
Commission Meeting

of

DISPARITY IN STATE PROCUREMENT STUDY COMMISSION

LOCATION: Committee Room 10
State House Annex
Trenton, New Jersey

DATE: February 11, 2020
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

Hester Agudosi, Esq., Co-Chair
Senator Ronald L. Rice, Co-Chair
Senator Nellie Pou
Senator Declan J. O'Scanlon, Jr.
Assemblywoman Nancy J. Pinkin
Assemblywoman Nancy F. Muñoz
Maurice Griffin, Esq.
Erin Rice (for Senator Richard J. Codey)
Alex Solomon (for Senator Chris A. Brown)
Ricky Stephens (for Assemblyman Jamel C. Holley)



ALSO PRESENT:

Tracey Pino Murphy
Office of Legislative Services
Commission Aide

Meeting Recorded and Transcribed by
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Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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HESTER AGUDOSI, Esq. (Co-Chair): Good morning.

My name is Hester Agudosi; I have the pleasure of serving as the Co-Chair for the Disparity in State Procurement Commission.

Pursuant to statute, the purpose of the Commission is to assess the procurement of goods and services by State departments and agencies, including independent State authorities and local government units, to determine disparities, if any, between the availability and utilization of small, disadvantaged, and minority- and women-owned business enterprises in particular market areas.

The Commission shall recommend policies, practices, and programs that further this State's efforts to promote opportunities for small, disadvantaged, and minority- and women-owned business enterprises in purchasing and procurement by State departments and agencies, including independent State authorities and local government units.

Now, at this time, we are going to do a roll call.

Senator Ronald L. Rice is present. He wants to be acknowledged -- he's outside in the hallway taking a call.

Honorable Chris A. Brown.

MR. SOLOMON: Alex Solomon, from the Senate Republican Office, on behalf of Senator Brown.

MS. AGUDOSI: Honorable Annette Chaparro. (no response)

Honorable Sandra Cunningham. (no response)

Honorable Governor Richard J. Codey.

MS. RICE: Hi; I'm Erin Rice, Chief of Staff for Governor Codey, on behalf of him.

Thank you.

MS. AGUDOSI: Thank you.

Maurice Griffin, Acting Director, Division of Purchase and Property.

MR. GRIFFIN: Present.

MS. AGUDOSI: Honorable Jamel C. Holley.

MR. STEPHENS: Good morning.

Ricky Stephens, Legislative Director for Assemblyman Holley.

MS. AGUDOSI: Honorable Nancy Muñoz.

ASSEMBLYWOMAN MUÑOZ: Here.

MS. AGUDOSI: Honorable Declan J. O'Scanlon.

SENATOR O'SCANLON: Here.

MS. AGUDOSI: Honorable Nancy J Pinkin. (no response)

Honorable Nellie Pou.

SENATOR POU: Here.

MS. AGUDOSI: Honorable Brittnee Timberlake. (no response)

And Melanie Walter, Director of Local Government Services.

(no response)

So now we're going to go straight down with our agenda, beginning with old business.

Previously I sent out an e-mail to all of the members of the Commission -- some testimony from the Chief Diversity Officer for the New York City Controller's Office regarding their assessment of disparities in contracting with businesses in New York City. I sent that to you for your information; I thought it would be helpful. And I think that there are some parallels, because many of the businesses that do business over in New York City similarly do business across the Hudson here in New Jersey; and some

of the information in that testimony is consistent with what testimony has been presented before the Commission.

Additionally, we had to change the dates -- today is a changed date -- to accommodate meetings that have been scheduled.

So now we will bring up Regena Thomas, who is with the American Federation of Teachers, AFL-CIO, Human Rights Department, our former Secretary of State. She was instrumental, during her tenure as Secretary of State, in commissioning a disparity study for the State of New Jersey.

Incidentally, it turns out that I believe that that was the last statewide disparity study that was conducted in New Jersey. By way of update, myself and Acting Director of Division of Purchase and Property Maurice Griffin -- we're working diligently on putting out an RFP so that a disparity study can be conducted. That RFP is out on the market as we speak now.

But in the interim, it would be very helpful to us in this Commission to get an understanding of what the lay of the land was at that time, at this time as well, as to give this Commission some insight as to the challenges that you encountered during that time, the work that had been done to address disparities in procurement and contracting. And also just some of your recommendations, as we try to pick up from where you left off.

So with that being said, I'm going to ask Dr. Thomas if she would please join us at the table.

REGENA THOMAS, D.Min.: Yes, ma'am.

Thank you for the opportunity to come before you to have a discussion on this.

When I spoke to Senator Rice some months ago, he made me aware of what was going on; and I was like, “Wow, I didn’t read about that.” I read about everything else.

But for the record, the disparity study was apparently already in motion when I became the Secretary of State. And as I was being briefed the first 90 days of my tenure, I was aware that it had been sitting somewhere, waiting on something. And of course, having heard from a lot of business persons when we got in that we were going to change sort of the flow of what was going on, we asked that that study come up. We met with the staff and found out that the reason that it had not gone anywhere was that the previous administration, prior to McGreevey, had put it -- stalled it. And so we dusted it off, began to have -- sought an RFP, and find a consultant. I think we were in the middle of looking for consultants. We opened it up, or extended it, so that we could expand the scope to get a consultant to come in and do the study.

It was tedious work. It was like looking for sort of a needle in the haystack to even shake down the data that was needed by the consultant. I recall getting so many messages from the consultant, “They will not give us the information.” “What? This is our Administration.” But we came to find out there just was not good data within the Administration. And all of my colleagues, cabinet members, were in the middle of sort of prepping to get their shops in order. And so they had to go through many folks who were still stagnant from the previous Administration.

Once we got the data, we found out that there was not any sort of unity amongst what was kept. And so one division did it one way, one division did it another way. And we could not sort of figure it out. And so

we extended, sort of, the consultants' purview so that they could delve down into all the data.

So once we received it, it was in no kind of order; and we believed that there was a purpose to that. The underlying focus that we found, particularly in construction -- which is where we had some more consistent data -- was, we found that there were minority contractors added, but at the end of the contract we did not find them. We were like, "Okay, so where is the payment?" So if you needed a minority contractor to get the contract, what happened at the end of the contract? And above-average intelligence that some of my staff was, we decided not to even talk to the main contractors; to go to some of the minority contractors, off-record, and have a conversation with them, with the consultants. And we found that they were being paid off. It's like, you know, "I give you \$10,000, \$15,000, and you sign on to this." And then once the contract was had, they were gone.

In addition, we found that some of the minority contractors did not have bonding in order to receive, sort of, an entire contract; and the majority contractors knew that. And so behind -- back door, we said, "Well, hold on." We began to meet with some of them, to ask them to pool their resources so that we then could allow them to go and get a bigger piece of a set-aside project.

That was crazy. And we found that the couple of contractors that, in fact, could do the work were either in Philadelphia or New York. And we were trying to grow our own in New Jersey. And we even went to a couple of the contractors to ask them to come into New Jersey. "You're building here; you might as well come and allow our folks to have some preference." And we went to the sister who had done NJPAC. She was so busy, she

couldn't take on anymore; I mean, she was literally that busy. She was the one majority (*sic*) contractor, black or brown, that received a majority contract in the entire State of New Jersey; and she built NJPAC. And so those were some of the complications.

Once we made a way for them to find a piece of it, then we had bonding issues. And majority contractors were aware of some of that, and so it was impossible for them to get jobs. And they had just become so complacent that they were all right with getting \$25,000, \$30,000, and, in some cases, \$100,000, just to put their name on a piece of paper. You make \$300,000, \$400,000, they're putting your name on a piece of paper: that's what you did the rest of the year. And so we found that--

In goods and services, we found that New Jersey was so bad, that *bad* wasn't a good word. I mean, it did not exist. It's like, "Okay, hold on." At the time we had just gotten a tobacco bond; and we're like, "Hold on, we need to get a big piece of this tobacco bond money. I mean, that's real money right now." And we did not have the expertise in New Jersey. When we found the experts, they were actually, in fact, in Chicago. We talked to those guys, "Okay, do you do business here? Do you do business in New York?"

And so along with the Treasurer's Office, we began to sort of look for those firms. We had to find them; they had to exist here. And when we talked to the guys, they were like, "We had to leave, we couldn't get any business. We're out; we're in New York, we're in Chicago. We could not get business."

And so bad record keeping, period; minority contractors not being equipped. And so we recommended training, we recommended understanding the process so that there could be some pools for minority

contractors to begin to do-- Because they were doing the work everywhere else as minority contractors. I mean, they were getting small contracts in New York, or small contracts-- I think, at the time, Philadelphia was building their new stadium -- football, basketball stadium. And so they were being put on that, and that was an African American female. And she said, "Hold on; send them over here. I'll try to get them bonded, set them up," so that they could come back.

So that was sort of the base of it; and to the end of it -- then I was accused of holding back a contract, a study. As an African American female, like, "You don't want this study out." "Why wouldn't I want this study out? This study blasts you guys." And so, therein lies what happened over the years.

I would recommend that we bring in, sort of, the firm that did the study so they can give you some of their trials and tribulations. But they spent time calling us, saying, "We have the data; now we can't get anybody to follow back." Because I think our Administration did not want to be accused. You know, all of a sudden, the McGreevey Administration was in charge. We did not want to be accused of handing over data that would appear to be ours. So I found that to be the case, also, with some of my colleagues, you know? Because who controlled some of the data was staff, permanent staff that was in there, and it was hard to get the data.

MS. AGUDOSI: Thank you, Dr. Thomas.

I have some questions; I'm sure some of the other members of the Commission have questions as well.

I see myself, as the Chief Diversity Officer in the State Office of Diversity and Inclusion, in a similar position that you were in. And so we're going to start -- I'm going to start my questions about -- talking about data.

Very early on in this Commission we sent a letter to the Governor because there was an executive order that came out of the Corzine Administration requiring State departments -- and there was a list of 72 -- to capture the data as it relates to minority- and women-owned business spend. And this Commission requested the Governor to reiterate that message, because what we found was that -- and what I found coming into the office -- was that in the prior Administration, for eight years, we were in that same type of situation where, in many instances, there was not reporting of data, not monitoring of data.

So I want to dig a little bit, if I can, with you on this issue of data. And if you could give me some idea of when you're talking about the data that you were capturing or attempting to receive from the departments to assist the consultant.

Do you recall, outside of Treasury -- which we understand procures on behalf of many of the State departments -- what were some of the other sources or entities that you linked into to try to get the data? And what was -- if you could be a little more granular, in terms of the response in that process. And I say that because I imagine that we may find ourselves in a similar position.

DR. THOMAS: We actually looked out for every agency. At the time, we had a sense of urgency because school construction was coming up. And so we sort of -- in order to really look, we said, "Hold on; we can make an impact, because these dollars are beginning to be available now."

And so that was-- Also, we began to look at agencies that had, sort of, Federal dollars attached, because we knew that there were Federal regulations and requirements on minorities. And so we said if we can find where the Federal dollars are, then we can find if they're complying with the Federal rules. We found out that wasn't happening. I mean, so we looked at Transportation, DHS, DCRA -- sort of in those social service agencies where we knew a bulk of the dollars were, in fact, Federal.

What our consultants said was that at the end of the day we knew how much money New Jersey was spending, agency by agency. So whatever, sort of, those open record laws were, we then said, "Okay, you're spending \$1 billion, and we're saying 10 percent of that ought to be ours, we just need to find -- we need to come close to that. We know what you spent; we just need to know how much went to black folks."

So we sort of began to-- "We're not even going to try to go in here and meddle in your business. We're just saying, give us some data that says you spent this much money." It was crazy. It got to be, "Well, this is how we do it," and "We have to figure this out." "No, no, doll; we're just saying you spent *this* much; how much went to black folks?"

And we had corporations-- Transportation was going to mean-- My colleagues were good; it's to find the information that's in the bowels of the operation. You know, as you can say that in eight years of a Republican Administration they have been monitoring stuff, to find that data, you would have to go through career employees who are sitting there, saying, "Right; I'm running this."

So we had to figure out how to go in the bowels and get it; and we just -- you know, we ran into block walls where that information was. We

surfaced as much data as we could; and even when Corzine came in, he was operating under, sort of, our principle, from our study, and said, "Hold on; you now have to start monitoring this stuff so that we can begin to now capture at least four to five years of this information," as we were moving forward.

So that was it. So it is controlled in there the way each agency, sort of, captures their data. And so I am assuming that one strong recommendation from the Governor's Office -- that in every agency there should be a Diversity Officer, and they meet on a regular basis so that there can be some contingencies; similar to what the Federal government does. The Federal government requires it, and so we should begin to have to require it.

In some situations we found that white females were sort of getting a disproportionate piece, and were considered as, you know, minorities. It's women and minorities, you know? So we have to begin to classify the information. And I don't want to take any information away from -- as a female. But we found there were a couple of areas where women fared, and that's if they had a previous relationship with an Administration. So, you know, when you look, it was the same names that kept coming up.

MS. AGUDOSI: Thank you for that.

I want to follow up because, to your point, when we're looking at data, irrespective of how the record-keeping is done, we know that we're able to determine what the spend is by agency in general.

DR. THOMAS: Yes.

MS. AGUDOSI: And we also understand that we can also look at, based upon that spend, who that spend went to.

DR. THOMAS: Yes.

MS. AGUDOSI: But when we talk about looking at spend with minority- and women-owned businesses, generally we look at not just the tier-one spend with the prime, but we also look at the tier-two spend with subs.

DR. THOMAS: Yes.

MS. AGUDOSI: And so can you talk about how you went about determining that as well? And I ask that because, again, being placed in that position, we know that, even with that executive order that I referenced that requires the agencies to report their spend, it does not drill down to subcontractor spend. It kind of just speaks in general terms. But in order for us to know what the real spend is with these businesses-- By way of example, if \$1 million goes to a prime, and the prime subcontracts with a minority-owned business or a woman-owned business, unless you capture that, it will show as zero spend to minority- or women-owned businesses because we're only looking at the spend as it relates to the prime.

So did you encounter that--

DR. THOMAS: Yes.

MS. AGUDOSI: --and were there things that were done, during your time, to address capturing the subcontractor spend?

DR. THOMAS: We tried; but I think we faced the same issue that you did. We could not find it. I think we found it in one agency -- that was a woman-owned firm that was doing all of the office supplies of one agency. I don't remember which one it was.

And so we were able to, sort of, find that through word of mouth, because some agency threw up in our face, "Well, we got one, and she came with--" "Well, okay, we don't see her on here. So who got the contract?" "You told us that they're delivering paper, and pencils, and whatever, to the

agency; but where did it come from? Of course, we never got an answer for that. And so we found that to be the case.

But again, where there are Federal dollars, we didn't understand -- we were confused why it was not captured. Because, by law, it has to be; by Federal statute or regulations, it has to be. And so I think that's where you have to start, because there's a penalty within the Federal government. If there are Federal dollars, there has to be that piece; and we did not find it.

And I think it was just a record-keeping situation. I'm not saying anyone was doing anything illegal; though that's my (indiscernible). I just think it was a paper trail that could not be found.

MS. AGUDOSI: Thank you for that.

And let me ask you-- You've referenced -- you said in the area -- you made a distinction between *construction* and *goods and services*. And you said when you talk about goods and services, *bad* doesn't describe it. Can you shed some more detail on that condition that caused you to make that characterization?

DR. THOMAS: So when our consultant came to us, we were trying to do the study. They would, in turn, tell us; and then I, in turn, would call the Governor and say, "Now, hold on. You got some paper, you got some pencils, you got all of these Xeroxes." I mean, that's how, literally, we started doing it, just out of, you know, sort of, a Ron Rice process -- that, "There's some logic to something; tell me what it is." And I literally took the Governor, I think across the hall to the Treasurer's Office, and said, "Look at all this stuff right here. Somebody had to get him this chair, somebody had to do--" He was like, you know-- And I was like, okay? "So somebody needs to tell me why black folks can't do this chair."

So that's how we were beginning to distinguish, sort of, between goods and services. It was like, "Hold, hold, hold on. You have a moving company? Who does maintenance?" So we would literally walk around the building, and I said, "Now, hold on. Where did this come from?"

And so that's what we had to do -- is call the agency and say, "Are you telling me that everybody--" I think I had a conversation with Susan Bass Levin. "Sue, I know you're giving some black folks some money, and some Hispanics some money; because look at this, look at this. Are the security guards -- are they subcontracted? Are they part-- Hold on, hold on; help me here."

And that's literally where we found out that there just was nothing, you know, as we walked around-- You know, there's snow removal; who's doing this? And who's contracting? I know we have black and brown folks who have some trucks, who are moving some snow. I know we have janitorial services. I mean, we knew that. I mean, Lizette Delgado and I would throw out names, you know? We would throw out companies that we knew were doing this business, and we just could not -- none of them. When we go to them-- We had a meeting in Newark one day; I think we had one in Newark, and Atlantic City, or something. "Hold on, hold on. What are you talking about?"

You know, we went down to the Port Authority-- Women, black people -- just show them to me. We're going to have a meeting with all of them to come. And it was almost-- You know, I'm down in Atlantic City -- "What? All these lightbulbs, and no black people and no brown people can sell you some lightbulbs up in here?" I mean, I literally went to that extreme to try to figure it out, and it was all born again. The sister who did the

NJPAC, the sisters -- the African American females who did New Jersey -- we found them. We were in Plainfield; they showed up -- black and Hispanic -- and they were like, "We can't get bids." "Why? Can we bond you? Do you have a problem? Let us send you through the process, and then we will talk to the Treasurer's Office." "Can we have some classes?" And I think Gerry Gibbs -- "You should do some--" You know, like, "Let me tell you what is required." We were doing it at that level, because we knew we had a Governor who believed and was going to force it.

You know how many times the Black Caucus came to me, talking about why this thing was happening? And then I would have to go to an agency, like Sue -- "You have to help me. Why can't we give you all the paper?" "Well, we just order it online." I mean, they were telling them, "Well we just order it online from Office Depot." "What are you talking about?" I mean, that was their way of getting it. "We don't need it, because we order it online." I mean, there are-- It's 2020; I can understand that you really -- there are not contractors; you're doing everything, you know--

And then when we got to school construction -- that was crazy. We had guys going on-- They were subcontractors; six months later, we found-- They came to us, talking to us about, "They haven't called us. What happened to the paperwork?" We were like, "They got their first check. "But we signed; they said we were going to be subs. Nobody has called us. We've driven past, and they're doing work, and nobody has asked us to do work."

So -- my prayers. (laughter)

MS. AGUDOSI: I don't want to monopolize the questions.

Are there any-- I do have some more--

DR. THOMAS: Okay.

MS. AGUDOSI: --but are there any other Commission members who have questions or comments?

SENATOR POU: I'm sure we will; but go ahead, continue.

MS. AGUDOSI: So in response, as you were talking about going to agencies and understanding that there's this disconnect with available businesses to do the work, and them actually being on the jobs -- this Commission has looked into that, right? That's part of our mission. One of the things that we come across is, what are the State's processes when it comes to procurement; what are those requirements? So we know that when it comes to goods and services over \$40,000, that has to go out to public bid. We've received testimony from some of our diverse business organizations that talked about the challenges and responding to the RFPs, and what it takes to even be competitive at that standpoint. So I would imagine that that would have been the same.

What I'm getting at is, you did this study; we understand the challenges. But the end game for the Administration and the study -- as a result of that, what system changes or what best practices had you identified, at that time, to try to address the conditions?

DR. THOMAS: We added that there needed to be -- sort of every agency in the RFP process needed to be aboveboard. They needed to advertise in minority-owned businesses; the African American Chamber of Commerce and the like should have been sort of a tool.

Lizette identified Hispanic leaders who-- And we had so many city council members and stuff. We were like, "If you just call them," that that would be the case.

And also, there were some real issues with bonding, and African Americans and Hispanics having the inability to go to a bank and get bonded for \$5 million; which we felt was a minimum cap in New Jersey in order to get some of the real contracts with school construction and the Port Authority -- you know, where we felt the real dollars were. We felt that the finance side of it, as it related to tobacco bonds and some of the other finance revenue -- that that group of minority folks just left New Jersey; they were done. You know, they had tried and tried; and so there was not a pool, and that we needed to, sort of, revamp the pool to come back to New Jersey. Because they were working in Philly and New York, but we realized, from that standpoint, we had no one to give to the Treasury Department. We just -- they were out. We had folks, but they were in Chicago, mostly Chicago. And those guys were willing to come in and base themselves in New Jersey, which means you had to be in New Jersey for a year and sub with some guys.

And so we felt that utilizing minority newspapers and, sort of, the resources-- But we felt that by the time the contract came out, that somebody already knew. And so there was some good-old-boy type stuff going on, and we had to figure out how we could just be aboveboard and open so that everyone would have a fair chance of at least competing.

But it had become where -- and you might have heard this -- minority contractors just said, "We gave up." And some of them even got threatened to the point where, "If I applied, then I got this call, like, 'Oh, okay, so now you aren't going to get anymore work.'"

We had something going on in New Brunswick at Rutgers. And we got a call; we felt we had somebody that got bonded for \$5 million, they were happy, they were on. And they got a call from whoever the contractor

was, “Oh, okay; so you’re trying to be stupid. I mean, like, literally, you were trying to go after *my* money?” And he was like, “You know, I work for the man. I need-- I don’t need to eat just this one time; I have to eat out here. So I’m going to leave this \$5 million on the table and go--” I said, “But you’re leaving \$5 million on the table to go after the \$2,000, \$3,000 he’s going to give you to sub with him on paper.” “Dr. Thomas, Ms. Secretary, you don’t understand.”

And we haven’t seen him; we couldn’t get him to come to a hearing. But we had about three hearings where we went north, south-- And it was the same stories, over and over again.

SENATOR RONALD L. RICE (Co-Chair): So what I’m hearing -- and we have not done this yet -- is, we have not done the road show, you know? Because going back, prior to this, as you know, Senator Lipman and all of us -- every week there was -- or at least once a month, at Essex County College -- minority contractors of all types that came in. We brought the Port Authority in, we brought the Department of Transportation in. Anybody at the college, anybody who had money -- we brought them in to tell minorities and to show them how to participate in the process. And then we found what the needs were, with a needs assessment, so we could help them develop and fit it.

When Senator Lipman passed, all that stopped.

When you did the disparity study, we hit all of these roadblocks; and thank God, you were there to get us through those deep waters, if you will, and force things. That’s why the report came out actually identifying that, in New Jersey, women and minorities were being discriminated against, period, okay? They couldn’t get around that.

Christie came in, and the stuff that McGreevey and Corzine put in place, with our insistence, and with your work when you were here -- he gutted it. So now what they're saying to contractors, as it relates to the trades, "You're going to do self-assessments," okay? Which means that every time -- there is no one going to the site to make sure that you're complying, or at least you're participating.

When they knocked out -- the GEOD Corporation -- the set-aside program, they put us in a bind, because they want women and minorities to compete as small business against small business majority white males, okay? Which means we're back in the boat. But we have to live with that right now. And so this study becomes important.

And so there's been a lot of backwardness, if you will, based on progress we made. Unfortunately, no one took your report seriously enough; because had they done that and forced issues by way of that report, then we wouldn't be in this place right now.

What we're trying to do, Madam Secretary, Reverend Thomas, my friend, is, we're trying to get New Jersey where New York is, and beyond if necessary.

Now, just for the record, the one thing that our former Secretary, Reverend Thomas, Regena Thomas is aware of -- she is very active throughout the country; she always has been. Years ago, she was with the DNC. She still works with unions now. She's networking throughout; people who all of you know, she knows in other states, etc. So you also know some of the best practices. You also know who some of the minority participants are who can actually deliver on jobs in other states. You work with us at NBCSL.

And so I think that this is a valuable asset, Madam Chair, to New Jersey. Some kind of way we need to figure out, if time permits, how to involve her back in the process with whoever comes on board. Because there is going to have to be reaching out beyond just the reach-out we have. The meetings we have had have been good ones with the Wall Street people -- you know that story too, okay -- but all the folks who you know throughout the country -- they've been here. So that's a good thing.

But when it comes to women and minorities, black and brown in particular, it's that little stuff we're not getting, you know? Like you said, it's who gets the contract for the light bulbs. We know maintenance people, you know? We know truckers. And that's where we have to compel some relationships, if you will; and we also have to bring in people, like you said, to fix themselves in New Jersey. If not, we're going to always argue the case. And then when they get called out, send me five of them. And then we're going to look around -- going to have of *them*.

So that means -- and I know that the Chair of the Latino Legislative Caucus is also a member of this Commission, Senator Pou. Network with NBCSL, and the (indiscernible), and the Latino. So we know nationally -- with your help, and others -- we can find folks to help you out. So hopefully, you and the Secretary will have -- the Chair will have-- And you all can, maybe, work out something.

The question I have for you -- given all I've said, you've watched us go backwards.

By the way, for those who don't know her, she's a New Jerseyan, okay? And she pays attention to everything happening. And what she doesn't know, people tell her. So she knows everything we're talking about,

etc. So it's easy for me to ask her-- Given where we are now, what Christie did to us -- which you are aware of -- where you were before, where we're trying to go, are there any recommendations for the immediate, until we can get this disparity study? Because we don't want to sit back and say, "Women and minorities are not going to participate" because money is being spent now. We passed a lot of legislation dealing with infrastructure stuff. We had that conversation yesterday, when we passed the bill. We know people are going to be doing highways and the bridges. I got on the floor; somebody said I offended them, because I told them where I grew up -- Route 202 and 215 -- I have trade unions up there. I don't even see a black or brown person holding the flag up to stop the traffic, okay? And we have to have some real tough conversations, we know, with the trades. That is going to have to be a legislative thing. And we're probably -- you're going to have to have them come in also, because they could probably help us with information as to why that is.

We're moving legislation, doing apprenticeship programs all over the place. But we still don't see the fruits of that, etc.

Do you have any recommendations for the immediate?

DR. THOMAS: I think the recommendations in those states, and particularly the cities, that have been aggressive in, sort of, these programs -- it has been the leader. It is been Maynard Jackson who has said, "Okay, if black and brown folks don't make any money on this airport, there won't be an airport." And he literally shut it down. It was Marion Barry who said, "Oh, okay, cool. Then we aren't going to do it; I'm going to sit on it."

So I think it has to be a conversation with the Governor and the Speaker, Senator, to say, "This is what we're going to do." And that order

must come, as McGreevey did in one day, in a cabinet meeting. “I need you; if you have this information, I need you to get over here.” Needless to say, it was tough getting it; but at least, then, they were aggressive about going to get it.

So I think it has to be a mandate, coming from the top, saying, “This has to be done.” And while that is happening, then this Commission, again, must begin to do the road show so that you can hear, in private settings-- And I’m saying *private*, because these guys’ livelihoods are on the line when they-- I mean, it got to the point that-- And they want to eat, outside of them talking to me. It was to the point where guys had left us. No, they’re calling us, and so that she could hear from them.

Of course, unions are going to want to be a part of that, in that-- You know, making sure their trainees get it. But I think it has to come, every-- I mean, I think Billy Mitchell -- who you know, out of Georgia -- could probably be helpful. I think there’s the city council in Nevada that just shut down the casinos and said, “Hold on; if minorities don’t grab a piece of this, black and brown--” It’s impossible to do business in Nevada if you do not deal with Hispanics or African Americans.

And in New York, if you find the places where it happened, here down, and where there was, in fact, a mandate-- And I think the government here has done an excellent job in protecting the least, and the lost, and the left out. And I think that it has to come from the Governor, who mandates. Because even once you start the study, if the consultants cannot get the information-- And it’s going to take a while. I think you are going to have to amend the thing. It cannot happen-- Our study, though we did it, was so

incomplete, because we ended up having to do it with the data that we had, and we knew we were missing so much.

And so I think from-- I mean, bring in all the procurement officers. They understand; they deal with it day-to-day.

SENATOR RICE: So I think that's a good point, because we're going to need cooperation. We need to bring some procurement officers in; we're going to have to compel that, mandate. We may have to do like we do Trump people -- subpoena them, okay? (laughter)

DR. THOMAS: Yes; yes, absolutely.

SENATOR RICE: But we have to get them in here, because some of them are fearful--

DR. THOMAS: Yes.

SENATOR RICE: --but they do talk to me. And I do know that not only-- They were told not to collect data under the Christie Administration. Since there was no longer an affirmative action set-aside program, "we don't need the data." The legislation never said -- the courts never said, "You don't collect the data." So we can compel the data, because the data can be useful, I hope, to a lot of things.

And so we have to make sure you-- And I haven't seen it yet, from the Governor, but there's an executive order or something going throughout the Administration -- the same thing Corzine did. He said, "I want this data, I want it gathered, and I want it by these dates, date specific." Now, I know the Chief Diversity Officer has received some of it. But it should be a mandate that you have to keep it accurate. We really need that now; and I think we need to make a note on that and let the Governor know that

the Commission is asking for that. If he hasn't done it, we'd like to know he's doing it, etc.

And I just want to say to you, Madam Secretary, that, just for your information, I just got a text from Billy Mitchell (laughter), from Georgia.

DR. THOMAS: From Georgia; and he can be very helpful.

And I think-- Also, there's a percentage of our dollars that are Federal matching. That data you have to get immediately; and that could give you at least a fourth of all the dollars you spend. Because that-- A minimum of a fourth, because the Federal government requires minority set-asides, or SBA programs. And so there are three to four agencies that receive a lot of that, and there has to be some contingent set up on that for the State portion of that. Even if you set aside just the Federal portion, there ought to be some data to that.

MS. AGUDOSI: Yes, I just want to clarify one thing; and then, Maurice, absolutely.

As it relates to what you referenced, Senator Rice, regarding the executive order and reporting-- That executive order -- and I checked, and I checked with Governor's Counsel -- the Corzine Executive Order 34 that requires that reporting is still in effect, it has not been rescinded. So that reporting obligation continues to these agencies; and we are in the process -- and when I say *we*, the State Office of Diversity and Inclusion -- in implementing this dashboard and requiring those agencies to provide that information via this dashboard. That's going to be implemented; but in the interim, meeting their requirements -- and that is, they are to report that data quarterly.

And so we take the position -- what happened in the past, happened in the past. We can't go back to try to resurrect that, or we don't want to spend time and energy right now on that in real time. You need to report your figures on a quarterly basis.

So I'm not saying that this Governor can't do more; but I just want to be clear that the reporting obligation remains on all of these State entities.

Yes, Maurice.

SENATOR RICE: So before you come in, if I could take a little privilege here.

So the Black and Latino Caucuses, during the Corzine Administration -- we somewhat had to compel him to do the executive orders. We met with him at his house in Hoboken, okay? And he was confusing us, but we got it done.

But we also realized that when Governor Christie was leaving, we needed to codify some of those executive orders, which we did. Executive Order 34 -- I don't think we ever codified. And so maybe those of us on the Commission may want to look at codifying that, because we just don't want to assume in the future that this Governor is going to be here and be amenable to getting these things done. We don't want to believe in a future that Senator Sweeney and Speaker Coughlin won't be here and be amenable to getting these things done. We need to make sure things are codified; and for legislators in the future to come back and uncodify them, if they want it done, that would give the public a chance to go right up against what they're doing.

And so if you can just drop me a note to remind me to pull up Executive Order 34, I'll do legislation on it. And anyone who wants to join with it, can join with it, and we'll see if we can get that done.

Because we need data; and data is-- Everything that we talk about in the economy now -- I don't care what party you're affiliated with, the whole new message is, things are going to be data-driven, data-driven. And if that's the case, we cannot leave out the concerns we have about women and minority participation as it relates to procurement, contracts, etc., and being a part of this economic growth. And so that's important.

I didn't mean to interfere, but I think it's important that I say that.

DR. THOMAS: I mean, the E-ZPass -- woo. If I just had set-aside a piece of that, I'd be all right. (laughter) Just my set-aside.

MR. GRIFFIN: Dr. Thomas, I have sort of a two-part question for you, related to data -- and that is, first, was there data that you thought existed that you could not get for your study?

And the second part is, was there data that you absolutely thought you needed for the study, but didn't know if it existed?

DR. THOMAS: Yes, there was data that we knew existed, and that was at least the portion of Federal dollars that were spent here. We knew that there were, you know, some provisions on that.

The second part of the question -- I would have to say "yes," because we knew our study could only report on what we had. And we were so short; I mean, I know that's all we had, but we were missing so much, you know?

So we took what we had, you know, assuming that -- in proportion, of course, as those statisticians did all of that. But there was a lot of data that we did not get. And again, some of it was because our Administration attempted and tried; it just was-- No one was connected. I mean -- and I'm assuming with technology and stuff now that there has to be some cross lines and stuff now; as we service persons, there has to be, because of technology. You ought to be able to punch a button and figure it out.

And then, everything was paper. I mean, you have to understand -- that was 2002. So we barely had all of this right here (indicates).

And so I think there was a lot of data out there. And particularly, again, we hounded on the Federal data, because we knew if we had that, we could catch you. We're like, "Hold on, you're not even doing right by the Federal government, and we're going to report you." And we could not -- we could not get that information.

SENATOR POU: Madam Chairwoman.

MS. AGUDOSI: Yes.

SENATOR POU: I just want to go back to the question, or the statement that you made with regards to the response to -- Reverend Thomas' statement with regards to the data or Executive Order 34.

You've mentioned that that is still in effect. Are you currently getting the cooperation from those particular entities and various different groups in receiving the data? And if so, are we getting the information that is needed that will allow for us to identify and analyze what is currently there, what's missing? I'm just kind of trying to use some of the experience and information that the former Secretary of State has provided us with, to ensure

that we're not in the very same position right now and missing out with information that would put us in the very same place.

MS. AGUDOSI: So thank you.

And the simple answer is, no, we're not consistently getting that reporting.

So I'll go back. When I was appointed in May of 2019, within the first three months -- because I was looking to get that data, right? I knew we had this Executive Order; the data was supposed to be reported. The individual who was in the Division of Purchase and Property and Treasury, who was designated to capture that information during the past eight years, basically was not really doing that. The Department had been downsized to the point that there was not that compliance going on. And so whoever just happened to send reports, they did; but if they didn't receive reports-- And there wasn't-- I think the last time -- and I am not sure if I provided that report to this Commission -- but the last time, there was supposed to be an annual report that's given to the Governor yearly, based upon the quarterly reporting. And I think the last report that was done was, like, in 2008.

So again, even though there's that responsibility of providing the quarterly reporting, there had not been one issued since 2008. So what you had in essence, when I came in, were departments that, for lack of a better word, for eight years had not been in that rhythm, and there was no compliance for them to be in that rhythm. And so in the absence of me coming in and trying to -- as a department of one, at that time; when I came in it was just me -- what I did is, I elected to say, "Okay, what I'm going to do is an assessment. I just need to know where things are right now." So I

constructed a survey. The Governor met with the Cabinet and told them that they needed to cooperate in providing that information to me.

So I just got a snapshot, in real time, of what the state of spend was, and that was for the previous fiscal year. And so it was clear to me, just because of the condition of there not being that compliance and there not being that reporting, that one of the things that I wanted to do, to ensure that we would have that consistency and because we are in the millennium, is to procure a dashboard system so that we could capture that information.

And so it literally took me from the time that we got the assessment survey in to about, maybe, six months to get the money set aside for us to have that dashboard system. We're in the process now of implementing that system, so that we'll be able to get that information in real time. And the benefit of that is, it will pull the data from the different operating systems that we have. So to a large extent, we want it to be so that we don't have an individual having to perform that function. It kind of frees them up, because we can just pull the data from our financial systems.

But when it comes to that subcontractor spend that we were talking about, which is very important, the way that they operate that -- and they're successful in other states, including New York -- is that they require the prime contractors to report out their subcontractors spend. We don't have that requirement right now in New Jersey. So as a consequence, when we're looking at spend dollars, we're only getting in, right now, what the spend is to primes. So we can tell you if that prime is a minority-, or women-owned, or a veteran-owned business, but we can't, in many instances, tell you how much of those dollars went to subs. So that would require some changes -- and we will talk about that in this Commission -- as to how we do business.

Like anything else, that could be incorporated into our contract terms and standards, because many of the prime contractors -- and I'm talking particularly in construction -- they provide to the agencies now a utilization plan and they list who the subs are. So they're already doing that information. The only difference is, we would be asking them not only to list the subs, but list what that spend is to the subs. And then we can, based upon the matching in our system, determine, "That sub on this contract is an MBE or a WBE." So we'll be able to capture the spend that way.

MR. GRIFFIN: Hester, just in follow-up--

SENATOR POU: I'm sorry.

MR. GRIFFIN: I'm sorry; I just want to follow up on what she just said to you.

That report you're talking about-- I think it was a Labor report; I think that was transferred to Labor by MLU from Treasury.

But I wanted to know -- do you know if there's been any additional work on gathering the data -- while you've been working on the dashboard -- by Labor, to issue a report in the interim?

MS. AGUDOSI: So what was transferred over to Labor was really the workforce data, right? So Labor looks at, you know, the composition of -- as what Senator Rice was talking -- about how many people of color are working on these jobs. So that's the Labor piece, and I'm not familiar with what they're doing. But as it relates to what is our actual contract spend with these businesses -- that stayed with the Division of Minority and Women Owned Businesses that mostly oversaw it. And so we still have some agencies that continue to report, and we're getting their

reports in. So that always stayed in Treasury -- the spend dollars with the agencies. The workforce information went over to Labor.

SENATOR POU: Madam Chair, I just have a couple of-- I was trying to write as you were saying. It's really interesting -- the conversation that we're having right now.

So the noncompliance -- just to kind of go back to the very beginning part of your statement -- did you find that-- And what I heard was a lot of the noncompliance was mostly from some of the internal processes that we currently have here, within our system, administrative system, in terms of government. I'd also be as interested to see what was the cooperation of the external process; which I think was some of the conversation that you had at the end, with regards to the prime contractor and whether or not they were providing-- You know, because our regulations and our laws don't allow for some of the very same reporting requirements as some of the other states, particularly New York, it may not automatically require that. So we'll be talking, as you pointed out.

But I'm interested in finding out, in terms of both the internal -- and I'm using that term to mean *government*, right? -- are we-- The dashboard that you refer to, is that particular system able to have some kind of compatibility to some of the existing software, or whatever, within those departments so that it's a matter of, again, properly using resources? Is it a matter of just pushing a button or entering -- I'm saying *pushing a button*; it would be a little bit more than that -- but rather than recreating a system and having to deal with-- And I think you mentioned about funding, and staffing, and trying to do (indiscernible), as Assemblywoman Muñoz just pointed out

to me. It's a matter of making sure that one department is able to interface with another, and so be it.

So I would like to get your thoughts on that. And then, if you could -- because I think, you know, it's good that you're sharing your experience with us -- if you can talk about the external noncompliance, or what that external compliance requirement should look like, or would look like in the perfect world today. What are we looking for?

Thank you so much.

MS. AGUDOSI: Absolutely; so thank you for that question, and for clarity.

So when we were looking at what type of system we could use to capture this -- I'm a best practice -- what's a good model that's out there that's working? And so this particular contract vendor is also the contract vendor for New York state, as well as a lot of other states that have very robust supplier diversity programming.

So it's a Cloud-based system. So it's not something that we have to -- you know, each agency has. As I said, basically what it is, is a structure. If you can just think of -- it's a system that's built to be able to take in the data, and then report it out in different fields. And so it doesn't -- the requirement, in terms of the agencies and what they need, is-- And we're in the process of that now, right? We just need to identify, "Well, where does this data reside? Where is the data that's going to show us who -- what the contract number is? Where is the data that's going to show us what the contract dollar amount is?"

So we've identified the fields that we need in order to determine what the spend is; and then we go to the agency and say, "Where does this

information reside?” Because that’s what we have to pull from in order to be able to populate this system. Not just with your spend dollars, but now match that against NJSAVI, that has our listing of certified MWBs, so that when we get the field that says “This contract number and this vendor,” we can then take that information to determine whether or not they’re certified MWBEs.

So it’s pretty simple that way. But now going to the subcontractors’ spend -- like I said, they don’t capture that information. And in fact, we’re getting, even just in our discussions with our working group, some concerns about, “Well, if you need this information, we don’t have that information. The contractor has that information, and we don’t get involved in what the contractor is doing. We don’t want to get involved in, you know, what the contractor pays to the sub. We’re just the client; we don’t want to get in between that.”

And we don’t really need them to get in between that; we just need to know how much was paid. And again, based upon that payment and who you paid to, if that information -- we pull that data, we can report out what that spend is. So it’s pretty simple, in terms of when it runs, what it’s able to do. The legwork is identifying the systems and being able to pull that.

The other thing that I want to just put out for content is that right now we have -- I was able to get a finite allocation of monies to be able to support this. But this is something that would have to be ongoing; and so those are discussions that we have to have with all of the departments and agencies in order to make sure that we’re able to continue to utilize the system and to continue to get that reporting.

So we're not there yet, in terms of them allocating that appropriation. But we're going to have our year one, where we're able to get it and, hopefully, have that budgeted in as part of their budgetary operations so that we can get that spend.

SENATOR POU: Thank you.

SENATOR RICE: So back to Reverend Thomas.

During the disparity study, I was on the Commission, if you remember. But I'm older than you, so I can't remember all the details, you know what I mean?

DR. THOMAS: I know. (laughter)

SENATOR RICE: But did we really look at the authorities and the institutions, such as Rutgers, where all of our money was going? Wherever we participated with dollars and cents -- did we look at all of them?

DR. THOMAS: Yes.

SENATOR RICE: Because there's been a merger, as you are well aware of, of the UMDNJ and the colleges; there's a lot of crazy stuff going on now with the colleges, and a lot of money is still going to these entities. And one entity may have been participating over here (indicates); and it may have gotten merged over here (indicates), and it may not be happening. I'm not sure if that's the case. But can you elaborate on that?

Because I also want to say to the Commission and to the Chief Diversity Officer to make a note that I really believe that we should have a clear database that we can look at, as a Commission, of every institution and authority that State government has control over; and, in other cases, influence over the course of our dollars. Because they have to be talked to, because I don't want people to think that -- when you talk about women and

minority participation, you can only put so many folks in anything; you can only give out so many contracts. So to me, if you're not getting a State contract, it does not mean you shouldn't get a Port Authority contract, do you know what I'm saying?

And so we need to know who are -- what do we have? And I don't think we know that. It's there; I don't think we collect the data and put it on one sheet -- that's what I'm saying. But can you talk about that?

DR. THOMAS: It was our intent that any dollars that were -- any State dollars, any agency that spent State dollars, we went after. But the difficulties, of course -- the independent authorities and agencies were difficult.

But we did have meetings with Port Authority. And I know we did Casino Control Board; that was in Atlantic City, you know. So we looked at those, but it didn't happen. I mean, it was more difficult. It should have been easier to get that because of, again, their percentage of Federal dollars. But it was probably more difficult to get it. And again, I'm assuming a lot of it was politics.

But I think -- we keep talking about-- I know it's like, what happened in the past has happened in the past. But any RFP that's going out now -- I think the micro of what we need to do is take an agency or an authority and say, "Hold on; let me delve here." And I guarantee you could prorate it out and know that whatever this percentage is, it's going to be worse somewhere else. But whatever that is-- I mean, it could be the Department of Agriculture, which probably did a better job than any other agency we found -- that was Agriculture; because they did farmers, small business. I mean, you knew that dollars were coming in. But the service dollars, as it

relates to the food and nutritional program, we said, “Hold on, this money is going to black and brown people. Why aren’t black and brown people spending it?” And it ended up being an issue where they just weren’t aware of it. Everybody was-- So much was meant to go to DHS, DCRA, and did not know that Agriculture-- But I think he was one of the Cabinet members who probably worked closely with us to attempt to try and get minorities in this business.

But I think we looked-- Anywhere there are State dollars, they are bound by the same provisions here. And I do believe that we can, sort of, micro by taking one division-- I mean, the money that the Governor spends in his office -- where’s that going? I mean, there are probably less dollars spent on some stuff, because there’s more staffing. But is it happening there? And that’s where-- We went to the Governor and said, “Hold on; you, Jamie Fox, are you spending some money with some black people?” He said, “I’m not spending any money.” (laughter) I mean -- and you’ll find out that some of the agencies-- I mean, that’s like (Indiscernible). “I’m not spending any money.”

We went to the Treasurer, who we knew was, you know, friendly. And he said you know, “Okay, let’s look at this,” and that’s where we then looked at the tobacco bond money, and we looked at some other pieces that Gerry Gibbs was able to, sort of, look at. And we went to a couple of agencies and said, “Hold on. I know you’re not the problem, but let us sort of, at least now, remedy this now. How can we get some black and brown people to eat now off of our dollars?” Later for Christie dollars; but what about our dollars?

And so that's what we just had to individually do. And I think many of our Cabinet members attempted to be sensitive to the new dog; you knew what they were controlling.

MS. AGUDOSI: Just to piggyback off of that, on this Commission -- she's not here today -- but we have Melanie Walter from Local Government Services. Because this Commission is looking at disparity in public contracting, which is State, of course -- and we're spending a lot of time on State -- but also local. And again, when we're talking about businesses and getting them into that pipeline, and we're just looking at dollars that are coming out of State contracts -- you know, public contracting entities in the state -- those local dollars count as well. And it's closer to home, where many of these businesses reside, and how they establish those relationships or how they get connected to that pipeline.

So I'm just curious as to whether or not there was any thought or focus on that level at the time that you were there. And if so, if you can just share that information with us as well. Because we are very much interested in not just Federal, not just State. But as it comes to public contracting opportunities within the State of New Jersey, what are some of the things that we can look at or address?

DR. THOMAS: We attempted, because we recognized there were agencies or divisions that were *in* but not *of* some of our divisions. And so we looked at Higher Education, which was an *in*, but not *of*, the Secretary of State's Office. And we met with those presidents of colleges and universities, which is why we had an excellent relationship with Rutgers, and began to talk with them about utilizing that.

There was also an opportunity in one of the divisions that was in, but not of, that was responsible for all of the county Boards of Elections. The Boards of Elections were not in our division, but we controlled, sort of, the monies that went to the new technology that they were getting. And we sat down with them, and they were amenable to attempt to try to get minorities in that area. But at the time, we were hard-pressed to find African Americans, or Hispanics, or even women who controlled, sort of, the data, the equipment that they needed in order to run the county offices and look for machines and stuff. People didn't know that that was in our office; that was literally-- And we gave out monies. I probably had more Republican county officials who loved me, because we put their office-- Well, we added tech, sort of, to their offices. At the very beginning level it came from us, and we started their process of technology. Not actually the voting machines, but just making sure that their offices had the computers and stuff, because a lot of stuff was being done by hand. And so we made an effort to try to reach out to them.

I think when we were doing -- building a new museum, we were instrumental.

And so some of it was a level of cultural competency. When you hire black and brown folks, we are sensitive to that -- you know, we look for those things. And so I think in those divisions where there were women, you would find that women got stuff. Where there were African Americans, African Americans; where there were Hispanics-- We went out of our way to represent, because we felt that we stood on the shoulders of those out there.

I mean, I had to go back to the Black Caucus, so I knew I had to do right; I had no choice. Lizette knew she had to go back to the Hispanic

Caucus; we had no choice but to do right. And we did right by Republicans. I mean, to the extent-- I mean, my Comm Director was Republican; my Leg Director was a Republican. I mean, we made sure we had white women. I mean, I think it's the intent in your head. You know, when you have to go outside of your sphere of influence, it messes you up. And so the government -- every Administration must make sure that they have persons like yourself, and those of you on this Commission, who are constantly in their ear. It could not have been 15 minutes that, you know, Senator Rice, Assemblyman Payne came at me-- My team knew I was coming at them. So I think it was always, "Where is it?" Even in the hiring. "I don't want to be hired last; I want to be hired first. You won because of me, so let me be -- let me get the spoils of my win here."

You know, everybody is talking about South Carolina. "Well, okay, where are you all spending your money?" You're spending your money everywhere except South Carolina.

So I think that that is one of the parts of it, too -- to make sure that there are persons within these agencies and divisions who can get you the data. Because the computer system is only as good as what is put in it. And if the information is not put in it-- Any RFP that went out from the day the Governor came in ought to be, right now, reconciled; later for what happened. We can reconcile that data now before you get a consultant; and he ought to mandate it. "If I've put out any RFP under my Administration, I need to know where it is, and I need you to find out everything that is possible." And when we got that order from Governor McGreevey, we made it happen.

Jamie Fox called, "Okay, where's the Governor's data? He asked you for it; I need it now." There was no staff sitting and waiting for-- I mean, that's my concern, because I think we're waiting for so much that we have. When the consultants come, they're going to require so much information that you give them -- they're not going to be able to get into an agency if you can't get into it. And that was our problem, which is why we had to go out in front; because they were not, as consultants, able to get the data. And so we had to go, "They called you and you didn't give it to them?"

SENATOR RICE: And I agree, and that's my greatest concern, because, no reflection on the Governor, but sometimes he gets upset with me when I speak truth to power. I really don't care about that, and I think he knows that.

The agencies sometimes, the members of this Administration -- they take too long to get back to us on stuff, you know; particularly when it comes to the Black or Latino Caucuses, they have to (indiscernible) to move us into all this space we're talking about. And we have to change that as well; and I intend to do that some kind of way.

But the one thing we did get from the Wall Street participants who came to speak on record was the fact that unless we have a woman, someone black, someone Latino on these boards and authorities, who are going to participate in general-- Because you are going to have the mission of actually, at every meeting, raising the question, "Where are we? What does our data look like?" -- to share that, etc. We're not going to have any seriousness about this; it's going to be just something-- We're not talking about any black person, or we're not talking about any Latino person, we're not talking about any woman; someone who recognizes that their

responsibility is to enhance the board. But they are the point person on this whole diversity issue, as it relates to questions, and answers, and data, etc.

What's your opinion on that? You work with a lot of states, you see how they do this, etc. Because we still don't have, to my knowledge, people on the Port Authority. We're still trying to get people, like Reverend Diggs down in Atlantic City -- supposed to go to one of the creative boards, or someplace like that. But other folks want to put their own people on there. Some folks want to identify blacks who should be there -- rather than listen to the Black and Latino Caucus, and others, who recommend people who are capable -- because they want folks who look like us they can control. We get that; it can't be that way.

But give us your thoughts about other states, because a lot of states that we deal with in the South -- and you know this -- they're really doing well. And you would think we would be doing a lot better than southern states, in many cases.

DR. THOMAS: I think boards and commissions are very important, and we stress that around the country. At AFT, we probably, sort of, monitor about 109 allied organizations that we participate with, whether it's NBCSL, or LULAC, or Hispanic-- And those guys force us, within the unions, to do right, sort of, by them. We need to make sure that there are persons of color on every board, even to the extent that language becomes an issue. When we put out a flyer for information, I can't just assume because I'm Puerto Rican that the Brazilians are supposed to understand the Spanish that I lay out. And so we even have to look at, sort of, cultural sensitivity.

And so I think the cultural sensitivity comes from those of us who are on the ground, who sort of understand what the need is.

I am political, and I understand politics, and I never want to take the power of the politics away from a politician. But I think we've come to a time, now, where we have to be sensitive to also making sure that elections are not every four years; that you understand that we are looking and watching you every day. So that means, now, you have to be more inclusive. And when you train folks, they will do right by you, you know?

So I think you're right. I mean, we tell folks across the country, "Be on the Beauticians Board, or the Cosmetology Board." More black and brown folks are dying, and so why are we allowing an all-white committee to control, you know, how we bury our folks and what time we bury them, you know, in some cities and states? And I dig, you dig the dirt. That needs to be some of us on those committees, even to that level. We're saying that black and brown -- and that's inclusive of Asian Americans, who are a little bit more high-tech-- And so you can find them, sort of, in the service, you know, community.

So I think we need to look across the boards, not just all about big committees that do it. But I think, you know, the small ideas -- the smaller the data, the better chance I'm going to read it. You give me a whole bunch of big words, I'm going to be like, "You all handle that. I'm going to read this; I like this small stuff, because that's where it's (indiscernible) at."

And it goes to the-- I just got a call, when I stepped out, about the Amistad Committee. And I said to her, "Why is everything that is black and brown that is in my office -- if I got-- You know, what is it? Where are we, as it relates to that?" And so I'm concerned, you know, that I'm here; and I leave here, now I have to go over to the Department of Education as it relates to, sort of, the Amistad Committee not doing what it does.

I am baffled, because this state is so multicultural. I mean, you can't-- I mean, it's multicultural. I don't know too many cities that you can go to now that are not -- that you don't run into black and brown folks everywhere, at every level.

And so in those cities where it works, you will find that there are black and brown people who are making the decisions, requesting the data. I mean, New York -- if you would look at who he's put in place, he didn't create this and just put white men in and set them to do what he's saying. There are black and brown folks who are making sure that what the Governor did, and the city did, is happening. Atlanta, El Paso-- You know El Paso -- it doesn't make sense that Hispanics aren't running something. But they had to have some language. "Hold on, you can't always (indiscernible)."

I mean, so I think that's it.

MS. AGUDOSI: Thank you.

I just want to pause. We had another speaker -- I do not see him here -- Abner Larrieux from AL Consulting. So I'm assuming that something happened. You're not with them? Okay.

So I just wanted to make sure that we didn't have someone waiting in the wings and we've absorbed all of their time. I didn't see him, but I just wanted to clarify that.

Yes, was there a question?

MR. GRIFFIN: I just wanted to go back to one thing Senator Pou had asked about -- getting the reports in, and the data for the dashboard.

Unless something's happened -- and it could be, because I haven't been going to the meetings; one of my staff members has been, for Hester's dashboard. When I first learned about it, I know that at DPP we

realized that in order for us to populate the information that Hester will need, it will be a manual process. Right now, I don't think our software will be able to just move it into that vendor's database. That may be something that will have to happen; it will obviously take resources to do that interface. So initially, my guess is, for most agencies it will be a manual process. I don't know how that will look for vendors when they have to put the information in for their subs and that. But I just wanted to make that point that it will probably require resources, so you may be hearing about it.

SENATOR POU: Madam Chair.

MS. AGUDOSI: And then what I say to folks is, there's an Executive Order that requires you to bring it to this office, right? So however you need to do that--

MR. GRIFFIN: My--

MS. AGUDOSI: No, I'm just saying, in terms of where we are now -- right? -- as it relates to, where's the data? However you do that in the interim, you need to produce it, because that's required; this information is essential. And again, we have this system, kind of going forward, that we want to facilitate that process. So I appreciate that. But what happens is that, you kind of -- and I'm talking about my experience in speaking to some of these entities -- it's kind of like, "Oh, well, we have to do this." Well, you have a requirement to do it; so you don't, kind of, get off the hook as it relates to reporting, because you have to produce this information. We need it for not only a disparity study, we need it to be able to manage and monitor what we're doing, as it relates to spend. The information is important."

And back in 2008, when they started, they were doing it, because we have reports where they provided that information. So some way,

some kind of how, these agencies were able to produce and provide that information.

Now, I know we have this potential eight-year gap; so who might have been doing it back then may not be around now. But the agencies were providing that information. So I'm not telling them how they have to do it at this point; I'm just saying, "You need to turn over the data."

MR. GRIFFIN: So my comment wasn't really addressed to that; it was addressed to Senator Pou's comment about resources, and that there may be, as agencies come before you all, comments about the need for resources. And so it has nothing to do with whether or not they will be doing it; it is that if they need to upgrade systems to make this an easier process, that may be part of the conversation you have with them during budget season.

ASSEMBLYWOMAN PINKIN: Madam Chair.

MS. AGUDOSI: Yes.

ASSEMBLYWOMAN PINKIN: Why is it that you cannot extract any data unless it's done manually? What is the problem with that?

MR. GRIFFIN: So in order for a database to get information from another source, there must be an interface; it doesn't happen magically. So if I have a system at my shop, I will -- not me, but the vendor will have to build an interface that interfaces with my system that has the data and whatever place it is going. So I'm not saying it can't happen; but right now, my guess is most entities -- with the exception of, probably, New Jersey Transit and the Port Authority -- do not use B2G. Therefore, there is not an interface with the B2G system to move the information from one place to the other. So until that happens -- and I'm not saying it's a hard process; I don't

really know -- but until that happens, in order for you to populate the B2G system, you have to do it manually.

ASSEMBLYWOMAN PINKIN: You know, we had this happen years ago, where the Department of Health used to collect information from the Tumor Registrar. And they would manually re-enter the data; the hospitals would send it to them. And instead of creating an interface, they would manually re-enter all the data, even though they had a full-time person at every hospital doing that. And it resulted in us being four years behind in the data availability, and risked Federal funding. But creating an interface wouldn't really have been that hard. And many of the vendors tend to obstruct interfaces because they want to keep control of their own contract. So it's something that we need to make sure that they don't -- that current vendors also don't prohibit us from accessing that.

MR. GRIFFIN: So I can only speak to DPP. For DPP, the interface that would need to be built has no impact from, nor do we need approval from, any vendor to do it. It's just the time that our current vendor -- who doesn't own the data, they just house it -- the time they would need to build the interface, and the funding to build it. It has nothing to do with, you know, if XYZ Company has a billion-dollar contract, can they obstruct it? Not in my shop.

MS. AGUDOSI: So the only thing that I would add, to give some clarity, because I'm involved in this implementation stage now -- and, believe me, I'm not the tech person. So I'll try to make this as simple as I understand it to be.

When we identify where the data resides in the agency that we need to populate those fields, that will result in that IT person, who works in

that particular agency, determining how that information -- those files get downloaded and exported over to the system. So it would be-- For instance, if you kept that information in an Excel spreadsheet, then it's identifying what those fields are, exporting, running a report; that you export those fields out, and then that data just gets downloaded into the system.

So I'm not clear when we're talking about *interfacing*, because it sounds to me like it might be a little bit more than that when you're talking about interfacing. But I can tell you from sitting around the table with B2Gnow and the working group, it's a matter of downloading data into a system, and exporting files from whatever that system is, to be able to be downloaded in the system so that they can run these reports.

So for-- And we're going to integrate that out in a process. So right now, step one is getting all of the data for the departments in the Governor's Cabinet through DPP, as well as the Division of Property Management and Construction; and getting what that data is for \$40,000 and above. And also getting that data directly from those departments for anything under \$40,000. Because we're looking at total spend, right? DPP is only going to be procuring on behalf of anything that's \$40,000 and above, but we've got to go through to departments directly, for that which they retain themselves to get their actual spend number. And again, identifying, "Well, where is that information, your systems?" We know -- and one of the identified fields is a financial system with OMB -- that when checks are cut from the State they capture a lot of that information, so we already have that. We already have SAVI, so we already know the database in the directory from SAVI, as well as the Port Authority, and Transit, and the Department of Transportation -- who their certified businesses are. So that X factor that

we need from the departments is -- as it relates to your contracts or your purchase orders -- where is that information resident? Because that's what needs to be exported.

Yes.

ASSEMBLYWOMAN MUÑOZ: I was just going to say, when we're talking about this interface issue-- And it's my understanding that there are already companies -- my son works for one in California -- that do this across the nation, that are interface companies. And so I don't think that we have to -- and I'm not trying to promote my son; not at all, even though he is Puerto Rican. (laughter)

UNIDENTIFIED MEMBER OF COMMISSION: Is he an MWBE? No. (laughter)

ASSEMBLYWOMAN MUÑOZ: Well, he is; his last name is Muñoz. So my husband was Puerto Rican; but that's not the point. The point is, there are companies that exist. And whether we, like, try to create a new system, or look out to see where we already have them in place -- especially, like, the California high-tech companies that are doing this work -- it seems like we don't want to put a block in for us, moving forward, if we already have people who can do this kind of work.

MR. GRIFFIN: Because we're in New Jersey--

ASSEMBLYWOMAN MUÑOZ: Right.

MR. GRIFFIN: --in order for me to use that company in California, I need to do a public procurement. So I can't just go to him, even though I know he does it, unless he's the only one in the country who does it. It's easier for me to use my current vendor to just say, "Hey, work with B2G. If you need to do an interface, build it."

ASSEMBLYWOMAN MUÑOZ: I'm not trying to promote my son's company at all. (laughter)

MR. GRIFFIN: I know.

ASSEMBLYWOMAN MUÑOZ: And you'll notice I haven't even mentioned his company. (laughter)

But that's not the point. The point is that we have these companies that do this, and we're using-- It seems to me that this is being used as an excuse not to get the interface done, rather than to look and maybe -- to look and see how we can better do the interface between this information to get there, where we want to get. That's all I'm saying.

MR. GRIFFIN: I don't want to make it sound like no one wants you to the interface; I hope that's not, sort of, the way that came out. It's just that if one needs to be done, it will take a little time. The information can be done manually, like it has been done in the past, until that happens. So there is no push to not do one. I just wanted to say, if one needs to be done, it just takes a little time to do it -- not that people aren't willing to do it.

ASSEMBLYWOMAN MUÑOZ: I just don't want to end up like, as Nancy just said, four years behind because we're re-entering data twice and three times, maybe. And then, you know, that just doesn't make any sense in 2020 now. As you said, we have these things for everything.

DR. THOMAS: Snapshot; he just said something that surfaced something. He said, "I already have--

SENATOR POU: A vendor.

DR. THOMAS: "--the vendor."

SENATOR POU: Yes.

SENATOR RICE: Excuse me; for the record, this is Reverend Thomas.

DR. THOMAS: “I already have the vendor.” That was some of the information that we received when we were going out -- “I already have a vendor, so I’m just going to give him the contract.” Not that you were using-- But I’m just saying, when you said that it sparked, sort of, to the surface some of the comments when we went to agencies asking. “We already have XYZ, so we use them all the time.” “Well, they’re eating a million and something off of you, and nobody else has been eating.” So that was one of the conversations that we ended up -- had to, because, you know, it was almost like this was yours. You had a rite of passage to this right here. It didn’t matter what Administration came in, but because those employees were there-- It was easier, too.

So we talked to some of the employees off the record. “It’s just easy to just keep this one, because their paperwork is already in there,” and not have to, then, go through this whole process. And I’m telling you -- so career employees-- I mean, they weren’t trying to-- They were like -- they told us, like, “So for me to go and get a new one-- Their papers are already in, so if he’s on the list of one to seven, rather than me just doing the right thing and try to bring in a minority vendor, I’m going to go with this one; because his paperwork is already in, he’s been vetted, and I know he--”

MS. AGUDOSI: Right; and I thank you for that, because that’s really what the State Office of Diversity and Inclusion is invested in, right? Which is, we understand that we have practices and systems that we have in place, but the focus is on being inclusive. And so being able to identify things like that, and saying, “Yes, I get that, but if it’s not already” -- and I’ll just

use this by way of example -- “if it’s not already in the scope of work--” Because, yes, they may be -- we may have a contract with them, but it may not be in the scope of work. If it is in the scope of work, then that would make sense to me. But if it’s not in the scope of work, then that is an opportunity that should present itself to be inclusive to others. And we’re not going to just say, “Well, we’re going to give it to X who’s doing business with us;” because the truth of the matter is, it’s not within the scope of work.

But the way that you’re able to really get your hands around that, again, if we’re looking at best practice models, is that you have states -- and New York is one of them, and others -- when we talk about procurement people, where the rubber hits the road, it’s having-- They have procurement councils where they have representatives from all of these different departments and agencies that handle procurements; and they meet regularly with a representative, like myself, to talk about these things. So that it’s not ad hoc, whoever you can get to. But we’re all talking in real time about what our systems are, so that when we run plays, those plays are run across the board.

New Jersey doesn’t have that for procurement. I previously served as an affirmative action -- an EEO Officer in the State. All EEO Officers in the State met monthly for the same reason -- so that we could get together, we could talk about cases, we could discuss best practices. Any information that’s coming up from the State Office that’s going to affect our offices was all there in real time. We were able to interface with our peers.

There is that type of entity for the colleges and universities. They have their -- they put together their own association of procurement officers, and we have a representative on our working group for the B2G

implementation. But I think that that's something that the State needs, overall, for all the procurement officers in its departments; so that when we're talking about these types of things, we have the people who are sitting at the table who -- to your point, where the bowels are -- when you're going back into those departments, they're at the seat, and that information is being relayed directly to them. And that you also have some accountability, frankly, for what's happening in those departments, because you have the heads of procurement identified who are going to be carrying out these mandates that are either coming from this Commission, from the Governor, or from their direct department head.

SENATOR RICE: So if we need that-- Let me back up. So in your Administration, were the EEO people and the procurement people coming together on a regular basis to have discussions?

DR. THOMAS: No.

SENATOR RICE: Okay, so what this Commission and the Governor-- If that's a necessity, then why don't we just get the Governor to order that to happen now? We don't have to do legislation to get it done. I think it's something that should be happening. I don't know how we have an Administration -- well, I don't want to sound negative. I think if we had this Administration, and they're committed to this whole process of dealing with the disparity study, and the process of doing more in enhancing opportunities for women, and small businesses, and people of color, etc., that he would immediately-- The Governor would immediately let his members know -- by executive order, or whatever he wants to do -- that, "Look, as of this particular date, you will come together with the Chief Diversity Officer,

or whoever, and you will have these conversations and report back to me your findings, your concerns, your needs, your assessments, etc.”

And so maybe that’s what needs to happen. In fact, if you could make a note, remind me -- I’ll do a letter to the Governor, if the Commission doesn’t mind, making that request to him, and let him tell us what date that’s going to start. Because I think it’s that important.

DR. THOMAS: They came together when we called them. We did call a meeting, and they came together, and they talked about the difficulties of processing, and the different systems, and needing more money. and, you know, that’s where we got that it’s just easier that, “Well, if Regena Thomas’ name shows up amongst the top six, then we we’re going to -- her paperwork is already in, so we’re going to do that.” And so they were very helpful in letting our consultant know what we needed. Our Executive Director, Jean (Indiscernible)-- She’s still in government; I think she’s still in State government. She convened that group, or we met individually with agencies to get that information, and they talked about just not having a system. So they were very amenable and -- it’s just that they all had their own thing. They went in the bowels of their agencies, and just not -- never looked up to figure it out.

SENATOR RICE: What I’m trying to go to is, they came together at the request to give input--

DR. THOMAS: Yes.

SENATOR RICE: --to a disparity study; prior to, or subsequent to, that there was no regular monthly or quarterly meetings. So what I’m saying is that we need to be in the 21st century now, 2020 year. And we took the opportunity and we really insisted and mandated a Chief Diversity

Officer. Now we have to empower the office to make sure that the Office has what it needs to provide the Legislature and the government with the right information and data so that we can move forward and make sure we enhance State opportunities.

And so what I'm saying is that we need to-- The Governor needs to let his people know -- procurement, EEO, etc.; people who are in this space -- that, on a regular basis -- and he can work it out with the Chief Diversity Officer -- that, "There will meetings, and this is my expectation of what a report should look like, back to me, of how we're doing."

As Ed Koch used to say, "How'm I doing?" okay. We want to know how we're doing, okay? And I think that that's something he can do right away. I would like to think he'll be amenable to doing that; he just probably never thought about it. Nobody, probably, ever asked. So I don't have a problem with formerly asking for that; I just need to have a reminder, etc.

And once the disparity study is over, they still should be meeting. This should not just be for the disparity study; but it's important now, because as you said, we're going to have consultants coming in to do the hard work. They're going to want information from us; they have to have information from us. And there are some things we're going to find out, when you bring these people together, that we can do now -- okay? -- that just got put on hold from some other Administration. Whether it was the Corzine Administration, the McGreevey Administration, the Christie Administration -- they just stopped doing it. The reason I know that is because I've been here 34 years. And contrary to most people, I still know people in the Administration. And they sidebar me, "Hey, Ron, I can't have my name used

but, man, you all are getting hurt. They're doing this to minorities and women; here's what's going on." "You know, can you give me something in writing?" "No, I can't give it in writing."

So I know that if you bring people together, they would have honest conversations, as long as the Governor is authorizing it. And that's all I'm saying.

MS. AGUDOSI: Thank you; thank you for that, Senator Rice.

And I can assure you that it would be of benefit and value when we're talking about just addressing disparities and understanding what we're doing in procurement. It's nice, as you said Dr. Thomas, if you reach out to these people, that they come. But it's like anything else -- it's, "Is this something that we have to do, or is this something-- Well, if I can find my schedule clear, and I even care to, then I'm showing up."

And I think the position that Senator Rice and myself are taking is that, "This is important. We need you to show up. This is not, kind of, a voluntary act. Because the role that you play in your departments, and what those processes are as it relates to procurement, and us being able to really wrap our hands around processing systems, regulations, and how we can facilitate integration of these businesses in our supply chain, requires you to be a key and critical stakeholder."

And so to the extent that we don't have that right now, I think that that is absolutely something that we would want to recommend to the Governor for the benefit not just-- You know, the truth of the matter is, it's important for what we're talking about in supplier diversity. But it's helpful for them in just your day-to-day operations; the same way, as I indicated, for the colleges and universities. They get together on a quarterly basis and they

talk amongst each other about what their issues are, what are some of the things that they've learned -- just across the board. It's helpful to have that type of collegial association, and also kind of a unified approach as to what makes sense, what doesn't make sense, and to keep that cooperative spirit as they carry out their responsibilities.

So I think it's a critical function for not just the State Office of Diversity and Inclusion, but of value for these officials, these State representatives, for the important work that they do.

So unless there are any more questions of Dr. Thomas, I want to, on behalf of the Commission, thank you so much for coming and sharing your insights. The information that you have given to us today is not only a part of this record, but is very much part of the consideration as we, collectively, consider how we move forward as a State -- so that we can make gains that had been started back when you were working in that position, back in 2002, to the benefit of the businesses that we know that you invested time in. And we are trying to ensure that that legacy continues in very meaningful, positive, productive ways for the community.

So thank you very much.

DR. THOMAS: Thank you.

SENATOR RICE: Let me also thank you, Reverend Doctor Thomas, for taking the time out of your busy schedule. Because I only asked the Co-Chair to reach out for you a couple of weeks ago; and I know that you're all over the country right now. I know that it's that time of the year.

But this is so important; and I'd like to leave here, hopefully, with the Commission's support, requesting that the Chief Diversity Officer connect with you and find a way to get you involved in this process. I think

the history and the foundation that's out there is so crucial to what we're doing, and the knowledge. And it's going to be crucial to anyone who becomes the "data contractor," etc., because they're not going to have history, and they're not going to know what we're running into. New Jersey is a very unique state, unlike any other state. But the advantage you bring is not only did you bring us through a process in the past, but on a regular basis, a daily basis you were interacting with other states -- on a regular basis. You interacted with the Federal government; you understand the rules.

So I really think it's important that we enhance this relationship. And I would hope that the members of the Commission would concur with that.

Is that okay with everyone? Okay? All right.

So would you get with her, and I don't care if it means--

DR. THOMAS: Let me give you my number. Text me first, in case I'm in a meeting. But I do stay attached.

MS. AGUDOSI: Thank you; I will.

And what I would also say to you is that, in light of your understanding of what it is that we're trying to do, if you come across any information, any individuals who you think may be of benefit and value for us to connect with or meet with, to please feel free. I'll make sure that-- You do have my contact information through the office, but I'm just saying that subsequent to today, we are still open to taking in information that would be of value to the Commission.

So again, thank you very much.

DR. THOMAS: Thank you; I appreciate it.

MS. AGUDOSI: And so for my fellow Commission members, it appears as though Mr. Larrieux, for whatever the reason, was not able to attend.

We are scheduled to have our next meeting on February 20. We talked about some subsequent action; and in the interim, we'll try to move that forward, in terms of an extension, so that we'll be able to have some additional dates in March.

But in the interim, I'm going to endeavor to -- as best I can; my schedule is a little hectic -- but I've been going over the transcripts that you all have. And I think it would be helpful, just for our own discussion and consideration, to kind of just give you some type of high-level summary of the testimony that's been taken in, so that we can digest that in meaningful ways for our discussion as it relates to findings and recommendations.

MR. GRIFFIN: Hester, should we block off March 3 for a meeting?

MS. AGUDOSI: Yes, please hold that date. I don't-- As I sit here, I don't know if this room is available; but that's the date that we're going to reach out.

So I'm going to open up the floor if there are any members who have any comments or anything that they would like to say before we adjourn.

SENATOR RICE: I have one comment for the record.

This Commission is set up where the State is-- Anything we need from State government -- Human Resources, etc. -- then it has to be provided. And so I'm going to speak with the Senate President about providing a staffer to this Commission to help us keep some of the thoughts that we have, or

things that we need to do. For example, I just went in and I'm preparing -- whether we get support or not -- legislation to codify 35 (*sic*), okay? And moving other pieces that we discussed here.

But it's probably better -- just like the Joint Committees that we have, where we have someone here taking notes. And I will ask Senator Kean to probably do the same thing, or the Assembly -- somebody -- so we can have some folks here to, kind of, share a little bit. But I'm going to start with the Senate President, okay?

And I'm going to suggest, Hester, if I have to call the Governor or the Chief of Staff, that they assign you someone to come to these meetings with you as well, okay? I think we need to, kind of, build your office into what it should be, to get us through this, etc. And how we do that, I don't care; but we need human resources right now, okay?

MS. AGUDOSI: Okay; seeing that there is no other comment, I want to thank everyone for being here, as always. I can tell you that I find these meetings to be very productive; even in reviewing our minutes I find that we've captured some really good, meaningful information and data.

And so I look forward to rejoining you on February 20.

Thank you; have a great rest of the day.

(MEETING CONCLUDED)