

BuyLines

Quarterly **DAS** Procurement Update

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Modernizing the Bidding Process

These days, nearly every bit of business can be conducted online. But, in the case of government bidding processes, extra care needs to be taken to ensure those procedures are fair, open, transparent and conform to various rules and regulations unique to the public sector.

DAS Procurement is continuing to shift to an online bidding process that is designed to meet these stringent requirements while better meeting the needs of prospective bidders. The SciQuest program, adapted for state government and initially implemented at the University of Iowa, dramatically streamlines the bid letting process while inherently broadening the ability for potential vendors to participate.

Currently, online bid and response software is available to only DAS purchasing staff. While just fourteen bids

have been posted so far, the goal is to have all DAS bids posted on DASEBid within the next few months.

When bids are created online, ample space is provided for vendors to provide information. Depending on the particular opportunity, information requested from the vendor will vary. Questions can result in a simple yes or no answer, a more detailed response or possibly require the vendor to provide an attached document.

A pre-existing library of text, including disclaimers, legal requirements and various stipulations related to particular categories of products, is readily accessible for inclusion for particular bid situations. Some bidding opportunities require more mandatory language than others.

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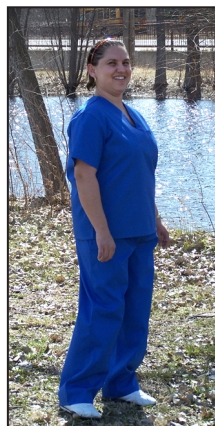
First Online Bid Leads to Significant Savings

Who knew? When the DAS Procurement online bidding process was launched, everyone waited in anticipation for the first response. The vendor opportunity was for medical scrubs and the eventual winner was Goodwill Industries of Kansas. Because no one was aware of the fact that this group made such a product, it wouldn't have been a vendor anyone would have contacted otherwise.

The winning bid resulted in significant savings for

the Iowa Department of Public Health, the State Medical Examiner's Office, correctional agencies and some mental health facilities, the customer agencies for which the bid was let. The State had previously been paying around \$8 for scrub tops and \$10 for pants. The new contract provides the same pieces for \$5.95 and \$6.15 respectively – a savings of \$5.90 per set.

Goodwill Industries of Kansas is a 501(c) nonprofit corporation providing employment opportunities to disabled workers.



BuyLines is a quarterly publication from the Procurement Services division of the Iowa Department of Administrative Services. Its purpose is to inform Iowa state purchasing employees on developments and upcoming events that affect purchasing. For more information you may visit our website at <http://das.gse.iowa.gov/procurement/>

Your input is always welcome. Please contact the editor at Robert.Bailey@iowa.gov or 515-281-7056.

This issue's contributors: Bobby Bailey, Tera Granger, Laurie Hoing, Judy Lehman, Darcy Pech, Andy Saxton, Lois Schmitz.

Did You Know?

DAS Procurement creates special **Targeted Small Business (TSB) contracts** for purchases under \$10,000.



The Master Agreement contracts for TSBs which are not competitively bid always start with "TSB."



TSB contracts must have information on the Header Page that defines restrictions, such as:

"This contract is entered into under authority of Iowa Code Section 18.6(8) and Administrative Rule 401-7.3(4). These provisions allow state agencies, through the issuance of a state delivery order (DO) or purchase order (PO) to purchase goods or services from a Targeted Small Business (TSB) up to \$10,000.00, renewable upon TSB recertification."



If you have any questions regarding TSB contracts, please contact Lois Schmitz at 242-6118 or lois.schmitz@iowa.gov.

SciQuest

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This powerful procurement software automatically ranks bids based on prices and is an outstanding platform for transparency in the bidding process as well as complying with any open records requests on behalf of various vendors or other parties.

Another time and resource saving feature is the ability to create templates for frequently-purchased items such as food or other institution supplies, meaning bid templates can be created and quickly posted online.

Over 1,000 vendors have already registered with the new online bidding program and interest continues to grow

with very little confusion on the behalf of vendors on how to respond or shop for available bids.

Another cost-saving function of the program is its ability to conduct reverse auctions for a limited period of time where vendors can view prices submitted by other parties and adjust their numbers.

From its inherent time-saving potential to cutting on a variety of costs that include paper and registration charges – not to mention vastly improved transparency – the electronic online bid and response program is a significant advancement for procurement in the public sector.

Monitoring the Procurement Process

With abundant rules and regulations, the public procurement process can be fraught with challenges, many of which spring from misunderstandings or lack of communication. To avoid serious barriers, DAS Procurement has recently expanded its use of assessment surveys with both customers and vendors.

These surveys have proven to be very helpful in getting agency feedback regarding their respective spend with a vendor and their level of satisfaction with the contract, with the vendor's performance and the quality of goods or services. These surveys also assist vendors by allowing them to make whatever adjustments or improvements are needed to ensure customer satisfaction and to recognize their respective employees.

Vendor renewal assessments help DAS Procurement in receiving feedback that ultimately benefits the vendor. Additionally, these outbound

assessments provide reminders that any price increases could result in re-bidding rather than renewing by asking vendors what can be done to reduce State costs prior to renewal. Often, this leads to avoidance of cost increases.

Another area of assessments regards soon-to-expire contracts with no remaining renewals. This provides an opportunity to encourage input on structuring new RFBs, RFPs or if there is even a need for the contract.

Surveys have been conducted for a variety of products and services, ranging from waste management to disposable food tray inserts. One contract for a vendor of uniform delivery and laundry resulted in an annual savings of nearly \$10,000. As customer agencies become more comfortable with DAS Procurement's expanded survey strategy, they can count on further savings and higher overall levels of satisfaction.

Did You Know?

Senate File 2088 (Government Reorganization) requires any state employee managing or assisting in service contracts attend a class once a year.



The first required, 2-day, class is May 25-26.

Contact Brian Mayer at 281-6388 or brian.mayer@iowa.gov for registration details.



2.5 hour refresher classes are also available. Contact Lois Schmitz at 242-6118 or lois.schmitz@iowa.gov for details.

IPPA and NIGP Educational Opportunities

The Iowa Public Procurement Association (IPPA) and NIGP strive to provide continuing education opportunity for public procurement professionals in Iowa. Check out these upcoming opportunities and consider joining your peers. To register for seminars, visit: <http://www.nigp.org/eweb/StartPage.aspx?Site=NIGP&webcode=SemSched>

Adding Value to the Procurement Process - May 4, Ankeny

This workshop focuses on ways the professional purchaser adds value to the procurement process by illustrating how he/she can enhance both the process and relations with customers and suppliers.

1-DAY SEMINAR PRICING

Standard Registration: \$175 member/\$240 non-member

Late Registration: \$225 member/\$290 non-member

Contracting for Public Sector Services - June 13-14, Ames

Call it privatization, outsourcing, competitive tendering, or alternative service delivery, contracting for public sector services dominates contract spending at all levels of government in countries around the world. This course examines the process beginning from the decision whether to "make or buy" through the special considerations of the services RFP, the contract award and contract administration.

2-DAY SEMINAR PRICING

Early Registration: \$360 member/\$500 non-member

Standard Registration: \$385 member/\$525 non-member

Late Registration: \$435 member/\$575 non-member

Spring Meeting & Training Session - May 3, Ankeny

Details and registration forms are available on the IPPA website.

<http://sites.google.com/site/ippamembers/>

Please direct any questions to Sandy McClure with the City of Ankeny. 515-965-6401 or smcclure@ci.ankeny.ia.us

Company Buyout Leads to Revised Contract Numbers

Midland Systems Integrated (MSI) has been purchased by Sirius Computers, affecting three existing State contracts.

Contract 3427-09, for IBM products and services, has changed to 3427-11. All new orders should be processed through the new contract. The old contract will be terminated when all current outstanding purchase orders have been processed for payment.

B27170 WSCA MSI, a Western States Contracting Alliance (WSCA) contract for the purchase of NetApp products (MSI was a re-seller) has been changed to B27170 WSCA SCS. The new contract

is in effect and the former has been terminated.

AR233 MSI, a WSCA contract for purchasing CISCO products, has been changed to AR233 SCS and can be used to purchase CISCO products as soon as you see it available in I-3. If you are contemplating any CISCO product purchases through MSI, please contact Laurie Hoing, 515-281-0656, laurie.hoing@iowa.gov to get a status update before placing orders.

Contact Laurie Hoing in DAS Procurement Services if you have questions about these three contracts.

Rules Update

Needed authorization for sole source or emergency purchase requests varies. When purchasing services, approval from the agency's department director is required. But, when purchasing sole source or emergency goods, the request must go to the director of DAS for approval.

An example of goods is computer software and an example of a service is court reporting services.

Whenever you have questions, please don't hesitate to contact DAS Procurement.

New Forms

In response to comments from many of you about trouble using various forms for Emergency, Sole Source and Requisition requests, DAS Procurement has developed new forms that will be easier to use.

To see the new forms, go to <http://das.gse.iowa.gov/procurement/forms.html>. Enter the required information and click 'submit.' Your requests will then be routed to the appropriate purchasing agent for processing. We need your feedback, so please let us know how this new procedure works for you.

Contact Lois Schmitz at 242-6118 or lois.schmitz@iowa.gov.

New Awards for Computer Contracts

An RFB was recently conducted which included standardized desktops, laptops, tablets and netbooks. Vendors with current WSCA (Western States Contracting Alliance) contracts were allowed to bid. Contract awards went to three separate vendors.

Desktops and laptops were awarded to the current provider, Hewlett Packard. An appeal on this award was filed by Lenovo and presented before an Administrative Law Judge on March 22, 2011. While DAS awaits the ALJ's decision, customers are allowed to order these items from the HP WSCA contract. HP models included in this award are the HP Compaq 6200 Pro (desktop) for \$471.00; HP Probook 6450b 14" Notebook for \$704.00; and the HP Probook 6550 15" Notebook for \$704.00.

An award for tablets went to Lenovo for the X201 model for \$1,100.

An award for Netbooks went to Dell, offering the Latitude 2120 for \$625.00.

Unless a waiver is granted from the Technology Advisory Council (TAC), purchases of these items from the contract are mandatory.

All products will be added to I-3 as separate commodity lines as soon as all the vendors have signed amendments to the contracts.

Please contact Laurie Hoing at 515-281-0656 or laurie.hoing@iowa.gov with questions or for more information.

Review of WSCA PC Hardware Contracts

There are many WSCA PC Hardware computer product contracts established for easier purchasing. All contracts summarized here are for computer hardware, only, and may include servers, workstations, printers, storage solutions, PDA's, instruction bundles, monitors, operating systems, Local Area Network devices or LCD Projectors.

Some vendors responded for only certain items. Each vendor is required to provide a website displaying the products that are included on their contracts. One exception is the site created by Apple that also displays items not included in our contract.

Any questions about what is included in vendor contracts can be directed to the product sales representative. However, be thorough when communicating with product sales representatives to ensure they don't indicate an item is covered by the contract when it isn't. When in doubt, contact Laurie Hoing (see contact information below) and she will verify it.

To the left is a list of vendors awarded contracts through the WSCA RFP process conducted/led by the State of Minnesota and the PC Hardware team, which includes purchasing agents from several states. Any vendor with a double asterisk (**) connotation has signed participating addendums with Iowa and these contracts are listed in I-3. If you would like to make a purchase from one of the vendors that have not yet signed with Iowa, please talk to Laurie Hoing about adding them as a contracted vendor.

There are two ways that a WSCA vendor is entered into the I/3 database – as a direct vendor or as a product re-seller. With direct vendors, ordering and payment is done directly. Approved WSCA vendors

can also name re-sellers. In those instances, orders are placed directly with the re-seller (for that vendor's product) and the payment also goes directly to the re-seller. Sometimes the vendor will also take direct orders but, in other cases, the vendor does not sell direct and always uses re-sellers.

Some vendors – such as Hewlett Packard – are listed in the database as both direct sellers and as utilizing re-sellers. In these cases, buyers are allowed to name the re-seller of their choice (see their webpage for eligible re-sellers) on delivery orders and that re-seller will get the credit for the sale. However, the order will go through HP and the payment will go through HP.

On page 5 is a list of the WSCA contracts in I-3. The re-sellers listed are for specific products so be diligent in using the contract for the intended purpose. You will notice that there are six contracts with CDW-G. Be sure you are using the correct one when placing orders. All orders must include the contract number in order for you to receive the correct pricing.

CDW-G EXAMPLE

Lenovo Purchase
B27168 WSCA CDW

Lexmark Purchase
B27169 WSCA CDW

If you have any questions about WSCA contracts, please do not hesitate to contact Laurie Hoing at 515-281-0656 or laurie.hoing@iowa.gov.

WSCA Vendors

- Ace
- Apple**
- CTL
- Dell**
- EMC2**
- Fujitsu**
- Grace Global
- HP**
- Howard**
- IBM (would not negotiate T & C's)
- Kyocera Mita**
- Lexmark**
- Lenovo**
- OKI Data**
- NetApp**
- Panasonic**
- Quantum
- Ricoh
- Oracle (formerly Sun, and for Sun products only) **
- Toshiba
- Transource
- Xerox**
- Xiotech**

2011 Hardware Contracts

Apple orders go direct		B27158 WSCA
Dell orders go direct		B27160 WSCA
EMC2 orders go direct or through re-sellers		B27161 WSCA
Re-seller contracts:	CDW-G	B27161 WSCA CDW
	Alexander Open Systems	B27161 WSCA AOS
	B2B Computer Products	B27161 WSCA BCP
	Pomeroy	B27161 WSCA POM
	Vital Support Systems	B27161 WSCA VSS
Fujitsu orders go direct or through re-sellers		B27162 WSCA
Re-seller contracts:	Arscale	B27162 WSCA MN-A
	Brite Computers	B27162 WSCA BC
	En-Net Services	B27162 WSCA ENS
	En-Pointe Technologies	B27162 WSCA EPT
	Insight Public Sector	B27162 WSCA IPS
	Tangent, Inc.	B27162 WSCA TI
	Zones	B27162 WSCA ZON
HP orders go direct or you may name a re-seller on the PO		B27164 WSCA
Howard orders go direct		B27165 WSCA
Kyocera Mita orders go direct		B27167 WSCA
Lenovo orders go direct or through re-sellers		B27168 WSCA
Re-seller contracts:	CDW-G	B27168 WSCA CDW
	Erb's	B27168 WSCA EBM
	Zones, Inc.	B27168 WSCA ZON
Lexmark orders go direct or through re-sellers		B27169 WSCA
Re-seller contracts:	CDW-G	B27169 WSCA CDW
	Erb's	B27169 WSCA EBM
	Embark IT	B27169 WSCA EIT
	Mason City Business Sys	B27169 WSCA MCBS
NetApp orders go through re-sellers only		
Re-seller contracts:	CDW-G	B27170 WSCA CDW
	Immix Technology Group	B27170 WSCA ITG
	IP Pathways	B27170 WSCA IPP
	Net Direct Systems	B27170 WSCA NDI
	RSM McGladrey	B27170 WSCA RSM
	Sirius Computers (MSI)	B27170 WSCA SCS
OkiData orders go through re-sellers only		
Re-seller contracts:	CDW-G	B27171 WSCA CDW
	Erb's	B27171 WSCA ERB
	Koch Brothers	B27171 WSCA KOCH
	Midwest Office	B27171 WSCA MOA
Panasonic Toughbooks orders go through re-sellers only		
Re-seller contracts:	CDW-G	B27172 WSCA CDW
	Baycom	B27172 BAY
	Feeney Wireless	B27172 WSCA FWL
	Insight Public Sector	B27172 WSCA IPS
	Portable Computer Systems	B27172 WSCA PCS
Oracle (formerly Sun) orders go direct or through re-sellers		B27175 WSCA-10
Re-seller contract:	Open Technologies	B27175 WSCA OTI
Xerox orders go direct		B27178 WSCA
Xiotech orders go direct		B27179 WSCA