

SPECIAL STATE USE COMMITTEE MEETING MINUTES
Library for the Blind and Physically Handicapped
300 NE 18th Street
Oklahoma City, OK 73105

Wednesday, June 17, 2009

ORDER OF BUSINESS

Call to Order:

Committee Chairman William Smith called the meeting to order at 1:07 p.m. The agenda and meeting were posted Friday, June 12, 2009.

Roll Call:

Members Present: William Smith, Committee Chair, David Oliver, Committee Vice Chair and Jane Nelson, Committee Member.

Members Absent: Effie Ballard, Committee Member and John Richard, Committee Member

Quorum declared with three members present.

Introductions:

Mr. Smith asked for introductions, present were: Elizabeth Mincher, Judy Atkins, Melody Henry, Tammy Loyd, Mark Claunch, Jerry Vail, Julie Grigsba, Evelyn Bays, Melissa Walker, LaTaisha Thompson, Chip Pearson, Cathy Cash, Melissa Walker, Kerri McKinney, Sandy Rosier, Lance Tewell, Paula Click, Regina Chace, Regina Switzer, Steve Hagar, Leanna Edmonds and Kym Humphrey.

Approval of Minutes:

Mr. Smith asked for a motion to approve the minutes of the May 20, 2009 State Use Committee meeting. A motion was made by Mr. Oliver that the minutes be approved as presented. A revised copy of the minutes was provided to the Committee, Ms. Edmonds read the revisions on page four, third paragraph, third sentence. The original document stated Delaware County Friendship Homes needed to have printing removed from the procurement schedule and they are in fact the exception. The revision read:

All State Use Vendors except Delaware County Friendship Homes need to have paper printing removed from the State Use Program Items Suitable to Procure List since no other State Use Vendor has their own print press.

A motion was made by Mr. Oliver and seconded by Ms. Nelson that the revised minutes be approved as presented. Mr. Smith asked for discussion, there was none. Upon roll call the vote was as follows:

YEAS:, Ms. Nelson, Mr. Oliver and Mr. Smith

NAYS: None

ABSENT: Ms. Ballard, Mr. Richard

Motion passed.

1% Levy Report and Financial Information:

As of May 31, 2009, the balance of the State Use Revolving Fund is \$237,412.78. The deposits made into the fund for the month of May 2009 were \$35,176.27. The operating Budget Comparison for State Use was presented to the Committee, there were no comments.

MR. ROSS ARRIVES AS DESIGNEE FOR MR. RICHARD.

Discussion and Possible Action on State Use Budget for Fiscal Year 2010:

Ms. Edmonds discussed the State Use Budget. Professional Services increased in the second quarter due to the Economic Benefit Study. Professional Services also includes the temporary employment services used by State Use. Travel is increased in the second quarter due to the State Use Program Association (SUPRA) Annual Conference. Direct Agency Payments is increased to cover the air fare for SUPRA, the rest is for items such as office supplies and promotional items. Mr. Oliver asked how much was budgeted for the Economic Benefits Study, Ms. Edmonds stated she was not sure because she was

not involved in the planning but believed it to be \$25,000.00. Mr. Oliver asked if State Use had budgeted at a deficit in the past. Mr. Ross stated it had been done before. Ms. Nelson asked what the status of the Economic Benefit Study was. The paper work was submitted to the Primary CPO of the Department of Central Services (DCS); he will build the requisition and send it the Central Purchasing to work. The State Use office has not seen the requisition yet. Mr. Smith asked Mr. Ross if he worked with Marti Sawyer on the budget, Mr. Ross said he had left that in her hands and they had discussed some of the items in the past. Mr. Ross explained that the budget could be adjusted and referred to the previous year's budget. The Committee did not recall approving the budget in previous years.

Mr. Ross made a motion to approve the State Use Budget as submitted with the understanding that if adjustments need to be made, the budget would be presented to the Committee again. Ms. Nelson asked who at DCS approves the budget. Mr. Ross indicated that the agency head would and then it would be submitted to the Office of State Finance. Ms. Nelson asked if there was a conflict because the person approving the budget sits on the Committee. Regina Switzer, Assistant Attorney General stated it was not. Mr. Oliver seconded the motion to approve the budget as submitted. Mr. Smith asked for discussion, there was none. Upon roll call the vote was as follows:

YEAS:, Ms. Nelson, Mr. Ross, Mr. Oliver and Mr. Smith

NAYS: None

ABSENT: Ms. Ballard

Motion passed.

Discussion of the Economic Benefits Study:

A copy of the information submitted to DCS was provided to the Committee. DCS will build the requisition, send it to a Buyer in Central Purchasing to put out to bid. Mr. Oliver referred to the previous meeting minutes and confirmed that after the responses are received by Central Purchasing, they will be presented to the Committee for review. The Committee will then determine if they want to award.

Presentation of Stat Use Fair Market Policy and new State Use Rules:

The State Use Fair Market Policy was revised and approved at the May 20, 2009 Committee meeting. The final version was provided to the Committee and State Use Vendors. The State Use Rules went into effect July 11, 2009, the final version was provided to the Committee and State Use Vendors.

Presentation, Discussion and Possible Action on Fair Market Pricing:

SW700 – Highway Litter Removal Services, this is a multi-vendor contract held by thirteen State Use Vendors, presented by Sunshine Industries, Inc. The Fair Market Review Sub-Committee reviewed the prices as submitted. A motion was made by Ms. Nelson and seconded by Mr. Oliver that the fair market price for highway litter removal services be approved at \$9.92 per acre. Mr. Smith asked for discussion, there was none. Upon roll call the vote was as follows:

YEAS:, Ms. Nelson, Mr. Ross, Mr. Oliver and Mr. Smith

NAYS: None

ABSENT: Ms. Ballard

Motion passed.

Clarification of Man Hours, 74 O.S. § 3003 (3) (4):

There was a statement made at the May 20 Committee meeting that if a bid is won on the open market then the 75/25 rule does not apply. This statement is incorrect. According to Title 74 § 3003(3), a Qualified Nonprofit agency for the severely handicapped means a nonprofit agency which is certified as a sheltered workshop by the wage and hour division of the U.S. Dept of Labor and employing severely disabled persons who constitute at least 75% of the personnel engaged in direct production of products or services offered by the agency. All contracts, whether won on the open market or not, must meet the 75/25/ rule. If the product or service is listed on the State Use Procurement Schedule, it must meet the 75/25 rule.

Discussion and Possible Action on State Use Expenditures:

Promotional Item purchases were previously approved by the State Use Contracting Officer, since the position is vacant, the State Use staff is seeking direction from the Committee on whether they should continue with requesting quotes and purchasing such items for trade shows State Use is attending and the annual State Use Program Trade Show. The Committee agreed to continue marketing the program through promotional items.

There was discussion of placing a cap of \$5,000.00 State Use Funds at the May 20, 2009 State Use Committee meeting. There was brief discussion regarding the cap. Mr. Oliver stated salaries would be excluded from the cap. A motion was made by Mr. Oliver and seconded by Ms. Nelson that any individual expenditure for over \$5,000.00 be submitted to the Committee for approval. Mr. Smith asked for discussion, there was brief discussion. Upon roll call the vote was as follows:

YEAS:, Ms. Nelson, Mr. Ross, Mr. Oliver and Mr. Smith

NAYS: None

ABSENT: Ms. Ballard

Motion passed.

Discussion and Possible Action on State Use Purchase Orders of FY2010:

A list of purchase orders issued for FY-09 was reviewed by the Committee. The list included two purchase orders for FY-10, one for ECapitol and the other for the Oklahoma Association of Chiefs of Police Trade Show. The State Use Program does not have all yearly contracts completed for FY-10, it was suggested that all State Use purchase orders be presented to the Committee for approval to move forward in FY-10. There was discussion regarding whose access the ECapitol purchase order paid for. An invoice for the State Chamber of Commerce was provided to the Committee for review. The Attorney General's contract was previously approved. The Committee agreed that State Use should continue to attend trade shows, promote the State Use Program and remain members of the organizations named on the purchase order list. There was discussion regarding the Galt Foundation contract for temporary employment services and the approval of it because it is over \$5,000.00. A motion was made by Ms. Nelson and seconded by Mr. Ross to approve the Galt Foundation contract for \$30,000.00. Mr. Smith asked for discussion on the Galt contract, there was none. Upon roll call the vote was as follows:

YEAS:, Ms. Nelson, Mr. Ross, Mr. Oliver and Mr. Smith

NAYS: None

ABSENT: Ms. Ballard

Motion passed.

Discussion of Site Visits for State Use:

The State Use Contracting Officer attended mandatory site visits for janitorial services throughout the state. There were instances when a vendor did not show up for the site visit, this was a waste of State Use dollars spent on travel and time out of the office. If a vendor is not going to attend a site visit for a request for proposal, please let the State Use Office know so that the travel can be cancelled or rescheduled. The Department of Human Services mandates the site visit on all their contracts. Steve Hagar, State Purchasing Deputy Director indicated that site visits can be challenged on a case by case basis.

Meeting Adjourned: 1:50 p.m.