



STATE OF CONNECTICUT
Office of Governmental Accountability
State Contracting Standards Board

Regular Meeting Minutes

Friday, December 8, 2023 - 10:00 A.M.

Location: 165 Capitol Avenue, Hartford, CT

Conference Room G004B

and

Virtual via Microsoft Teams

Members Present:

Michael P. Walsh, Chair (in person)
Alfred W. Bertoline (in person)
Bruce H. Buff (in person)
Lauren C. Gauthier (in person)
Albert G. Ilg (in person)
Donna M. Karnes (virtual)
Salvatore C. Luciano (virtual)
Stuart L. Mahler (in person)
Jean M. Morningstar (virtual)
Robert D. Rinker (in person)
Daniel S. Rovero (virtual)
Brenda L. Sisco (virtual)
Gregory F. Daniels, Esq., Executive Director, ex-officio (in person)

Staff Present:

Samson F. Anderson, Research Analyst (in person)
Aaron Felman, Staff Attorney (in person)
Carmen Hufcut, Trainer Specialist (in person)
Molly Lukiwsky, Intern (in person)

Others in Person

Kevin M. Meakam, Procurement Policy Development Coordinator, Office of Policy and Management (OPM) (in person)
Gene Burk, Director of Procurement Programs and Services, Department of Administrative Services (DAS) (in person)

1. Call to Order

Chairman Walsh called the meeting to order at 10:07 a.m.

- a. Roll Call - Chairman Walsh conducted a roll call of all members present in person and participating virtually via Microsoft Teams.

2. Approve the Minutes of the November 3, 2023 regular meeting

Albert Bertoline motioned to approve the November 3, 2023, regular meeting minutes, and Albert Ilg seconded the motion. The November 3, 2023, regular meeting minutes were approved and adopted unanimously.

3. Staff Reports

- a. Executive Director Report – Gregory F. Daniels, Esq.
 - i. Staffing Report
 - Director Daniels reported that the vacancy for the staff attorney position was finally filled. He then introduced the SCSB's new staff attorney, Aaron Felman, to the Board and briefly talked about Attorney Felman's procurement contracting background, particularly in construction.
 - Director Daniels shared that he was still working with DAS' Human Resources (HR) regarding the pending Accounts Examiner search after another candidate declined the SCSB's offer.
 - Director Daniels also reported that he learned moments before the SCSB meeting that the Board's offer to the sole choice to fill the Administrative Assistant position had also declined the SCSB's offer. He stated that the Staff will post the Administrative Assistant position in early January 2024.
 - Lauren Gauthier and Salvatore Luciano asked Director Daniels whether he believed the speed of the search process and/or the salary being offered were the reasons candidates have declined the Accounts Examiner and the Administrative Assistant positions, and moreover, why the Board was having difficulty recruiting. Director Daniels responded yes to both questions. He also noted that the speed of the search process is consistent with other state agencies' experience.
 - ii. Legislation, Regulations, Policies, and Procedures Report
 - Director Daniels noted that the legislative proposals voted on at the October 13, 2023, board meeting and discussed at the November 3, 2023, board meeting would be discussed later in this board meeting, during the Statutes, Policies, and Legislation Work Group report.
 - iii. Operating Report
 - Director Daniels stated that he had nothing to report on operations.
 - iv. Contested Solicitations and Awards Report
 - Director Daniels stated that he had nothing to report on contested solicitations and awards.
- b. Chief Procurement Officer Report – Gregory F. Daniels, Esq. reported on behalf of Jonathan Longman who was unable to attend the meeting.
 - i. Auditing
 - Director Daniels reported that Al Bertoline would report on the status of the pending audits.
 - ii. Training
 - Director Daniels reported that the SCSB training program initiative is close to meeting its first milestone by completing its first module which will be ready at the beginning of 2024.
 - Stuart Mahler asked whether the staff is working with other agencies to develop the training. Director Daniels shared that the staff is working with the OPM,

DAS, Office of State Ethics, Freedom of Information Commission, and other state agencies as required by statute to develop the SCSB training program.

4. Audit/Data Analysis Work Group – Alfred W. Bertoline
 - a. Al Bertoline reported that the Workgroup continued progressing with the tri-annual audit plan. Mr. Bertoline shared that 11 agencies have been selected to be audited this fiscal year. He reported that 2 of the 4 audits that are in process were completed (Charter Oak State College and Chief Medical Examiner audits which are included in the meeting materials). While summarizing the structure of the reports, Mr. Bertoline explained how the two draft reports will serve as a model of how board audits will be generally conducted moving forward with continual refinements to the audit processes.
 - b. Al Bertoline also raised concerns about the ability to complete the 11 audits by the end of the fiscal year without an accounts examiner. He believes the real issue impacting the turnaround times of the 11 audits for this fiscal year is the lack of an accounts examiner. Mr. Bertoline noted that perhaps audits conducted by the Auditors of Public Accounts (APA) may capture some overlapping areas that the SCSB could take advantage of in the board's audits.
 - c. Salvator Luciano reiterated that he believes the real issue is the length of time it is taking to hire an accounts examiner.
 - d. Albert Ilg asked what the difference is between the audits conducted by the SCSB and the audits conducted by the APA. Mr. Bertoline explained that the APA audits a state agency's entire process (e.g., payroll, contracts, etc.) and it's a financial audit. Chairman Walsh added that the APA's audit process focuses on compliance, focusing on financial compliance at times with a statistical scope, whereas SCSB examines compliance, focusing on statutory/regulatory language and processes related to procurement. Chairman Walsh noted that there may be circumstances in which both agencies may collaborate or defer to the other with respect to specific audit areas.
 - e. Mr. Rinker asked about the hiring process and specifically asked whether an SCSB search committee is required to submit the only two candidates that are acceptable to such a committee to HR.
 - f. Director Daniels provided the SCSB with a brief overview of the relevant portion of the hiring process. Samson Anderson also explained that with respect to the Accounts Examiner position, there was a wide range between the top two candidates and the remaining candidates interviewed.
 - g. Director Daniels then assured the SCSB that he is continuing to work with DAS HR to accelerate the hiring process.
 - h. Mr. Rinker also noted that while the audit process produced by Mr. Bertoline and the Audit Workgroup is excellent, C.G.S. §4e-16 plays a critical role in the audit process through the statute's cost-benefit analysis and cost-effectiveness evaluation requirements.
 - i. Mr. Bertoline noted that state systems do not currently capture privatization contract information, so the SCSB audit process has to rely on agency staff to confer historical

- knowledge on privatization contracts when audited. Mr. Bertoline further added that, with the increase in state employee turnover and challenges in recruiting in state government, this would continue to be challenging unless there is a process of documenting privatization contracts statewide so state agencies can more readily comply.
- j. Lauren Gauthier asked whether the new audit questionnaire had been sent to all state agencies and, if so, had the SCSB received all responses. Mr. Bertoline confirmed that 4 of 11 were sent out from this fiscal year's targeted audit group of agencies.
 - k. Ms. Gauthier suggested that SCSB Members assist with audits as they had done in prior years before staff were hired. Chairman Walsh expressed conflict of interest concerns regarding SCSB Members interfacing directly with state agencies as part of the audit process, particularly now that the SCSB has staff. Chairman Walsh specifically stated that such acts may directly conflict with SCSB Members' statutory governance duties as appointed members of the board.
 - l. Mr. Mahler did not feel it would be a direct conflict with the Board's statutory responsibility if a member of the audit committee asked for a clarification of an item in the draft audit submission.
 - m. The Board decided to postpone voting on the recommendations of the Audit/Data Analysis Work Group regarding the Charter Oak State College and the Chief Medical Examiner audits until January 12, 2024, when Jonathan Longman was expected to be present.
5. Sec. 4e-36 Contested Solicitations and Awards Subcommittee Report – Robert D. Rinker
 - a. Robert Rinker reported that no new matters were pending before the subcommittee.
 - b. Mr. Rinker also reported that there was a matter that was presented to the SCSB a few months prior related to a DAS and National Association of State Procurement Officials contract, which is being finalized. He stated that he didn't anticipate that the company would return to the Board. Mr. Rinker noted that he talked with Gene Burk of DAS and is trying to avoid a holiday collision with this matter.
 6. Privatization Contract Committee Report – Robert D. Rinker
 - a. Robert Rinker reported on the status of the Office of Higher Education temp-hire to support Stone Academy's closing. Mr. Rinker noted that the Stone Academy matter might have been resolved through a judge's order requiring five million dollars to be held back to make Stone Academy students whole.
 - b. Mr. Rinker also reported that the Privatization Contract Committee was hoping to have a meeting on Dec 1, 2023, to go over a matter involving the Department of Emergency Services and Public Protection (DESPP) Connecticut On-Line Law Enforcement Communications Teleprocessing (COLLECT) Unit's Auditing contract with Diverse Computing. Mr. Rinker summarized the status of the matter.
 - i. At Mr. Rinker's request, Director Daniels summarized a letter received from DESPP shortly before the meeting that morning. The letter was added to SCSB member meeting materials.

- ii. After SCSB members opined on the procedural and factual history of the DESPP matter, Jean Morningstar shared that John DiSette was present at the meeting to speak on behalf of the Union.
 - iii. Chairman Walsh recommended that Mr. DiSette be allowed to speak during the public comment portion of the meeting.
7. Statutes, Regulations, Policies and Procedures Work Group
- a. Proposed Meeting Schedule for 2024
 - i. At the request of Chairman Walsh, the Proposed Meeting Schedule for 2024 was taken up under this item
 - ii. Robert Rinker motioned to adopt the Proposed Meeting Schedule for 2024, and Albert Bertoline seconded the motion. The Proposed Meeting Schedule for 2024 was approved and adopted unanimously.
 - b. Governance
 - i. Chairman Walsh began a discussion regarding governance. The following summarizes his remarks:

Let's have a discussion on Governance.

I'm going to begin by reciting some things you already know about the Connecticut State Contracting Standards Board.

It was created in 2007 in a bipartisan vote of the Legislature under something called the "Clean Contracting System".

The mission of this Board as defined by the Governor and Legislature is straightforward and can be defined by asking three questions: 1) was the State purchasing quality goods and services, 2) was the planned purchase cost-efficient, both in the short-term and over the long haul, and 3) was the process transparent and in compliance with the State rules?

In the words of our Executive Director when he was hired, "efficient and effective practices that will result in value-driven procurement outcomes that benefit Connecticut Citizens".

The Legislature also granted the Board an important power and that is an ability in rare situations to terminate procurements.

The CTSCSB is a "Watchdog" agency that for 15 years has operated without staff. However, today, the Board has budget appropriations to operate with eight staff, six of which are filled by Greg Daniels, Jonathan Longman, Aaron Felman, Samson Anderson, Molly L., and Carmen Hufcut.

An Accounts Examiner and Administrative Assistant positions are open as we work with DAS to fulfill them.

So, let this meeting represent an official pivot, moving the work of the Board toward the creation of official policies and procedures to support our Executive Director and his staff as they execute the mission as outlined in CGS. What I do have is a 29-page document dated June 23, 2023, called Operational Policies and Procedures.

Beginning in January of 2024, the look of the Board's agenda will change and include: Call to Order including a roll call, Amendments to the Agenda, Opportunity for Citizens to address the Board on Agenda Items, Communications and Petitions, Approval of Minutes, Old Business, New Business, Opportunity for Citizen Comment, Executive Session Actions, and Adjournment.

In addition to the agenda looking different, our pivot will include checking off all the deliverables contained within CGS that the Governor and Legislature envisioned that, due to lack of staffing, we have not been able to deliver in the 15 years the statute has existed.

That list includes:

1. C.G.S. §4e-2 – Who is the minority “certified procurement” appointment?
2. C.G.S. §4e-2(f) – Prepare for the annual performance evaluation of the ED
3. C.G.S. §4e-2(g) – Prepare for the annual performance evaluation of the CPO
4. C.G.S. §4e-5 – Secure an Executive Branch list of all designated procurement officers
5. C.G.S. §4e-8 – Convene four times annually, the Contracting Standards Advisory Council
6. C.G.S. §4e-9 – Review the creation of a Vendors and Citizens Advisory Panel
7. C.G.S. §4e-10 – Review our ability to send statutory changes after July 1, 2012
8. C.G.S. §4e-11 – Provide best practices to the SOS, Comptroller, Treasurer, and AG
9. C.G.S. §4e-12 – Provide best practices to the Legislative and Judicial branches
10. C.G.S. §4e-14 – Ensure contracts have provisions to assure accountability, transparency, and results-based outcomes
11. C.G.S. §4e-22 – Provide, with DAS assistance, sole source bid regulations
12. C.G.S. §4e-23 – Issue waiver of bid rules
13. C.G.S. §4e-24 – Issue emergency procurement rules
14. C.G.S. §4e-26 – Issue rules for specifications for supplies and services
15. C.G.S. §4e-27 – Working with AG, issue procedures for cost reimbursement contracts
16. C.G.S. §4e-28 – Issue regulations directing contractors to provide timely accounting system access
17. C.G.S. §4e-41 – Adopt regulations for Architectural and Engineering services
18. C.G.S. §4e-42 – Adopt regulations for bid security

19. C.G.S. §4e-44 – Adopt regulations for procurement of consultant services
20. C.G.S. §4e-45 – Adopt with the Office of Attorney General’s assistance, infrastructure contract addendum formats
21. C.G.S. §4e-46 – Adopted regulations for contract modifications
22. C.G.S. §4e-48 – Prepare a list of other states that give in-state preference to calculate bids
23. C.G.S. §4e-49 – Prepare regulations when MDC is involved in procurement

When I made my comments at the last meeting, no one from the Board took the time to understand that my concerns were based on the various CGS that direct us to complete certain deliverables that here to for have been unmet. That was unfortunate and cannot continue.

As a Watch Dog Agency, we must have our house in order to cultivate productive working relationships with all State agencies to ensure that the citizens of the State of Connecticut have faith in the procurement work our government undertakes.

This is our work list for 2024 and beyond.

In order to begin this important work, Greg Daniels is our ED and the entire staff report to him, so all communications must go to and through Greg. Jonathan Longman is our CPO and reports to Greg by statute and management operation.

In support of the statute, from time to time, Jonathan will be required to produce guidance and direction to the Board on technical procurement matters. He will do that through Greg so as not to interrupt the organizational and operating relationship that Greg must have with his staff as the Executive Director.

The same is true with Attorney Aaron Felman. He reports to the ED. We as a Board will need his expertise on procurement interpretations from time to time. In every instance, if the board has a question, it goes to the ED first, who will discuss it with me and if there is a need to issue a legal opinion, the entire Board will vote to seek a legal opinion and then Aaron will be tasked to do the research and report back to the Board in writing at a future meeting.

We now have an operating agency staffed by capable employees, so in support of them and the CTSCSB mission as defined by CGS, this Board’s 2024 workload will focus on policy and procedure creation, oversight, and governance.

I will close my comments by wishing everyone a very happy, healthy, and prosperous holiday season.

- ii. After Chairman Walsh’s remarks on governance, SCSB Members raised various concerns about the SCSB’s ability to implement all of the statutory mandates. Chairman Walsh agreed that we’re one of the few (or only) states with a decentralized procurement agency. He then recommended that the Board do it in steps, focusing on

statutory duties, procedures, and processes in a decentralized procurement structure. Chairman Walsh stated that this is just step one - create the procurement “bible”. Step two is longer than six months, possibly up to 2 years down the road.

- iii. Chairman Walsh recommended prioritizing the statutory duties list with the assistance of the Executive Director at the January 12, 2024, regular meeting.
- c. 2024 Legislative Proposals
 - i. Lauren Gauthier inquired about the status of legislative proposals voted on and approved by the SCSB at the October 13, 2023 meeting for distribution by SCSB staff to the Governor’s office and the committees of cognizance at the legislature.
 - ii. Chairman Walsh asked whether the board had sought legal analysis on whether the sunset provisions for legislative proposals under C.G.S. § 4e-10 prevent the SCSB from submitting legislative proposals despite the legislative recommendations permitted under C.G.S. § 4e-4(k).
 - iii. Chairman Walsh asked the Executive Director to work with Attorney Felman to provide an analysis of the issue prior to the January 12, 2024 regular meeting of the SCSB.

8. Public Comment

- a. Kevin Blacker commented that the Board should avoid political interference by not having the Governor appoint the Chair anymore. Mr. Blacker also raised concerns about the optics of Chairman Walsh’s decision to not seek re-election as Mayor of East Hartford, taking a position with the Port Eastside project while taking on the SCSB chairman position without compensation. Mr. Blacker also stated that Chairman Walsh attended the November 3, 2023, board meeting while still a municipal employee.
 - i. Chairman Walsh responded to Mr. Blacker by stating that the statutory authority to appoint the SCSB chairman is a legislative issue. The Chair then stated that he brought the \$840 million transformational project into the Town of East Hartford under his tenor as Mayor. He stated that he had not taken a penny for the project. He stated that he was a municipal employee until November 13, 2023.
 - ii. Chairman Walsh also noted that when he appeared at the SCSB November 3, 2023 meeting, he appeared as a private citizen and did not participate in any action of the board at said meeting.
- b. A&R Union President John Disette commented on the DESPP letter provided to the board moments before the meeting.
 - i. Robert Rinker asked for their response in writing as well.
- c. Versie Jones, the affected DESPP employee who filed the initial complaint with the SCSB, stated that she would like to remain included in proceedings related to this matter.
- d. Chairman Walsh agreed to include Ms. Jones and Mr. DiSette in the proceedings related to the matter.

9. Adjournment

- a. Daniel Rovero motioned to adjourn the meeting, and Brenda Sisco seconded the motion. All members voted in favor and the meeting was adjourned at 12:09 p.m.

Respectfully Submitted: Gregory F. Daniels, Executive Director