



OFFICE OF MANAGEMENT & BUDGET

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MEMORANDUM

To: The Honorable Marvin L. Abney
Chairman, House Finance Committee

The Honorable William J. Conley, Jr.
Chairman, Senate Finance Committee

From: Jonathan Womer
Director, Office of Management and Budget

Date: May 15, 2020

Subject: Responses to Task Force Questions – Part II

A handwritten signature in black ink, appearing to read "Jonathan Womer".

Thank you for your patience as the Department of Administration team compiled the outstanding data you requested. The Department offers the below information in response to the outstanding questions asked at the Joint Legislative COVID-19 Emergency Spending Task Force meeting. As always, if you require more information or need any clarification on what has been presented below, please feel free to reach out to me and my team.

Procurement

Provide a list of the vendors with Master Price Agreements that were used during the State of Emergency response to COVID-19.

Please see attached for the list of MPA vendors have been utilized through May 11, 2020, per RIFANS records. (Note: Vendors may also be listed on multiple MPAs.)

Do MPA lists include Minority Business Enterprises (MBEs)? Please note which vendors are minority businesses when providing the list.

The Division of Purchases posts all MPA contracts on its online Contract Board, which you can find here: <https://www.ridop.ri.gov/contract-board/>. The contract board does not identify which businesses are MBEs, but MPA User Guides do typically identify MBE vendors. Within the list we provided of COVID-19-specific procurements, seven of the MPA vendors listed were also MBE vendors. Those vendors were: Horton Interpreting Services Inc., Interpreters and Translators Inc., JMB Mechanical Inc., Legacy Cleaning Services LTD, Highway Technologies LLC, Prestige Manufacturing Inc., and Wilkem Scientific LTD. This represents about 7 percent of the total MPA Vendor COVID-19 List.

What percent of the COVID-19 contracts were required to reach the 10 percent minority participation? Does it differ by type of procurement? Please provide the MBE language in contract awards.

Due to our antiquated system, we are unable to answer this question without manually reviewing every single contract executed during the State of Emergency. However, in practice construction and services

typically have a 10 percent MBE requirement. (For example, it's difficult for a primary vendor who provides a specific type of goods to then subcontract from a different source.) However, due to the emergency nature of the hospital construction and need for other services, the requirement to submit an MBE utilization plan was waived with the caveat that companies make their best effort to use MBEs if they can while meeting these urgent deadlines.

The following is the standard RFP solicitation language for MBE utilization. Vendors respond with an Affirmative Action MBE plan that is reviewed by ODEO to be added to a list of MPA-approved vendors. Vendors may also submit a MBE subvendor plan when work is awarded off an MPA.

“By submission of proposals in response to this RFP vendors agree to comply with R. I. General Laws § 28-5.1-10 which mandates that contractors/subcontractors doing business with the State of Rhode Island exercise the same commitment to equal opportunity as prevails under Federal contracts controlled by Federal Executive Orders 11246, 11625 and 11375.

Vendors are required to ensure that they, and any subcontractors awarded a subcontract under this RFP, undertake or continue programs to ensure that minority group members, women, and persons with disabilities are afforded equal employment opportunities without discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, age, national origin, or disability.

Vendors and subcontractors who do more than \$10,000 in government business in one year are prohibited from engaging in employment discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, age, national origin, or disability, and are required to submit an ‘Affirmative Action Policy Statement.’

Vendors with 50 or more employees and \$50,000 or more in government contracts must prepare a written ‘Affirmative Action Plan’ prior to issuance of a purchase order.

a. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, and rates of pay or other forms of compensation.”

Did Dimeo or AECOM use any MBEs to construct the overflow hospitals?

AECOM did not use MBEs. While Dimeo did not use MBE subcontractors, the company has confirmed for us that they used four WBEs: Site Con, Shea Painting, SOS and Frontline. The urgent need to set up these hospitals is unquestionable, and this skilled team stood up overflow spaces in a matter of weeks. The Administration had to move as quickly as possible to ensure we had the space and tools to protect Rhode Islanders and stay ahead of the tragic scenarios we were seeing in other states and countries. Further, in order to reopen the economy, the federal government had indicated to the State that our health care system needed to have the capacity to handle potential future surges. While the numbers are currently plateauing, the State is not out of the woods yet. We hope we don't need to use these hospitals at full capacity, but the State cannot take the risk of not having overflow hospitals should Rhode Island face a future surge or worst-case scenario.

Please provide a list of vendors who have bid to be part of the Master Price Agreements.

The State has more than 1,000 registered MPA vendors. Most of our MPAs are static and do not accept new vendors during the length of the contract. A few dozen MPAs maintain continuous enrollment where vendors can join during the length of the contract if they meet the criteria. Vendors do have to initially apply to be added to the list of approved/qualified vendors with a subsequent request for quotes or mini-bid for individual projects. While each individual MPA solicitation record may contain information about

vendors who applied but did not meet the criteria, the Division of Purchases does not maintain a comprehensive list of these vendors. If you want us to research any particular MPA, we would be more than happy to provide you with that information.

Staffing

Provide a breakdown of additional staff at the Department of Labor, which staff are contractors, which are permanent state employees and which are returning retirees.

	# hired to support COVID-19 effort
State Employees	0*
Retirees	11
Contracted Employees (temp staff included)	21 MAXIMUS call center staff processing claims

**Some state employees have been temporarily reassigned to DLT to assist with the effort. The State is in the process of hiring 17 additional call center staff to handle processing volume. They will be state employees.*

Personal Protective Equipment (PPE)

Please provide the contract for PPE purchases.

There is no single contract for PPE materials. Most of these items are commodities, so the contract would be an incorporation of the vendor quote and the State's standard language regarding the General Conditions of Purchase and terms. If you wish to see contracts for specific types of PPE, please let us know. The Rhode Island Department of Health identified several different types of PPE, including but not limited to N95 respirator masks, procedure masks, surgical face masks, face shields, gloves, gowns, hand sanitizer, sanitizing wipes, ventilators, temporal thermometers, QIAamp Viral RNA Minikit, DSP viral RNA Minikit, magna pure 96 external lysis buffer, nasopharyngeal swabs, universal viral transport media.

Other Expenditures

Provide detail on the services grouped together as "other," including how much money has been spent on interpreters.

The "other" category is made up of smaller miscellaneous purchases that don't fit into the broader categories presented in the monthly encumbrance report. Included in this category are sanitizers and disinfecting supplies. In the spreadsheet shared with you in OMB's previous response, you can see a full list of all the vendors, goods and services the State procured as a result of COVID-19.

With respect to interpreters, as of May 5, 2020 the total encumbrances for COVID-related interpreters/translation services totaled about \$17,300. Expenditures totaled about \$4,800.

Please provide detail on the \$200,000 spent on legal fees and consulting services.

DOA has spent \$4,350 on legal fees as of May 5, 2020. Those costs are attributed to Robinson & Cole LLP. The \$176,000 in legal/consultant services encumbrances at DOA is comprised of three vendors: Adler, Pollock, and Sheehan (for labor law expertise) at \$100,000; Robinson and Cole, LLP, for \$45,650 (for HIPAA, cybersecurity and data security expertise) and Johnson and Wales University for \$30,112 (for financial consulting services).

Please provide the number of homeless/housing insecure people housed by the State's isolation and recovery program.

As of May 14, 2020, more than 440 Rhode Islanders have been served through the state's Quarantine and Isolation Housing Programs. In the global COVID-19 pandemic, a safe place to quarantine or isolate (QI) is the first line of defense in flattening the curve of positive cases. For some Rhode Islanders, quarantining or isolating in their own home is not an option. This population includes not only homeless persons, but those living in state congregate care settings, transient persons, victims of domestic violence, individuals stranded due to travel, individuals with immunocompromised family members at home, first responders, medical workers, and public safety personnel who cannot shelter at home. Housings strategies to support Rhode Islanders in quarantine and isolation include temporary shelter sites at the Wyndham hotel, Zambarano Campus, state-run group homes, partnerships with local hotels to shelter asymptomatic individuals experiencing homelessness, and frontline worker housing at Brown University. For more information on the State's QI Housing strategies, see attached one-pager.

Future Reporting

As a reminder, the Office of Management and Budget (OMB) will continue to keep the Task Force updated with the latest federal guidance and reports, as well as future expenses. For ease of access and to ensure transparency, we will be including this information online on a monthly basis through the Transparency Portal.

Thank you.

Cc: Members of the Joint Legislative COVID-19 Emergency Spending Task Force
Sharon Reynolds Ferland, House Fiscal Advisor
Stephen Whitney, Senate Fiscal Advisor
Brett Smiley, Director of Administration