

MINUTES
VENDOR ADVISORY COMMITTEE
June 7, 2011

Members Present: Mike Masters, Greg Alexander, P.D. Morrison, Roy Mata, Arlene Dillworth, Ken Sorley, Nancy Evans, Diana Keller, Ron Pigott (non-voting), Paul Gibson (non-voting)

Members Absent: Gladys House

Staff Present: David Duncan, Pamela Sorell, Kristine Brock, Dee Dorsey, Paul Gibson, Ron Pigott, Kit von Wupperfeld

Others Present: Kyle Radford (TIBH), Celeste Lay (Xerox), Susan Heck (Grainger), Lois Rouder (Grainger), Jason Phelps (Grainger), Lanette Patterson (Accenture), Marcie Mertz (Accenture), Ed Kreusel (Kino Oil), Yvonne Carroll (Arriba Scientific)

The meeting was called to order by Chair Mike Masters at 1 p.m. All present introduced themselves.

Minutes of the March 8, 2011 meeting were approved unanimously, upon a motion by Greg Alexander, seconded by Arlene Dillworth.

Item 4 – Report from Rules Subcommittee on March 17 HUB Rules Meeting

Paul Gibson reported that 3 public meetings were conducted to solicit input on changes to the HUB rules. The 2009 Disparity Study, which called for new HUB goals for State agencies, was the impetus for revision. Two topics discussed were the re-introduction of the graduation concept (a vendor is no longer a HUB once it reaches a size in excess of federal Small Business Administration guidelines), and removal of the provision whereby a HUB subcontracting plan with 20% going to HUB professional services vendors requires no other subcontracting with HUB suppliers).

Mike asked how rules were adopted. Once the Comptroller approves, they can be implemented. No other review is required. The graduation concept will be applied as firms are reviewed or applying for re-certification. Upon Committee questions, Paul also explained that firms are selected for audit if there are changes in ownership or structure, high risk factors, or reports of wrongdoing. While most agencies use the state-wide established goals for utilization of HUBs, they are permitted to set their own.

Item 5 – Discussion of annual reviews due from VAC at the end of fiscal year

Mike asked for review of a draft report he submitted, which said the Committee had devoted time to four (4) major issues: 2011 legislative session, the disparity study, TexasSmartBuy and membership on the VAC. The report also recommended more regular meetings (every other month), a broader range of topics and having greater diversity of businesses. He asked that Committee members submit any changes or additions to him, with a goal to submit a final report to TPASS in a week.

Item 6 – Legislative review of bills impacting TPASS or procurement

Ron reviewed bills which passed the Legislature and are awaiting the Governor's signature.

Included were: allowing Rising Star Schools to become coop members, ability to buy legal-sized paper and file cabinets, ability for disabled veterans' organizations to become TXMAS members, a television recycling program, requirement that state agencies must buy recycled items unless

they cost more than 10% above the non-recycled equivalent, and transferring the Department of Information Resources procurement section to TPASS. The transfer will include personnel and funding along with the responsibility for the work. For now, they will not be on TexasSmartBuy until a way is found to include their catalogues.

Ron noted that none of these bills have been signed by the Governor yet. If he does not do so by June 19, they become law.

Item 7 – Public Comment

Most comments were from the Committee, and related to invoice issues from NIC, how to give vendor feedback on TexasSmartBuy from an accounting perspective, and creation of a subcommittee to address some of those issues. Dee Dorsey and Erin Bennett, TPASS staff, can work with the group; Ken will head it up.

Item 8 – Future Agenda Items

- Specific recommendations on TexasSmartBuy from subcommittee
- VAC Accomplishments
- Recommendation on number of persons to serve on VAC/Membership Expansion (Ron has 4 suggested names and will accept others).
- Update on HUB Rules

Next meeting: August 2, 2011 at 1 p.m.

The meeting was adjourned at 2:20 p.m., upon a motion by Greg and seconded by several members. Motion passed.