

# BEP Council Bylaws

## **BUSINESS ENTERPRISE PROGRAM COUNCIL BYLAWS**

### **Article 1 - Compliance with Laws**

The Business Enterprise Program Council shall comply with all applicable laws, rules, and regulations, including those set forth in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (“BEP Act”), 30 ILCS 575/1 et seq., and Title 44 Part 30 of the Illinois Administrative Code.

### **Article 2 - Definitions**

*Business Enterprise Program* (“BEP”) means the Business Enterprise Program for minorities, women, and persons with disabilities of the Commission on Equity and Inclusion.

*BEP Council* or *Council* means the advisory Business Enterprise Council, for Minorities, Women, and Persons with Disabilities created under Section 5 of the BEP Act.

*BEP Chairperson* means the Chairperson of the Commission on Equity and Inclusion, who is responsible for leading BEP Council meetings.

*Commission on Equity and Inclusion* (“*Commission*” or “*CEI*”) means the Commission created pursuant to the CEI Act, 30 ILCS 574/1 et seq.

*Member* means a member of the BEP Council.

*Advisory Member* means the Comptroller or his/her designee appointed to help implement, monitor, and enforce the goals of the BEP Act.

*Secretary* means the individual appointed by the BEP Chairperson, subject to the approval of the BEP Council, who is responsible for the operation of BEP and shall serve as a BEP Deputy Director.

*Deputy Secretary* means the individual appointed by the BEP Chairperson, who is junior to the Secretary of the BEP Council and responsible for the operation of BEP while serving as a BEP Deputy Director. The Deputy Secretary performs all functions of the Secretary during the absence or vacancy of the position.

### **Article 3 – Council Membership**

#### **a. Council Members**

The BEP Council consists of the following individuals:

1. the Secretary of Human Services,
2. the Director of the Department of Human Rights (DHR),
3. the Director of the Department of Commerce and Economic Opportunity (DCEO),
4. the Director of the Department of Central Management Services (CMS),
5. the Director of the Department of Transportation (DOT),
6. the Director of the Capital Development Board (CDB),
7. ten individuals representing businesses that are minority-owned (MBE), women-owned (WBE), or owned by persons with disabilities (PBE),
8. two individuals representing the business community,
9. a representative of public institutions of higher education, and
10. the Comptroller, or their designee, as an advisory member.

Individuals representing MBE, WBEs, or PBEs, individuals representing the business community, and the representative of public institutions of higher education are appointed by the Governor.

The Secretary of Human Services and the Directors of DHR, DCEO, CMS, DOT, and CDB may appoint a representative to serve on the Council in their stead or as needed.

b. Term

Members serve a two-year term and are eligible for reappointment.

c. Vacancies

Any vacancy occurring on the Council shall also be filled by the Governor. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term.

d. Expenses

Members of the Council shall serve without compensation but shall be reimbursed for any ordinary and necessary expenses incurred in the performance of their duties.

e. Chairperson

The Commission on Equity and Inclusion Chairperson shall serve as the Council Chairperson and shall select, subject to the approval of the Council, the Secretary, who is responsible for the program's operation and shall serve as a BEP Deputy Director.

f. Duty of Loyalty

Every Council Member owes a duty of loyalty to the Program, which requires all Members to act in the interest of advancing the interests of the Program rather than in their own personal interest, the interest of other Council members, or the interest of the State Agency, business, or institution that employs them. Council Members must have an undivided allegiance to the Program and its mission and may not use their position as Council Members or information they have about the Council or Program in a manner that allows them to secure a financial or any other benefit for themselves, their relatives, another Council Member, or their employer. Accordingly, no Member may use his or her position in the Council for personal gain or to benefit another at the expense of the Program, its mission, or its reputation.

g. Duty of Care

Every Council Member must discharge his or her duties in good faith with a degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances. This requires using common sense, being diligent and attentive to the Program's needs and making thoughtful decisions in the program's best interest. No Council Member may take personal advantage of a business opportunity that is offered to them without disclosing their conflict to the Council.

h. Confidentiality

Each Member must protect the confidential and proprietary information brought before the Council and must not use confidential information for his or her personal benefit or use such confidential information or his or her position as a Council Member to the detriment of the

Program. Confidential information is defined as information obtained through the Member's position that has not become public information.

#### **Article 4 – Duties and Responsibilities**

##### **a. Council Authority and Responsibilities**

The Council's authority and responsibility shall be to:

(a) Devise a certification procedure to assure that businesses taking advantage of the BEP Act are legitimately classified as businesses owned by minorities, women, or persons with disabilities.

(b) Devise a registration procedure to recognize, without additional evidence of Business Enterprise Program eligibility, the certification of businesses owned by minorities, women, or persons with disabilities certified by the City of Chicago, Cook County, or other jurisdictional programs with requirements and procedures equaling or exceeding those in this Act.

(c) Maintain a list of all businesses legitimately classified as businesses owned by minorities, women, or persons with disabilities to provide to State agencies and public institutions of higher education.

(d) Review rules and regulations for the implementation of the program for businesses owned by minorities, women, and persons with disabilities.

(e) Review compliance plans submitted by each State agency and public institutions of higher education pursuant to this Act.

(f) Create annual reports on the status of the program as provided in Section 8f of the BEP Act, which shall be submitted to the Governor and the General Assembly.

(g) Serve as a central clearinghouse for information on State contracts, including the maintenance of a list of all pending State contracts upon which businesses owned by minorities, women, and persons with disabilities may bid. At the Council's discretion, maintenance of the list may include 24-hour electronic access to the list along with the bid and application information.

(h) Establish a toll-free telephone number to facilitate information requests concerning the certification process and pending contracts.

##### **b. Delegated Responsibilities**

The Council has delegated the following responsibilities to BEP:

- Developing and implementing a certification procedure and system, including the FastTrack and Recognition certification processes;
- Reviewing certification applications to ensure applicants are eligible;
- Maintaining a list of certified BEP vendors that is available to the public;
- Reviewing rules and regulations, and making recommendations for the Council;
- Reviewing utilization plans, solicitation goal setting, and pre-award, individual, contract waiver and exemption requests; and
- Conducting outreach to current and prospective BEP vendors.

Unless and until Council votes to return such delegated responsibilities to the Council, BEP shall

be independently responsible for performing all duties and responsibilities delegated to it.

## **Article 5 – Council Meetings**

### a. Schedule, Agenda, and Notice

The BEP Council meets bi-monthly. Meetings are presided over by the Chairperson , who sets the agenda for the meeting in coordination with the Secretary.

Meeting notices are posted in accordance with the Open Meetings Act, 5 ILCS 120.

### b. Quorum

A roll call shall be conducted at each meeting, after the meeting is called to order. A quorum must be reached to vote on pending matters before the Council. Quorum is achieved if a majority of voting members are present.

### c. Voting rules

Matters pending before the Council subject to vote will be added to the meeting agenda. As defined in the Conflict of Interest Policy in Article 7 below, members with a conflict of interest must disclose their conflict and refrain from voting. The Advisory Member of the Council shall not vote on any matters pending before the Council.

### d. Conduct

In order to conduct a fair and informed decision-making process during Council and Subcommittee meetings, meetings will be conducted in accordance with Robert’s Rules of Order. The Chair is responsible for maintaining order. Members are expected to treat all Council members, members of the public, and State employees with civility. According to Robert’s Rules of Order, Members must be recognized by the Chair before speaking.

Repeated violations of Robert’s Rules by a Council Member may result in the forfeiture of the Member’s right to speak and removal from the meeting.

When a Member commits a first offense, the parliamentarian, BEP Secretary, or Chair will raise a point of order to bring attention to the issue and the corrective action. If the same Member commits a second offense, the parliamentarian will raise a second point of order to note as such to the Chair.

### e. Minutes

Minutes will be recorded by the Secretary, or designee, and provided to the Council prior to the next regularly scheduled meeting. The Council will vote to approve the minutes at the next regularly scheduled meeting. If changes are necessary, the Secretary or BEP Staff will incorporate such changes. After the Council approves the minutes, the minutes will be posted on CEI’s website.

### f. Ad Hoc Meetings

Ad hoc meetings may be scheduled if the Council cannot complete its review of matters set forth on the meeting agenda, if the Council votes to schedule such ad hoc meeting(s). Ad hoc meetings shall be conducted in accordance with Article 5 of these Bylaws.

g. Public Testimony

All meetings of the Council and Subcommittees are open to the public. The Council will hear any interested member of the public pursuant to the guidelines outlined below. Public comment will not exceed a total of thirty (30) minutes.

**Article 6 – Subcommittees**

a. Established Subcommittees

Each subcommittee established herein shall have the power and duty to hold meetings on and to make recommendations to the Council on matters that are under its jurisdiction.

The BEP Council has three subcommittees: certification, compliance, and outreach.

i. Certification Subcommittee

The purpose of the Certification Subcommittee is to provide guidance on the certification best practices and methods, review the BEP rules set forth in the Illinois Administrative Code and make recommendations regarding updates and/or modifications to such rules or the BEP Act, and review appeals which may include waivers.

- Review bi-annually subparts D, E, F, and G of Title 44 Part 30 of the Illinois Administrative Code Business Enterprise Program: Contracting with businesses owned and controlled by minorities, women, and persons with disabilities.
- Review on a bi-monthly basis the progress on all certification files pursuant to Part 10 Section 10.62 of the Illinois Administrative Code.
- Review and make recommendations as to how long a file takes to be certified (Recognition, No Change Affidavit, and Full Certification), and request information as prescribed by the Illinois Administrative Code, including process improvement and reduction of delays.
- Review and recommend better customer service that is responsive to client needs.
- Be available to meet on the scheduled times and dates as agreed by the subcommittee chair.
- Acknowledge and address public concerns and needs.

ii. Compliance Subcommittee

The Compliance subcommittee supports the monitoring, enforcement and overall compliance for the Business Enterprise Program by:

- Reviewing BEP vendor contract participation;
- Offering input regarding Compliance operating procedures of the Program;
- Reviewing Compliance plans to validate requested exemptions by the agencies and universities;

- Reviewing 20/20 reports and submit findings and recommendations to the full Council;
- Reviewing JCAR 10.22 annually for expanding allowable exemptions in the Compliance Plan; and
- Acknowledging and addressing public concerns and needs.

iii. Outreach Subcommittee

The Outreach subcommittee supports the Outreach division through ensuring quality policies and processes, as it executes its work connecting businesses owned by Minorities, Women and Persons with Disabilities to BEP and State of Illinois Procurement opportunities. In addition, subcommittee members connect partners, opportunities, and resources to BEP in an effort to expand outreach initiatives.

b. Subcommittee Membership

Members may sit on up to two (2) subcommittees; provided however, that a member may seek approval of the Council to sit on three (3) subcommittees if the member can demonstrate that its participation on a third subcommittee will not impede its ability to perform its responsibilities to the Council and the additional subcommittees on which the member serves. BEP Council members interested in serving on a subcommittee must submit a written request to the Secretary 48 hours prior to the start of the subcommittee meeting the BEP member intends to join.

c. Subcommittee Chair

The subcommittee chair shall preside over all subcommittee meetings and shall provide a report on subcommittee activities on behalf of the subcommittee at BEP Council Meetings. The Secretary shall serve in place of an absent subcommittee chair.

Each subcommittee will vote to approve a subcommittee chair. The subcommittee chair shall serve for a term of one year and may be reappointed for a subsequent period of one year; provided that such term may not exceed the member's term on the Council. If the subcommittee chair position becomes vacant prior to the conclusion of the chair's appointment period or Council membership term, the Secretary shall serve in their place until a replacement is elected by the subcommittee.

d. Subcommittee Meetings

Unless specifically stated in this article, all subcommittee meetings shall be run in accordance with Article 5 of these Bylaws.

e. Authority

Each subcommittee may review, discuss, and hear public comment on matters falling under the subcommittee's jurisdiction. Subcommittees may vote to recommend actions for the Council, which shall be considered by the Council at the next regularly scheduled Council meeting, excluding votes subject to 44 Ill. Adm. Code 30.70 regarding an applicant's request for review of a certification denial. No subcommittee is authorized to take action or enforce penalties without a vote of the full Council unless it is regarding approving a request for review under 44 Ill. Adm. Code 30.70.

**Article 7 – Conflict of Interest Policy**

a. Purpose

The purpose of the Conflict of Interest Policy is to assist in protecting the legitimacy of the BEP Council and as such, the Business Enterprise Program (“Program”), and to prevent individual or State agency interests from driving policy, decisions, or recommendations made by the Council and its subcommittees. This Policy is meant to bring to light any new or existing transactions, relationships, or arrangements that might benefit the private interest of a Council member or the entity they represent. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to Boards and Commissions.

b. Conflicts

A conflict of interest may arise when a person has an existing or potential personal or financial interest or any other interest that impairs, or might appear to impair, his or her independence or objectivity in the discharge of responsibilities and duties to the Council and Program. Conflicts may arise from circumstances including, but not limited to, a person’s or their family member’s direct or indirect ownership in a company or organization, employment by or membership on a board of a company, state agency, public institution of higher education, or organization, membership on a committee, board, council, or commission with a mission that conflicts with that of the BEP Council, close personal friendship with a person who owns, is employed by, or a member of a company or organization, or any other circumstance that may cause a member to be impartial.

Any Member with authority delegated by the Council who has an actual or apparent direct or indirect personal or financial interest, as defined below, must report such conflict in accordance with procedures set forth in this Conflict of interest policy.

i. *Financial Interest*

A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- (a) An ownership or investment interest in any entity for which the Council is issuing a recommendation or decision.
- (b) A compensation arrangement with any entity or individual for which the Council is issuing a recommendation or decision.
- (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Council is issuing a recommendation or decision. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- (d) Employment by a State agency or public institution of higher education.

ii. *Personal Interest*

A person has a personal interest if the person is:

- (a) A member or employee of an organization or association that represents minority, women, or persons with disability-owned business or prime contractors;
- (b) A close personal friend of an owner or a board member of a company or organization;



(c) A family member of an owner or board member of a company or organization.

A personal or financial interest is not necessarily a conflict of interest. A conflict arises if a matter is pending before the Council in which the member has a personal or financial interest. A person who has a personal or financial interest must report such interest in accordance with procedures set forth in this Conflict of Interest Policy.

c. Conflict of Interest Procedure

If a Council Member has an actual or potential conflict of interest, they must disclose the existence of the financial or personal interest to the Secretary, CEI Ethics Officer, and CEI legal counsel. Disclosures must be made using the conflict of interest disclosure form, a copy of which will be provided to all Members no less than annually. If reported conflicts of interest align with Council meeting action, said conflicts of interest will reflect on the meeting agenda or be disclosed preceding the administration of Council voting protocol.

If the Secretary, CEI Ethics Officer, and CEI legal counsel determines that a reported conflict of interest is of such a nature that discussion is warranted or that it is unclear whether a conflict exists, the conflict will be resolved and disclosed, if warranted, preceding the Call to Order of the meeting.

d. Violations of the Conflict of Interest Policy

If the Council has reason to believe a Member has (i) failed to disclose an actual or possible conflict of interest or (ii) has otherwise violated the Conflict of Interest Policy by participating in discussions or decisions regarding the related matter or votes or attempts to vote on a related matters, they shall inform the Secretary of the basis for such belief.

If, after hearing the response of such individual and making such further investigation as may be warranted by the circumstances, the Council determines that the Member has, in fact, failed to disclose a direct or indirect financial or other actual or potential conflict of interest or has otherwise violated the Conflict of Interest Policy, it shall recommend to the Governor the appropriate disciplinary and corrective action.

If a Member has violated the Conflict of Interest Policy three or more times during their term, the Secretary shall recommend to the Governor that the Council Member be removed from the Council and barred from serving on the Council in the future.

e. Records of Reported Conflicts of Interest

Records of all reported conflicts and Council decisions regarding conflicts, if applicable, shall be maintained by the Secretary for a period of no less than two years.

The minutes of all Council and Subcommittee meetings shall contain:

(a) The names of the Council Members who have disclosed or otherwise were found to have a conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the Council's determination regarding the conflict of interest, if applicable.

(b) The names of the persons who were present for discussions and votes relating to the matter before the Council, the content of the discussion, and a record of any votes taken in connection with the proceedings.

f. Gifts, Other Relationships, and Benefits

Council Members or any of their relatives shall not directly or indirectly:

(a) Accept any gift, entertainment, services, loans or promises of future benefits from any person who might personally benefit or whose company, organization, or employees might benefit or appear to benefit because of the Member's connection with the Council, unless the fact of such gifts, entertainment, services or loans are disclosed to the Council. This does not apply to gifts or similar entertainment of nominal value.

(b) Utilize their positions for personal, professional, political or monetary gain by acting individually on behalf of the Council.

g. Annual Disclosure Statement

Not less frequently than annually, each Council Member shall acknowledge that they have received a copy of the Conflict of Interest Policy, have read and understand the policy, agree to comply with the policy, and understand their actions as a Council Member shall be in furtherance of the mission and purpose of the Program. This statement shall further include any existing or other material conflicts of interest.

A copy of the annual disclosure statement, all reported conflicts, and Council determinations regarding Conflicts will be maintained by the CEI Ethics Officer and CEI legal counsel for a minimum of two years.

h. Resolution of Conflicts

If a reported conflict is resolved, the Member must notify the BEP Secretary and legal counsel. The Secretary will notify the Council at the next regularly scheduled meeting. After a conflict has been resolved, the Member may participate in discussions and vote on related matters unless the Member is unable to act impartially based on the nature of the conflict.

### **Article 8 – Attendance Policy**

The Council's effectiveness in advancing its mission of increasing supplier diversity in the State of Illinois is dependent upon achieving quorum. Therefore, the Council has resolved that it should adopt an internal policy regarding members' attendance at meetings of the body to address specific baseline standards, how and when members are to be excused from attending meetings, and when the Council is to report a member's excessive absenteeism to the Governor.

Regular attendance at State of Illinois Business Enterprise Council ("Council") meetings, Council committee meetings, and Council subcommittee meetings is essential to maintain continuity and cohesion in the management and governance of the Council.

a. Purpose

This Council Attendance Policy is intended to encourage regular attendance at meetings, establish attendance standards for appointed members, and to provide procedures to deal with failures in such attendance.

b. Policy

Council, committee, and subcommittee members are expected to demonstrate their commitment to the Council by attending all meetings of the BEP Council and any subcommittees each member has elected to sit, except when prevented by unforeseeable events. Prospective members of the

Council shall be provided copies of the attendance policy and asked to commit themselves to observing its terms.

c. Attendance Requirements

Except in the event of a notified absence, defined below, each Council member is expected to attend each Council meeting as well as each meeting of committees and subcommittee of which the Council member is a committee member or subcommittee member. If a member is absent for two consecutive Council, committee, or subcommittee meetings without first notifying the Council, committee, or subcommittee chair of their absence, or if a member is absent for three consecutive meetings having notified the Council, committee, or subcommittee chair of their absence, that member is in breach of their obligations and may be reported to the Council Secretary as described in the “Process” section.

d. Electronic Attendance

The Illinois Open Meetings Act (OMA)( 5 ILCS 120/7(a)), requires that a public body reach a quorum of physically present members at a meeting location, in order to hold a meeting and conduct business. Once a physically present quorum is met, a majority of the public body can allow members to participate by video or audio conference ONLY If one of the following reasons has prevented the member from attending in person: (i) personal illness or disability; (ii) employment purposes or the business of the public body; or (iii) a family or other emergency.

e. Site Expansion

Pursuant to Section 2.01 of the OMA, the Council may achieve quorum by utilizing its right to extend public meetings to other public buildings within the State of Illinois provided that interactive video conferencing equipment is available and said location is demoted on the agenda.

f. Notified Absences

A member’s absence shall constitute a “notified absence” where the member, at least 48 hours in advance of the meeting, informs the Council Secretary or other person whom the Council has designated that the member will be absent. An absence due to unforeseen circumstances such as illness or emergency shall also qualify as a notified absence where the member reports such absence to the Council Secretary as soon as reasonably possible.

g. Responsibilities

The Council Secretary shall notify members of forthcoming meetings. Where Council members are prevented from attending any meeting, they should notify the Council, committee, or subcommittee Chair of their intended absence at least 48 hours prior to the meeting. Council Members whose attendance requires additional physical sites within public buildings must provide 48 hours’ notice prior to the meeting to accommodate public posting requirements of the Open Meetings Act.

It is the responsibility of the Council Secretary, or designee, to monitor the attendance of each member of the Council at Council, committee, and subcommittee meetings, respectively. The Council Secretary shall record attendance at Council meetings, committee meetings, and subcommittee meetings. The attendance of Council, committee, and subcommittee members shall be tracked by the Council Secretary and recorded on a publicly available attendance sheet. This

sheet will be distributed at each Council, committee, and subcommittee meeting.

The Council Secretary shall record all absences involving neither advanced notice nor unforeseen circumstances as non-notified. Council, Committee, and Subcommittee Secretaries shall provide attendance records and minutes to the Council Secretary.

h. Process

If a member is in breach of their attendance requirements, the Council Secretary shall consult the individual to discuss the matter. If the member's difficulties are resolvable, then the Chair shall make a reasonable attempt to resolve them. If no mutual resolution is possible and the member wishes to remain on the Council, then the member's response will be put to the Council at its next meeting. The Council Chair shall address attendance issues at least once a year.

i. Report to Governor

The Chairperson shall report instances of a member having two consecutive non-notified absences as well as any instances of three consecutive absences of a member from regular meetings in a fiscal year to the Governor. The report will include attendance at Council, committee, and subcommittee meetings.

j. Annual Attendance Report

At the end of each fiscal year, the Chairperson shall submit a written report and the member attendance sheet to the Governor detailing each Council member's attendance at all Council, committee, and subcommittee meetings for that fiscal year.

### **Article 9 – Violations of Bylaws**

The BEP Secretary shall record all violations of the Bylaws. If a member suspects another member has violated these Bylaws, they must report such potential violation to the BEP Secretary and CEI legal counsel. If a member violates these Bylaws three or more times in any calendar year, the Secretary shall make a recommendation to the Governor to remove the member from the Council, and depending on the severity of the violations, may recommend prohibiting the member from serving on the Council in the future.