

**MINUTES OF THE REGULAR MEETING OPEN SESSION  
ILLINOIS LIQUOR CONTROL COMMISSION**

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**50 W. Washington St. Suite 209  
Chicago, Illinois 60602**

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**September 18<sup>th</sup>, 2024  
1:00 PM**

**Call the Roll:**

Chair Berg called the meeting to order at 1:00 p.m.

**I. Present**

Melody Spann-Cooper	<i>Commissioner Absent</i>
Thomas Gibbons	<i>Commissioner</i>
Julieta LaMalfa	<i>Commissioner</i>
Steven Powell	<i>Commissioner</i>
Pat Pulido Sanchez	<i>Commissioner</i>
Brian Sullivan	<i>Commissioner</i>
Cynthia Berg	<i>Chair</i>

**ILCC Staff Present:**

Lisa Gardner	<i>Executive Director</i>
Dana O’Leary	<i>Assistant Director</i>
Dusanka Marijan	<i>Licensing Administrator</i>
Patrick Schoeben	<i>HR Director</i>
Noel Quanbeck	<i>General Counsel</i>
Richard Haymaker	<i>Legal Attorney</i>
Faheem Murad	<i>I.T.</i>
Nicole Sanders	<i>Industry Education</i>
Curtis Franklin	<i>Legislative Liaison</i>
Jackie Villa	<i>Acting Commission Secretary</i>
Michael Gentry	<i>Chief Fiscal Officer</i>

**II. Approval of Minutes**

A motion was made by Commissioner Powell and seconded by Commissioner LaMalfa to approve the minutes of the August 14<sup>th</sup>, 2024, meeting; the motion passed.

Julieta LaMalfa	Yes	Thomas Gibbons	Yes
Steven Powell	Yes	Brian Sullivan	Yes
Pat Pulido Sanchez	Yes	Cynthia Berg	Yes

**III. Executive Director’s Report**

Welcome, Chairwoman Berg and ILCC Board Members, ILCC Staff, industry stakeholders and guests. Thank you for your attendance. In August of 2024 the ILCC had a revenue of \$1,465,937.64. Of which 97% came from licensing in the amount of \$1,408,830. \$602,475 went to the general revenue fund and \$806,355 went into dram shop fund. Enforcement, legal, fines, penalties, and violations consisted of \$45,815. The ILCC has 31,184 active licenses. We issued 3,189 licenses in the month of August of which 300 were new licenses vs renewals. 90% of our applicant submissions were electronically, 97% of those being renewals and 153 in person transactions. In August, 604 Special Event licenses were issued. 83% submitted their applications electronically. We want to continue to encourage our special event licensees to

apply for their licenses via their MyTax Illinois account, this will help expedite the review and processing of their requests. We have issued 3,098 special event licenses this year to date. In August 1,643 retailers were reported delinquent and 1440 delinquencies cure. We received 8 BFDs. In August we conducted 823 inspections of which 130 were first time inspections. 252 Violations Cited, the most common were contaminated liquor found, IL Sales Tax certificate unavailable, ILCC license not being displayed, personnel not BASSET certified, and the pregnancy warning sign not displayed. 136 warnings were issued, the most common being Illinois sales tax certificate being unavailable, ILCC license not displayed, pregnancy warning sign not displayed, personnel not being BASSET certified, and 90 days of invoices were unavailable. 56 complaints were received via: The online submission form, email, phone calls, and in person information obtained during inspections & investigations. 18 Complaints were investigated and closed. The most common being: SAM, no valid license, and happy hour violations. We are continuing our commitment to reducing youth access to alcoholic beverages by use of Underage Compliance Checks. I am happy to report that the new UAC Asst program is growing, we currently have 36 active underage participants. In August we completed 14 UAC details which consisted of 251 establishments. We had a 72% compliance rate, 143 compliant of which 71 failed. Of those 71, 27 prior offenders were re-checked, and we had a 78% compliance rate with 6 repeat offenders. In August Enforcement initiated a special enforcement detail - Operation SAFE (School Area Focused Enforcement) this focused on licensees located around Illinois Colleges and Universities which are commonly frequented by the student population. ILCC partnered with local law enforcement agencies to conduct 8 total details at 136 licensee locations located around the following campuses: Bradley University (Peoria) EIU (Charleston) ISU/Illinois Wesleyan University (Bloomington/Normal) NIU (DeKalb) SIU (Carbondale & Edwardsville) U of I (Urbana/Champaign) there was a 77% compliance rate (31 failed / 6 repeat offenders) Enforcement also continues to concentrate on cases involving the sale & delivery of alcohol via the online marketplace. These are problematic for many reasons including but not limited to these illegal sales not having proper safeguards to prevent selling to minors. We removed 9 listings from Craigslist, 1 from Facebook Marketplace, and 2 from Offer Up. Legal currently has 159 cases pending, our which 12 are distributor cases, 51 are retailer cases, and 95 are SAM cases. Of the 59 SAM cases 89 are first offense, 4 are second offense, and 2 are third offense. Legal has closed 167 cases in August and has conducted 8 Pre-Disciplinary Conferences. Legal has 6 outstanding appeals, 7 are pending, this is not including other open cases, such as cases under Administrative Review. We received 18 FOIA requests in the month of August and we have 6 matters that are pending under administrative review. Two SAM Settlement/Training Conferences were held in August. One on August 15 in Springfield and one on August 28 in Chicago. The ILCC remains busy attending community events, conferences, and panel discussions. It is important to us to be accessible to the public and industry members. We will continue to have open dialogue so we can provide invaluable information and education to both the public and our industry stakeholders and licensees. The ILCC concluded our participation at the State Fairs on September 2nd. This year's Illinois State Fair hit a record breaking high with 773,000 people attending the 11-day event in Springfield. The ILCC table was filled with useful giveaways as well as new education materials for youth, their parents and our retailer's. The new educational materials will soon be available on our website under the Resource and Education page. At the Illinois State fair, the ILCC hosted the Youth Alcohol Awareness Summit, formerly known as the College Town Summit. The summit included a candid panel discussion which included students from the Build Chicago Youth Council and the ILCC Michael Curry interns, was moderated by our very own Jackie Villa. This dynamic panel included a candid discussion of a variety of topics such as the college campus drinking culture, peer pressure, consent, and when alcohol was first introduced into their lives. The Summit also included learning stations, a virtual driving simulation and the ILCC impairment course as well as a special video message from Governor JB Pritzker. Our social media impressions remain steady, and we continue to reach our audience organically on Our Social media platforms. ILCC's next scheduled BASSET training class will be on October 15th in the Springfield office. To receive emails to register for our in-person classes, as well as stay up to date on other ILCC news, please subscribe to our mailing list and check our calendar on our newly improved ILCC website.

**IV. Audit Report**

The commission recently completed their second compliance audit as a stand-alone agency, for the years 2022 and 2023. The commission’s first audit took place in 2020 and 2021 was very time consuming and required a lot of communication and cooperation with the department of revenue as a lot of the information was still over there and a lot of patience with all parties included. The audit was not completed until March of 22, nine months into the current audit period that we finalized. We anticipated there would be a lot of repeat findings with this audit. 10 of the 12-audit finding were repeats, with that we began corrective action almost immediately upon receiving findings for this audit. List of audit findings were: inadequate controls over receipts, inadequate controls over reporting requirements, inadequate controls over monthly reconciliations, voucher processing internal controls not operating effectively, inadequate controls over personal services, inadequate controls over state vehicles, noncompliance with payment card industry data security standards, weaknesses in cybersecurity programs and practices, inadequate controls over review of user access rights, inadequate controls over Gentax access, weaknesses in disaster recovery planning and testing, lack of adequate controls over the review of internal controls over service providers. With the corrective action, some of the examples controls over our receipts, we have seen with audit the timing of the late checks that were deposited has reduced by 95 % the longest outstanding check in the fiscal year 21 was 90 days late due to revenue having it and having to track it down. The latest outstanding check this year was only 14 days late, which was due to attrition in the licensing department. Reports that were recently handled by the department of revenue that we had findings for not having turned in at all during the previous compliance audit were turned in late this time. Once we found out that they were not turned in last time, we were quick to reconcile that and get those turned in, most of which were turned in less than 2 weeks late. Monthly reconciliation was all completed on time, we did not know we needed a digital signature, which delayed the process. As far as state vehicles we are implementing a tracking system that CMS has sent notification out where they will send it to the fleet manager to notify them that, any oil changes or maintenance upcoming for vehicles. Most of the findings we had were HR files, we did have attrition in the HR department, since then we have developed plans and updated procedures in the case. A lot of these issue have been corrected. Some of the findings were due to heavy attrition in areas where responsibilities were not handed off properly and documentation became late or unable to present. The majority of these were corrected immediately upon receiving the potential findings via agency report tracker, reminders in advance to reports being due, and updating procedures for staff.

**V. Public Comment**

No public comment was given.

**VI. Executive Session**

Commissioner Gibbons made a motion to move the ILCC into Executive Session at 1:17 p.m. Commissioner Powell seconded the motion.

Julieta LaMalfa	Yes	Thomas Gibbons	Yes
Steven Powell	Yes	Brian Sullivan	Yes
Pat Pulido Sanchez	Yes	Cynthia Berg	Yes

The Commission moved back into regular session at 1:40 p.m.

**Present**

Thomas Gibbons	<i>Commissioner</i>
Julieta LaMalfa	<i>Commissioner</i>

Steven Powell	<i>Commissioner</i>
Pat Pulido Sanchez	<i>Commissioner</i>
Brian Sullivan	<i>Commissioner</i>
Cynthia Berg	<i>Chair</i>

**VII. ALJ Parry Cases**

For ILCC v. BECKERS INC (Case #58647872) Commissioner Powell made a MOTION TO AFFIRM THE ALJ PARRY’S RECCOMINDATION. The motion was seconded by Commissioner Pulido Sanchez.

Julieta LaMalfa	Yes	Thomas Gibbons	Yes
Steven Powell	Yes	Brian Sullivan	Yes
Pat Pulido Sanchez	Yes	Cynthia Berg	Yes

**VIII. Comments from the Board**

Positive feedback to the ILCC regarding new organizational tactics.

**IX. Adjournment**

Commissioner Gibbons made a motion to adjourn and was seconded by Commissioner Powell.

Julieta LaMalfa	Yes	Thomas Gibbons	Yes
Steven Powell	Yes	Brian Sullivan	Yes
Pat Pulido Sanchez	Yes	Cynthia Berg	Yes

The meeting adjourned at 1:43 p.m. CST.

**ATTEST:**

/S/ Jackie Villa, Acting Commission Secretary