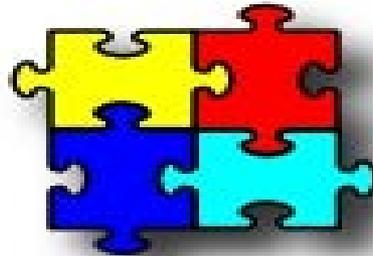


**State of Rhode Island
Division of Purchases**

Purchases 101

Let's Put the Pieces Together



*Presentation July 31, 2016
Nancy McIntyre, Purchasing Agent
Michael Mitchell, Esq., Deputy Purchasing Agent*

Overview

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Mission

To obtain the best value for the taxpayer by providing an "equal playing field" for all potential vendors, enhancing opportunities for small businesses, minority/women owned businesses, and disability business enterprises, and by leveraging State purchasing power on all procurements.

- R.I. Gen. Laws §37-2-1, et. seq.
“State Purchases Act”
- Procurement Regulations and General Conditions of Purchase
- Public procurement concepts
- Determining the procurement method

Public Procurement Concepts

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- Full & open competition
- Transparency
- Established procedures
- Support of socioeconomic goals



The Procurement Method: *How do I get My Stuff?*

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Step 1

DOA / Purchases Avoidance

Step 1: DOA / Purchases Avoidance Master Price Agreements “MPA’s”

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- **Universal need for goods / services**
- **Create your own release / direct purchase order -
Read MPA user guide specific to the MPA - \$0 (zero
dollar) purchase agreement requisition often required**
- **Multi-state cooperative agreements**
- **MPAs listed on www.purchasing.ri.gov**

Step 1: DOA / Purchases Avoidance Continuous Recruitments "CR's"

Solicitation Opportunities

- Solicitation Information
- State Agency Solicitations
- Continuous Recruitment**
- Other Solicitation Opportunities

Continuous Recruitment

*** This offer may not be considered unless a signed RIVIP generated CR/RFP Certification Cover Form is attached. The signed Certification Cover Form must be attached to the front of the offer. You will not receive a cover form unless you have signed in.

Column Key:

CR = Continuous Recruitment

CR designates solicitations that may have open enrollment periods. Agencies, suppliers and potential suppliers are encouraged to view each solicitation for details.

View 200 per page Page 1 of 1

CR Qualified Vendors	CR Number	CR Title	Agency Name	Buyer Name
VIEW DETAIL	CR-10	CR-10 LABOR MANAGEMENT: ARBITRATION/MEDIATION SERVICES (MPA #368) (3 PGS)	DLT - Labor and Training	Moynihan
VIEW DETAIL	CR-10A1	CR-10 LABOR MANAGEMENT: ARBITRATION/MEDIATION SERVICES (MPA #368) 1 PG)	DLT - Labor and Training	McGurn
VIEW DETAIL	CR-16	CR-16 PUBLIC ARTS PROJECTS MANAGEMENT TEAM (10 PGS)	Arts	Welly
VIEW DETAIL	CR-19	CR-19 PRIVATE INVESTIGATIVE SERVICES - MPA 490	DOA - Administration	McGurn
VIEW DETAIL	CR-2	CONSTABLE SERVICES (MPA #259)CONTINUOUS RECRUITMENT - CR-2 (5 PGS)	Multi-Agency	McGurn
VIEW DETAIL	CR-23	CR-23 ENERGY PERFORMANCE CONTRACTING SERVICES - QUALIFIED PROVIDER LIST (14 PGS)	DOA - Administration	Moynihan
VIEW DETAIL	CR-23A1	CR-23 ENERGY PERFORMANCE CONTRACTING SERVICES - QUALIFIED PROVIDER LIST - ADDENDUM #1 (1 PG.)	DOA - Administration	Moynihan
VIEW DETAIL	CR-24	CR-24 ESCROW AND TITLE SERVICES (6 PGS)	DOA - Administration	Moynihan
VIEW DETAIL	CR-24A1	CR-24 ESCROW AND TITLE SERVICES ADDENDUM 1 (1PG)	DOA - Administration	Moynihan
VIEW DETAIL	CR-453	CR - FIRE ALARM/SPRINKLER SVCS & RELATED RENOVATIONS FOR GROUP HOMES (MPA-453) (33 PAGES)	DHS - Human Services	Moynihan
VIEW DETAIL	CR-453A1	CR - FIRE ALARM/SPRINKLER SVCS & RELATED RENOVATIONS FOR GROUP HOMES (MPA-453) - ADDENDUM 1 (1 PAGE)	DHS - Human Services	Moynihan
VIEW DETAIL	CR-367	CR - ADJUDICATION SERVICES (7 PGS.)	DLT - Labor and Training	Walsh
VIEW DETAIL	CR-367A1	CONTINUOUS RECRUITMENT - DISASTER RECOVERY SERVICES - MPA #367 (7 PGS)	Multi-Agency	Gill
VIEW DETAIL	CR-54	CONTINUOUS RECRUITMENT - INTERPRETING SERVICES (MPA #54) 11 PGS	Multi-Agency	McGurn
VIEW DETAIL	CR-368	Continuous Recruitment for Historic Construction and Preservation Contractors	DOT - Transportation	Hill
VIEW DETAIL	CR-368A1	CR-36 DYNAMIC MESSAGE SIGNS (DMS) AND PORTABLE VARIABLE MESSAGE SIGNS (PVMS) SERVICES (25 PGS)	DOT - Transportation	Hill
VIEW DETAIL	CR-368A1	CR-36 DYNAMIC MESSAGE SIGNS (DMS) & PORTABLE VARIABLE MESSAGE SIGNS (PVMS) SVCS-ADD 1 (2 PGS)	DOT - Transportation	Hill
VIEW DETAIL	CR-368A2	CR-36 FOR DYNAMIC MESSAGE SIGNS (DMS) & PORTABLE VARIABLE MESSAGE SIGNS (PVMS)SVCS-ADD. 2 (11 PGS)	DOT - Transportation	Hill
VIEW DETAIL	CR-368A3	CR-36 DYNAMIC MESSAGE SIGNS (DMS) & PORTABLE VARIABLE MESSAGE SIGNS (PVMS) SVCS-ADD 3 (3 PGS)	DOT - Transportation	Hill

CR Qualified Vendors

CR Info
 CR Number: CR-10
 CR Title: CR-10 LABOR MANAGEMENT: ARBITRATION/MEDIATION SERVICES (MPA #368) (3 PGS)
 Agency Name: DLT - Labor and Training
 Buyer Name: McGurn

Vendor Name	PO Number	PO Address	City	State	Zip Code
Mario Celico	68M00340321	14 Governor Ave	Westerly	RI	02911-4444
Parker Denaco, Attorney-Arbitrator	68M00349253	48 Augusta Way	Dover	NH	03820
Bruce I. Kogan	3240552	18 Greylock Road	Bristol	RI	02809-1626
Karen G. Andres	68M00349309	126 Oxford Road	Newton Centre	MA	02459
Oliverio & Marcaccio, LLP	68M00349392	65 Dorrance Street Suite 400	Providence	RI	02903

Small Purchase Delegated Authority and Delegated Authority Explained



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Small Purchases Delegated Authority

- New requirements November 2014
- Amounts between \$500 and \$5000 for goods & services
- Amounts between \$500 and \$10,000 for construction services
- Use of MPA, MBE/WBE and local vendor when possible

Delegated Purchase Authority For Agencies



- Request for limited delegated authority to DOA Director as Chief Purchasing Officer
- Authorization letter from DOA Director/Chief Purchasing Officer
- Program/Agency specific

Architectural, Engineering, or Consultant Services

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Under \$20,000

R.I. Gen. Laws §37-2-69

- Agency attains 3 written quotes
- Agency recommends award to lowest responsive, responsible bidder
- Every effort should be made to contact Rhode Island vendors and at least one Minority Business Enterprise (“MBE”) vendor
- Agency sends requisition, quotes, and recommendation to DOA / Purchases
- DOA Director has final approval

Small Purchases Delegated Authority

DO NOT Artificially Divide Procurement



If there is no MPA/Does not fall within Small Purchases Delegated Authority
Step 2: Interface with DOA / Purchases

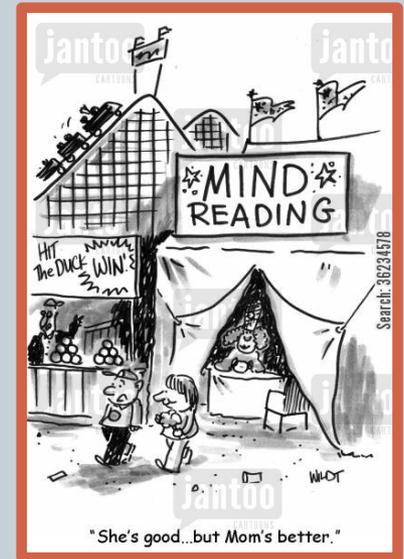
11

- **The Purchase Requisition**

- ❖ Tell us what you want

- **Statement of Need**

- Provides a funding source
- Provides a description of goods/services
- Authorizes the Purchasing Agent to act on behalf of the agency
- Created on-line in RIFANS



Methods of Public Solicitation

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- Invitation to Bid “ITB” / Request for Quotations “RFQ”
- Letter of Interest “LOI”
- Request for Proposals “RFP”
- Request for Information “RFI” – No Award

Methods of Public Solicitation

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- **The Invitation to Bid “ITB”/ Request for Quotation “RFQ”**
- Specifications – failure to adhere to all specifications means bid is rejected.
- Award to lowest responsive / responsible bidder
- Example: motor vehicle procurement

RFQ / ITB

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Specifications – specific as to performance / design

Bid Opening – public, all data available to other bidders

Evaluation – based exclusively on technical specifications

Discussion – *yes* or *no* on meeting specification

Changes – none; no discussions

Award – lowest responsive & responsible offer

Public Procurement Concepts

Responsiveness

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- A proposal (bid) which conforms in all material respects to the solicitation.
- Determination takes place at the time of offer evaluation.

Public Procurement Concepts

Responsibility

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- Offeror has the capability, in all material respects, to perform the contract.
- **Capability includes:**
 - Experience
 - Integrity
 - Reliability
 - Capacity
 - Facilities
 - Equipment
 - Financial resources & management capability

Methods of Public Solicitation

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- **Letter of Interest “LOI”/Letters of Interest**
- Government details what is to be done and seeks vendor qualifications
- Cost may be one of the evaluation factors
- Example: MPA 229 - Computer Training

Methods of Public Solicitation

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- **Request For Information “RFI”**
- Public notice to gather information
- No award will be made
- Learn from proposals received
- Create specifications for future Request For Proposals “RFP”



“...and a side order of leftovers.”

What's in the Leftovers?

If you ask for beef, you could get shank.

Learn your options.

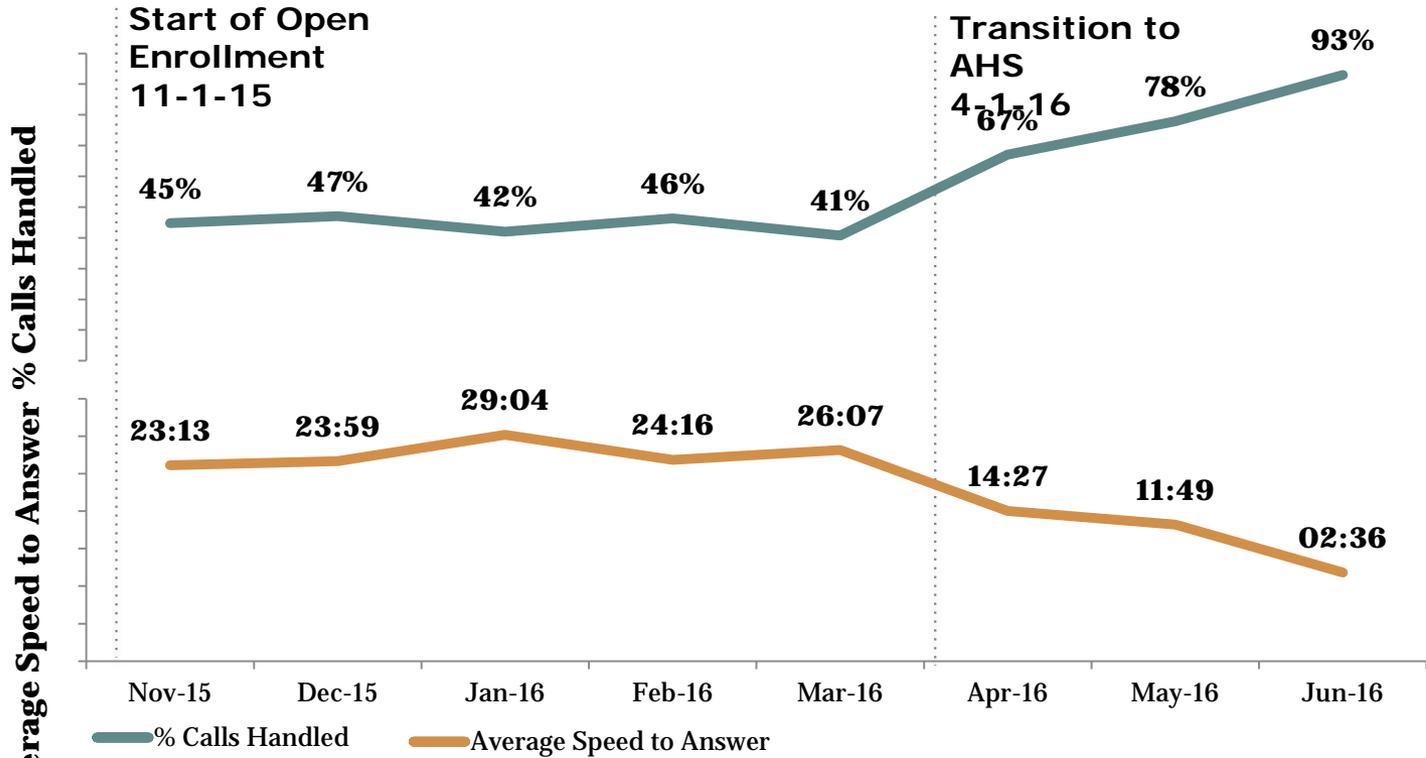
If you ask for prime cut beef, you get prime cut beef.

Contact Center Volume and Service Levels

November 2015 - June 2016



<http://www.purchasing.ri.gov/bidding/BidDocuments.aspx?BidNumber=7549521&Isridot=False&Status=Canceled>



Call Volume by Month	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
Inbound Calls	39,502	58,786	62,210	50,472	49,851	40,317	29,063	29,698
Calls Handled	17,688	27,664	26,135	23,358	20,334	27,029	22,638	27,625
% Calls Handled	45%	47%	42%	46%	41%	67%	78%	93%
Service Levels								
Average Abandonment Rate	45%	44%	50%	46%	51%	32%	22%	7%
Average Speed to Answer	23:13	23:59	29:04	24:16	26:07	14:27	11:49	02:36
Average Handle Time	19:10	21:37	19:27	17:59	16:55	17:39	14:32	12:53

*% Calls Handled includes customers electing to receive a callback within 24 hours as of April 2016 (transition to AHS)

Methods of Public Solicitation

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- **Request for Proposals “RFP”**
- Government knows end result. Solicitation to determine best approach to resolution
- Evaluation Criteria: Experience, approach, methodology, work plan & cost

Methods of Public Solicitation

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- **Request for Proposals “RFP”**
- Evaluation criteria subjective - sliding scale
- Cost or budget justification
- Example: purchase & integrate software

Request For Proposals “RFP”

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- **Specifications** – end results oriented by statement of work
- **Bid Opening** – offers are acknowledged; no details discussed
- **Evaluation** – weighted values on multiple criteria (usually technical 70%, Cost 30%)
- **Discussion** – among review team and offeror
- **Changes** – offeror’s ideas may be used in best and final round
- **Award** – best value, maybe not lowest price

Sole Source Awards

37-2-21(a)

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- What is a *Sole Source*?
- Submit Sole Source Justification with Requisition
- Detailed response for every justification question required

Emergency Procurements

37-2-21 (b)

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- **Exists a threat to public health, welfare or safety**
- **Written detailed description of the basis for the emergency required**
- **Inadequate anticipation of need shall not be considered justification for “emergency” purchases**

Delegated Purchase Authority for Agencies

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- 2.2.3.1 - Delegated purchase authority shall mean the transfer of purchasing authority from the Chief Purchasing Officer to another state official
- 2.2.3.1.4.1 - Names and titles of individuals authorized by an agency director to commit funds on behalf of an agency
- Delegated purchase authority **may be revoked** if at any time a user agency is deemed to be in violation of purchasing rules and regulations, policies and procedures
- Purchase order, batch payment, - must be outlined in the request for delegated purchase authority
- Subject to review by Bureau of Audits

Agency Specific Delegated Authority

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- Requisition
- Delegated authority letter
- Vendor-agency agreement
- Send to Director of Administration/Chief Purchasing Officer



GRANTS

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- \$ distributed specified in grant
- \$ distributed by formula
- \$ distributed by competition
- Requisition to DOA/Purchases with supporting documentation
- Delegated authority letter required in many cases

Purchase Order / Contract Award

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- **Standard Purchase Order:**
 - Total award \$ specified
 - Funds encumbered
- **Blanket Purchase Agreement:**
 - \$ capped
 - Term stated
 - Lines established with unit price and unit of measure
 - Funds encumbered at release “Blanket Release”
- **Contract Purchase Agreement:**
 - \$ capped
 - Term stated
 - No lines in RIFANS on a contract purchase agreement
 - Funds encumbered at release (contract release identified as Standard Purchase Order in RIFANS with supplier site of “99”)

Change Orders Issued by DOA/ Purchases

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- **Change funding amount - increase or decrease; how much?**
- **Change contract term - is the term extendable?**
- **Modify scope of work - add or delete services.**
- **No vendor work until issuance of change order by the Division of Purchases**

Poor Vendor Performance

The Deficiency / Complaint Process

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- Agency attempts to resolve first
- Notify DOA / Purchases if unresolved
Complaint form available at
www.purchasing.ri.gov “ARC”
- Resolution: compromise, suspend, debar, legal action

PROCUREMENT ETHICS

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- **Executive Order 15-1**
“Ethics and Integrity in Government”
- **Procurement Regulation 3**
“Code of Ethics and Professional Behavior”

Congratulations !

You've completed Purchasing 101

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