



STATE OF CONNECTICUT
OFFICE OF GOVERNMENTAL ACCOUNTABILITY
STATE CONTRACTING STANDARDS BOARD

Final & Approved Minutes
Friday, November 4, 2016 Meeting of the State Contracting Standards Board
999 Asylum Avenue, Hartford, Connecticut
5th Floor Conference Room

Members Present:

Claudia Baio, Chair
Thomas Ahneman
Alfred Bertoline
Bruce Buff
Charles Casella, Jr.
Lawrence Fox
Salvatore Luciano
Stuart Mahler
Jean Morningstar
Brenda Sisco
Roy Steiner

David L. Guay, Executive Director - ex-officio board member

Staff Present:

Julia Marquis, Chief Procurement Officer

1. [Call to order](#)

Meeting called to order by Chair Claudia Baio at 10:00 A.M.

2. [Approve the Minutes of the October 14, 2016 Meeting](#)

Chair Baio entertained a motion to approve the draft minutes from the October 14, 2016 Board meeting.

Motion made by Alfred Bertoline and seconded by Stuart Mahler to approve the minutes of the October 14, 2016 Board meeting as amended. All voted in favor, with Roy Steiner abstaining.

3. DESPP possible rape kit processing outsourcing

Julia Marquis, Chief Procurement Officer, discussed her recent communication to Dr. Vallaro requesting the following.

- 1) A copy of the multiple criteria bid used for the rape kit outsourcing.
- 2) A copy of the most recent contract prior to the current one used to outsource the testing of rape kits.
- 3) A list of all contracts previously issued for this service including contractor name, term of the contract, and total dollar value.
- 4) A copy of the evaluation criteria used to evaluate the multiple criteria bid for the current contract.

Ms. Marquis reported that she is awaiting a response.

4. DAS BEST Information Technology procurement suggestions

Ms. Marquis noted the response received from Mark Raymond, Chief Information Officer, Department of Administrative Services (DAS), Bureau of Enterprise Systems and Technology (BEST) concerning best practices and lessons learned from the recent Department of Motor Vehicles' transition to a new licensing system. She expects a further response in December from Rachel Whitesell, IT Attorney for the Department of Administrative Services Procurement Division.

Members of the Board expressed their disappointment in the response received from Mark Raymond. The Board directed staff to draft a letter for the Chair's signature to Mr. Raymond expressing disappointment with his response. Staff will also communicate with Attorney Whitesell and ask for her input and response by the Board's next meeting on December 9, 2016.

5. Tracking Cost Effectiveness Evaluations

David Guay asked for the Board's guidance on how they wish to track the Cost Effectiveness Evaluations (CEE). Discussion held on the CEE reporting requirement, noting that the CEE requirement is not under the Board's direct jurisdiction, but the Board is interested in reviewing them.

The Board determined by consensus that a review of CEEs will be undertaken by the Audit Work Group for technical correctness.

6. Tracking Board Inquiries

Ms. Marquis informed the Board that staff is tracking all inquiries.

7. Report from Privatization Contract Committee

Committee Chair Baio reported that the Committee met on October 14, 2016, continuing its review of the bridge safety inspection contracts and is currently waiting for the plan from the Department of Transportation (DOT).

The next meeting of the Committee is immediately following the Board meeting.

8. Report of the Contested Solicitations and Awards Subcommittee

Subcommittee member Stuart Mahler reported for Chair Robert Rinker of the Contested Solicitations and Awards Subcommittee, reporting the Subcommittee currently has no pending matters before it.

The Subcommittee previously met and issued a decision to DSS asking the department to re-score the bids of the SSBG Case Management RFP. The Subcommittee is waiting for a response about the outcome of the rescoring.

9. Work Group Reports

a. Report from Data Analysis Work Group

Work Group Chair Alfred Bertoline reported:

1. Cost Savings – Consistent with Standards Board Mission
 - a. "... Requirements are understood and carried out in a manner that is open, cost effective, efficient and consistent with ... statutes, rules and regulations."
 - b. Using data to identify areas of cost savings – is this consistent with our mission?
2. Initial observations and work group's approach
 - a. Need Standard Board's approval
 - b. State Contracting and Cost Savings has many stakeholders – Do we seek broader input before we set our agenda
 - i. State leadership input
 1. Executive
 2. Legislative
 3. State agencies – OPM, top contracting agencies, etc.
 4. Contractors
 5. Procurement officers
 - ii. Other
 1. Other state procurement officials
 2. National Association of State Procurement Officials
 3. Data Analysis Professionals
 4. Other
 - c. Initial observations from review of POS and PSA contract listings for fiscal 2016

- i. Bid/No Bid practices
 - 1. PSAs – No bid represent 74% of total open contracts
 - 2. POSs – No bid identified but not summarized
 - 3. Collect data on the reasons waivers are given for no-bid contracts and determine if the reasons are consistent with minimizing contractor costs
- ii. Agencies excluded from Contracting Standards Board oversight
 - 1. Several agencies excluded including recurring purchases under DAS oversight
 - 2. Determine the extent of purchases outside the Standards Board oversight and make recommendations if appropriate
- iii. POS contract listing – 69% of expenditures on listings reviewed
 - 1. Report presents various financial ratios for contractors listed
 - a. No interpretation of the data or judgements made
 - b. Determine how this data is used to enhance cost avoidance or savings to the State
 - 2. Should the State be collecting data on cost per unit of service and other data by contractor?
- iv. PSA contract listing – 31% of expenditures on listings reviewed
 - 1. Privatization contracts require analysis to determine if contract is most cost effective method for delivering services
 - a. Does not apply to contract renewals
 - b. Perhaps privatization analysis should be performed periodically for contracts that are renewed over several years
 - 2. Huge amounts are being paid for “in-frequent and non-routine” contracts over several years
 - a. Perhaps these contracts should be segregated into non-routine versus routine services and contracted as such
 - b. Collect data on individual contracts to determine the feasibility for significant cost savings
- v. Major State Contractors – Solicit data for analysis
 - 1. What are they doing to reduce costs/fees paid by the State
 - a. What are their plans to reduce costs over the next three years?
 - b. How can the State help in their efforts to reduce costs?
 - c. How can they partner with the State and others to reduce overall costs to the State?
 - d. If a greater proportion of work was given to them how much more could the State save
 - e. What are the metrics the State should use in evaluating their performance to bring continuing cost savings and value to the State?
- vi. Major Contracting Agencies – Solicit data for analysis
 - 1. What are agencies doing to reduce outside contractor costs
 - 2. What are agencies doing to facilitate greater competition for these outsourced services
 - 3. What are agency plans to minimize knowledge transfer to contractors
 - 4. Contractor performance measurement
 - a. Collect and summarize data from existing program

- b. How is value determined
- c. What changes should be made to insure measurements are consistent with bringing continuing cost savings and the highest value to the State

b. [Report from Training and External Communications Work Group](#)

David Guay reported the Training and External Communications Work Group is attempting to schedule its next meeting. Mr. Guay is proposing November 18, 2016 at 11:00 A.M.

Ms. Marquis reported that she will be hosting a training with Gerard O'Sullivan, Director of the Consumer Affairs Division at the Connecticut Insurance Department, about certificates of insurance, and mandatory terms and conditions for all state contracts on November 8, 2016.

c. [Report from Investigations/Audits Work Group](#)

Thomas Ahneman reported the Audits Work Group met on October 27, 2016. The Work Group is compiling a list of state agencies with contract numbers. The Work Group is identifying the first agencies to audit and is in the process of creating the cover letter and audit questionnaire to be used.

The next meeting is scheduled for 9:00 A.M. on December 9, 2016.

d. [Report from Operating Regulations Work Group](#)

Mr. Guay reported that the Operating Regulations Work Group met on October 21, 2016.

- A. The Work Group approved draft operating regulations for review today.
- B. The Work Group approved draft personal data regulations for review today.
- C. The Work Group is working on the communication to the Regulation Review Committee.
- D. The next nine regulations to draft were approved.
- E. The Work Group is continuing to review the remaining regulations for Work Group action.
- F. Next meeting is scheduled for 10:00 A.M. on November 18, 2016.

Motion made by Salvatore Luciano and seconded by Jean Morningstar to accept the draft operating regulations and personal data regulations recommended of the Operating Regulations Work Group.

Discussion held in response to questions raised by Operating Regulations Work Group member Charles Casella; questions which he did not raise in the Work Group.

Voting in Favor:

Claudia Baio
Thomas Ahneman
Alfred Bertoline
Bruce Buff
Lawrence Fox
Salvatore Luciano
Stuart Mahler
Jean Morningstar
Brenda Sisco
Roy Steiner

Voting Against:

Charles Casella

No abstentions.

Motion passed and the draft operating regulations will be sent through the e-regulations approval process.

10. Other business

No other business.

11. Adjournment

Motion made by Lawrence Fox and seconded by Brenda Sisco to adjourn. All voted in favor, the motion passed and the meeting was adjourned at 11:50 A.M.

Respectfully submitted: David Guay