

ILLINOIS BOARD OF HIGHER EDUCATION
INDEPENDENT COLLEGES CAPITAL PROGRAM (ICCAP)
BUSINESS ENTERPRISE PROGRAM (BEP) CERTIFICATION AND PLAN

FAQs (Frequently Asked Questions)

- 1) What is the Business Enterprise Program (BEP)?** A commonly known term used to define the State's public policy to promote and encourage the continuing economic development of minority and female owned and operated businesses and businesses owned by persons with disabilities. The State declares that the use of minimum goals constitutes a narrowly tailored means of promoting open access and thus the further growth and development of those businesses. (30 ILCS 575/1)

- 2) When is the BEP required?** Prior to the distribution of grant funds after July 16, 2010.

Each recipient shall submit the written certification and business enterprise program plan for minority-owned businesses, female-owned businesses, and businesses owned by persons with disabilities before signing the relevant grant or loan agreement. (30 ILCS 105/45)

- 3) Why is the BEP required?** Senate Bill 3249 (Public Act 96-1064) conditions the award of state-funded grants on compliance with the business enterprise program practices for minority-owned businesses, female-owned businesses, and businesses owned by persons with disabilities, effective July 16, 2010.

Each award by grant or loan of State funds of \$250,000 or more for capital construction costs or professional services is conditioned upon the recipient's written certification that the recipient shall comply with the business enterprise program practices for minority-owned businesses, female-owned businesses, and businesses owned by persons with disability of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/) and the equal employment practices of Section 2-105 of the Illinois Human Rights Act (775 ILCS 5/2-205).

- 4) What are the minimum goals for the BEP?** Pursuant to the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, the minimum goals are 5% minority-owned business enterprises (MBE) and 5% female-owned business enterprises (FBE) for construction projects.

Not less than 10% of the total dollar amount of State construction contracts is established as a goal to be awarded to minority and female owned businesses, and contracts representing 50% of the amount of all state construction contracts awarded to minority and female owned businesses shall be awarded to female owned businesses. (30 ILCS 575/4)

- 5) Where do I find certified MBE and FBE contractors?** The IBHE recommends using the Illinois Capital Development Board (CDB) online database of certified construction-related firms. The database consists of construction related MBE and FBEs that have been certified by the Illinois Department of Central Management Services and/or the Illinois Department of Transportation. www.cbd.state.il.us

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6) **Are there any exemptions to the BEP requirements?** Yes, a grantee may request an exemption to the BEP requirements for an approved capital project if the exemption is consistent with the statutory authorizations or Capital Development Board’s Fair Employment Practices (CDB/FEP) guidelines.

| Explanation/Description | Authority |
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| <p>A. The total estimated grant award to a grantee is less than \$250,000 and the total does not include the amount of the first distribution in June 2010, as determined by IBHE.</p> <p>This exemption is available to Mac Cormac College, Spertus College of Judaica, and St. John’s College.</p> | <p>“Each award by grant or loan of State funds of \$250,000 or more for capital construction costs or professional services...” (30 ILCS 105/45)</p> |
| <p>B. A grant project that is not funded with ICCAP dollars (i.e., grantee decides not to use grant awards for an approved project).</p> | <p>Submit a request to IBHE to delete the project from the capital projects list. Grant award distributions are available only for approved IBHE projects. (23 Ill. Adm. Code 1039.30)</p> |
| <p>C. The project was funded using the ICCAP grant funds from the distribution prior to July 16, 2010 (i.e., the distribution of \$35 million in June 2010);</p> <p>However, if the same capital project receives ICCAP dollars from a distribution subsequent to June 2010, the subsequent amount is subject to the CDB requirements for the BEP process unless another exemption applies.</p> | <p>“This Section, however, does not apply to any grant or loan for which a grant or loan agreement was executed before the effective date of this amendatory Act of the 96th General Assembly...” (30 ILCS 105/45)</p> |
| <p>D. A capital project has an estimated cost less than \$100,000. A capital project approved by the IBHE with an estimated cost greater than \$100,000 may not be divided into smaller projects to skirt the BEP requirements.</p> | <p>Policy of Fair Employment Practices Unit within Capital Development Board (CDB/FEP)</p> |
| <p>E. The BEP process requirements apply only to the portion funded with ICCAP dollars when the estimated cost of an approved capital project is greater than the total estimated ICCAP award.</p> | <p>“This Section, however, does not apply to any grant or loan (i) for which a grant or loan agreement was executed before the effective date of this amendatory Act of the 96th General Assembly...” (30 ILCS 105/45)</p> |

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| <p>F. A bid for a capital project was accepted by the grantee prior to July 16, 2010.</p> | <p>“This Section, however, does not apply to any grant or loan for which a grant or loan agreement was executed before the effective date of this amendatory Act of the 96th General Assembly...” (30 ILCS 105/45)</p> |
| <p>G. A capital project is completed in-house by an employee or employees of the grantee.</p> | <p>Cannot set goals for a no-bid capital project.</p> |
| <p>H. A capital project that was completed prior to July 1, 2012.</p> | <p>Cannot set goals for a finished capital project.</p> |
| <p>Grant funds used for a federally funded program under which the BEP requirement would contravene federal law.</p> <p><i>NOTE: If you believe this exemption applies to your capital project, submit a letter to the CDB/FEP with an explanation of the federal program and a request for this exemption.</i></p> | <p>“This Section, however, does not apply to any grant or loan... (iii) for a federally funded program under which the requirement of this Section would contravene federal law.” (30 ILCS 105/45)</p> |

7) What is the process?

| Step | Description |
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| <p>1.</p> | <p>Grantee reads the Business Enterprise Program Required Certification form and identifies approved capital projects that may be eligible for an exemption. Grantee enters the short titles of the capital projects in the appropriate boxes.</p> <p>Grantee completes the Business Enterprise Program Required Certification form. Mail signed original form to the address below:</p> <p>Karen Helland, Senior Associate Director Independent Colleges Capital Program (ICCAP) Illinois Board of Higher Education 431 East Adams St, 2nd Floor Springfield, IL 62701-1404</p> <p>Form is on the IBHE website http://www.ibhe.org/Grants/grantPrg/ICCAP.htm</p> <p>Questions can be sent to helland@ibhe.org or call (217) 557-7358.</p> |

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| 2. | <p>IBHE will review the form, determine the status for each project (exempt or non-exempt), and send a list of non-exempt projects to Jesse Martinez at the Fair Employment Practices Unit within the Capital Development Board (FEP/CDB). The list will also be sent to the grantee.</p> |
| 3A. | <p>a) If the grantee has non-exempt projects, grantee reads the FEP Grants Process handout and completes forms 4105 and 665 for the non-exempt projects that will be funded using funds from the next distribution of pro rata grant awards.</p> <p>b) Grantee mails the completed forms 4105 and 665 to FEP/CDB at the address below:</p> <p>Mr. Jesse Martinez Administrator of Fair Employment Practices (FEP) Capital Development Board 100 West Randolph Chicago, IL 60601</p> <p>c) FEP/CDB reviews the forms 4105 and 665, and either approves the plan or contacts grantee with suggestions and/or questions regarding the plan.</p> <p>d) IBHE will contact FEP/CDB when a grantee has one or more non-exempt projects to verify that the BEP plan has been approved. Once approved, the IBHE will sign the grant agreement with the grantee.</p> <p>Amount of the next distribution is in Appendix B, FY 2012 Award Notice on the IBHE website http://www.ibhe.org/Grants/grantPrg/ICCAP.htm</p> <p>Forms 4105 and 665 are on the IBHE website http://www.ibhe.org/Grants/grantPrg/ICCAP.htm</p> <p>Questions can be sent to Jesse.Martinez@Illinois.gov or call (312) 814-6290.</p> |
| 3B. | <p>If the grantee has only exempt projects, grantee does not need to complete the forms 4105 and 665. IBHE does not need to contact FEP/CDB prior to signing the grant agreement with the grantee.</p> |

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If you do not find the answer to your question, please send an email with your question to helland@ibhe.org. We will respond to your email and will also share FAQs with others by adding to this document at www.ibhe.org/grants.