Arizona Set Aside Procurement Program
Meeting Minutes

January 14, 2015

Attendance:

Members Present:

Barbara Corella, ADOA, Committee Chair
Gary Hahn, DES
Manuel Salazar, TCH
Richard Monaco, AIB
Brian Radecki, ACI
Carol Carr, Achieve Human Services
Rick Crago, AZ Lottery
Steven King, Beacon

State Procurement Office Staff Present:

Matthew Miles
Betty Austin

Others Present:

Armando Bernasconi, QC
Jennifer Baier, ValleyLife
Doug Arnett, QC
Darrell Funk, DES
Lesli Stern, ValleyLife
Chelsea Oertle, Auditor General

Minutes:

I. **CALL TO ORDER:** Barbara Corella called the meeting to order at 1:30 PM.

II. **ROLL CALL:** Barbara Corella asked all attendees to give their name in roll call. Elena Beeman and James Apperson were absent.

III. **APPROVAL OF MINUTES**: The minutes from the October 15, 2014 meeting and December 9, 2014 subcommittee meeting were presented for approval.

October 15, 2014 Committee Meeting

MOTION: A motion to accept the minutes as presented was made by Manuel Salazar.

SECOND: The motion was seconded by Steven King.

DISCUSSION: There was an incorrect title of a contract on these minutes. It was called "document imaging" but it should have been referred to as "Remanufactured and OEM Printer Supplies." QC made another clarification on Page 5 of the minutes. The sentence where it states "There are some new OEM cartridges that are being added to the list," will be changed to "There are some new OEM and remanufactured cartridges that are being added to the list." Lastly, the sentence that states "The remanufactured cartridges, that are currently available for 47% off of MSRP…" will be changed to "The QC toner remanufactured cartridges, that are currently available for 47% off of MSRP…"

VOTE: Passed unanimously.

December 9, 2014 Subcommittee Meeting

MOTION: A motion to accept the minutes as presented was made by Steven King.

SECOND: The motion was seconded by Gary Hahn.

DISCUSSION: None

VOTE: Passed unanimously.

IV. Discussions (Possible Action):

1. Status Report from the December 9, Subcommittee meeting was given by Richard Monaco.
   a. Summary of Subcommittee actions since its inception: Created Product Cost and Service cost Analyses, Defined fair market value and value-added, confirmed the definition of Disability as defined by statute, determined that 60% of direct labor must be performed by individuals with disabilities, revised the application for certification and revised the quarterly reporting structure.

2. Recommendation to approve the Product and Service Cost Analyses for use by the committee:
   a. Changes were made to the previous versions of these documents since the last time they were brought before the committee.
      i. The definition of "disability" was added to the definitions sheet.
      ii. There are two tabs for these analyses, a definitions sheet and a worksheet.
      iii. The 60% ratio requirement has been added to the definitions sheet in addition to some language addressing organizations with two or fewer workers.
      iv. The committee can allow a vendor up to 12 months to comply with the ratio.
      v. Language was added which states that these analyses are open to public inspection but the committee can waive this requirement when necessary.
      vi. The last page of the proposal provides submittal instructions.
   b. There is no spot for profit on this worksheet.
      i. ADOA does not require companies to disclose their profits in standard solicitations. The committee concluded that it is not necessary to provide profit information.
   c. These analyses are intended for new proposals; they are not intended for extensions. This requirement can be added for extensions at a later date, if it is deemed necessary.

   MOTION: A motion to approve the recommended Product and Service Cost Analyses for use by the Committee was made Manuel Salazar.

   SECOND: The motion was seconded by Carol Carr.

   DISCUSSION: None.

   VOTE: Passed unanimously.

3. Future Subcommittee Agenda Items
   a. Define the term "Program"
   b. Define the "Purpose" of the Committee.
   c. Define the process for submitting a new product or service proposal and having a step-by-step manual.
   d. Finding a way to monitor that vendors are meeting the 60% ratio requirement.
   e. Address education and marketing programs for the Committee (AAPPD proposal that was previously brought before the committee.)

V. Contract Items

1. Contract Extensions:

ACI	Engraved Products	2/11/15 - 2/10/16

MOTION: A motion to approve the contract extensions was made by Richard Monaco.

SECOND: The motion was seconded by Manuel Salazar.

DISCUSSION: No changes were made to the current contract.

VOTE: Passed unanimously.

2. New Contract Proposals:

ACI (Previously EPS090051010A1)	Signage, Decals, Plaques & Work Identification Products	2/09/15 - 2/08/16

MOTION: A motion to approve the contract extensions was made by Manuel Salazar.

SECOND: The motion was seconded by Steven King.

DISCUSSION: The only change to the contract is that some parts have been removed from the list that are not ordered and have become obsolete.

VOTE: Passed unanimously.

VI. COMMITTEE COMMENTS AND SUGGESTIONS

1. Richard Monaco – The Governor has not appointed a Private Sector Business person to the Committee. We have been operating one member short and we should follow-up on this.

2. Richard Monaco – As was stated in the previous meeting, there are a number of contracts still in the Report that have not been brought before the Committee. These should be dropped off the report. I recommend that we start tracking the end dates of these contracts.

VII. FUTURE AGENDA ITEMS

1. N/A

VIII. CALL TO THE PUBLIC

1. N/A

IX. ADJOURNMENT: The meeting was adjourned at 2:03 p.m.

NEXT MEETING: Wednesday, April 8, 2015 at 1:30 p.m.

For inclusion on the next regular agenda, contact Betty Austin at (602) 364-0102. With prior notice Barbara

For inclusion on the next regular agenda, contact Betty Austin at (602) 364-0102. With prior notice Barbara Corella, committee members can appoint a proxy if they are unable to attend the meeting. If you require special accommodations, please contact Matthew Miles at (602) 364-0134 at least three working days prior to the meeting.

Barbara M Corella 1/27/15

Barbara M. Corella, C.P.M., CPPB
State Procurement Administrator

Date

Submitted by:
Matthew Miles
Procurement Associate
State Procurement Office

APPROVED BY THE COMMITTEE:

Barbara M Corella 6/15/15

Barbara M. Corella, C.P.M., CPPB
State Procurement Administrator

Date

POSTED: