

To: Agency CIOs and CFOs

From: Lynne McGuire, Deputy Director, Department of Enterprise Services

Date: November 20, 2013

Subject: Changes in Technology Consultation and Purchasing Services

Enterprise Services has been looking for ways to streamline the processes for, and reduce the costs of, our Technology Acquisition Services, specifically our Technology Consulting and Purchasing Services. (More details are at <http://des.wa.gov/services/IT/ITContracts/Pages/TechnologyBrokering.aspx>).

As part of our recent Lean process review, we learned our customers rely on our department's advice and support regarding information technology (IT) purchases. However, we also identified some duplicative processes that were adding unnecessary time and costs. For example:

- Vendors would ship information technology products directly to Enterprise Services and then we would re-package and re-ship these items to you.
- After completing our consultation, we would finish the IT purchase using Enterprise Services funds, process the invoices from the vendors, and then turn around and re-bill you.

During the last year, we have been putting our recommended process improvements in place. Some time ago, we made the change to have IT products shipped directly to you. Earlier this year, we made a first step toward reducing duplicate invoicing activity for IT purchases of \$1,000 or less. Starting January 1, 2014, Enterprise Services will continue to provide full consultation for IT purchases but we will no longer make actual purchases using our funds on behalf of your agency – only to then re-bill these costs.

Under state procurement reform, agencies now have more authority and flexibility to conduct their own procurements. Starting January 1, 2014, agencies should begin making their own IT purchases using state master contracts in the same way they procure other goods and services.

Agencies needing to purchase items that are not available on an existing IT master contract should work with their agency procurement staff. When IT purchases exceed an agency's delegated spending authority, please follow the protocol outlined in [Policy DES-090-00](#) to request additional authority. To avoid making numerous requests, Enterprise Services recommends that agencies submit requests broad enough to cover all anticipated IT-related purchases.

We recognize it may take time for some agencies to build the needed capacity and skills to conduct non-contract IT acquisitions. So, for items not available on an existing master contract and above delegated spending authority, Enterprise Services Master Contracts and Consulting (MCC) can, upon request, conduct those IT procurements going forward. However, following the MCC-led procurement process, agencies will work directly with the supplier and will pay for these purchases using their own funds. All requests for Enterprise Services assistance will be responded to in the order in which they are received. The department can provide more information about roles, responsibilities and timelines for completing these requests.

Whatever the ultimate procurement method, Enterprise Services is still available for consultation about what to buy.

These changes will help us significantly reduce the service charges for consulting support. For instance, as of July 1, 2013, we stopped adding a 1 percent service charge to purchases. The management fee assessed to vendors now covers the cost of this service. In most cases, vendors are absorbing these management fees, resulting in lower overall costs for IT purchases.

What stays the same	What will change starting January 1, 2014
<p>Enterprise Services will still provide technology consulting advice upon request.</p>	<p>Beginning January 1, 2014, all agencies will make their own technology purchases within their delegated authority even if they opt for an Enterprise Services consultation. Enterprise Services will stop making purchases using our department funds only to then re-bill the agency. Enterprise Services will offer advice and support as needed to assist agencies regarding how to complete a purchase from master contracts or by following the direct buy or delegated authority policies. The CompuCom (Microsoft and Adobe), AutoDesk, Novell, Gartner, Socrata, ESRI and SAS master contracts will be amended to allow agencies to purchase from them directly.</p> <p>For purchases not available on a master contract and outside an agency's delegated spending authority, Enterprise Services MCC is available, upon request to conduct those IT commodity procurements.</p>

Resources:

For technology consulting on what or how to purchase, contact:

Solutions Center (360) 407-9100 or SolutionsCenter@des.wa.gov

For questions related to master contracts, and other procurement process questions:

Stuart Sherman (360) 407-8979 or stuart.sherman@des.wa.gov

Tim Shay: (360) 407-9410 or tim.shay@des.wa.gov

Visit the [statewide master contract list](#).

Direct buy, delegated authority and other procurement policies can be found at:

<http://des.wa.gov/about/pi/ProcurementReform/Pages/Policies.aspx>

If you have questions or concerns regarding these changes, or are not sure who to contact, please contact the Enterprise Services Customer Relations Team at (360) 407-2200 or customerrelations@des.wa.gov.

Thank you.