

Arizona Set-Aside Procurement Program

Subcommittee Meeting Minutes

MAY 26, 2016

**Attendance:**

**Members Present:**

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| Manuel Salazar, TCH | Richard Monaco, AIB |  |
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**State Procurement Office Staff Present:**

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| Barbara Corella |  |  |

**Others Present:**

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| Armando Bernasconi |  |  |
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**Minutes:**

**CALL TO ORDER:** Richard Monaco called the meeting to order at 1:10 PM.

1. **ROLL CALL:** Barbara Corella took roll call.
2. **OVERVIEW OF STATE EXPENDITURES:** Barbara Corella provided an overview of Open Books and how the State transparency website will be the starting point for determining what the Set Aside program will use to establish the 1% goal target.
3. **DEFINITION OF THE 1% GOAL:**  Barbara referred back to the Procurement Code to frame the discussion for the 1% goal. In FY 2015 state expenditures exceeded $35 billion. State expenditures are segmented into categories for reporting purposes. Some of these categories do not lend themselves to procurement or contracting. As an example, Open Books shows a category for employee related expenditures. Procurement does not directly contract for this category of expenditure; it is based on the select of employees. Therefore this category would be considered “untouchable” for the purpose of the 1% goal target. The 1% goal should be based on “touchable” spend, or spend that we can directly tie back to contracting efforts.
4. **ESTABLISHMENT OF THE 1% GOAL:** Based on the agreement of those in attendance, the process would be to establish the 1% goal target every year in September by the end of the month after the State has closed the previous fiscal year processing. This would give a clear picture going forward to benchmark against, and a definable calculation.
5. **DEFINITION OF MANDATORY:** Manuel Salazar then provided a draft definition of the requirements for requesting a contract be mandatory. It was determined that this was a good starting point to review with legal and the State Procurement Administrator. A public comment and input period was also discussed to ensure that all levels of participation would be represented
6. **COMMITTEE COMMENTS AND SUGGESTIONS**: Richard Monaco suggested that Barbara be the one to do the report out at the next regular Set Aside meeting

1. **FUTURE AGENDA ITEMS:** Richard suggested we keep on working on the definition of what a mandatory contract means, as well as we work on defining a process to update the website. Barbara indicated that we need to establish a metric for what the baseline level of employment data is and work to create a tracking process with information similar to what is on the application. Richard would also like us to look at doing a more formalized annual training program. Barbara discussed the possibility of re-certifying CNADI organizations periodically to ensure we are listing those that actually meet the definition. Richard verified that as of August 6, 2016 AIB will be a non-profit. .
2. **CALL TO THE PUBLIC:** None
3. **ADJOURNMENT :** Meeting was adjourned at 2:30 PM

**NEXT MEETING:** TBA

For inclusion on the next regular agenda, contact Barbara Corella at (602) 542-9136. 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 Betty Austin at (602) 364-0102 at least three working days prior to the meeting.

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|  | Thomas Colombo  DERS Acting Assistant Director,  Department of Economic Security  Division of Employment and Rehabilitation Services |  | Date |
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|  | Submitted by:  Barbara Corella  State Compliance Officer  State Procurement Office |  |  |
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|  | APPROVED BY THE COMMITTEE: |  |  |
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|  | Barbara M. Corella, C.P.M., CPPB  State Procurement Administrator |  | Date |

**POSTED:**