



NEWS Bulletin

TYC Hires Controversial Contractor

Recently, officials at the Texas Youth Commission awarded a \$275,000 no-bid contract to Gregg Phillips, a former top deputy with the state Health and Human Services Commission (HHSC). Mr. Phillips' company was hired to develop a new youth classification system for TYC, but his troubled past as in state service, his lack of experience in juvenile justice, and the way in which TYC awarded him the contract all raise questions about the appropriateness of the deal.

Mr. Phillips began working in state government in Mississippi where he served as the head of the Department of Human Services from 1993-1995. His career there ended in scandal after a Mississippi legislative committee concluded that he had created "an appearance of impropriety" by going to work for a company after awarding them a \$557,000 contract. Phillips' work in Texas' government ended just as badly when his former boss at HHSC requested an investigation into reports that he had improperly influenced a \$1.2 million contract for the privatization of the agency.

The current contract awarded to Phillips by TYC is surrounded by controversy as well. It starts with Mr. Phillips' lobbyist Arlene Wohlgemuth, a former state House member from Burleson. She was the original sponsor of HB 2292, the bill that would have contracted out much of the state's social welfare programs overseen by HHSC to private companies. It was during this time that Phillips was Deputy Commissioner at the agency, where he helped determine the winners of those same private contracts. This past spring Wohlgemuth put Phillips in contact with Jay Kimbrough, former TYC Conservator, to discuss a possible contract for revamping the agency's youth classification system. After that meeting, there appears to have been a lack of the normal review process for the proposal and no competitive bids were put on the table. Phillips said that he was never asked by TYC staff to submit paperwork for a standard background check. The contract was awarded to Phillips' company, Autogov, in August. TYC Executive Director Dimitria Pope and Kimbrough insisted the deal wasn't an example of cronyism and was an honest deal.

WHAT TO DO NOW

1. Join TSEU today! The fight for better funding, staffing, and pay; and against downsizing, closures, and privatization; is a fight for all of us, because it affects all of us.
2. Join COPE today. Build our political muscle. We will need it.