

**Minutes of the
Free Market Protection and Privatization Board:
Privatization Process Advisory Committee**

Tuesday, August 19, 2014, 2:00 PM
Room 240, Capitol Building
State Capitol Complex

Present:

Brian Gough (Chair), Kim Jones, Russ Anderson and Jacquie Nielsen

Absent:

Rep. Lynn Hemingway and Chad Whitlock

Staff present:

Cliff Strachan, Governor's Office of Management and Budget (GOMB)
Ken Murray and Anita White, Sequoia Consulting Group

Note: Additional information including related materials and an audio recording of the meeting can be found at <http://gomb.utah.gov/operational-excellence/privatization-board/> and the Utah Public Meeting Notice Website (<http://www.utah.gov/pmn>).

1. Welcome and Introductions

Brian Gough called the meeting to order.

Rep. Lynn Hemingway and Chad Whitlock were excused.

Ken Murray participated via telephone.

2. Committee Business/Minutes

a. Minutes from the meetings of July 8 and 10, 2014

Motion: Jacquie Nielsen moved to approve the minutes of the July 8, 2014 meeting. CARRIED

Motion: Jacquie Nielsen moved to approve the minutes of the July 10, 2014 meeting. CARRIED

3. Sequoia Consulting Group - Ken Murray and Anita White

Three parts to the discussion today are: priority evaluation elements, cost analysis, and pilot study.

Anita White discussed the cost analysis. Regarding the complexity of tax issues, advised that the evaluation will include a checklist to remind evaluators of the many varied but specific taxes that may be considered in any evaluation. During committee's discussion on federal taxes, it was suggested to allocate federal income taxes at 35-39% maximum. The cost analysis materials will become part of the actual manual.

Ken Murray talked about the elements of review questions and how they are grouped now that board members (see July 8 and 10 minutes) have ranked them in order of relative priority. In discussion, the

committee considered how and when to use the questions to evaluate projects and to identify potential projects.

The committee also discussed messaging and asked what is it that we want as outcomes. Also discussed was accountability and how to communicate with agencies about what is expected..

Ken Murray noted that process flow is important and a chart will be in the manual, along with templates. Also to be included is performance contracting standards, best practices, etc.

Next steps is to apply the process to a project, namely the student information system issue, and to use the selection criteria in finding prospective projects.

No committee meetings are pending as the privatization process materials are anticipated in time for the September 11 meeting of the full board.

4. Other/Adjourn

Motion: Russ Anderson moved to adjourn. CARRIED

Scheduled meeting(s):

- TBD