



STATE PURCHASING

Quarterly Connection

VOLUME 1, ISSUE 2

WINTER 2009

Division of Purchasing
Len B. Jordan Building,
Lower Level
650 West State Street
Boise, ID 83702
(208) 327-7465
purchasing.idaho.gov

Postal Services
Central Utilities Building,
Lower Level
550 West State Street
Boise, ID 83702
(208) 332-1950
postal.idaho.gov

Copy Center
Central Utilities Building,
Lower Level
550 West State Street
Boise, ID 83702
(208) 332-1941
copycenter.idaho.gov

Records Center
5327 Kendall
Boise, ID 83720
(208) 327-7060
recordscenter.idaho.gov

Federal Surplus Program
106 S. 43rd, Suite 105
Caldwell, ID 83608
(208) 334-3477 or
(800) 722-1629
fsp.idaho.gov

Mr. Bill's Blog...

The fall has settled in...trees are changing color, college football has captured our attention again, baseball playoffs and unfortunately swine flu is on the rise. Our tough economy and impact to the State has impacted all state employees from furloughs to decreased operating budgets. The true test of our leadership is how we manage through these times. Employees of the Division of Purchasing will be taking furlough time through March. We will do everything to continue our service level despite this change.



We recently held a purchasing forum in Boise for major agencies. The forum's objectives were to improve our communication in the purchasing community and increase our effectiveness as "maximizing the power of one" purchasing body. A survey taken indicated that the forum was of value. We have decided to plan for these meetings every six months. We will expand the invitation to all agency purchasing management wishing to participate. We will adopt a format that presents critical topics and expands on interactive discussion of common problems across the state purchasing community. The next purchasing forum will be planned for March, 2010.

From the onset of managing purchasing in the state, I have had comments from various organizations regarding lack of flexibility of purchasing to help with business situations. I do believe that some of that is due to statute, which mandates insuring state business is properly competed. But, I also feel some of the rigidity is self imposed. I would like for us all to look for solutions to customer problems that are flexible and still meet our legal mandates. Share your experiences with your counterparts at other agencies or with State Purchasing and look for different ways to be flexible. We need to continue focus on improving as a learning and solutions oriented partner.

A note on a couple of other things from the Division of Purchasing...We have been working across all our programs on efficiencies to reduce cost and improve our customer service. Our Federal Surplus Program is relocating to Caldwell in order to provide better service to their clients and reduce overhead. State Records is working to further reduce space in December and we are looking at further state consolidation opportunities for our Postal operations. Additionally, the Copy Center is looking for increased volume. They are a very cost competitive organization...so send your agency copy/print jobs their way.

I wanted to send out a thank you to all of you who work so hard to be the best. Have a great holiday season and safe journeys to you and your families.

Bill

Making Cent\$ - Utilizing State Contracts



Ammunition:

SBPO1225 – Salt Lake Wholesale Sports. Contract ends 6/30/2010. Jason Urquhart has begun gathering information from law enforcement agencies that will be used to re-bid the State’s ammunition requirements.

Tools & Industrial Supplies:

PADD 1019-03 - WW Grainger. This WSCA contract has been renewed to 11/30/2010.

Paper (Xerographic):

SBPO1276-04 - Corporate Express. This contract has been renewed to 10/31/2010.

Tires:

SBPO1257-05 - Les Schwab. This contract has been renewed to 8/31/2010.

Office Furniture: The long awaited bid is finally awarded!

SBPO1320 – Herman Miller
SBPO1321 – Kimball
SBPO1322 – SteelCase

These contracts are a direct OEM contract for “set in place” office furniture with distribution through the OEM’s dealer network.

Previously we had only 3 dealers servicing the entire State. With the new contracts in place, we now have 7 dealers. In addition we have pricing schedules for high end, mid range and value conscious lines of product for each of the 3 manufacturers, as well as discounts for other “set in place” office furniture products.

Paper, Plastics, Plastic Bags & Liners, and Cleaning Supplies & Equipment:

SBPO1256 – Gem State Paper & Supply Co. This contract was renewed for the period of 10/8/2009 through 10/8/2010. Information regarding new price discounts was distributed through the idpurch list serve on 9/17/2009. Jason Urquhart has confirmed with Gem State Paper & Supply Co. that the discounts are now reflected in their on-line ordering system. To sign up for on-line ordering, please contact them directly at 800-727-2737.

Photocopiers:

WSCA 1715 – Multifunction Copier & Related Software. This contract ends 6/30/2012 with an additional two - (1) year renewals possible. Manufacturers are:
KIP America – PADD1062
Konica Minolta – PADD1059
Oce Imagistics – PADD1063
Ricoh - PADD1057
Sharp – PADD1058
Xerox – PADD1060

We have five different groups:

- Group A** – Walk Up Black & White Only;
- Group B** – Walk Up Black & White or Color;
- Group C** – Production Black & White;
- Group D** – Production Color;
- Group E** – Wide Format.

Please reference both **WSCA 1715** and the appropriate **PADD** number on your purchase order and copier placement form. Remember to send the original to the service rep and a copy of both documents to Purchasing.



Let Federal Surplus Help You



Look to the Idaho Federal Surplus Property program to save money and find what you need. Visit our website at: www.fsp.idaho.gov where you can search our inventory—much like on-line shopping. The inventory listing is updated daily, so be sure to bookmark our page and visit often.

And...we are on the move. As the Purchasing newsletter was being sent to print, the Federal Surplus team was knee-deep in moving to its new facility in Caldwell.

Effective November 2, 2009, we will be located at: **106 South 43rd, Suite 105, Caldwell, ID 83605.** Watch our website and the newsletter for more information.

To learn more about this valuable program and how you can save, contact Brent Barton at brent.barton@adm.idaho.gov.

Postal Service Tidbits

The prehistoric, often maligned inserter was recently put to rest. The inserter was replaced with a smaller, more efficient Pitney Bowes DI 600. This conversion has increased delivery times, reduced workloads and overall processing time.



More agencies are signing up for cost cutting *FastForward* services, thus resulting in fewer returned mail pieces and less postage costs.

The FedEx and UPS ground terminal was recently updated with new software making it easier to forecast shipping costs and compare rates with USPS.

Central Postal is now assisting BSU's Printing Services with some presort standard and first class mailings for cost containment and extra income.

Feel free to contact us if you have questions 332-1950.

For your reference, here are some commonly used Postal acronyms and abbreviations:

- LTRS – Letters
- FLTS – Flats
- FCM – First Class Mail
- BCS – Barcode Sorter
- BC – Barcode
- BCR – Barcode Reader
- BRM – Business Reply Mail
- 1CIPkg – First Class Package
- 1CPreLtr – First Class Presorted Letter
- 1CSPiece – First Class Single Piece
- MedMISP – Media Mail Single Piece (book)
- PkgSLiSP – Package Services Single Piece
- CASS – Coding Accuracy Support System
- MLOCR – Multiline Optical Character

New Faces In and Around Purchasing



New at ISU Pocatello:

Linda Baum has recently joined the purchasing staff at ISU as a Buyer. She is taking over procuring scientific equipment and printing for the university. Previously, Linda was a contract administrator for EG&G, a subcontractor for

INL. Linda graduated from ISU and is a very energetic, bubbly person and should keep the ISU team on the ball.

You can contact Linda at baumlind@isu.edu or at (208) 282-3111.

New at the Department of Corrections:

Mark Horlocher has joined DOC as a Senior Buyer focusing on procuring commodities and services. Mark's background is in materials management and as a demand analyst. While Mark is not an Idaho native, he, his wife and 2 children enjoy family life and living in the Boise area.



You can contact Mark at mhorlocker@idoc.idaho.gov or (208) 658-2012.



New at the Department of Ag:

Carolyn Burke has joined the staff at the Department of Agriculture as a Financial Specialist. Her responsibilities include the purchasing activities for ISDA as well as assisting other members of the Fiscal staff. Prior to joining ISDA,

Carolyn held several financial positions in public accounting and private industry. Carolyn is a native of Idaho and grew up on a cattle ranch and farming operation in Southwest Idaho. She enjoys running and spending time with friends and family.

Contact Carolyn at carolyn.burke@agri.idaho.gov or by calling (208) 332-8681.

Returning to DOP:

Sheeeeeee's Baaaaaack!!!!!!!

If you have not heard by now *Sarah Hilderbrand* has returned from the dusts of Oregon. We are thrilled to have her back on staff and part of the Purchasing Officers Team (POT).



You can contact Sarah at sarah.hilderbrand@adm.idaho.gov or (208) 332-1612.

The World According to “Mark”



The Division of Purchasing continues to find new and innovative ways to obtain the goods and services necessary to meet the needs of the State. We are currently piloting a procurement process developed at Arizona State University called the Performance Information Procurement System or Best Value Procurement. Our goal in searching out such innovative processes is to find ways to increase our success rates, save money, and to attract world class suppliers.

The Best Value Process allows us more flexibility in the evaluation process and pre-award phase to ensure we are selecting the best supplier.

This new process will be applied to two current procurements under consideration; one for student insurance plans and one for inmate medical services. More information will be available as we move forward.

On a different note, we all know budgets are tight and the General Fund may take another hit before the end of the fiscal year. This funding challenge brings about supplier claims of immediate cost savings to the Executive Branch. To that end, we are constantly challenged to respond to these claims. When we receive such challenges, we will enlist the help of the appropriate agencies.

Currently, we are bringing the food services professionals together to see if we can agree on packaging and shipping as an avenue for savings. My point in this paragraph is to ensure we are looking for ways to save money. This means consolidating goods and services previously not considered as something that could be consolidated. We should continually look for consolidation opportunities and not wait for suppliers to tell us how they can

do our jobs more efficiently. If we do not take a proactive approach, we stand to lose jobs and spend unnecessary time chasing down claims.

One last note. Idaho has been selected to lead a national contracting effort for Laboratory Equipment and Supplies. We were the first to have a Western State's contract and now we will have the opportunity to put a contract in place for all 50 states. This is not only an honor for Idaho, but bodes well for our reputation as procurement professionals. This has a particular impact on universities and state hospitals.

Sarah Hilderbrand will head this effort for the State and will be asking for sourcing input from those who will be using the contract. Let Sarah know if you have any questions or can assist in any way.

Did You Know??

There has been a lot of talk regarding protectionism, reciprocity and significant Idaho economic presence with regards to bids. Here are some quick references to help you better understand and be aware of current practices, Idaho Code references, and Governing Law.

67-5718(3) - All bids are sent to a minimum of 3 vendors with a “Significant Economic Presence in Idaho.”

67-2349 - Significant Presences in Idaho is defined as:

1. Maintains fully staffed offices, sales offices, manufacturing facilities, warehouses, etc., and
2. Registered and licensed with the Secretary of State

67-2326 thru 67-2333 and 67-5727A

The Division of Purchasing partners with other states for the purchase of commonly used products such as computers, copiers, and printers when it is in the State's best interest to do so.

67-2349 - Reciprocal Preference Application

Bids received from out-of-state vendors will include in their costs the added percentage of preference their state applies to bids received from Idaho vendors. Most states have consistent preference practices.

(Note: Bids for out-of-state goods or services will be processed in the same manner Idaho treats incoming out-of-state bids as per our preference laws.)

67-5718(5), 67-2349, 67-5718(5) and 60-101 & 103, 67-2319

Use of Preference when:

1. Tie bids
2. Recycled paper
3. Printing, binding, engraving, stationary
4. Rehabilitation products and services

All business opportunities issued by the Division of Purchasing are issued via an electronic procurement system. Vendors do not have to pay extra fees for use of this service or the system.

When entering into cooperative agreements, the Division of Purchasing requires, to the extent possible, the Contractor to use businesses with a significant economic presence in Idaho to fulfill the contract in the state. These businesses receive economic value from such contracts without the upfront costs of obtaining a contract on their own. This process saves state agencies money and puts tax dollars back into the community.

Are You Buried by Stacks of Paper?

Has anyone in your Department ever asked, how long should you keep bid documents? Where do you keep old files? Is e-mail a business record? Is there a less expensive way to manage and store records?

The State Record Center is able to help you correctly answer these questions and more.

As the leader in managing State records, we can help agencies save time and money with their records retention. We can also assist with storing inactive business records.

With all the recently announced cutbacks, the Records Center has continued to receive positive feedback from its customers.

"We appreciate the staff at the State Record Center for stepping up" - Division of Water Recourses

"This shows how vital the State Record Center and State Archives are in this time of need." - Secretary of State

"The procedures that the Record Center have shown to be more efficient, saves time and money" Bureau of Vital Statistics



...it is nice to know that we have continued to "step up" our services despite downsizing staff.

Give us a call at (208) 327-7060 to find out what to do with the mountains of paperwork you need to manage.

Training - Don't Miss It

SICOMM BASEC AND BUYER TRAINING CLASS

The following dates have been scheduled for Basic Requisitioning and Buyer training:

Boise Area:

- Nov 12, 2009; 8:00 - 11:00 AM; Basec Requisitioning
- Nov 12, 2009; 1:00 - 5:00 PM; Basec Buyer 1
- Nov 13, 2009, 8:00 - 11:30 AM; Basec Buyer 2

Location: Dehryl Dennis Technical Center, Computer Lab #1, 8201 Victory Road, Boise, ID

For more information or to confirm your attendance please contact *Bonnie Sletten* at Bonnie.Sletten@adm.idaho.gov

IPRO VENDOR TRAINING

This is a two part class for vendors. **Part One:** An overview of doing business with Idaho state agencies and the Division of Purchasing. **Part Two:** Hands-on training using the IPRO/SicommNet system

Please share this opportunity with any vendor you are working with who may benefit from these sessions.

Boise Area: Nov 13, 2009, 1:30 PM – 5:00 PM

Location: Dehryl Dennis Tech. Center, Computer Lab #1
8201 Victory Road, Boise, ID

To register for vendor training log on to: <http://www.idahoecommerce.com/training.htm>



Upcoming Events!!! Plan to Attend

IDAHO BUSINESS OPPORTUNITY CONFERENCE

Meet with purchasing professionals from many of the Northwest's largest government agencies and corporations. Connect with them individually to learn how your products and services match up with their purchasing needs. This is an excellent opportunity for manufacturers, contractors, distributors, and service providers. All Idaho businesses looking for new customers and increased sales will find this conference productive and rewarding.

When: November 4th, 2009
Where: Nampa Civic Center, Nampa Id
Contact: Sundi Neely @ 208-334-2470 or
Email: sundineedly@commerce.idaho.gov

QUARTERLY WORKSHOP/BUSINESS MEETING

Mark your calendars for Tuesday, Dec 1st, 9:00 - 11:30

Location: ITD Headquarters, Main Auditorium
3311 W State Street, Boise ID 83703

Here are a few things on the agenda:

- * Mr. Bill speaks! - (live and in person)
- * Purchasing Council Update
- * The World According to Mark!
- * IPRO update - Bonnie
- * State Contract Update – Purchasing Officers

Presentations by:

- * Steve Klauser - Gem State Paper,
- * Marci Bailey – Goodwill Staffing Services
- * Herman Miller
- * Kimball
- * SteelCase And more.....

Statewide Quarterly/Business Meeting

Be the first to attend our STATEWIDE QUARTERLY/BUSINESS MEETING, Yes STATEWIDE!!!

Tuesday Dec 1st, 2009 9:00 AM – 11:30 AM at a location near you!

With the help of Sherry at ITD, and ITD's facilities, we will hold our first ever series of statewide meetings.

All of the locations listed below will participate in this meeting via video conference. Select the location nearest you, RSVP to the appropriate contact person, and plan to attend!!!!!!!!!!!!!!

District 1 Headquarters

600 W. Prairie Avenue, Coeur d'Alene
Seating limited to 9-12 individuals
Attendees must sign in at the front desk
Contact: Jim West
General phone number: 772-1243

District 2 Headquarters

2600 Frontage Road , Lewiston
Seating limited to 12-16 individuals
Attendees must sign in at the front desk
Contact: Sharon or Kathy
General phone number: 799-5090

District 3 Headquarters ITD Boise

Main Auditorium
3311 W State Street, Boise
Seating limited to 120 individuals
Attendees are not required to sign in
Contact: Sherry Jenkins, 334-8088

District 4 Headquarters

216 S Date Street, Shoshone
Seating limited to 8-12 individuals
Attendees must sign in at the front desk
Contact: Sherry Jenkins
General phone number: 886-7800

District 5 Headquarters

5151 South 5th, Pocatello
Seating limited to 20 individuals
Attendees must sign in at the front desk
Contact: Pam Landon
General phone number: 239-3300

District 6 Headquarters

206 N Yellowstone, Rigby
Seating limited to 60 individuals
Attendees must sign in at the front desk
Contact: Nancy Luthy
General phone number: 745-7781

Statewide Furniture Contracts

* Herman Miller * Kimball * SteelCase.
***OPEN HOUSE PLANNED AT ALL LOCATIONS ***

Herman Miller, Kimball and Steelcase's participating dealers will be hosting an open house on
Wednesday, November 18th, 10:00 AM – 2:00 PM

Mark your calendars and plan to stop by and visit the dealer of your choice at the location nearest you.

- Get acquainted with your servicing dealer.
- Meet with the representatives who will be assisting you with these contracts.
- See the variety and styles of new products that are now on contract.
- Pick up a catalog and product information.

Here is the current list of dealers who service the state furniture contract:

- * Contract Design Associate - Herman Miller
- * Henriksen-Butler Design Group – Herman Miller
- * Intermountain Design - Kimball
- * Interior Solutions -Kimball
- * Office Environment -SteelCase
- * Office Pavilion – Herman Miller
- * Porters (Formerly Bangs Office Products) – SteelCase

More information about the open house will be sent out soon via a separate list serve announcement.



**IPRO News:**

On October 5, 2009, the new IPRO site went live. We have had a lot of questions and concerns from vendors as well as agency inquiries. Further information has been provided below.

Background:

An eProcurement system increases the ability to provide expanded access to bid solicitations for interested Idaho vendors. The system has the ability to collect information regarding where the state is spending its money i.e. for what, to whom, timing, by contract, etc. This information is critical to strategic sourcing; to leverage our collective spend for like products and services and to increase the value received.

Unfortunately we have not developed the functionality of our e-Procurement system to obtain such data.

Under-utilized functionality includes:

- Only partially using IPRO for some solicitations, which could be dramatically increased;
- Not fully using the system to process actual requisitions and purchase order transactions; and
- A system configuration that does not support the ability for transactions to transfer from IPRO to multiple financial systems. Therefore the buyer is limited to entering a requisition or purchase order once in the system. This is a major deterrent as the state has approximately seven (7) different financial systems currently in use (Stars, Navision, PeopleSoft, etc).

Looking Forward:

To develop our collective statewide purchasing organizations, and in using best purchasing practices and increase information required for strategic purchasing, we need to fully utilize our e-Procurement system throughout the State. To do that, we have negotiated, and will implement, the following changes:

1. Integrate IPRO with the various financial systems throughout the state.
This is being done to eliminate duplicate entry of requisitions or purchase orders in multiple financial systems. This will allow for viewing purchasing data contained in any financial system.
2. Update the web portal to an Idaho specific web page.
This will enhance the branding of Idaho and its unique solicitations, as well as to differentiate Idaho from other states.
3. Start assessing an administrative fee on those procurements issued in IPRO, effective on new solicitations issued October 5, 2009 and forward. These fees will fund IPRO services and services provided to the state and its users. Further guidelines are listed below.
 - Vendor solicitations will include a 1.25 percent administrative fee.
 - Vendors will collect and remit the 1.25 percent fee on all Purchase Order documents (PO and CPO).
 - Vendors will remit the administrative fee to the IPRO provider.
4. Anticipate implementing these enhancements by October 1, 2010. Once these enhancements are in place, the system will allow for:
 - Capturing spend data without the constraints we currently experience. Moreover, eliminate the incompatibility of the eProcurement system and the various financial systems.
 - Agencies to tailor their solicitations to better meet their needs and to gain visibility into their spend; and
 - State Purchasing to better position themselves to concentrate on the strategic procurement process of the state as a whole and leveraging the spend to accomplish better use of taxpayer dollars.