



STATE OF CONNECTICUT
OFFICE OF GOVERNMENTAL ACCOUNTABILITY

STATE CONTRACTING STANDARDS BOARD

Privatization Contract Committee

Draft Minutes

Friday, October 14, 2022 - 9:00 A.M. Meeting of the State Contracting Standards Board

Privatization Contract Committee

Via Microsoft Teams

Members Present:

Lawrence Fox, Chair

Albert Ilg

Brenda Sisco

David L. Guay, Temporary Worker Retiree

Jing Liang, Intern

1. Call to order

Chair Fox called the meeting to order at 9:03 AM.

2. Approve the minutes of the October 7, 2022, meeting

Albert Ilg motioned to approve the Minutes of the October 7, 2022, meeting, and Brenda Sisco seconded the motion. All voted in favor, with Chair Lawrence Fox abstaining due to his recusal from the subject matter and from the meeting. The Minutes were approved.

3. UCONN – UHP Petition & 4. UCONN - CEUI Petition

Chair Fox introduced the two petitions.

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Discussion on the complexity of the issues.

Discussion of the communications received.

3. UCONN – UHP Petition

Chair Fox offered that today should be a conversation about the committee members current understanding and then have a second meeting with all the parties to clarify the member's understanding.

Chair Fox provided his overview of the of the UHP Petition.

The union representing workers at the UConn Health Center, University Health Professionals, Local 3837 AFT/AFT-CT/AFL-CIO filed the petition upon the UConn Health Center forming an entity to do radiologic services, which the union believes is privatization.

In both cases the UCONN – UHP Petition & the UCONN - CEUI Petition Management does not believe that privatization covered by our law.

In the case of the UConn Health, the University claims to be doing a joint venture by the UConn Health Center Finance Corporation with a for profit company and the UConn Health Center Finance Corporation is not covered by the State Contracting Standards Board law on privatization of government services. Therefore, not required to perform a cost-benefit-analysis.

The Union's counter argument is that the UConn Health Center Finance Corporation enabling statute provides for different kinds of activities that will lower costs for the hospital. It is a creature of UConn, and all the employees of the Corporation are employees of the State. The Corporation's intent is not harming the integrity of the bargaining units. A further argument is that when the State Contracting Standards Board Statutes were passed, it is clearly stated which entities are not covered, the UConn Health Center Finance Corporation is not one of those and the statute states who is covered and the University of Connecticut is and its constituent units. Another argument is that the decision about the privatization was made by the University and not the Health Corporation. Implementation of the decision is by the Corporation.

Chair Fox summarized the questions into one question, did the University follow the law on privatization.

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Chair Fox asked a hypothetical question. If the University did not follow the law, what is the remedy?

Chair Fox identified an issue apparent in both petitions, which is the cost factor used for figuring out the cost for using state employees.

Chair Fox raised the possibility of having the next meeting with all parties to hear oral arguments.

4. UCONN - CEUI Petition

Chair Fox provided his overview of the of the CEUI, SEIU Local 511 petition.

The union representing workers at the athletic facilities at the University of Connecticut Storrs Campus, CEUI, SEIU Local 511 filed the petition upon the University of Connecticut outsourcing custodial work currently being performed by members of the union. The current focus is on the athletic facilities. UConn has a history of privatization of custodial services at the Storrs Campus. The Union contends that the contractor in question does not have that long history. The University argues that they are not covered by our privatization statutes, C.G.S. Sec. 4e-16(a). The Union contends that the University is covered by C.G.S. Sec. 4e-16(p) which requires the filing of a Cost-Effectiveness-Evaluation with the Office of Policy and Management to determine whether it is appropriate and cost-effective. Current understanding is that the University has not completed the cost-effectiveness-evaluation as required by C.G.S. Sec. 4e-16(p).

Chair Fox posed the question of what the remedy is if the University has not completed the cost-effectiveness-evaluation required under C.G.S. Sec. 4e-16(p).

Chair Fox identified a need for a deeper understanding of the issues by having a conversation with both representatives of the Unions and the University.

Chair Fox further noted the need for a meeting with the Office of Policy and Management to discuss the appropriate number for fringe costs.

Discussion followed on setting up a meeting with all parties. David Guay suggested November 4, 2022, at 11:00 A.M. after the regular scheduled full Board meeting. Consensus agreement.

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5. Adjournment

Brenda Sisco motioned to adjourn; Albert Ilg seconded. All voted in favor. Meeting adjourned at 9:57 A.M.

Respectfully submitted: David L. Guay, Temporary Worker Retiree and Jing Liang, Intern