

# **Governor's Supplier Diversity Council**

## **November 21, 2013 Meeting**

### **Minutes from November 21, 2013 Governor's Supplier Diversity Council Meeting**

#### **Attendees:**

In person: Ken Anderson, Anas Ben Addi, Cathy Imburgia, Shirley Lerner, Brian Leahy, Valerie Watson, Carmen Herrera

On the phone: Dean Stotler, Devona Williams PhD, Ron Frazier, Sakthi A. Vel PhD, Nick Callazzo III, and Michelle Morin

Absent: Clay Hammond

#### **Meeting Opened:**

Meeting Called to Order by Ken Anderson, GSDC Chair, at 10:34am.

#### **Quorum:**

The meeting opened with a quorum reached with six members in attendance at start of meeting and a seventh and then an eighth joining the meeting.

#### **Prior Meeting Minutes:**

Minutes for the meeting held on October 29, 2013, were reviewed without being read, no corrections were made, and the minutes were unanimously accepted without abstention via motion by Nick Callazzo and seconded by Dean Stotler.

#### **November 21 Meeting Notes:**

- Ken Anderson provided a brief update regarding names submitted to potentially fill the open Council seats. Three names are being presented to the Governor's office, they are:
  - Mr. Charles Gillean
  - Mr. Carlos Dipries(sp)
  - Mrs. Theresa (Terri) Brown-Edwards, Esq.
  - And when Michelle Morin obtains a bio from Ms. Loren Taylor, Supplier Diversity Manager at DuPont, her name will also be provided to the Governor's office.
- At the request of the Chair, Michelle Morin provided a current status of the Small Business Focus Program (SBF). Michelle spoke about the work done to date with OMB\_IT to prepare the Office of Supplier Diversity (OSD) database and a front-end webpage to allow easy access to both the OSD Certified list of vendors and the SBF Program, including a new functionality that the public could export the entire list to excel or pull lists of any MBE, WBE, Veterans, or within the MBE grouping by ethnicity as well as the entire SBF list or the listing of any one of the six industries. The work in progress is expected to be ready mid-December. Michelle reminded that while the GSDC did vote on the industries and eligibility sizes for the race and gender neutral business program during the August 2013 meeting that the council withheld from making a determination on the name and one is needed at this time. Michelle again mentioned the Micro Business name and Ken Anderson, specifically citing to legacy, offered the Small

Business Focus name. APPROVED MOTION: Motion was made by Dr. Devona Williams to approve the name as Small Business Focus Program, the motion was seconded by Nick Callazzo. The motion carried unanimously without objection or abstention.

- The Chair asked each Tiger Team leader to provide current updates on the GSDC Initiatives and to recommend, or not, if the initiative is ready to be reported to Governor Markell at the December 19 Meeting. Tiger Team leaders provided updates as follows:
  - Dean Stotler provided an update on item 1 of the initiatives: **“Examine and where practical, establish a standard for all agencies in terms of contract length and increased transparency on how the length of contract decisions are made”**. Dean identified that there is not a standard contract term for business reasons. Dean mentioned that there are unintended consequences to mandates, and that Delaware Contracts have a five year maximum with few exceptions or exemptions. Such includes: (a) an IT multi-year contract similar to that with Oracle as it is not a five-year contract for significant reasons including the cost of the project, the ability to fix any offensives within the contract rather than swapping vendors; (b) the statutory reasons such as for the lottery; and (c) Parks & Recreations concessions. All of these types of projects are known to take more time. Cathy Imburgia mentioned the transparency piece of this initiative and Dean indicated that all transparency is published information for all formal awards [on MyMarketplace.Delaware.gov]. This meets the intent of initiative number 1 for vendors to learn the contract terms. Dean made a recommendation in two parts: 1) not pursue a standard contract term length and 2) maintain the transparency and flexibility in current contract methods. Conversation continued on this initiative: Nick Callazzo inquired as to the unintended consequences of flexibility? Dean responded that the unintended consequence of a set term is that, for example, in a bid process there are policies and other reasons to go to a bid or not and the flexibility to choose or not to extend a contract within the term already set is an advantage of flexibility. Nick responded with, Good. Cathy inquired, how do vendors know how those decisions are made? Dean responded that while this initiative is to review contract length and transparency of outcomes, the state does not explain every decision made. If an agency needs to make a decision about a contract it is often made by a power user of the contract or an agency expert. The data does not suggest that the timing of contracts is being abused. Also, there are questions and answer areas in solicitations that a vendor can ask any question and if they wanted they could ask about the term of the contract and ask about options and identify benefits to the state. Ken Anderson suggested that the second part of this initiative is for increased transparency and the question raised by Cathy and Dean’s answer may be better as a FIOA-able activity or learned in debrief by a vendor. Ken then added that if the recommendation is to not pursue a standard contract term then there may be a need to re-iterate in a positive way the available transparency in contracting so that vendors may be influenced to question the term in the Q&A. RECOMMENDATION: Dean agreed to work on such wording for the presentation of this recommendation. Chair requested a motion on this initiative. APPROVED MOTION: Cathy Imburgia moved that Initiative number 1 be written up by Dean Stotler, with the

recommendation to suggest no standard contract term for state contracting and to specifically include language about the transparency of contract terms. The motion was seconded by Nick Callazzo. Vote was called, the Ays have it, one Nay was heard, and no abstentions were heard. The motion carries.

- Nick Callazzo recommended to not move forward with item 8 of the initiatives: **“Continue to work on codifying and promulgating the various initiatives explored and proposals developed through the Council Tiger Team process. This includes incorporating Veterans into the initiatives”**. Nick then explained that as part of this initiative the team was hoping to get Veteran status identified on a drivers’ license and that instead the DMV established a card with a picture for Veterans. Nick then also mentioned an upcoming employment fair with Senator Coons and the Delaware State Chamber of Commerce. Further that Nick wants to host an employment workshop at the end of 2014. Dean Stotler and Ken Anderson replied, echoing each other, that these comments are for individuals rather than for businesses in the supplier diversity community. Ken then asked for the recommendation on this topic. Cathy Imburgia asked about opportunities to capture who the owners of businesses are and to document that. Dean relayed that we already capture the ownership of businesses through OSD. Dr. Devona Williams offered two responses, first that the Council’s mission is on policy not direction and second that the Council has a business focus as opposed to an individual focus. Michelle Morin offered that we can offer to leverage the online Directory of OSD Certified businesses to the marketers of the employment fair and business matchmaking event to leverage the OSD Directory and the supplier diversity community who may be in need of recruiting opportunities. Nick responded that he saw a problem in the veteran community that needed a solution and that he understands that the Council cannot be responsible for a matchmaking session but he is seeking a way to help veterans. Dr. Williams offered a motion that the OSD Directory be made available to the Delaware State Chamber of Commerce for this event to promote Veteran employment. The motion was seconded by Nick Callazzo. Conversation continued on this initiative. Cathy spoke to the role of the Council to support veteran initiatives by providing the OSD Directory. Michelle offered that an update to the OSD Directory webpage is in the works and that reframing a page to more easily market the use of the OSD Directory for the community is possible. Ken asked to Amend the Motion. RECOMMENDATION: Dr. Williams withdrew her original motion and next offered a new motion, APPROVED MOTION: the Office of Supplier Diversity, once the webpage of OSD Certified firms is updated, will provide guidance to resource partners on the ability to use the OSD Directory of Certified Business Enterprises for inclusion in opportunities and events. The motion was seconded by Cathy Imburgia. Vote was called and the motion passed unanimously.
- Ken Anderson asked the Council to add 15 minutes to the agenda. He asked for objection and there were none.
- Dr. Devona Williams provided an update on item 7 of the initiatives: **“Evaluate the consistency and integrity of the RFP process, including follow-through and status updates by Procurement personnel. Create accountable timelines**

**for Vendors who have submitted formal proposals”**. Dr. Williams reviewed the issues for vendors when a solicitation is delayed in awarding the contract. The issues include: pricing, the vendor is held to original pricing but when the timing has expanded that is problematic; capacity that was built up for the purpose of bidding is difficult to maintain absent the awarded contract and when the timeline is not met, the vendors' capacity may change; and the impact, which she identified as unintended by the state, is that vendor lose interest in contracting or doing business with the state. RECOMMENDATION: Dean Stotler recommended conducting research on all contracts since 2010 to present date to review, from bid opening to contract close date for all procurements. This research will provide a timeline and will then assist this tiger team in creating a recommendation to the GSDC from the learnings. Dean recommended that this initiative is not ready to present on December 19<sup>th</sup> and that additional time is necessary to perform the research. Cathy Imburgia suggested that the review should not only be of the timeline but should also include the communication points about the timeline.

- Dean Stotler provided an update on item 6 of the initiatives: **“Devise a method for effectively communicating current Supplier Diversity Score Card information to the Supplier Diversity Community”**. The draft OSD report of the FY2014 first quarter was shared with the tiger team yesterday. We are looking for response by Friday. The new report will be published online in the near future. We expect to be ready to present on this initiative on December 19<sup>th</sup>. Cathy and Michelle Morin are getting together tomorrow. The report is very detailed. Cathy Imburgia added that she wants to capture the detail from the GSDC and wants to create a GSDC newsletter. RECOMMENDATION (see above discussion): Dean returned the conversation to the initiative and this Q1 report and made his recommendation that initiative 6 will be ready to report on December 19.
- Dean Stotler provided an update on items 2 and 3 of the initiatives: item 2 is: **“Encourage School Districts to report their Diversity spend on the Supplier Diversity Score Card”** and item 3 is: **“GSS to actively participate in School Districts Vendor Days including the providing of training; School Districts represent approximately one-third of the State's spend”**. Dean reported that upcoming on December 2<sup>nd</sup> is a meeting with the School Districts. Dean reminded that he asked for the GSDC support on these initiatives at a past meeting. Dean will present a letter on December 2<sup>nd</sup> to the school districts reminding them of their pledge to participate in the supplier diversity initiatives of the State. Dean asked Council Members to participate in the December 2<sup>nd</sup> meetings. Dean indicated that these initiatives are moving forward with slow and little response from the school districts.
- Chair Ken Anderson, in the interest of time, requested that Michelle Morin table her report to the GSDC regarding the NASMWDD conference of October until the next meeting. Michelle agreed.

|

**Public Question / Comment:**

No members of the public responded to Ken Anderson, GSDC Chair's question if any Public was present and wished to comment. No members of the public were in the meeting room, it is unknown if any members of the public were on the phone as none self identified. No questions or comments were raised by the Public.

**Next Meetings:**

1. The suggestion of a next meeting was raised by Chair Ken Anderson and that it may be in person or a conference call and that he would follow up with the Council. No date was set; an anticipated date of December 17 was suggested by the Chair.
2. A meeting with the Governor is scheduled for Thursday, December 19, 2013, from 10:00am to 11:00am at the Governor's Office. Further details to be provided by Ken Anderson, GSDC Chair.

**Meeting Adjournment:**

Meeting adjourned by Ken Anderson, GSDC Chair, upon motion by Dean Stotler and seconded by Dr. Sakthi Vel, at 11:39am.