



STATE OF CONNECTICUT
OFFICE OF GOVERNMENTAL ACCOUNTABILITY
STATE CONTRACTING STANDARDS BOARD

Final & Approved

Friday, September 8, 2017 Meeting of the State Contracting Standards Board
5th Floor Conference Room
18-20 Trinity Street, Hartford, Connecticut

Members Present:

Claudia Baio, Chair
Thomas Ahneman
Alfred Bertoline
Bruce Buff
Charles Casella, Jr.
Lawrence Fox
Stuart Mahler
Jean Morningstar
Robert Rinker
Brenda Sisco

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

1. [Call to order](#)

Meeting called to order by Chair Claudia Baio at 10:04 A.M.

2. [Approve the Minutes of the June 9, 2017 Meeting](#)

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

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

Executive Director Guay, reported no action on the matter. The Board directed Executive Director Guay to invite a representative from DESPP to attend the October 13, 2017 meeting of the Board.

4. [FY18 Strategic Planning](#)

Chair Baio asked Executive Director Guay to introduce the draft strategic plan for fiscal year 2018.

FY 18 SCSB Strategic Plan Draft

Mission will be to focus on cost savings and education through:

Legislation

FY 18 Plan

- Review Work Group Legislation
- Advocate for Board staff

Data Analysis

Current Members:

Alfred Bertoline, Chair
Bruce Buff
Donna Karnes
David Guay - ex-officio

FY18 Plan

- Goal – To promote more competitive bidding
- Perform data analytics to determine trends, unusual items, and other cause for further analysis :
- Summarize findings and recommend further analysis, research and actions to be taken to the Standards Board
- Develop and adopt a standard annual data analysis and report
- Identify sole source contracts and the reasons for it. Create a guide for sole sourcing that may be developed into regulations promulgated by the Board.
- Make cost savings recommendations to Agencies

Audits

Current Members:

Thomas Ahneman
Alfred Bertoline
Stuart Mahler
Robert Rinker
Jean Morningstar
David Guay - ex-officio

FY18 Plan

- Goal – Continued implementation of audit program.
- Complete FY17 Audits

- Preparation of a comprehensive audit plan that meets our mandate of audits of every agency every 3 years with smart employment of our limited resources
- Based upon audit information recommend how to achieve cost savings
- Strengthen relationship with the Auditors of Public Accounts

Privatization Contracts Committee (standing committee)

Current Members:

Claudia Baio, Chair
 Thomas Ahneman
 Charles Casella
 Lawrence Fox
 Brenda Sisco

FY18 Plan

- Goal – Make recommendations to the Board for action
- Facilitate compliance with Sec. 4e-16
 - Craft compliance communications
- Conclude the Bridge Safety Inspection review
- Choose next contract to review

Contested Solicitations and Awards Subcommittee (Standing Committee)

Current Members:

Robert Rinker, Chair
 Stuart Mahler
 Vacancy

FY17 Plan

- Goal – Timely processing of contests and report area for the Board to address.
- Report back to the Board deficiencies identified in the solicitations, evaluations and awarding of contracts.
- Demonstrate how error free procurement produces cost savings.

Motion made by Alfred Bertoline and seconded by Thomas Ahneman to approve the FY18 Strategic Plan. All voted in favor.

5. Report from Privatization Contract Committee

Privatization Contract Committee (PCC) Chair Baio reported that members have in their material a draft letter that is the result of an action plan the PCC implemented at the last meeting. Chair Baio explained the content of the letter. The PCC wanted to express agreement with the Business Plan, first year portion proposed by the Department of Transportation (DOT).

The PCC was leaning toward approval of the full business plan but could not do it without some additional information from the DOT.

Members discussed and amended the letter.

Motion made by Lawrence Fox and seconded by Alfred Bertoline to approve the letter. All voted in favor.

6. Report of the Contested Solicitations and Awards Subcommittee

Subcommittee Chair Robert Rinker reported the Subcommittee received and met on a contest of an award by the Teachers Retirement Board.

RDS Services, LLC and Benistar, the shared services organization and bidder contests the award of Connecticut Teachers Retirement Board, Proposal TRB#2017-003 to Part D Advisors.

RDS Services have a reopening service, recovering of additional Medicare dollars for the State. They have and use proprietary software.

RDS Services, LLC approached the State Teachers Retirement Board (TRB) with a proposal to recover additional dollars. RDS Services, LLC claims to have been part of creating the RFP in January 2017. The TRB has a third party consultant, Joe Fields of Brown and Brown. Joe Fields coordinated the creation of the RFP and RDS gave other bidder names to the TRB.

In discussion Mr. Fox indicated that the TRB is exempt from the minority and small business requirement.

Discussion was held on in state preference and that the successful bidder Part D Advisors is not based in Connecticut.

The contract is a contingent arrangement, performance based. Compensation is based on what is reimbursed.

The contest alleges that there was no committee evaluation, and that the TRB approved by vote at a meeting the selection of Part D Advisors. No opportunity for a final and best offer is alleged.

RDS Services, LLC claims they were told a waiver from the three bidder requirement was obtained, but not certain a waiver was obtained.

Question of what or when and if negotiations with Part D Advisors has occurred was discussed.

The Subcommittee has sent a letter to the State Teachers Retirement Board asking for the responses to the RFP, asking whether a bidder waiver was obtained and requesting a copy. The letter will also request an answer to whether they considered in-state contractor preference and seek a response as to how the bid winner was selected.

The Subcommittee directed Executive Director David Guay, to have a conversation with the Board's Assistant Attorney General on the question of the appropriateness of contingent arrangements, at what point are negotiations ended and does the Board and Subcommittee have the authority to stay an award.

Chair Baio took the opportunity to appoint Bruce Buff to the CSB Section 4-36 Contested Awards and Solicitations Subcommittee to fill the vacancy caused by the resignation from the Board or Roy Steiner.

7. Work Group Reports

a. Report from Data Analysis Work Group

Data Analysis Work Group Chair Alfred Bertoline reviewed the progress the Work Group has made in reviewing the responses to their questionnaire on the 50 contracts. Chair Bertoline reported still some loose ends to tie up. He believes the Data Analysis Work is at the point to start focusing on the results and drafting a report to the Board.

b. Report from Audits Work Group

Chair Thomas Ahneman reported the Audits Work Group is auditing thirteen agencies and had received nine initial responses to the audit questionnaire. The Audit Work Group is going to be making a second inquiry to the remaining four. The Work Group is also going to communicate back to the nine with initial responses to let them know that the audit is still open and ongoing, that supplemental information may be requested, including the possibility of a request for an interview.

The Work Group discussed a more robust audit. Audit Work Group member Robert Rinker has been asked to create an audit report template.

The Work Group had been looking at a list of questions concerning the Connecticut Technical High Schools. Department of Administrative Services questions, policy questions and questions for the State Department of Education.

Chair Ahneman recommended that questions 4, 5, 6, and 14-18 be sent to the State Department of Education

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?
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?

With the remaining questions should be brought to the Board to discuss and opine on them. Executive Director Guay was directed to place them on the Board's next meeting agenda.

1. Is it appropriate to have professional services under a Master Contract with 42 vendors?
2. Is it appropriate of 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. How would the public/taxpayers know about such contracts?
5. Is it appropriate to only submit purchase orders for payment of vendor for professional services under a Master Contract?
6. Should such professional services contracts require legal approval by the Agency and review for form by the Attorney General's Office?
7. Should such contracts reference the Master Contract and its requirements?
8. Are letters of agreements an appropriate way to enter into a contract for professional service under a Master Contract?
9. 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?
10. Who should have to approve of retainer agreement in lieu of payment for hourly services as provided for under the Master Contract?

19. Other business

Reminder that Executive Director Guay will be reaching out early to determine everyone's availability for the next meeting.

20. Public Comment

Ned Statchen, DOT Bridge Safety Engineer Three provided the Board with a quick update on the PCC's review of the DOT. He is not seeing a push to hire more bridge safety inspectors.

21. Adjournment

Motion made by Lawrence Fox and seconded by Stuart Mahler to adjourn. All voted in favor, the motion passed and the meeting was adjourned at 11:41 A.M.

Respectfully submitted: David Guay