



STATE OF CONNECTICUT  
OFFICE OF GOVERNMENTAL ACCOUNTABILITY  
STATE CONTRACTING STANDARDS BOARD

Final & Approved Minutes  
Friday, October 14, 2016 Meeting of the State Contracting Standards Board  
999 Asylum Avenue, Hartford, Connecticut  
5<sup>th</sup> Floor Conference Room

Members Present:

Claudia Baio, Chair  
Thomas Ahneman  
Alfred Bertoline  
Bruce Buff  
Charles Casella, Jr.  
Lawrence Fox  
Donna Karnes  
Stuart Mahler  
Jean Morningstar  
Salvatore Luciano  
Robert Rinker

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 September 9, 2016 Meeting](#)

Chair Baio entertained a motion to approve the draft minutes from the September 9, 2016 Board meeting.

Motion made by Stuart Mahler and seconded by Bruce Buff to amend the minutes of the September 9, 2016 Board meeting by adding the following after the first paragraph of item 3:

- 1) With IT procurement there are many considerations:
- 2) What is the need?
- 3) What is the best solution?
- 4) What does the market offer?

- 5) What do the feds want?
- 6) What's in the budget?
- 7) Access to proprietary software?
- 8) Security? With a "cloud based solution" being promoted by the IT industry, security could be an issue.

All voted in favor, with Lawrence Fox and Jean Morningstar abstaining.

Motion made by Charles Casella and seconded by Bruce Buff to approve the minutes of the September 9, 2016 Board meeting as amended. All voted in favor, with Lawrence Fox and Jean Morningstar abstaining.

### 3. [Set meeting dates for 2017](#)

Motion made by Charles Casella and seconded by Thomas Ahneman to approve the proposed meeting dates for 2017. All voted in favor.

### 4. [Continued Review of Labor Relations Contracts](#)

Julia Marquis reported that she reached out to Ernestine Weaver, General Counsel at the Connecticut State Colleges and Universities (CSCU). They are engaging in completing cost effectiveness evaluations, even though the position of the General Counsel is that they are not required to complete them.

### 5. [DESPP possible rape kit processing outsourcing](#)

Ms. Marquis wrote to Dr. Vallaro for further clarification because DESPP had reported that they did not believe they needed to follow the privatization process. They believe because of the use of federal funds that they weren't required to complete a cost benefit analysis (CBA). Ms. Marquis reported that Dr. Vallaro has just responded and the response is in your material and will be forwarded to the Board's Assistant Attorney General Mark Kohler.

The response from Dr. Vallaro was discussed. Discussion of C.G.S Sec. 4e-17 was discussed.

Discussion on the number of queries Chief Procurement Officer Julia Marquis receives and responds to. She agreed to initiate tracking those calls.

Robert Rinker posed two questions. Did DESPP issue an RFP for the rape kit testing? Has the work ever been contracted out before? Ms. Marquis agreed to follow up on those questions.

Charles Casella suggested it would be a good idea for Assistant Attorney Mark Kohler to attend the Board's next meeting.

#### 6. [Report from Privatization Contract Committee](#)

Committee Chair Baio reported that the Committee met on September 6, 2016 continuing its review of the bridge safety inspection contracts, with the majority of the meeting a substantive discussion with representatives of the Department of Transportation (DOT).

The next meeting of the Committee is immediately following the Board meeting. The Committee just received notification from the DOT that the plan they are working on will require more time.

#### 7. [Report of the Contested Solicitations and Awards Subcommittee](#)

Mr. Rinker, Chair of the Contested Solicitations and Awards Subcommittee reported 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.

#### 8. [Report from Data Analysis Work Group](#)

Work Group Chair Alfred Bertoline reported that requested data from the Office of Policy and Management has been received. The Data Analysis Work Group is now ready to meet.

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

David Guay reported the Training and External Communications Work Group attempted to hold its second meeting on September 22, 2016 but was unable to do so due to a lack of attendance. Mr. Guay is drafting several documents in preparation for the next meeting, which is yet to be scheduled.

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.

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

Thomas Ahneman reported the Audits Work Group met on September 22, 2016 with the Auditors of Public Accounts, including John Geragosian, Auditor of Public Accounts. John Rasimas, Deputy State Auditor, brought along principal auditors for the larger executive branch agencies.

Discussed roles and audits and the Work Group's desire to not duplicate efforts. The Auditors' written procedures and check lists have been shared with the Work Group.

The next meeting of the Audits Work Group will be on October 27, 2016 to review the procedures and check lists and begin to determine the list of agencies to begin auditing.

#### 11. Report from Operating Regulations Work Group

Mr. Guay reported that the Operating Regulations Work Group has met twice: on August 8, 2016 and on August 18, 2016.

- A. A draft of organizational regulations has been produced and recently circulated to the work group.
- B. A draft of personal data regulations has also been produced and provided to the work group.
- C. Mr. Guay has started to work on drafting formal UAPA Hearing regulations for the three instances our statutes require them
  - a. Sec 4e-7 terminate a contract
  - b. Sec 4e-34 disqualify a vendor
  - c. Sec 4e-35 suspension of vendor
- D. The Work Group is attempting to set up its next meeting
- E. Mr. Guay will also submit to the work group recommendations for the next regulations to address

#### 12. Other business

Mr. Bertoline asked whether the Board had received a summary of Information Technology procurement suggestions from Mark Raymond, Chief Information Officer and Rachel Whitesell, IT Attorney for the Department of Administrative Services (DAS) Bureau of Enterprise Systems (BEST) as offered at the last meeting. Ms. Marquis offered to reach out to see where that response stands.

Mr. Rinker referred to a recent Hartford Courant column by Jon Lender concerning contracted IT work at the State Department of Education (SDE) under what is commonly called a body shop contract. Mr. Rinker offered that we know from the data received from the Office of Policy and Management (OPM) that they have reported zero cost effectiveness evaluations (CEE) in FY 16. Mr. Rinker questioned why they are not performing CEEs and then interviewing candidates that will be deployed under the contract and whether the interviewing of candidates is appropriate under the procurement process. Mr. Rinker further commented on a history of SDE hiring individuals under a PSA contract and having that individual look and act like a state employee. He further noted no CEEs for approximately 1300 contracts and a significant amount of sole sourcing. Mr. Rinker suggested a need to look at this within our current work group structure.

Ms. Marquis offered that she and David Guay had just had a conversation concerning SDE being one of the first agencies to audit. In response to a question from Mr. Ahneman, Ms. Marquis will ascertain for certain that no CEEs were conducted by SDE and ask why they believe that is appropriate. If the number of CEEs is inappropriate Ms. Marquis will write to Secretary Barnes of OPM to alert him. Ms. Marquis will also contact the Retirement Commission to determine how many contracted employees (PSA Employees or similar contracts) have had their time counted as state employment.

Mr. Rinker further questioned what the process is for selecting individuals to perform the duties off a so called body shop contract. Carol Wilson, Director of Procurement at DAS responded by outlining the process for the master contracts held by DAS.

Mr. Bertoline raised the issue of a news report about the privatization of 40 group homes. Further asking who sees the cost effectiveness evaluation and how does the Board know it has been done right.

Ms. Marquis responded that this is exactly the issue that has been raised by others about privatization. Ms. Marquis responded that if the contract meets the definition of a privatization contract then the agency is required to perform a cost benefit analysis (CBA) and present a business case to the Privatization Committee.

The issue of the group homes was raised by Salvatore Luciano to the Privatization Committee previously. The Privatization Committee undertook the matter, reviewed it and consulted with Mark Kohler, the Board's Assistant Attorney General, through Ms. Marquis. The analysis was that 97% of group homes are and have already been privatized and this recent effort is the remaining 3%. The analysis is that this does not meet the definition of new privatization. Ms. Marquis noted that there is disagreement about that interpretation.

Ms. Marquis in summary response to Mr. Bertoline noted that the Board has jurisdiction over all procurement and are entitled to all details and documentation that exist.

Mr. Rinker commented that we either read about an issue in the newspaper or on the radio or become a reactive body. We should be asking OPM on a regular basis for every CEE that comes in. Mr. Rinker further asked how we deal with these issues that pop up operationally, so we are not behind.

Motion made by Charles Casella and seconded by Stuart Mahler to refer the privatization of group homes by the Department of Developmental Services (DDS) to the Privatization Committee. All voted in favor.

Mr. Luciano voiced his continued concern with the idea that we privatize 90% and the other 10% does not matter, he then proceeded to characterize the privatization of interpreters by DORS as being interpreted by businesses as something they can make money at. Mr. Luciano

takes exception with the argument that if it is already privatized, that is a reason for further privatization.

Jean Morningstar offered that the 70% that may be privatized are not the same as the 30% performed by state employees. She offered that all group homes are different just like all prisons are not the same.

Ms. Marquis offered that the language in the law is that the work must be “substantially similar to and in lieu of” work performed in whole or in part by state employees.

Chair Baio summarized that the DDS privatization of group homes will be placed on the next Privatization Committee meeting agenda.

Mr. Mahler noted the creation of a legislative task force to investigate privatization.

Donna Karnes raised questions about CEEs and who gets them and what is done with them. Ms. Marquis made suggestions about how to handle CEEs.

Chair Baio summarized that there is consensus for her to reach out and make inquiry as to what the legislative task force is being tasked with and how it relates to the State Contracting Standards Board.

### 13. Adjournment

Motion made by Jean Morningstar and seconded by Charles Casella to adjourn. All voted in favor, the motion passed and the meeting was adjourned at 11:21 A.M.

Respectfully submitted: David Guay