



STATE of CONNECTICUT
Office of Governmental Accountability
State Contracting Standards Board

Regular Meeting Minutes

Friday, July 12, 2024 - 10:00 A.M.

Location: 165 Capitol Avenue, Hartford, CT

Conference Rooms G006D and G007E

and

Virtual

This meeting was recorded and posted to the [Connecticut State Contracting Standards Board](#) website.

Board Members in Attendance:

Rochelle N. Palache, Chairperson (in person)

Thomas G. Ahneman, Board Member (virtually)

Alfred W. Bertoline, Board Member (in person)

Keith R. Brothers, Board Member (virtually)

Bruce H. Buff, Board Member (in person)

Lauren C. Gauthier, Board Member (in person)

Albert G. Ilg, Board Member (in person)

Donna M. Karnes, Board Member (virtually)

Salvatore C. Luciano, Board Member (virtually)

Stuart L. Mahler, Board Member (in person)

James S. Marpe, Board Member (in person)

Jean M. Morningstar, Board Member (virtually)

Daniel S. Rovero, Board Member (virtually)

Brenda L. Sisco, Board Member (in person)

Gregory F. Daniels, Esq., Executive Director, ex-officio Board Member (in person)

Staff Members in Attendance:

Jonathan M. Longman, Chief Procurement Officer (in person)

Aaron I. Felman, Staff Attorney (virtually)

Maritza Lopez, Accounts Examiner (in person)

Carmen Hufcut, Training Specialist (in person)

Aleshia M. Hall, Administrative Assistant (in person)

1. Call to Order: The meeting was called to order by Chair Palache at 10:02 a.m.

a. Roll Call of Board Members

Chair Palache completed the roll call, showing all members were in attendance in person or virtually.

2. Approval of Minutes

a. Approval of the minutes from the June 14, 2024, SCSB Regular Meeting

Action

A motion to accept the minutes as written was made by: Al Bertoline

The motion was seconded by: Bruce Buff

The motion passed with one abstention from Jean Morningstar. Ms. Morningstar noted that the minutes reflected that she attended the June meeting virtually when, in fact, she was not present. The change was noted and the June 12, 2024, meeting minutes were amended accordingly.

3. Communications and Petitions

a. Sec. 4e-36 Contested Solicitations and Awards Subcommittee Report – Bruce H. Buff

Mr. Buff reported that there are currently no issues before the subcommittee.

b. Audit/Data Analysis Work Group – Alfred W. Bertoline

i. Pending Audits

Mr. Bertoline detailed the status of 11 Audit Reports: 2 have been completed, 3 are ready for Board approval, 3 reflect that data has been received from the agencies and are in process, and the remaining 3 are awaiting replies from agencies regarding data requests.

A meeting of the Audit/Data Analysis Work Group is being coordinated with an anticipated date of Friday, July 19, 2024. The meeting will be available both in person and virtually. The purpose of the Work Group meeting is to discuss the results of the completed audits, provide an analysis of the last year, and consider input on moving forward. Work Group members will discuss which additional studies and analyses should be undertaken to address problems and concerns that have come to our attention. Mr. Bertoline is looking forward to a discussion that will frame opportunities for the coming year and will be helpful for the procurement practices of the state.

James Marpe inquired about the status of outstanding audit items that were awaiting approval at the June 12, 2024, meeting. In response, Jonathan Longman explained that the Work Group has not yet met to formalize the recommendations and forward them to the full Board. Mr. Bertoline shared that a meeting is being scheduled, hopefully for Friday, July 19, 2024, to move these items through the Work Group, so they can be brought to the regular meeting in August. Jean Morningstar requested that they receive the agenda in advance of the meeting.

Stu Mahler explained that in the past, SCSB members were provided with a contact at each agency to whom they could return audits if additional information was needed. Individuals on the Board used to conduct the audits; now, the staff conducts them, and

audits are provided to the workgroup for review. Mr. Mahler also stated that the agency's chief procurement officers, or deputy commissioners, came before the Board to ask and answer questions. It was a way to learn more about each other. Mr. Bertoline further clarified that the staff are completing the audit reports and preparing draft findings, but they are also sharing the results with the agency and affording them an opportunity to respond. When all that is completed, the audit comes to the Work Group for review and is forwarded to the Board for approval.

Executive Director Daniels confirmed that our process is consistent with the procedures followed by the Auditors of Public Accounts (APA).

In response to an inquiry from Al Ilg, Mr. Longman confirmed that procurement standards require certain contract measures that are defined in the contract, and that is one of the areas included in the audit. He further explained that since there are so many different types of contracts, OGA-SCSB staff have designed audit processes individually tailored to each type of contract. After a brief discussion, Chairperson Palache requested that Mr. Ilg put any additional questions in writing and submit them for a future response. In conclusion, Mr. Bertoline offered that the audits are in various stages of the process, and he will offer the status at the upcoming workgroup meeting.

c. Privatization Contract Committee Report – Salvatore C. Luciano

Per Sal Luciano, there is no new business to report on at this time.

d. Statutes, Regulations, Policies and Procedures Work Group – Chair Rochelle N. Palache

Chair Palache stated that she would address this topic under the Ethics agenda item later in the meeting.

e. Staff Report

- i. Administrative and Operations – Gregory F. Daniels, Executive Director
 1. SCSB Budget Update

Executive Director Daniels referred to Chief Procurement Officer Longman to present the most current budget information received for our agency from the Department of Administrative Services (DAS) and Office of Policy and Management (OPM). He shared that requests for the future fiscal years will be submitted in September. After January 1, when the legislature begins its session, budgets are considered.

Mr. Longman shared the details in the PowerPoint presentation. He explained that the biannual budget we are discussing was initiated in 2022, prior to the hiring of either himself or Executive Director Daniels. He and Executive Director Daniels have met on several occasions with DAS and OPM regarding the FY'25 budget shortfall and requested that the FY'24 surplus be carried over to FY'25. The request remains pending at this time.

Mr. Bertoline referred to past instances when the Board ran out of money, they continued to meet but suspended per diem payments and mileage reimbursements. On several occasions, Executive Director Daniels reiterated that the intent of this discussion is not to infer that meetings should be canceled.

Sal Luciano expressed concerns regarding the lack of funding. After a brief discussion, he focused on the accreditation fees as a suggestion for cutting costs and does not feel that state contracting agencies need to be incentivized to participate in training.

After additional discussion, Chair Palache interjected, stating that she is learning about the Board and that the staff is presenting this budget information to inform the Board. Mr. Longman then proceeded to review each line item in the PowerPoint presentation individually. Brenda Sisco confirmed that these are standard operating expenses that the Board has had all along.

Jean Morningstar stated that she has been on the Board since 2014, but there has not been a budget conversation at the Board level until now. She stated that it is a Board, run by a Board, and not run by staff. If the problem is that there is not enough communication and conversation, then the Board should make in-person meetings mandatory again. She stated that she is tired of hearing about *this stuff* late and without any background materials. She believes their staff are *a little too far out on their skis* before the Board has been informed of what they are doing, and she has never seen this report in her ten years on the Board.

Brenda Sisco responded that the Board should have seen this report in past years, so they would all understand what these numbers were in past years. The fact that the staff are sharing this information now should not be taken as a negative. Ms. Morningstar stated that the staff should not be presenting this as a deficit when the Board has not previously discussed it. Thomas Ahneman concurred that it is too much information to review today and would have preferred to receive the information two weeks ago.

Lauren Gauthier referred to the discussion of last month's meetings and whether the Board should move forward and consider charging agencies. A discussion followed.

Executive Director Daniels shared that he has contacted Board members and asked for help securing the surplus carryover.

James Marpe reviewed the line items and stated that the current staff should not be criticized for a budget submitted in 2022 before they were working for the agency. He pointed out that the fixed cost expenses in the budget have been approved over many, many years whether the Board was aware of it or not. He also requested the Chairperson to go to OPM for assistance with this budget to speak on our collective behalf. Mr. Marpe further stated that they should not be criticizing the staff for

bringing this information to the Board's attention. Instead, they should identify the issues and collaborate to formulate a budget for years.

Chair Palache agreed with Mr. Marpe and shared that Executive Director Daniels reached out to her, as the Chair, for her assistance with this issue. Staff introduced the topic at last month's meeting, but the details presented today were not available at that time. She assured the Board that she had already done her due diligence and would continue to do so.

Mr. Ilg said that they should collectively agree on a request to be submitted in September. Ms. Sisco explained the budget process and timeline. The agency presents a budget request to OPM. Agencies typically ask for more than they require because the request is likely to get cut. OPM's budget analysts, together with the Governor's Office, amend the request and decide how much they are going to give. OPM and the Governor's office agree on an amount that is then presented to the Legislature. In the past, SCSB has been fortunate to get a funding allocation for staff. Right now, we are in the second year of a two-year budget. Beginning July 1, 2024, the FY'25 budget was based on a biennium budget that passed last year. We have a shortfall, which is why we have requested a surplus carryover. We will now be working on FY'26 request that will be submitted in September to be included in the Governor's budget in February. Ms. Sisco further explained that in the past, only David (referring to former Executive Director David Guay) put the budget together and submitted it. Ms. Sisco believes there is no harm in having a budget discussion and would like to get a better understanding of the entire process. Both Ms. Sisco and Ms. Gauthier stated that David (referring to David Guay) just presented a budget number and moved forward without discussion with the Board. Now that the Board and agency are fully staffed, she believes we should institute a process.

Executive Director Daniels stated that we are awaiting a response to our request for discretionary funding (surplus) carryover. Chair Palache has also escalated this request. OPM has informed us that late in July, the OPM Secretary will make decisions and an updated status will be presented at the August Board meeting.

Lauren Gauthier recommended forming a Budget workgroup. After a brief discussion, the following individuals volunteered to serve:

1. Chair Rochelle Palache
2. Brenda Sisco
3. Lauren Gauthier
4. Stu Mahler
5. James Marpe

4. Old Business

- a. Consideration/Action on the draft template of the performance evaluations for the Executive Director and Chief Procurement Officer positions – Gregory F. Daniels

Executive Director Daniels met with DAS Human Resources professionals who strongly recommended that the existing PER-132 form be utilized for both Executive Director Daniels and Chief Procurement Officer Jonathan Longman's performance evaluations. This form serves as a template on which performance expectations and measures, that conform to the Statute, can be created and tracked. DAS-HR emphasized the need for compliance and offered to lend their assistance to the Board.

Al Ilg referred to a presentation that he made in February regarding the development of an evaluation process. Mr. Ilg requested that his February proposal be shared with the new Board members, Chair Palache, and DAS-HR, and explained it was the intent of the Board to create the template. After a lengthy discussion regarding this process, Mr. Ilg reinforced that his proposal was not adopted by the Board and that he agrees that it is standard procedure for the individual to be presented with the criteria prior to the start of the evaluation period. Additionally, Mr. Longman requested the inclusion of a review process to allow him the time to adjust his performance as required through the process.

James Marpe shared his experience in the school system and recommended that a subcommittee complete the *first pass*. Ultimately the evaluations become a public document, but the initial discussions should take place in executive session. The committee should create a draft, share it with the full Board in the executive session, and then present it to the employee prior to it being presented in the public session. Mr. Ilg recommended that we set a timetable to address this three months from now.

Executive Director Daniels shared that an employee must be provided with the criteria before the evaluation period begins. His review of Mr. Ilg's proposal overreaches the criteria within the Statute.

Jean Morningstar stated that the evaluation process is meant to be collegial, not adversarial, and agreed that the employee must understand the evaluation criteria. In response to Sal Luciano's earlier recommendation to base the evaluation on the job description, Ms. Morningstar noted that the job specifications are not always up to date or entirely accurate, so it is prudent to establish a workgroup to create the guidelines and to utilize the recommended DAS form.

In requesting past precedent from DAS-HR, Mr. Longman was informed that there was only one evaluation on file for the former Executive Director, David Guay, back in 2008. There was no evaluation on file for the former Chief Procurement Officer Julia Marquis who completed a self-assessment in 2015 but never had a formal evaluation; therefore, there is no past precedent on which to base evaluation procedures.

Chair Palache concluded the discussion by explaining that Executive Director Daniels did his due diligence by consulting with DAS-HR and thought the discussion was helpful. She would like to take some time with this topic and will respond to the Board. In the

meantime, she requested that Executive Director Daniels share with her the PER-132 form and Mr. Ilg's document.

b. Consideration/Action on the draft SCSB Ethics Policy – Executive Director Gregory F. Daniels

At the conclusion of the Ethics training session on April 5, 2024, and again on July 8, 2024, Executive Director Daniels shared a draft ethics policy with the Board for their consideration at the July 12, 2024, meeting. Although Director Daniels did not receive any responses regarding this draft, on July 9, 2024, articles began to appear in the media that implied that Executive Director Daniels was attempting to impede the Board's communication with the media. Prior to today's discussion opportunity, conclusions were drawn that the language contained therein was an attempt to limit the Board's communications with the media. Executive Director Daniels stated, for the record, that this was never the intent. He emphasized his reputation and many years of public service as a staunch advocate for transparency and the First Amendment. It is deeply concerning and embarrassing that an opportunity for such allegations was possible. Executive Director Daniels explained that the draft was a compilation of documents and input by staff that was intended merely to initiate discussion at this meeting. He apologized for not reviewing the document before disseminating it, as he may have identified the concerning language and edited it out prior to dissemination to the Board. He explained that although he attempts to review all documents before they leave the agency, his time resources were dedicated to completing other requirements, and he wanted to share meeting materials with the Board in a timely manner. Having not received feedback when it was disseminated on April 5, 2024, he did not allocate the time to review it again before disseminating it again on July 8, 2024. He summarized that it was simply a mistake; he stands by the staff and knows it was simply an error of oversight that could have been amended at this meeting. At no time was anyone intentionally intending to impede or usurp the authority of the Board, nor could they by this means, as it is a policy that needs to be adopted by the Board. Executive Director Daniels closed by reiterating that the intent was never to encroach on the public's right to know in any manner, and any suggestion to the contrary is simply not true.

Jon Longman also apologized for misinterpretation and stated that, despite the demands placed on them, every effort will be made to ensure that even draft documents are thoroughly vetted before dissemination.

Executive Director Daniels apologized personally and on behalf of the staff for any embarrassment and asked that the Board communicate their recommendations to him.

At this time, a discussion regarding the formulation and adoption of an Ethics policy was initiated. Executive Director Daniels explained that the Board has three options available to them and referred to the PowerPoint slide presentation that explained the pros and cons of each option.

Option A is a generic one-page ethics policy authored in September 2023 that reiterates the statute. Adoption of Option A would create immediate statutory compliance but does not address key elements of the Board's business.

Sal Luciano questioned why Director Daniels was the Ethics enforcer for the Board which requires that the Board report to him on ethics-related matters. With permission from the Chair, Executive Director Daniels clarified that each agency is required to designate an ethics liaison officer. Former Executive Director David Guay was the Ethics Liaison Officer for the agency; therefore, when Mr. Daniels assumed his role, the responsibility defaulted to him. Chair Palache afforded Executive Director Daniels the opportunity to continue the explanation of the ethics options available to the Board.

Option B is a revised draft ethics policy that specifically references the work of the Board and specific ethics concerns related to our agency's mission. It provides clear parameters regarding the information entrusted to us and an ethical framework for administrative and operational procedures. The only con is that it is more labor-intensive and requires iterative reviews.

Option C is to take no action regarding the adoption of an ethics policy. No further action would be required at this time; however, SCSB will fail to meet the statutorily required mandate to have an ethics policy.

Bruce Buff referenced the general state ethics policy that applies to everyone. Executive Director Daniels shared that Option A reflects these minimal expectations. He explained that after attending the Ethics Training tailored for our Board on April 5, 2024, Option B was drafted to address the board's business.

Lauren Gauthier stated that tailoring an ethics policy to our Board will conflict with other statutes. She motioned that the board not adopt any of the ethics policies presented.

In discussion of this motion, Brenda Sisco confirmed that the (Option A) one-page document is standard; however, the (Option B) multi-page example addresses ex parte discussion, etc. She agreed with the details and emphasized the importance that the board members are clear about ex parte communications, especially when dealing with vendors and contract awards, etc. Executive Director Daniels confirmed that even without a policy, we are required to adhere to those restrictions; however, just because that is required, does not mean it is happening. Adoption of an ethics policy will create an important enforcement portion that is otherwise absent.

Chair Palache believes that all parties were afforded ample time to weigh in on the discussion. Due to the public discussion that happened earlier this week, Chair Palache does not feel that the Board is ready to decide on this matter today, and she recommended that this matter be tabled for discussion and revisited at a later date.

Action

Sal Luciano interjected to move on her recommendation.

The motion was seconded by Al Ilg.
 Lauren Gauthier interjected to Chair Palache that the motion be tabled indefinitely.
 Chair Palache concurred.
 The motion was passed unanimously.

c. **Organizational Charts**

After some conversation on New Business agenda items, Lauren Gauthier revisited a topic from a former Board meeting regarding editing the reporting lines, solid and dotted, for Greg Daniels and Jonathan Longman and putting them on the same line. Stu Mahler provided a sketch clarifying her statement. Chair Palache requested that Ms. Gauthier email her the recommendation for her review.

5. **New Business**

a. **Committee and Workgroup Assignments**

In consideration of the remaining meeting time, Executive Director Daniels shared that Chair Palache is reviewing the composition of the committees to balance and accommodate new members. The new Budget Work Group will be added.

James Marpe has volunteered to participate in several committees.
 Lauren Gauthier volunteered to participate in the Statutes, Regulations, Policies, and Procedures Work Group. The Budget workgroup will be added as a subgroup of the Audit and Data Analysis Work Group.

b. **Advisory Council**

Bruce Buff shared a significant step made toward centralized procurement with the first meeting of the Advisory Council having taken place. He deferred to Jonathan Longman to report on the newly created, statutorily required Advisory Council. CPO Longman shared that the first meeting of the Advisory Council took place on June 18, 2024. We received appointment letters from the Governor and drafted bylaws that were presented and discussed. He spoke with Mr. Buff this morning regarding the creation of an intake form for use by this Council. The matter of centralized procurement will be the first item presented on an intake form. CPO Longman and the state agency participants are engaged and looking forward to providing feedback and recommendations to the Board going forward. Mr. Buff explained that the first step that will have to take place is significant work on the part of the legislature that will include dialogue with the Governor. Another step may be to conduct a series of meetings with the legislatures to move this initiative forward.

c. **Chief Procurement Officer's Report:**

Lauren Gauthier requested that the Chief Procurement Officer's report be added to future agendas. CPO Longman explained that his information appears in the Monthly Reports.

d. **Sec. 4e-36 Contested Solicitations and Awards Subcommittee:**

Stu Mahler expressed concern about people coming before this subcommittee who do not understand state procurement and asked how we can reach out to the public to make them

comfortable utilizing the RFP process to become contractors. CPO Longman shared that DAS has a group that reaches out, but he is not familiar with the details. Brenda Sisco clarified that DAS does a tremendous amount of work to reach out to businesses and increase the vendor base.

Mr. Luciano recommended that we add our contact information and refer bidders to Sec. 4e-36 Contested Solicitations and Awards when the agencies send out RFP (s). Ms. Gauthier explained that this used to be statutorily required but no longer is. That language was included in last year's legislation. It is a continuing matter before the Board. Jon has confirmed that he has seen a reference to 4e-36 by the agencies, who include it voluntarily. CPO Longman will reach out and try to find out more.

6. Opportunity for Citizens to Address the SCSB

No citizens requested to speak.

7. Adjournment at 12:03 p.m.

Action

A motion to adjourn was made by Lauren Gauthier
The motion was seconded by: Bruce Buff
The motion passed unanimously.

Respectfully submitted,

Aleshia M. Hall