

# Idaho Division of Purchasing



Quarterly Workshop

*Sometimes we're tested not to show our weaknesses,  
But to discover our strengths. -- Success.com*

*17 June 2021*



# Introduction

*Forrest Benedict*



# Workshop Agenda

*17 June 2021*

*10:00 a.m. – 11:45 a.m.*

- 10:00 – 10:05 Introduction (*Forrest*)
- 10:05 – 10:25 Administrator updates (*Valerie Bollinger*)
- 10:25 – 10:35 State Purchasing Manager Updates (*Chelsea Robillard*)
- 10:35 – 10:40 Contract Supervisor Updates (*Mike Gwinn*)
- 10:40 – 10:45 Purchasing Supervisor Updates (*Justine Gross*)
- 10:45 – 10:50 Statewide Contract Web Page Updates (*Forrest Benedict*)
- 10:50 – 11:10 Purchasing Thresholds & Solicitations (*Arianne Quignon*)
- 11:10 – 11:40 State Use Law Contracting (*Terry Fredrickson*)
- 11:40 – 11:50 Questions



# DOP Administrator Updates

*Valerie Bollinger*





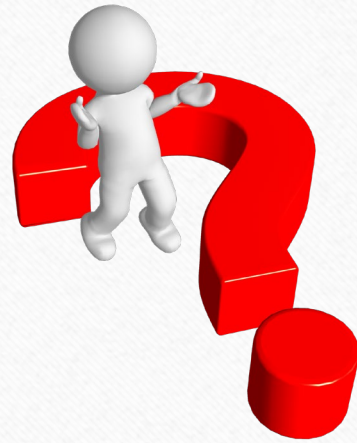
**Questions**



# State Purchasing Manager Updates

*Chelsea Robillard*





**Questions**



# Contract Supervisor Updates

*Mike Gwinn*



# Contract Supervisor

- Staffing Updates
  - Contract Administrator
  - Purchasing Officer





# Questions



# Purchasing Supervisor Updates

*Justin Gross*



# Questionnaire for Goods, Services & Software

- This form must be completed by the subject matter expert and submitted with the Sourcing Event Request/DA1
- Provide full, detailed and accurate information, i.e., Project Background, Requirements, Terms & Conditions etc.
- It's at DOP's discretion to reject a Sourcing Event Request/DA1 if the questionnaire is incomplete, including but not limited to incomplete specifications/scope of work
- For Special Terms and Conditions, primarily for Services, it's the agency's responsibility to work with their DAG on draft language
- Note there are Standard Insurance Requirements on the DOP website. The standard terms or adjusted terms (modified to meet your business needs) must also be submitted with your Sourcing Event Request or DA1
- Circulate updated questionnaire templates to the agency listserv email addresses
- Circulate Accountability list outlining DOP & Agency responsibilities





**Questions**



# Statewide Contracts

*Forrest Benedict*



# Procurement U Give-Back

- NASPO is offering all foundation (100-level) courses for FREE to ANYONE
- Good through the end of the year (2021)
- Procurement U classes are great foundational classes (not Idaho-specific)
- Will provide contact hours for folks seeking the UPPCC certification
- 19 users from Idaho agencies have signed up & 5 from Idaho cities/counties
- Hope to see these numbers jump significantly!
- Take advantage of this opportunity!
- <https://www.naspo.org/procurement-u/>





**Questions**



# Purchasing Thresholds & Solicitations

*Arianne Quignon*

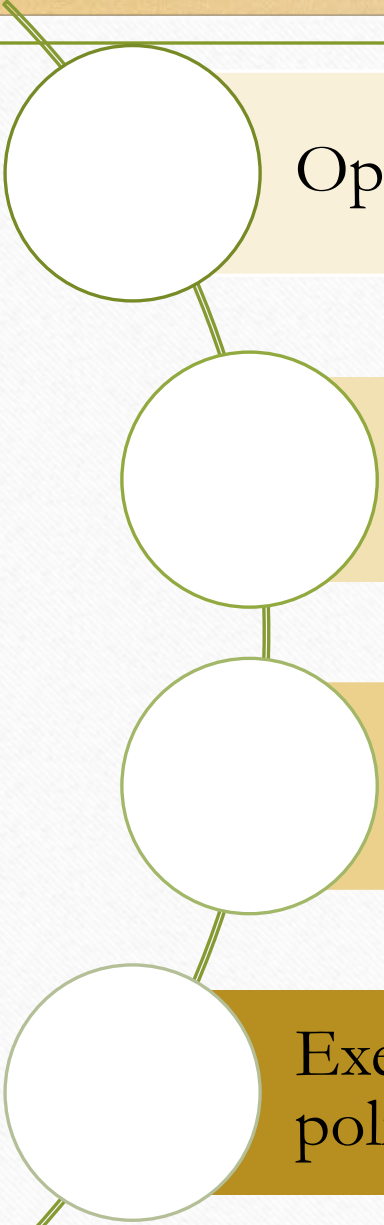


# Purchasing Thresholds and Solicitation Types





# Types of Purchasing



Open Contract Purchases- mandatory use statewide contracts

Small Purchases- open market (<\$10k) and informal request for quotes (RFQ) (\$10k to <\$100k)

Large Purchases- formal sealed bids (ITB/RFP/ITN) (\$100k and up)

Exempt purchases- emergency, sole source, one-time exemption, policy directive, professional service agreement, etc.



# Open Contracts

- “Open contract” is defined in Idaho Code as “a contract awarded by the state through the division of purchasing as a result of a competitive solicitation to one (1) or more vendors who have agreed to allow all agencies to procure specified property under the terms and conditions set forth in the contract.”
- Statewide Blanket Purchase Order (SBPO)— solicitation issued and awarded by DOP
- Participating Addendum (PADD)— solicitation issued and awarded by Idaho *or another state* through a cooperative purchasing organization; PADD issued by DOP



# Open Contracts

- Idaho Code IC §67-9216 requires that “(i)f property is available on an Open Contract, then all agencies seeking to procure such property must do so from the open contract.”
  - This applies to P-card purchases as well!
- The Administrator may grant an exemption “in the best interest of the state.” An exemption request form is located on DOP’s webpage in the Table of Templates and Forms.
- Failure to use an open contract may result in disciplinary personnel action (IC §67-9231).



## Notes on Formal and Informal Solicitations

- When calculating the “value” of the procurement to determine the correct solicitation method, you **MUST** include the value of all potential renewals and options and consider whether there is an ongoing need
  - Purchases **CANNOT** be split into smaller purchases to avoid the informal or formal bidding threshold
- “Significant Idaho economic presence” is defined in Idaho Code 67-2349. Generally, a company meets this definition if it is (1) domiciled in Idaho; or (2) has had a fully staffed office, manufacturing facility, warehouse, etc. for one year preceding the bid **AND** is registered with the Secretary of State
  - This requirement is met by issuing solicitations in IPRO



# Small Purchases – Open Market

- **Less than \$10,000** - no competitive bidding required – may purchase where see fit and in best interest of the state.
- \*\*NOTE:** If the item/service is available on a Statewide “Open Contract” (mandatory use) – it must be purchased off of that contract unless an exemption is obtained from the Administrator of DOP (even if the item cost is under \$10,000)
- All agencies have this authority.
  - Many agencies have a policy in place for processing these small dollar purchases, and may set a lower dollar threshold internal to their agency users, e.g. \$2500 or \$5000.
  - WORK THROUGH YOUR AGENCY BUYER OR FISCAL AGENT



# Request for quote (RFQ)

- Specifications = Minimum requirements
- Goal: Less than 4 weeks for total solicitation time from Req → Award
- No Technical Evaluation
- Award based on Low Cost
- Must be over 10K and Under 100K anticipated spend
- Typically for Goods and typically results in a PO or BPO
- Solicit a minimum of 3 quotes from vendors with a “Significant Idaho economic presence”
- RFQ will be issued/administered by DOP unless agency has delegated authority (or purchase is otherwise exempt)
- Agencies issuing their own RFQs MUST use DOP template and follow DOP process, including issuing the RFQ in IPRO
- Many agencies create an internal policy for processing this type of request; AND may REQUIRE that their staff obtain quotes at a LOWER threshold (e.g. \$2,500 or even \$500).




# Large Purchases – Sealed Bids

- **\$100,000 or more** – Invitations to Bid (ITB), Requests for Proposal (RFP), or Invitation to Negotiate (ITN)- If the TOTAL VALUE will exceed \$100,000, this is a **formal** procurement, requiring that the purchaser solicit a minimum of 3 **sealed** bids from vendors with a “Significant Idaho economic presence”
- All are posted on the e-procurement system for all vendors to view






# Invitation to Bid (ITB)

- Specifications = Minimum requirements
- Goal: Less than 12 weeks for total solicitation time from Req  Award No Technical Evaluation
- Award based on Low Cost
- Must be over 100K anticipated spend
- Typically for Goods and typically results in a PO or BPO
- ITB will be issued/administered by DOP unless agency has delegated authority (or purchase is otherwise exempt)
- Agencies issuing their own ITBs MUST use DOP template and follow DOP process, including issuing the ITB in IPRO




# Request for Proposal (RFP)

- Scope of Work detailing Services required
- Goal: Less than 16 weeks for total solicitation time from Req  Award
  - RFPs with Demonstrations/Presentations or complex services will likely take longer
- Technical Evaluation – Oral Demonstrations/Presentations as an option
- Award based on Highest point total in Technical and Cost evaluations.
- Must be over 100K anticipated spend over the life of the contract (typically 5 years)
- Typically for Services and typically results in a CPO
- RFP will be issued/administered by DOP unless agency has delegated authority (or purchase is otherwise exempt)
- Agencies issuing their own RFPs MUST use DOP template and follow DOP process, including issuing the RFP in IPRO



# Invitation to Negotiate – 2 Types

- **Standard:**
  - Scope of Work fairly fleshed out – have plan for evaluation but gives us the capability to negotiate most requirements in the ITN
  - Goal: for total solicitation time from Req  Award Goal
  - Technical Evaluation – Oral Demonstrations/Presentations as an option
  - Identify finalists based on Highest point total in Technical and Cost evaluations.
  - Must be over 100K anticipated spend over the life of the contract (typically 5 years)
  - Typically for Software or Complex Services and typically results in a CPO
  - ITN will be issued/administered by DOP



# Invitation to Negotiate – 2 types

- **Solution Based:**

- Problem statement instead of SOW
- Write/Negotiate scope of work with vendor(s) with expertise in the service they are requesting.
- Is focused on selecting the most qualified and experienced vendor for a particular service.
- Typically for Agile procurements (Complex IT projects); Complex projects that may need flexibility to negotiate and leverage the Vendor's knowledge; New services that the state does not yet have the expertise in; Solicitations that have been very challenging in the past; and if Agencies have ideal requirements but are open to alternatives.
- Goals of the SB- ITN: Find the most qualified and experienced Vendor for a particular project; Give the ability for the Vendor's to showcase their expertise; Allow for innovative solutions; and Allow the State and the Vendor(s) to negotiate a complete scope of work to promote successful outcomes for both parties.

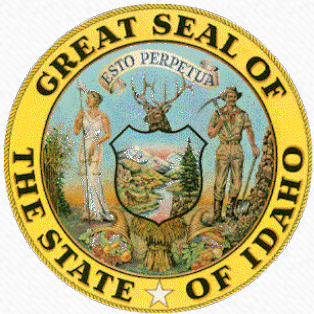


Takeaways: When in doubt, call DOP as a resource

Work through your agency/department purchasing agent or buyer

Get DOP involved early (for new procurements, amendments and issues)

We want to help your agency get the products/services you need; through available, legal means; while maintaining the integrity of the process, in the best interest of the State.





# State Use Law Contracting

*Terry Fredrickson*





# **STATE USE LAW CONTRACTING**

**Contracting that Makes a Difference**  
**[www.accses-idaho.org](http://www.accses-idaho.org)**

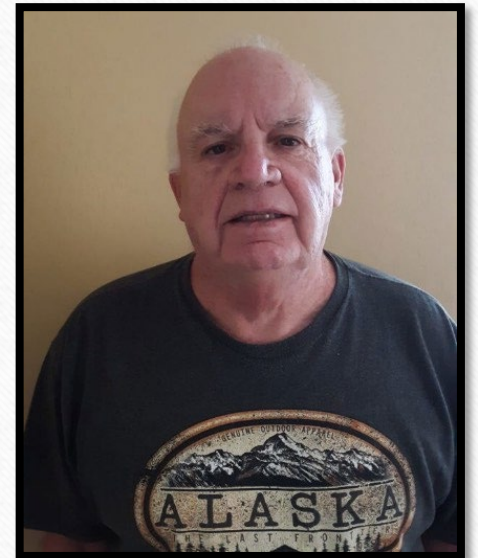
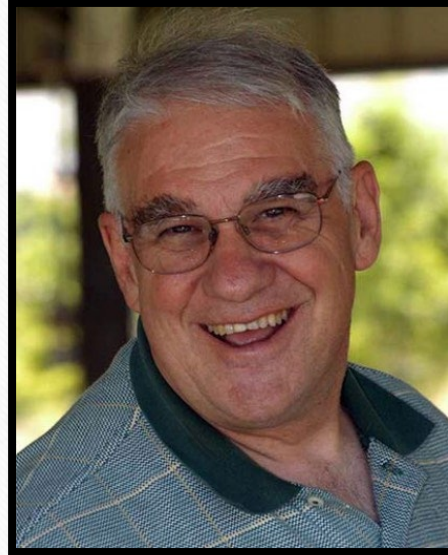


What is *State Use* Law:

To promote the purchase by state agencies of goods and services produced by people with severe disabilities in rehabilitation facilities under the auspices of Section 67-2319, Idaho Code









**The Arc, Inc. - Boise, ID**

**Cache Employment and Training Center - Logan, UT**

**DePaul Industries - Meridian, ID**

**Development Workshop, Inc. - Idaho Falls, ID**

**Magic Valley Rehabilitation Services, Inc. - Twin Falls, ID (closed April 2019)**

**New Day Products and Resources, Inc. - Pocatello, ID**

**Opportunities Unlimited, Inc. - Sandpoint, ID**

**Panhandle Special Needs, Inc. - Sandpoint, ID**

**TESH, Inc. - Coeur d'Alene, ID**

**TRI-CO, Inc. - Craigmont, ID**

**WITCO (formally Western Idaho Training Company, Inc.) - Caldwell, ID**







One hundred fifty six (156) people had work opportunities made available through the contracts for products and services for those disabled or disadvantaged.





42,961 hours were worked by persons with disabilities/disadvantages on state use contracts. Disabled persons saw a wage per hour that ranged from a low of \$4.23 to a high of \$9.27. The statewide average was \$8.14 for disabled. For disadvantaged workers, average wage was \$14.56 per hour. The combined statewide average wage per hour for both disabled and disadvantaged was \$11.35.



Direct labor by persons not disabled or disadvantaged were 42,500 hours.







# **STATE USE LAW CONTRACTING**

**Contracting that Makes a Difference**  
**[www.accses-idaho.org](http://www.accses-idaho.org)**





# **STATE USE LAW CONTRACTING CONTACT**

**Terry Fredrickson  
1704 North Main  
Pocatello, ID 83204  
208-232-7807  
ceonewday11@gmail.com**





**Questions**



# Open Discussion



Thank You!

