has, along with Director Hoffman and Counsel Ben Jones, she can be assured that the necessary team will be available to address those issues. Additionally, Director Hoffman added that procurement reform is one of the top five initiatives of CMS under his direction and that it is also important to the Governor as well. He said they are looking at ways to streamline the process. He further said when they were looking at replacing Paul, they quickly realized that there was no one person with all the skill set that are needed for this position. He said this requires a team work. He pledged that the team will be properly resourced and managed with the appropriate expertise in the room.

Member Roberts wants to know what type of training will be given to the BEP staff. She asked whether we could work with the Comptroller's office to assist financially with the training since they are collecting \$15.00 on every contract. Deputy Director Peterson said that the training is still being assessed. Director Hoffman is the Chief Procurement Office has some funds through their national office and that they are in talks with them to assist us.

Member Hill-Morgan said there are lots of knowledge in the council as well as BEP and the procurement staff that Marcos could leverage.

Member Sharla Roberts put the motion on the floor to approve Deputy Director Marcos Peterson as Secretary of the Business Enterprise Program Council. It was seconded by member Beth Doria. The vote was taken and the motion passed unanimously.

Jimmy Odom

Secretary Peterson introduced Mr. Jimmy Odom to the council as someone who is doing great work in the areas of minority outreach and development with the Department of Commerce and Economic Opportunities (DCEO). Mr. Odom said he is from Chicago and have lived here all his life. He worked with Apple before resigning and establishing his own company. He later sold the company before starting his job with DCEO as Advisor for Minority Business Development. He said he is new to state government and use this as a means to push the boundary. He informed the council he was leading the charge on several new programs, one of which was announced by the Governor about six months ago. It is called ADME which stands for Advancing the Development of Minority Entrepreneurship. He said it is intended to be an incubation program for minority entrepreneurship. He said he is hoping to open up application within the next several weeks. He said as a minority entrepreneur outside of the state, there are things that he experienced that have not been experienced by his counterparts in the state. Therefore he can bring in a unique perspective. He said he is not here to make a career within the State but instead to make infrastructural changes in the way that the state operates so that the next generation can have a little bit better experience than

he did. He further said he is open for feedbacks, concerns, and recommendations. He said 3 things we needed to do are to create higher minority revenue, have access to capital, and to know the eco-system.

Member Ratner wants to know whether the system is a virtual incubator. Mr. Odom said it is still yet to be determined but thinks some component might be virtual. Member Ratner further asked whether he was working with the SBDCs. He said yes. He said the co-hosts are going to be in Chicago, Rockford, and Peoria.

Member DiMenco asked Mr. Odom to talk about the challenges of lending to minorities. Mr. Odom said when he first started formulating the program; he met with financial institutions and inquired why it was hard for minority businesses to get capital from their institutions. The institutions said the programs were established outside of their involvement and later on thrust upon them. Mr. Odom said the State worked with Gallop Research Organizations to establish the EVS (Entrepreneur Viability Score). It is a data driven approach to learning.

Member Witherspoon asked whether he was a beneficiary of a mentor protégé program. He said yes.

Member Jesse Martinez asked Mr. Odom whether he knows of a program with the Illinois Finance Authority which lends according to group ability to do the work and not your ability to bond. Mr. Odom said no, but would like to learn more about it.

Sheltered Market Initiative

Director Hoffman said in the ongoing months they would need the input of the council regarding where sheltered market could be implemented in order to correct disparity. He said the Governor was not happy with the slow pace of the progress on this issue.

Member Doria wants to know if the sheltered market is going to include construction. Director Hoffman responded by saying IDOT is conducting their Diversity Study for horizontal construction and we are waiting to see their result. He said he doesn't believe construction was captured in the current disparity study we are relying on. Member Roberts said she believes it did include vertical construction but not horizontal construction. Director Hoffman said that would be looked into. He said right now they are mainly working in the general services area. He also said it could be expanded in the future.

Member Roberts wants to know whether the Policy Committee needs to look into the sheltered market rules or a whole new group will be established for that purpose. Director Hoffman said he would defer to the wisdom of the

group. Member Barreto said she supports the Policy Committee taking over that task because that is why they were established for.

Counsel Ben Jones cautions that the present group taking the rules will be heavy lifting. On the other hand, member Hill-Morgan supports member Barreto's idea of having the present group handle the rules. She also encouraged others to join the committee. Director Hoffman asked Deputy Director Peterson to look at the structure and membership of the subcommittees.

Member Participation Policy

Director Hoffman said in the past attendance had been a problem. However, he said that he is encouraged by this meeting attendance. He advised the council to decide whether attendance should be incentivized. He challenged the council to find ways how this level of participation can be maintained.

Member Doria said she hopes that the council meeting being held every other month would help with attendance and having a quorum. She said in the event that this does not work, and then they will have to go to plan B which will be re-engaging the council about their attendance.

Member Martinez said he is encouraged to attend meeting when something is being done or accomplished. Member Witherspoon concurred with member Martinez.

Member Eng expressed frustration about most things being done outside of the council than at the meeting itself.

Subcommittees Meeting Times

Director Hoffman said that one thing that should be done at the next council meeting is to go over the statutory responsibilities of the council. He also said the council will need to decide how emergency situations are dealt with when things need to be addressed right away and not wait for two months.

Member DiMenco talked about suspending the activities of her subcommittee, Advocacy and Public Policy Subcommittee because lots of members are on other committees and therefore cannot attend meetings. She urged review of subcommittee's membership so that members can be placed in committees that they can have the most impact. She also mentioned lack of staff support and looking for more guidance on the executive order.

Member Ratner talked about making attendance via phone count toward quorum. Counsel Jones said you do have to be present in order to have a quorum.

Member Hill-Morgan admonished fellow members to take their responsibilities seriously and commit to attending these meetings. Member Roberts wants all members to be informed when each committee is having a meeting.

Deputy Director Peterson informed the Council that BEP will be hosting a workshop to get BEP vendors certified. It will be in partnership with B2GNow which is expected to go live on August 9, 2016. Also member DiMenco announced that WBDC will also be going live with B2GNow in September.

Committees Update

Certification Subcommittee

Chair Doria corrected her July 25, 2016 meeting minutes to reflect “no further business came before the certification committee” instead of “the Policy and Enforcement committee”. Member Doria also brought a waiver before the full council for approval because the Policy, Rules, and Enforcement subcommittee no longer exists. Member Jesse Martinez motioned for approval. Member Roberts seconded. Voted taken and motion passed unanimously.

Member Roberts talked about the Good Faith Effort from a vendor that states that they would not use the subcontractor if they were awarded the contract.

Compliance Manager Reinhard said he was aware of the document being discussed and that his staff had spoken with the vendor and had referred the vendor to Sharon Reed from Western Illinois University. Member Roberts promised to reach out to Sharon Reed.

Member Doria also spoke about the certification committee having an appeal on July 25th regarding “Over the Cap”. She said after the review, a waiver was granted on that particular contract. Lastly, member Doria said the outside employment issue is still an ongoing issue before the committee.

Marketing and Community Engagement Subcommittee

No Report

Policy and Compliance Subcommittee

Member Roberts said the group met and that they do have a report to submit.

Business Strategy and Growth Subcommittee

No Report

Advocacy and Public Policy Subcommittee

Chair DiMenco referenced her attached report on overlapping meetings, staff support, and direction on the executive order.

VII. Old Business

Member Witherspoon wants to know what the council can do to properly manage the mentor protégé program.

Member Roberts asked that the council have a representative from the Tollway come before the next meeting to talk about the success of their mentor protégé program.

VIII. New Business

Member Roberts want the compliance plan that is being sent to agencies and universities to include everything that the law says. She said it seems as though there are some things missing on the compliance form sent out. Deputy Director Peterson promised to look into that.

IX. Public/Vendor's Testimony

None

X. Adjournment

Member Witherspoon motioned for adjournment. Member Doria seconded. Vote taken and motion to adjourn passed. Meeting adjourned at 3:20pm.