



STATE OF CONNECTICUT
OFFICE OF GOVERNMENTAL ACCOUNTABILITY
STATE CONTRACTING STANDARDS BOARD

Appropriations Committee

Testimony

Lawrence Fox, Chair of the State Contracting Standards Board

February 13, 2020

Good afternoon, Senate Chair Osten, House Chair Walker, General Government A. Subcommittee Chair Winfield, and Chair Ryan, and distinguished members of the Appropriations Committee. My name is Lawrence Fox and I am Chair of the State Contracting Standards Board (CSB).

I am joined by members of the Board:

- Bruce Buff, a retired procurement executive for such firms as BIC.
- Albert Ilg, retired long time town manager of Windsor.
- Robert Rinker, retired Executive Director of CSEA/SEIU Local 2001.
- Donna Karnes, a Premier Real Estate Broker in the Wilton area of the State.
- Stuart Mahler, retired from the Office of Policy and Management.
- Alfred Bertoline, a well-known Connecticut CPA.
- Brenda Sisco, former Secretary of the Office of Policy and Management (OPM) and Commissioner of the Department of Administrative Services (DAS)
- Salvatore Luciano, President of the Connecticut AFL-CIO.
- Also in attendance is the Board's Executive Director, David Guay the sole staff of the Board.

Thank you for the opportunity to offer comments regarding Governor Lamont's recommended budget adjustments for FY 2021.

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First I would like to thank the members of the Appropriations Committee in answering our plea for more staff in the FY20 & FY21 Biennium Budget passed by the Committee last year. The clarity of thought and action is truly appreciated. Unfortunately the Appropriations Committee provisions for more staff was dropped in the final budget negotiations with the Administration.

Governor Lamont's proposed budget for the CSB continues to be inadequate. The CSB as we have done in the past, will continue to work within the resources provided by leveraging the phenomenal commitment of Board members to take on tasks and responsibilities that should be properly accomplished by a staff.

Despite having a staff of one, who by the way was on extended medical leave this fall and early winter after a diagnosis of prostate cancer this summer, I would like to update you on the work of the Board.

This year, the workload of the CSB again continues to increase, with more and more complicated, sensitive and important issues and work.

Accomplishments in FY 2020

- The Board's Privatization Contract Committee resolved a privatization matter involving the University of Connecticut Health Center and the Department of Correction concerning pharmacy services for inmates. The resolution was complicated due to questions of whether another agency can act as a contractor and whether a service that was once performed in-house and privatized in the past would require the Board's approval.
- After the Board's approval of the Department of Transportation plan to return the work of Bridge Inspections to state employees to save over \$2 million in FY 2019, the Board's Privatization Contract Committee created the necessary, work flow and tools for reviewing privatization efforts by agencies.
- The Board's Contested Solicitations and Awards Subcommittee resolved two major contests against, the Capital Region Development Authority (CRDA) one of Connecticut's quasi-public agencies concerning the reconstruction of Hartford's Dillon Stadium.
- The two Dillon Stadium reconstruction contests uncovered irregularities and concerns on how Quasi-Public Agencies contract. A special committee was formed to study these issues and is due to report back to the Board in 2020.
- The Board's Contested Solicitations and Awards Subcommittee resolved two major contests against the Office of the State Comptroller by Oxford Health Plans LLC concerning a Request For Proposal (RFP) for administration of State Medical Benefit Plans.

- In the wake of the Board's two studies and reports concerning Personal Service Agreements and Purchase of Service Contracts Public Act 19-117 was passed by the General Assembly and signed into law by Governor Lamont. Public Act 19-117 requires OPM to post all approved PSA waiver requests on the state contracting portal and requires OPM to report by January 15, 2020, and annually thereafter, on how many PSA waiver requests OPM received during the prior year and OPM's justification for granting or denying the requests. Public Act 19-117 also requires executive branch agencies submit to OPM three year procurement plans for POS and PSA contracts by January 1, 2020 and every three years after.
- In response to the savings projected by the Board's two FY 19 studies and reports the adopted budget for FY 20 called for contracting savings of 5 Million and 15 Million in FY 21.
- The Board concluded six audits of eleven agencies selected for audit during FY 19 & FY 20.

In conclusion, the Board was established to address a troublesome chapter in our State's history. Like any government accountability function, there is built in tension. We are the check and balance you created. Our effectiveness rests in your hands.