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TREASURER KOPP: Yes. I think that's the way it was sold to us and the way it made sense in 2011.

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: I wonder if it would be useful, Governor, to defer this to the next meeting to make sure exactly what the proposals are. We obviously want people to be able to continue to buy services.

LIEUTENANT GOVERNOR RUTHERFORD: Right.

TREASURER KOPP: I don't want to interrupt that. And just make sure everybody is on the same -- and I appreciate the role of the Department of General Services and the Office of State Procurement. I think that's a good move with the expert --

LIEUTENANT GOVERNOR RUTHERFORD: Yeah, the only question, and this is a question I guess for DGS and probably DoIT. If we defer

this item for a couple of weeks, does it run a, is there a challenge? Because it looks like the option term starts tomorrow, unfortunately. And the original contract expired over the weekend.

COMPTROLLER FRANCHOT: Could I just make a suggestion? I think this whole thing has been a hoax from the start, to take a word. It never was self-funded. So regardless, I hope that at a minimum 57 is rejected or, you know, returned, or whatever you want to call it. I would, if it's still on the calendar, I'm happy to vote no. And I think 58 you need to vote no on and just say, look, it's, this has not been handled properly from the get go. If we're concerned about continuity, there can be a temporary emergency procurement put into place for a month or so so that services are not stopped. And but I do not think that we should give a year extension to a group that has essentially damaged the State's reputation for accountability and transparency.

LIEUTENANT GOVERNOR RUTHERFORD: I'm not going to go as far as to say that it was, you know --

COMPTROLLER FRANCHOT: Well, whoever is at fault, I don't know. I mean, I said the company. It may be DoIT. It may be our own people.

LIEUTENANT GOVERNOR RUTHERFORD: Yeah.

COMPTROLLER FRANCHOT: But the point is this thing was a hoax from the start. It said it's going to be self-funded. It wasn't self-funded. It was funded with a convenience fee but the convenience fee was never

communicated to the agencies or to -- so I'm not blaming the company, I guess. But I do not think we should just move forward as if it's -- oh, no big deal.

TREASURER KOPP: Yeah, I am not, I was not saying that I think a year, a year that is in 58 is needed.

COMPTROLLER FRANCHOT: You're the champion on this, Madam Treasurer. I would defer to you. But I would hope that we could vote no on both of these items or remand both of them or do something. But the solution I think is a very temporary two-week, four-week extension --

LIEUTENANT GOVERNOR RUTHERFORD: Well I think --

COMPTROLLER FRANCHOT: -- for the existing contract and services. But, you know, they have to get competitively bid.

LIEUTENANT GOVERNOR RUTHERFORD: Well, I think it's going to be more than a month to competitively bid the new contract. And then you're going to have the transition, particularly if you have a new contractor coming in. So that's why I think one year, which would include any transition, it could very well be six months to at least get it out, you know, to be able to bid, get it out and --

COMPTROLLER FRANCHOT: That's exactly what they said, Boyd. That's exactly what they said a year ago.

LIEUTENANT GOVERNOR RUTHERFORD: Oh, I know. I know. I agree with it. Last year they came in and said --

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COMPTROLLER FRANCHOT: -- fool me once, shame on you.

Fool me twice, shame on me.

LIEUTENANT GOVERNOR RUTHERFORD: No, I agree. But that's why we're taking it away from the Department of Information Technology and putting it into the Office of Procurement. They came in with the plan we're going to go back and rebid it. Then they changed their mind and decided they were going to do something differently, which was "in house," which meant going to another contractor to do it, but not necessarily going out into a full and open bid but using one of the existing contracts that we have under the CATS program. So this is a full and open competition, which I'm saying which I thought we were going to do last year. But there was, you know, a different approach that the department wanted to take, that being Information Technology's. And when that approach really financially did not make sense, it put us in this situation. Then they said, we're going to try use this CATS contract to just shift them over to another vendor, when I'm saying, no, we need to go with a full and open, what we should have been doing last year to begin with. So yes, it was a problem. It was a problem of the State and our department, in my opinion. And I'm willing to say that publicly. I know most Governors don't criticize their own administrations, but I do, and you know I've done that before. But this is to me the best way to correct it, is to go back out on the street with this. The emergency contract is going to just be the same thing. If you did an

emergency contract you would have an item that looks just like that, this, right in front of you.

COMPTROLLER FRANCHOT: Well I would rather have that than just saying --

LIEUTENANT GOVERNOR RUTHERFORD: You remember that, then, when it comes back in front of us.

COMPTROLLER FRANCHOT: -- that's just me. I'm in a contrary mood right now because --

LIEUTENANT GOVERNOR RUTHERFORD: Because it's --

COMPTROLLER FRANCHOT: -- that this is going to be handled properly. So I would suggest we put the burden back on DGS and have them do some kind of emergency procurement so that we have continuity of service. But at least we're not in effect saying, you know, we're just going to kind of move forward from here. I'm still pretty frustrated.

LIEUTENANT GOVERNOR RUTHERFORD: So this is a one-year option that's already under the existing contract. They are just going to come back with the same thing that's going to just say emergency and they will already have the guys on staff. So we can just, you know, basically scratch out where it says option and write in one-year emergency contract. That's essentially what you're asking. We'll just scratch it out and write in emergency.























SECRETARY GONTRUM: We still cannot hear you. Madam Treasurer, I'm happy to convey that message to the Secretary.

TREASURER KOPP: Thank you.

LIEUTENANT GOVERNOR RUTHERFORD: Thank you. So --

COMPTROLLER FRANCHOT: -- meeting. Thank you very much.

LIEUTENANT GOVERNOR RUTHERFORD: Okay.

COMPTROLLER FRANCHOT: Is it okay? Are we over?

LIEUTENANT GOVERNOR RUTHERFORD: I don't think we have to have a motion. The General Services was approved three to one, so we should be at the end of the meeting.

(Whereupon, at 1:36 p.m., the meeting was concluded.)