



STATE OF CONNECTICUT
OFFICE OF GOVERNMENTAL ACCOUNTABILITY
STATE CONTRACTING STANDARDS BOARD

Final & Approved
Minutes
Friday, September 8, 2017 Meeting of the State Contracting Standards Board
Audit Work Group
Fifth Floor Conference Room
18-20 Trinity Street, Hartford, Connecticut

Members Present:

Thomas Ahneman, Chair

Alfred Bertoline

Stuart Mahler

Jean Morningstar

Robert Rinker

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

1. [Call to order](#)

Meeting called to order by Chair Thomas Ahneman at 9:14 A.M.

2. [Approve minutes of June 9, 2017](#)

Motion made by Stuart Mahler and seconded by Alfred Bertoline to approve the minutes of the June 9, 2017 Audit Work Group meeting. All voted in favor.

3. [Progress Review](#)

Executive Director David Guay, re- informed the Work Group that nine agencies have returned the audit form to date:

Response received *Dept. of Transportation*

Response received Dept. of Social Services

Response received Dept. of Developmental Services

Response received Dept. of Mental Health and Addiction Services

Pending *Dept. of Children and Families*

Response received State Dept. of Education

Response received Dept. of Correction

Response received DAS-Division of Construction Services

Response received Freedom of Information Commission

Response received Dept. of Economic and Community Development

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More time required UConn Health
More time required UConn
More time request Board of Regents

Discussion was held reviewing the audit documents received and on the next steps to be taken by the Audits Work Group.

Chair Ahneman suggested that he write a letter to the Agencies under audit, informing them that they are still under audit and that we are evaluating the information they have submitted. Further informing them that we are currently digesting the information provided and may ask for more information in the future, including possibly an interview. Those Agencies that have not submitted information will be asked to submit as soon as possible.

Chair Ahneman also suggested the creation of a compliance report template. Chair Ahneman asked Robert Rinker to lead that effort and Mr. Rinker agreed.

The Work Group assigned the following agencies to work group members to review

Dept. of Transportation – Mr. Ahneman
Dept. of Social Services – Mr. Bertoline
Dept. of Children and Families – Mr. Mahler
State Dept. of Education – Mr. Rinker
UConn – Ms. Morningstar

4. CT Technical High School System Contracts – Pita Group & Kozak & Salina

Discussion was held on the status of the Board's inquiries to the State Department of Education concerning the contracts between the Connecticut Technical High School System and the Pita Group & Kozak & Salina.

Mr. Rinker suggested that his original nineteen questions are still valid and require answers and further noting from his observations of the material submitted by SDE indicates that no Cost Effectiveness Evaluations (CEEs) have been completed.

1. Is it appropriate to have professional services under a Master Contract with 42 vendors?
2. Is it appropriate to have a broad category for services under a Master Contract such as media, marketing and public relations?
3. Is it appropriate to encourage three bids/quotes, but not to require three bids/quotes?
4. If we require three bids/quotes, how does one select three vendors to solicit such bids/quotes from with a list of 42 vendors?
5. How does one prepare a scope of work that is to be bid upon or quoted?

6. How does one publicize the bid/quote?
7. How would the public/taxpayers know about such contracts?
8. Is it appropriate to only submit purchase orders for payment of vendor for professional services under a Master Contract?
9. Should such professional services contracts require legal approval by the Agency and review for form by the Attorney General's Office?
10. Should such contracts reference the Master Contract and its requirements?
11. Are letters of agreements an appropriate way to enter into a contract for professional service under a Master Contract?
12. Is it appropriate to enter into a monthly retainer agreement with a vendor when the Master Contract calls for payment on an hourly basis based upon the type of service rendered?
13. Who should have to approve of retainer agreement in lieu of payment for hourly services as provided for under the Master Contract?
14. Who approves of the payment of the invoices?
15. In an agency with a Commissioner, he or she and/or his or her designee has final authority on contracts? Should this continue?
16. Is it appropriate in an agency that has the Agency head reporting to a Board to have that authority without the approval of said Board? Should there be threshold amount requiring approval of the Board?
17. What are the internal controls an Agency has for this type of procurement? What should the internal controls be for this type of procurement?
18. How or when does an Agency conduct either a cost benefit analysis or cost effectiveness evaluation for professional services?
19. There are numerous controls over the approval for creating a position in state government, and similar controls for filling or refilling a vacant position in state government, should such controls apply to professional services provided by an outside vendor and what are the circumstances for applying those controls and not applying those controls?

Chair Ahneman summarized the discussion. Questions 4, 5, 6, and 14-18 should go to the State Department of Education for a response.

Chair Ahneman suggested questions 1, 2, 3, 7, 8, 9, 10, 11, 12, 13 and 19 should be brought to the Board to decide how to handle those.

5. Other Business

No other business raised.

6. Adjournment

Motion made by Alfred Bertoline and seconded by Stuart Mahler to adjourn. All voted in favor, the meeting was adjourned at 10:00 A.M.

Respectfully submitted: David Guay