

Feedback Category	Feedback Source	Feedback	Response
Challenges or Barriers?	Business Diversity Advisory Group	<p>The invoice and payment must be between the agency and the small business to qualify as a Small Business Direct Buy.</p> <p>a. We recognize the value of ecommerce to customers and suppliers. We encourage the efforts of DES to find an ecommerce platform that is convenient, cost-effective, and flexible enough to meet the needs of customers and small business suppliers. BDAG would like to assist with information to clarify the types of practices that are harmful to small businesses and those that are helpful in support of the DES current pilot program with Amazon and to inform the future requirements for One Washington.</p> <p>b. b. It is important to members of BDAG that spend flowing through a large businesses e-commerce marketplace not count as achieving the small business threshold for direct buy. The preference is for transactions directly with small and diverse businesses, including ecommerce platforms that support direct buyer/seller transactions. This allows businesses to protect their proprietary information, build relationships directly with agencies, and keep more of the profits of the sale.</p>	<p>Under the current policy and the proposed new policy, purchases from a large business's e-commerce marketplace would fall under the Direct Buy Level 1 threshold - not the Level 2 (small business and certified veteran) threshold.</p>
Challenges or Barriers?	Workshop Notes	<p>Define direct buy is . . . [need to define scope of what constitutes a purchase – need a statement of this and/or what constitutes a specific length of time]</p>	<p>DES has adopted the suggestion by including the following language in Section #2: "Direct buy is an annual cumulative limit for an agency's non-competitive purchases from a given vendor."</p>
Challenges or Barriers?	Workshop Notes	<p>One agency looks at the intent of the procurement itself.</p>	<p>Direct buy applies to the expenditure and whether that will exceed the threshold with a vendor during the fiscal year and whether the purchase will be repetitive.</p>
Challenges or Barriers?	Workshop Notes	<p>Difficult to comply with policy regarding competitive purchases if the records of purchases are difficult to obtain (e.g. p-card)</p>	<p>OFM requires agencies to maintain controls over their spending and to conduct internal audits to comply with all fiscal laws and rules. See RCW 43.88.160(4). The state auditor's office will audit compliance with this law. RCW 43.88.160(6). DES will consult with agencies to assist them with creating methods to assure that agency p-card purchases comply with the Direct Buy Policy.</p>
Challenges or Barriers?	Workshop Notes	<p>May be helpful to review language from old GA Procurement Manual.</p>	<p>Pertinent language from the GA Procurement Manual states, "Such purchases may be made based upon the purchaser's experience and knowledge of the market to provide the required quality at the lowest cost . . . Documentation to support purchase decisions, including price competitiveness, should be included in the Purchase File where appropriate. Even if a purchase is below the direct buy threshold, agencies should seek competition if they have reason to believe that pricing quoted is not competitive with market rates or previous purchase costs . . . When conducting purchases under Direct Buy provisions, agencies are encouraged to buy from locally owned small businesses and Veteran Owned Businesses to the extent that such acquisitions are cost effective." Pertinent language has been added to the policy and FAQ.</p>

Challenges or Barriers?	Workshop Notes	Parts purchases are an area of difficulty [due to an agency's open purchase order].	It is possible that an agency will create an open purchase order in order to purchase parts that periodically wear out and need to be replaced. In such circumstances, agencies forecast their needs and apply the appropriate tools to assure compliance with procurement laws and rules.
Challenges or Barriers?	Workshop Notes	Need more certified businesses	We appreciate this comment and will forward it to the OMWBE.
Challenges or Barriers?	Workshop Notes	If allowed \$10K on a direct buy our line staff are trying to do the right thing. They call several vendors. We have limited funds. Our buyers are doing market research. Also are now asking if the vendor is a small business.	Thank you for this comment.
Challenges or Barriers?	Workshop Notes	For decentralized agencies, we need to make the rules easy for people to understand that are not procurement professionals.	With each policy, we determined if additional procedures, guidelines, etc. are needed to assist in making the policies easier to understand and implement.
Challenges or Barriers?	Workshop Notes	Would help us if there were certified business outside of public works. Business are not getting certified.	We appreciate this comment and will forward it to the OMWBE.
Challenges or Barriers?	Susan Banton (WWU) 9/19/19	Raising the direct buy limit opens more people up to performing the procurement process without training.	To mitigate this DES provides training on how to conduct small purchases. In order to conduct a direct buy purchase, a state employee must first complete this training program.
Communication	WSDOT Supply Officers	Share info in Contracts Connections, not just PTAG and WACS.	We will add Contracts Connections to the DES Policy Team distribution list.
DB Process	WSDOT Supply Officers	Add a process for exemption to DB	RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Escalation Process	Michael Maverick – DOH and Greg Zayas - DOL	Problem Escalation: The policy needs a problem escalation procedure that details the formal process for resolving disputes. The process should be performed outside of the Enterprise Policy Team and allow for increasing levels of escalation. End. DOL would like to add... that depending on the policy ie Sole Source, the dispute should be escalated and resolved with an expedient method as a delay in a final ruling can be detrimental to the agency.	DES' practice in these circumstances is to consult the DES Contracts & Procurement Assistant Director.
Escalation Process	Susan Banton (WWU) 9/19/19	a. There should be some sort of avenue for vendors to “appeal” or “complain if an agency is abusing the direct buy limits which really limits competition, especially if the direct buy limit is raised. b. At higher ed we can do an informal process up to 100K – recommend that the “informal” process under 100K should be outlined in a standards/guidelines document not policy. Again, this could be reviewed during the risk assessment. Should include one vendor being solicited for three informal quotes be an OMWBE.	a. There are currently such avenues. First, a vendor can escalate within an agency management. Second, a vendor can file a Whistleblower Complaint through the State Auditor's Office. b. DES considered your input regarding the "informal" process and has decided to maintain the current approach, but is proposing higher limits of \$30,000 generally, and \$40,000 if the purchase is being made from a microbusiness, minibusiness, small business, or a certified veteran-owned business.
FAQ Document	DOR	{ came up in discussion on 9/19} For some, the direct buy threshold stated in this policy may be more than the agency’s delegated authority. Consider a clarifying statement for agencies in that situation – can they still direct buy or not?	If the direct buy exceeds the agency's delegated authority, then the agency must request additional delegation of authority from the DES Director. This clarification has been added to the draft policy.
FAQ Document	DOR	Under Best Practices, send sentence: “Unless otherwise exempt” is used redundantly at both the beginning and the end of the sentence. Consider stating in just one place.	DES has adopted the suggestion by editing the FAQ.

General Comments	Workshop Notes	Policy should say, "Delegation of Authority notwithstanding."	If the direct buy exceeds the agency's delegated authority, then the agency must request additional delegation of authority from the DES Director. This clarification has been added to the draft policy.
FAQ Document	Workshop Notes	"Direct buy does not mean you do not need a contract – some things still need a contract."	Agencies are to exercise sound professional judgment in implementing direct buy, in accordance with their internal policies and state best practices. Some direct buy purchases will require a contract.
FAQ Document	Workshop Notes	But this [the direct buy policy] should not preclude p-card use.	DES has adopted the suggestion by adding the following language to the FAQ: "Agencies are to exercise sound professional judgment in implementing direct buy. Although some direct buy purchases can be made using a p-card, others require creating a formal contract." The Direct Buy Policy does not preclude p-card use.
FAQ Document	Workshop Notes	Piggybacking solicitations/contracts – if threshold goes up, can agencies use this as a technique to get what they need to do business?	Agencies may not manipulate the policy in order to avoid using a competitive process.
FAQ Document	Workshop Notes	Direct buy policy should clarify if delegation of authorization is less than direct buy. Shouldn't conflict	If the direct buy exceeds the agency's delegated authority, then the agency must request additional delegation of authority from the DES Director. This clarification has been added to the draft policy.
FAQ Document	Workshop Notes	For staff out in the field we should clarify that you may still need a contract.	Agencies are to exercise sound professional judgment in implementing direct buy. Although some direct buy purchases can be made using a p-card, others require creating a formal contract.
FAQ Document	Workshop Notes	When using a P-Card it is difficult to require a contract.	Agencies are to exercise sound professional judgment in implementing direct buy. Although some direct buy purchases can be made using a p-card, others require creating a formal contract.
FAQ Document	Workshop Notes	What is DES's process/position on allowing other agencies to "Piggyback" on solicitations done by other agencies?	A direct buy is not a competitive procurement and is not eligible for "piggybacking". The relevant issue here is whether an agency's expenditure is appropriately within the direct buy limit(s)
FAQ Document	Workshop Notes	Can you use direct buy limit for piggy backing?	A direct buy is not a competitive procurement and is not eligible for "piggybacking". The relevant issue here is whether an agency's expenditure is appropriately within the direct buy limit(s)
FAQ Document	Julie Valdez (Pacific Office Solutions)	I think if a direct buy opportunity occurs and there are two or more companies that can perform the work or provide the good or service (i.e. one large and one small) then the agency should give preference to the small certified minority, woman or veteran-owned business.	Agencies are to exercise sound professional judgment in implementing direct buy, including the intent of legislation designed to encourage purchases from Washington small businesses and certified veteran-owned businesses.
FAQ Document	WSDOT Supply Officers	Do you only need to invite a certified business to quote, but not receive the quote? IF requirements to include a certified business in the process occur in the future.	In the context of Direct Buys, agencies are not required to invite businesses to provide a quote to the purchasing agency. So long as the purchase is under the threshold, no solicitation is required.

FAQ Document	Workshop Notes	Higher education – we have WIPHE (Washington Institutions of Public Higher Education) – we enter into an interlocal with other universities to use “John Doe” (contractors they have solicited). WIPHE is a form of piggybacking; able to use another agency's higher direct buy limit and leverages the state’s buying power.	Thank you for sharing how this is practiced within higher education. DES is interpreting the statement to reinforce higher education's need for higher direct buy limits. Although DES is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business., higher education is bound by a direct buy limit through RCW 28B.10.029. A direct buy is not a competitive procurement and is not eligible for "piggybacking".
Format	Workshop Notes	I work with people all over the state – the current table format is easier to read. People out in the field can look at left column and then read what they need to know in the right column.	We have amended the policy incorporating an accessibility format.
Format	Workshop Notes	The current policy looks like a process – the old format is easier	We have amended the policy incorporating an accessibility format.
Format	Workshop Notes	If it looks like this in the policy then please put the procedures in the table format for reading.	We have amended the policy incorporating an accessibility format.
Format	Workshop Notes	Checklist type thing is easier for people to follow.	We have amended the policy incorporating an accessibility format.
Format	Workshop Notes	New format looks like 28b10. Make the procedure easy to use. If it isn't broke don't fix it	We have amended the policy incorporating an accessibility format.
Format	Workshop Notes	How many people have sent long email and it hasn't been read? Table helps to break things-up and allows you to find specific subject.	We have amended the policy incorporating an accessibility format.
Format	Lislie Sayers (DNR)	The updated format is hard to read and the flow is off. Suggest returning to the current format	We have amended the policy incorporating an accessibility format.
Format	OFM	Format is easy to follow	We have amended the policy incorporating an accessibility format.
General Comments	Daryl Huntsinger (DOC)	During the conference a map was presented indicating that some states didn't have a direct buy process. For those states, did they compete everything?	Some states provided data that did not reflect whether or not they competed all acquisitions.
General Comments	Workshop Notes	Great work on the data – do we know what process is outside of the direct buy? Is it always a full-blown process or is it something different.	Some states provided data, but not all states reported all procurement processes that they use.
General Comments	Michael Maverick – DOH and Greg Zayas - DOL	Disclosure of Summary from input: I would like to see and time to review the summarized input. Will this be made available? Please let me know. If it is not in the current timeline, I'd like to make a request for additional time to the C&P AD. End.	The goal of stakeholder review of the summarized input is to ensure DES accurately captured all feedback. DES will allow ample time for review.
General Comments	Michael Maverick – DOH and Greg Zayas - DOL	Redline Document: During the workshop, someone asked if DES could provide a redline of the "substantive" differences from the current to the draft? I'm asking to go one step further, I'd like to see the difference from current to draft to draft stemming from workshop input. If it is not in the current timeline please let me know, I'd like to make a request for additional time to the C&P AD. End. One more step further... if the input is not accepted, can the stakeholders receive the feedback as to why it was not accepted? DOL added: one more step further... if the input is not accepted, can the stakeholders receive the feedback as to why it was not accepted?	DES will mark up the current draft to reflect the changes made as a result of the workshop/e-mail input received; and will be provided to stakeholders for feedback.

General Comments	Michael Maverick – DOH and Greg Zayas - DOL	<p>An appropriate amount of draft policy review time is needed: Once the new set of drafts are designed from the input, I really believe there needs to be an adequate amount of time for the customer agencies to review and if they are finding the draft to be a challenge, it will allow us to engage DES at a higher level. If this is not in the current timeline, please let me know and I will make a request for additional time to the C&P AD. End</p> <p>This hits the point about the purpose behind having the work sessions/stakeholder meetings... if we invest the time to meet and discuss, we should also have appropriate time to review and submit feedback prior to the final version being sent out.</p> <p>DOL added: this hits the point about the purpose behind having the work sessions/stakeholder meetings... if we invest the time to meet and discuss, we should also have appropriate time to review and submit feedback prior to the final version being sent out.</p>	DES will provide an adequate amount of time for review when there are substantive changes to a draft policy or a new policy is drafted.
General Comments	Workshop Notes	A new policy will lead to small businesses.	The intent of the revised policy is to increase opportunities for Washington small businesses.
Out of Scope	Workshop Notes	If we had more master contracts, we'd have less direct buy.	Comments will be shared with DES Contracts & Procurement Master Contracts Team
Out of Scope	Workshop Notes	There is unlimited delegated authority for master contracts. You need more master contracts. If there were more then I would not be using the direct buy. The more you take away master contracts the worse it is for agencies trying to do business.	Comments will be shared with DES Contracts & Procurement Master Contracts Team
Out of Scope	Workshop Notes	Can we request specific master contracts? Can we enter into cooperatives at the agency level?	<p>Yes, agencies may request specific master contracts by contacting DES Contracts & Procurement Master Contracts Team.</p> <p>By statute, the only entity authorized to enter into a purchasing cooperative contract is DES. Agencies can request that DES participate in a specific purchasing cooperative on the agency's behalf.</p>
Out of Scope	Jennifer Aberle (UW)	Would like a master contract for pest control	Comments will be shared with DES Contracts & Procurement Master Contracts Team
Out of Scope	Jennifer Aberle (UW)	Would like to see multiple vendors on certain contracts, such as plumbing parts	Comments will be shared with DES Contracts & Procurement Master Contracts Team

<p>Out of Scope</p>	<p>Michael Maverick – DOH and Greg Zayas - DOL</p>	<p>Additional Master Contracts: If DES had a viable and sustainable number of master contracts, I would have a much less need for Direct Buy purchases or for requesting Additional Delegation or Sole Source contract approval. For every master contract that DES does not have, the item must be procured by the customer agency. When the customer agency is forced to procure it often means increased engagement with DES for additional delegation, performing competitions or sole source contracts, which has proven to be challenging, time-consuming, adds risk, and impacts other mission objectives. DES recently made a decision to create a master contract only if it has \$1 million in spend annually and/or serves three or more customers. DES made this decision unilaterally and without the meaningful input of the customer agencies and may not know how it impacts customer agency operations. Essentially what is a great approach for DES is bad for customer agencies. Or, said another way, it is not a process improvement if all you have done is transfer the risk, work, or burden to the customer agency. It seems there's a failure to understand that the customer is caught between the pinchers of Master Contracts and Enterprise Policy Team. There doesn't appear that there was any alignment discussion between these units on what or how Enterprise Policy Team was going to reduce/relax the requirements on customer agencies so that customer agencies could absorb and can handle the additional work/risk/burden that it received when Master Contracts discontinued some master contracts. If memory serves, in 2005 DES (OSP at the time) had close to 400 goods and services contracts but today there's only about 215 (these numbers do not include the IT contracts that were part of the DIS portfolio and were not part of the original 400). DES has an army of Contracts Specialist and this should not be a problem to attain a much higher number. While I don't favor outsourcing the work via cooperative agreements, that may be the best and most expedient way to solve the master contract gap. Another way is to create master contracts based on high-level general categories and employing a multiple-supplier approach in tandem with a discount on list approach (I'm happy to present on this issue if you need additional detail). Customer agencies need a great deal of relief. Thus far, it does not seem that customer agencies are faring very well under the era of Procurement Reform. I do not see how the current practice</p>	<p>Comments will be shared with DES Contracts & Procurement Master Contracts Team</p>
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Out of Scope	Michael Maverick – DOH and Greg Zayas - DOL	<p>The bulk of the goods & service contracts being done at DOL are from Master Contracts (both one & two-tier). The two-tier process is not very effective as it still requires the customer agencies to perform a solicitation, vendor walk through, question period, interviews, review of proposals, debrief, ASB notifications etc. Even though the agencies are performing this work, the master contract fee is still applied. The \$1 Million in annual spend and serving three agencies definitely is a lost opportunity for an increased pool of Master Contracts. Looking into WEBS will provide solicitations posted by agencies and in many cases they are for similar, if not, the exact same good or service. Those are lost opportunities for increasing the efficiency levels in the agencies as well as increasing the return on the Master Contract fee. Another request for the Master Contracts is to increase the amount of small businesses. Finally, as mentioned by Michael, if there is a larger pool of Master Contracts available, the need for Direct Buy purchases is decreased.</p> <p>DOL would also add... the bulk of the goods & service contracts being done at DOL are from Master Contracts (both one & two-tier). The two-tier process is not very effective as it still requires the customer agencies to perform a solicitation, vendor walk through, question period, interviews, review of proposals, debrief, ASB notifications etc. Even though the agencies are performing this work, the master contract fee is still applied. The \$1 Million in annual spend and serving three agencies definitely is a lost opportunity for an increased pool of Master Contracts. Looking into WEBS will provide solicitations posted by agencies and in many cases they are for similar, if not, the exact same good or service. Those are lost opportunities for increasing the efficiency levels in the agencies as well as increasing the return on the Master Contract fee. Another request for the Master Contracts is to increase the amount of small businesses. Finally, as mentioned by Michael, if there is a larger pool of Master Contracts available, the need for Direct Buy purchases is decreased.</p>	Comments will be shared with DES Contracts & Procurement Master Contracts Team
Out of Scope	Susan Banton (WWU) 9/19/18	Contracts not being reported under the Direct Buy limit is really hiding contracts that small and minority business could bid upon. Expand the contract reporting so all contracts are reported including direct buy limits (except of course, employment contracts, confidential or sensitive contracts) Even grant funded contracts and purchases should be reported. Public Works and A&E should also be reported.	Comments will be shared with Contract Reporting Team
Purpose	DOR	First consider what is the intent of allowing Direct Buys: is it to save resources (in other words, support a good use of procurement resource time, such as focusing on “big, complex, competitive” purchases) on low dollar procurements, allowing agencies to quickly procure these items and save resources for bigger procurement efforts? Or is it meant to be a seldom used exception? Whichever is the case, make sure the way the policy is rewritten aligns with this intent.	We appreciate this comment and have added the following intent language to the policy: "Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process."
Purpose	Workshop Notes	What are we trying to accomplish – spend less on the procurement process? Give more autonomy to agencies? Response included a reference to risk management and spending more agency resources on high risk procurements.	We appreciate this comment and have added the following intent language to the policy: "Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process."

Purpose	Workshop Notes	In the top paragraph, include a definition of direct buy. At Bates, we may use the same vendor for two different projects we do not see that as in violation of direct buy.	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>In the circumstance described at Bates, so long as the cumulative total for the two projects does not exceed the direct buy limit, it is not a violation. If so, Bates should consider a competitive procurement.</p>
Purpose	Workshop Notes	What are we trying to accomplish with direct buy – is spending the time and resources we are trying to avoid. Make sure we right the policy to align with the intent of direct buy.	We appreciate this comment and have added the following intent language to the policy: "Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process."
Purpose	Lislie Sayers (DNR)	<p>The purpose of direct buy as outlined within the current policy is to establish a threshold in which agencies may acquire goods and services directly from a vendor without requiring a competitive process.</p> <p>The summary at the beginning of the policy doesn't offer an intent. Has that intent changed?</p>	We appreciate this comment and have added the following intent language to the policy: "Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process."
Purpose	Michael Maverick – DOH and Greg Zayas - DOL	Who is the statutory customer: Supporting state agencies is DES' primary responsibility: If memory serves, the statute commands that while master contracts may be used by political subdivisions, the primary purpose of DES/Master Contracts is to serve the needs of state agencies. More and more, I'm hearing Master Contracts Specialists and C&P leaders say that that the master contract was structured in this way to accommodate the polysub. Polysubs are not DES's statutory responsibility, state-level agencies are the purpose and reason C&P and Master Contracts exists. End.	DES appreciates the feedback and notes that this feedback is outside the scope of this policy. This suggestion has been provided to the DES Contracts & Procurement Team that manages the state master contracts for their review.
Safe Harbor Provision	Michael Maverick – DOH and Greg Zayas - DOL	Safe Harbor Provision: The policy needs a section/provision that grants great interpretative discretion to the covered agencies. End.	DES is the agency responsible for implementing procurement law by creating policies. A safe harbor provision is not necessary. If agencies need assistance, DES is available to provide any requested consultation.
Section #1a - 1c	April Hassett (DSHS)	<p>Increase the direct buy limits:</p> <p>We would like to see the direct buy limits increased to \$100,000. This would eliminate a large amount of work for all parties and create more opportunities with small, certified minority, women and veteran-owned businesses. Also not sure why small business is a currently a higher amount (\$13,000) but certified minority, women and veteran-owned businesses are not.</p>	<p>DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p> <p>The intent of a higher direct buy limit for purchases from Washington small businesses is to encourage and facilitate the purchase of goods and services from Washington small businesses, in accordance with RCW 39.26.005. Small businesses are defined, to include certified minority and women-owned businesses, in RCW 39.26.010(22).</p>

Section #1a - 1c	Ashley Blowers (AGR)	Direct Buy levels need to be increased, as echoed by contracts staff around the state. I think it's important to ensure that if there is an additional set aside for disadvantaged businesses, it is not so large that it creates reverse discrimination. I also think that keeping it as simple as possible will, again, help with compliance. I think a direct buy threshold of \$50k and somewhere \$60-65k for disadvantaged businesses seems reasonable.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Brad Halstead - DOH	Please increase the limit to \$20,000 - \$25,000 if purchasing from a small, mini or micro business OR veteran owned OR minority or women owned OR if the business can certify they do not have mandatory individual arbitration clause OR (insert the latest initiative) - \$30,000 if the business can meet any two of the prior conditions	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Business Diversity Advisory Group	Establish a new direct buy limit that creates the greatest difference legally possible between large businesses and small/diverse businesses. This difference is currently \$3,000 with \$13,000 allowable with small businesses versus \$10,000 with all other businesses.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Business Diversity Subcabinet, Master Contracts Action Team	Current incentive to use a small or diverse firm for direct buy is a \$3K difference (currently goes from \$10K to \$13K). Suggestion: Increase the cap for small and diverse businesses (currently in review by DES).	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Daryl Huntsinger (DOC)	DOC would like to see an increase in the limits. As mentioned at the conference, perhaps this could be based on delegated authority. I also liked the idea of a tiered approach based on risk. With higher risk procurements ultimately requiring competition, but maybe less risky procurement needing less formal processes and ultimately little to no process for very low risk procurements.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Daryl Huntsinger (DOC)	A greater spread between the disadvantaged businesses and others would create greater opportunity to utilize those businesses.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	ATG Reality: Can't get what they need quick enough Example: There is no simple Internet Service Provider (ISP) contract to use at satellite offices. Expectations: More delegation for low risk services Impact: Huge headache over getting our people connected in a timely manner. It takes 6-9 months for WaTech to hook up our satellite office of two people.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	ATG Reality: Direct buy limit, in our opinion, is often too low for low risk transactions. We have to do a competitive procurement for low dollar, low risk procurements Expectations: Buy directly for things that are low-risk. Impact: We have to do a whole solicitation unnecessarily.	DES considered your input as it relates to direct buy limits and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	DNR Reality: Those days are gone Expectations: Simple, no roadblock way of purchasing Impact: What used to take an hour now takes 12-14 days. I have 20 orders waiting for me that requires big time multitasking with a lot of stop and go. My customers are frustrated	DES considered your input as it relates to direct buy limits and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

Section #1a - 1c	DES C&P IT Team LTU Feedback	DNR Reality: Have to do long procurements for common goods commonly over \$10k Expectations: Higher direct buy limits Impact: Delay in obtaining goods and internal customers do not understand why it is now so hard when it used to be quick.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	DOC Reality: Workload has tripled since Procurement Reform Expectations: \$10,000 is too low. Thankful that SVAR was put in place Impact: More solicitations	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	DOL Reality: ITPS too cumbersome, getting too many responses cannot evaluate and responded on time Expectations: Need more direct purchase contracts over the 10k limit for regularly purchased services. Impact: Too much time spent doing the same things over and over	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	ECY Reality: 10k is not enough for direct buy Expectations: Would like to have higher direct buy cost \$50,000-\$100,000 Impact: Spending too much time purchasing one item that is over 10k or processing a sole source justification	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	Kennewick Public Schools Reality: The \$10,000 limit on the IT cabling contract is "ridiculous". Expectations: Better two tier contract process Impact: They have to do the procurement on their own.	Based on customer feedback, the new IT Cabling contract #00918 (launched in Nov. 2018) has been revised to a single-tier master contract, so the \$10,000 limit no longer applies.
Section #1a - 1c	DES C&P IT Team LTU Feedback	LNI Reality: Direct Buy limit is too low. Expectations: Increase Direct Buy limit to \$50-150K. Impact: Delays in supporting LNI internal customers if having to post \$15K solicitation in WEBS.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	SPI Reality: Procurement process takes too long. Sole Source vs Competitive, some agencies feel it is easier and faster to use the sole source process. Expectations: Faster turn around time, change the direct buy limit to 150,000 to match federal funding. 10,000 is too low. Impact: Takes 6-8 weeks to conduct a procurement with in addition to internal processes, OCIO and DES requirements.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DES C&P IT Team LTU Feedback	WSP Reality: It's too difficult Expectations: Higher direct buy limit for commonly used services ie: QA, Project Management, Business analysis Impact: too much time spent on recurring purchases	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DOH	I don't have much to say about it, other than to say DES should raise the limits; \$10,000 - \$13,000 are way too low and actually limit the practical use of OMWBE/Veteran owned businesses. If the Direct Buy thresholds were raised to \$50,000 and \$65,000 respectively, our state's OMWBE/Veteran inclusion rates would increase a lot. Competing everything is good in theory, but defeats some of the ideals we try to achieve elsewhere.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

Section #1a - 1c	DOR	Section 1c re exclusions: Consider adding "handling" to the list of what's not includes.	Based on stakeholder feedback, and that the common practice of vendors is to include shipping and handling in their prices, DES is proposing to include shipping and handling in the limit(s).
Section #1a - 1c	DOR	Include an agency specific direct buy limit in the results from the risk assessment for that agency.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DOR	Generally the current limits work well for my agency. However, some things worth considering: <ul style="list-style-type: none"> • IT is generally expensive. If the intent of allowing direct buys is to allow for the effective and efficient use of resources, consider a higher limit for IT. • The small/micro/mini businesses may benefit from a higher threshold. If their cost of doing business, and therefore their goods/services, is higher in comparison to bigger companies, they may get more use if agencies have a higher threshold for these vendors. 	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	DOR	Don't go backwards to how the procurement rules used to have different direct buy thresholds for different types of goods or services.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach
Section #1a - 1c	DOR	Section 1 a and b re direct buy levels 1 and 2: Need clarity on what these levels are.	The revised policy provides the proposed direct buy limits.
Section #1a - 1c	Workshop Notes	Tiers mean that when a contract spend exceeds an amount, the procurement professionals will get involved.	Agencies can set their own business practices to ensure procurement professionals are involved as required.
Section #1a - 1c	Workshop Notes	Not sure if the one size fits all policy is valid. What if we set the direct buy limit as a part of the delegation of authority process?	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Some higher ed procurement professionals want to know if their staff are going to spend over \$10,000.	Agencies can determine internal business processes to meet their needs in this area.
Section #1a - 1c	Workshop Notes	It would be helpful to increase the certified small business limit.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business. Small businesses are defined, to include certified minority and women-owned businesses, in RCW 39.26.010(22).
Section #1a - 1c	Workshop Notes	Tie the repeated purchases to the certified firm purchase limit.	Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.
Section #1a - 1c	Workshop Notes	\$30000/\$50000 based on agency's experience	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

Section #1a - 1c	Workshop Notes	Vendors don't respond much to <\$50000 contracts. Ask the vendor community what would incentivize them.	As part of the stakeholder work, DES reached out to the vendor community through WEBS, advisory groups, and the Purchasing Technical Assistance Center (PTAC). DES received feedback that agencies are not getting many responses to solicitations under \$50,000; and we also heard from at least one vendor, who shared that it is not worth their time and effort to bid on projects under \$40,000 - \$50,000.
Section #1a - 1c	Workshop Notes	Vendor perspective: make it worthwhile by increasing the likelihood of bidding success.	As part of the stakeholder work, DES reached out to the vendor community through WEBS, advisory groups, and the Purchasing Technical Assistance Center (PTAC). DES received feedback that agencies are not getting many responses to solicitations under \$50,000; and we also heard from at least one vendor, who shared that it is not worth their time and effort to bid on projects under \$40,000 - \$50,000.
Section #1a - 1c	Workshop Notes	Threshold based on goods, services, and IT.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	\$15000/20000 +50% for certified businesses (disadvantaged businesses)	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	\$50000/75000	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	\$50000/75000	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Earl Overstreet – General Microsystems Inc.	My procurement policy recommendations in order of priority are as follows: Review Direct Buy limits after the One Washington procurement system is implemented, providing better tools to monitor compliance.	DES is proposing an increase to limits at this time to address initial stakeholder input. Compliance will continue to be monitored by the State Auditor's Office and through the delegation of authority risk assessment process.
Section #1a - 1c	Ed Maynard - DSHS	Item #1 a. & b: Recommended Changes: The following direct buy designations shall apply: a. Direct Buy Level 1: \$50,000 b. Direct Buy Level 2: \$75,000 for OMWBE and DVA Certified businesses	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Have you thought about a tiered approach – like the feds?	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Clarification provided if shipping includes handling fees?	Based on stakeholder feedback, and that the common practice of vendors is to include shipping and handling in their prices, DES is proposing to include shipping and handling in the limit(s).

Section #1a - 1c	Workshop Notes	Weren't we trying to get away from all the dollar thresholds to make it simpler? We want one limit that is higher. We can then use small business within the single limit.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	What are we thinking for [Direct Buy] tier 2 – small or tiered approach?	DES has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Procurement professional should be the ones to know the tiers. We prefer the flexibility. We're the experts.	Thank you for this comment.
Section #1a - 1c	Workshop Notes	Over 10K to 100k at higher education. We have to invite a women or minority business to bid. Forces us to make an effort.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	I like the idea of direct buy being tied to delegation of authority because it is about your purchasing "mix." This would take into account the differences in agencies. For example Bates purchasing is very different from the University of Washington.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Erring toward agency delegation is very helpful – specific to what agency is performing is very helpful.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Having the certified business spending higher would encourage the use of those businesses.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Unintended consequences if different levels at each agency – will vendor be interested if there is an agency with higher levels will they be interested in doing business with lower level direct buy.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	DOL - \$30K - \$35K is the analysis – we think \$40K for the first level. Then bumping it up to \$50k for certified.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	We do not get many responses if it is under \$50k as in the larger procurements. Maybe asked vendors what the limits should be.	As part of the stakeholder work, DES reached out to the vendor community through WEBS, advisory groups, and the Purchasing Technical Assistance Center (PTAC). DES received feedback that agencies are not getting many responses to solicitations under \$50,000; and we also heard from at least one vendor, who shared that it is not worth their time and effort to bid on projects under \$40,000 - \$50,000.

Section #1a - 1c	Workshop Notes	One of the Vendors responded that it is not worth my time to spend a week for a \$20k contract that I have a 10% chance of winning. If it is \$40k contract and I have a 20% chance, I will participate.	As part of the stakeholder work, DES reached out to the vendor community through WEBS, advisory groups, and the Purchasing Technical Assistance Center (PTAC). DES received feedback that agencies are not getting many responses to solicitations under \$50,000; and we also heard from at least one vendor, who shared that it is not worth their time and effort to bid on projects under \$40,000 - \$50,000.
Section #1a - 1c	Workshop Notes	You should consider qualifying contractors for direct buy.	DES considered your input and has decided to maintain the current approach.
Section #1a - 1c	Workshop Notes	There was discussion about the effectiveness of the Federal system. It was stated that it may not work for the state because the federal system relies on set-asides.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Workshop Notes	Surprised at what levels other states have.	Thank you.
Section #1a - 1c	Workshop Notes	\$50K for general and \$75K for small – those that want less can make their own policy	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Irene Reyes – Excel Gloves	Section 1: Please elaborate more on the level 1 and level 2	The revised policy provides the proposed direct buy limits.
Section #1a - 1c	Jackie Blumberg (GHC)	Section 1: Recommends one direct buy level not two.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Jeffrey Pearce (Everett CC)	We would like the direct buy threshold to be changed to be consistent with RCW 28B.50.330: "...where the estimated cost exceeds ninety thousand dollars, or forty-five thousand dollars if the work involves one trade or craft area, complete plans and specifications for the work shall be prepared, the work shall be put out for a public bid, and the contract shall be awarded to the responsible bidder who submits the lowest responsive bid. Any project regardless of dollar amount may be put to public bid."	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Jennifer Aberle (UW)	Would be great to have the general threshold limit at around \$50,000 - \$75,000, but would be over the moon if it was \$100,000. They don't have purchases that involve many small or certified businesses.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

Section #1a - 1c	Kaylea Kuhlman (DOC)	<p>I would suggest that we exclude freight & sales tax as was the case back when we used the WPM as our guide. Since our purchasing policies state that freight is excluded from the Direct Buy limit, including it now will require policy changes for our agency and I would assume many others. I've copied and pasted a blurb from the WPM so you can see the wording in the old policy.</p> <p>I hope the new policies are detailed, direct and clear so that new buyers have something they can refer to (similar to the WPM), and older buyers can glean a total understanding of policies that may have changed (such as this one) over the years.</p>	Based on stakeholder feedback, and that the common practice of vendors is to include shipping and handling in their prices, DES is proposing to include shipping and handling in the limit(s).
Section #1a - 1c	Lislie Sayers (DNR)	<p>Section 1.a & 1.b. Limits not defined. Include a definition of and/or dollar value threshold.</p> <p>Increase voluntary spending to better align with agency risk, DES-assigned delegated authority, meet diversity commitments, and the assignment of Direct Buy Level 1 and 2 (assuming staying consistent with the diversity intent).</p> <p>The obligation to post all bidding opportunities (unless otherwise exempt) in WEBS for the procurement of goods/services of less than one hundred thousand dollars is not required.</p> <p>The procurement of goods/services of fifty thousand dollars or more and less than one hundred thousand dollars, must be secured via an informal quotation from at least three vendors to assure establishment of a competitive price and may be obtained by telephone, electronic, or written communication, or any combination thereof in which one quotation shall be obtained from a diversity approved/certified vendor.</p> <p>The procurement of goods/services of less than one hundred thousand dollars is exempt from competition if procured directly from a diversity approved/certified vendor.</p> <p>A complete record of competition for all direct buys exceeding fifty thousand dollars must be documented for audit purposes.</p>	<p>The revised policy provides the proposed direct buy limits.</p> <p>DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p>
Section #1a - 1c	Marci Phillips (ATG)	For direct buy limits, crafting a state-wide policy is difficult since agencies vary. One possible option is to have general statewide limits and then based on the agency's risk assessment and the services they provide, have another limit only applicable to that agency's services. This limit could be reviewed during assessments and adjusted accordingly.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	OFM	<p>Regarding the question related to the direct buy limit, we suggest that the limits be set as follows:</p> <ul style="list-style-type: none"> • Direct Buy Level 1 : Up to \$50,000. • Direct Buy Level 2: Up to \$75,000 for OWMBE and other self-certified, disadvantaged businesses. • Direct Buy Level 3: For IT purchases of goods, services and software, up to \$75,000. 	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

Section #1a - 1c	Rick Naten – WSDOT	<p>Shipping and Handling (S&H) should be included in the cost of what is being procured. S&H contributes to the overall cost of product and vendors should not be given the opportunity to low ball a quote and then back end S&H costs that do not factor into the evaluation</p> <ol style="list-style-type: none"> Vendors have control over shipping and handling rates through their own negotiated contracts with shipping carriers they are able to know what S&H costs are at the time of quote. Taxes are dictated by the state and vendors have no control over what tax rates are charged. 	<ol style="list-style-type: none"> Based on stakeholder feedback, and that the common practice of vendors is to include shipping and handling in their prices, DES is proposing to include shipping and handling in the limit(s). Taxes will continue to be excluded from the limit(s).
Section #1a - 1c	Rick Naten – WSDOT	I agree with the suggestions made at the workshop to increase the limits to \$50K for general vendors and \$75K for MSVWBE vendors	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Rick Naten – WSDOT	I do not agree with the conversation at the workshop that direct buy limits should be tied to an agencies delegated authority. For clarity and ease of use in the procurement community (Vendors, DES, auditors, etc.) the limits should be the same for all state agencies.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Robert Fenstermaker (Electric Power Systems)	<p>Direct buy limit increases – you’ll have all of the same arguments at a higher limits. The reason: No one wants to do the paperwork for an RFP.</p> <p>In my opinion, you have the solution between the three areas: delegation of authority, sole source, and direct buy.</p> <p>So a solution, create 3 tiers, say \$10k, \$20k & \$50k (you decide). The agencies need to apply for a higher limit. As part of the delegation of authority, you can approve higher limits based on business need and risk. I agree with the crowd, one size does not fit all.</p> <p>As far as the limits being exceeded: The manager should have the ability to approve \$1k - \$2k more by submitting a simple form to DES stating the reason for the increase, who caused it, why it is needed (what ever else). The form goes into the risk file. This is more for accountability to see if anyone is doing this too frequently or in some cases constantly. It also makes it easy and in the managers control.</p> <p>Introduce a change order process (I think you call them exceptions), that allows a manager, for solid business reasons, apply to DES for additional \$\$ (above the managers \$1k - \$2k). This should be very rare, but it creates the mechanism to allow it to happen. The change order can have limits or be unlimited based on business need. It will need to be documented and reviewed and approved by DES. You can specify the criteria.</p> <p>I think these few ideas will go a long way in solving the challenges I was hearing in the room. It is flexible, controlled, and allows for different business requirements.</p>	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

Section #1a - 1c	Simon Tee - WSP	Section (3) should be revised to increase the dollar thresh-holds and add the categories of goods or services as follows: Categories Consumable Goods IT Equipment (Hardware, Software, Firmware, etc.) Professional Services (including IT professional Services) From Non-Certified Vendors \$50,000 \$100,000 \$50,000 From Certified Vendors* \$60,000 \$110,000 \$60,000	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	Tammie Wilson – L&I	Section 1) No to a Two-tiered Direct Buy approach. The whole point of Procurement Reform was to get way from the many different dollar thresholds and statutes. One increased Direct Buy threshold, increased to \$50,000. No matter who you are, if you qualify and can do the work.	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	WSDOT Supply Officers	Clarify what is included within the DB limit – Shipping, handling, processing fees, tax, etc.	Based on stakeholder feedback, and that the common practice of vendors is to include shipping and handling in their prices, DES is proposing to include shipping and handling in the limit(s). Taxes will continue to be excluded from the limit(s).
Section #1a - 1c	WSDOT Supply Officers	Over all suggestions and comments for Section 1: Increased DB limits will: A. decrease DES Master Contracts B. impact agency risk, work loads, challenge skill levels (may need additional training) C. multi-agencies will be doing the same contracts (some contracts may need to continue to be managed by DES) D. looser oversight and reporting (until OneWA to provide insight)	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	WSDOT Supply Officers	Section 1.c Suggestion – Add handling	Based on stakeholder feedback, and that the common practice of vendors is to include shipping and handling in their prices, DES is proposing to include shipping and handling in the limit(s).
Section #1a - 1c	WSDOT Supply Officers	Increase the current limits. Suggestions: • \$20K/\$25K (regular/small business) • Provide limits based off the type of good or service (was not a popular suggestion)	DES considered your input regarding the direct buy limit approach and has decided to maintain the current approach, but is proposing higher limits of \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	LTU Feedback from Mark Gaffney, ECY	Direct Buy limit is so low, hardly utilized for services. Causes more solicitations and sole sources. If increased could create more local and diverse spend; increased efficiency.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1a - 1c	LTU Feedback from Kevin Greene & Ashley Blowers (AGR)	Wants Final Policy decision on Direct Buy Limit. The current limit does not meet their needs and does not add value. AGR still needs to compete most items and it took over 1 year to complete a contract because of a year of meetings to go over items.	DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
Section #1d	Daryl Huntsinger (DOC)	The draft policy mentions going to competition if an amendment exceeded the limit, but why not also consider sole source if the agreement would fit into that category. I know this conflicts current sole source policy, but it might be nice to have that route available.	Sole source would be an option, provided it can be justified.
Section #1d	DOH	Too vague. It seems like it will better define the use of amendments, within the Direct Buy transaction/contract process.	DES considered your input and has decided to maintain the current approach.

Section #1d	Workshop Notes	1(d) – sometimes it does not make sense to stick to the language of the policy (difficult to go out and do a separate procurement to complete a small part of a larger direct buy).	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used.
Section #1d	Workshop Notes	Soliciting small amendments is not a good use of time.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Workshop Notes	Current policy does not credit a “good faith” exception to the rule. Need to rely on the original intent of the purchase.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Workshop Notes	“Agencies shall not be forced to do a competitive procurement if an amendment will take the contract above the direct buy limit.”	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Ed Maynard – DSHS	Item #1 d: Current: If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed. • Recommended Changes: Remove this section. (Reason: This change will force agencies to potentially perform competitive procurements for amendments with a dollar threshold under the current Direct Buy threshold of \$10k.)	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Workshop Notes	In Section 1d. -amendment causes direct buy to exceed the limit. For example, when there is a small derelict vessel that needs to be moved it does not make sense to not be able to amend the contract because the amendment will exceed the direct buy limit.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Workshop Notes	When we have a requisition that was for \$9000 and then the program submits another request for \$1500 we now have to competitively solicit the second request. It should be left to us to monitor and then correct it the next time around.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.

Section #1d	Workshop Notes	If really thought it was direct buy then should be able to amend – rely on what was known at the time of the initial purchase to define your direct buy.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Workshop Notes	We need clarification on guidance that an agency is not forced to do a competitive procurement when a subsequent purchase exceeds the direct buy limit after the fact.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Jackie Blumberg (GHC)	Section 1.d: If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed. This may be a barrier. Once a purchase is made, it is more practicable to use the same vendor for the amended purchase. Changing vendors would increase costs, time consuming, and create inefficiencies. Number 4 below should be followed by purchasing officials.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Lislie Sayers (DNR)	Section 1.d: This restriction creates unintended consequences for agencies. The cost/benefit and risk factor is practically non-existent, is impractical and is not justifiable to competitively procure amendments that exceed the direct buy dollar threshold. Suggest adding language that would allow for the amendment without competition if: 1. The amendment, or combined amendments, does not exceed a certain percent of increase from the original dollar amount of the purchase of the good/service. 2. The amendment is of no fault to the contractor and is not a result of non-compliance issues. 3. The amendment does not deviate from the intent and/or scope of the original contract; unless extenuating circumstances beyond the control of the contractor and/or agency exist, are documented, and remain within the percent of change threshold.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	Sarah Pendleton (DSHS)	DSHS requests Section 1(d) to be rewritten to allow for Agencies to request permission to exceed the direct buy limit for low dollar, unanticipated, and good faith amendments during the initial contract term.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.

Section #1d	Tammie Wilson – L&I	Section 1 Sub Section (d): If the initial Purchase was a direct buy, the amendment should not have to be competed. It should be up to the agency to determine repetitive purchase.	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #1d	WSDOT Supply Officers	Section 1.d: Suggestion – • able to amend the DB purchase to include the ability to finish a job if it wasn't forecasted to be over the DB limit A. Not have to go to DES for an increase of DB limit B. Rely on intent of purchaser	When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used. As a possible alternative, RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director.
Section #2	DOR	Sections 2c re due diligence to determine price is reasonable.... And 2d re document of reasonableness of the purchase ... Please consider the comment above re the overall intent of allowing direct buys. If the intent is to make the best use of state resources by allowing staff to focus their time and attention on bigger dollar value purchases and competitive procurements, then consider deleting these requirement. It may not be the best use of time to require these steps if the direct buy threshold is kept relatively low. When we start to require certain steps in order to do a direct buy, it starts looking more and more like it's not really a direct buy.	The intent of this section is to document the reasonableness of the purchasing decision. In addition, when purchasing under Direct Buy Level 2, staff should provide documentation supporting that the firm meets the qualifying business criteria (e.g. Washington small business or certified veteran-owned business).
Section #2	Workshop Notes	2(d) market research requirement – why?	Market research has been removed from the policy. However, market research may be one factor that could support the reasonableness of the purchasing decision.
Section #2	Ed Maynard – DSHS	Item #2 d: Current: Documentation to support the reasonableness of purchase decisions, including market research and validation of firm's meeting criteria in Direct Buy Level 2, shall be included in the purchase file where appropriate. • Recommended Changes: Clarification of this section. Please provide clarification for the intent of this section in relation to what the levels represent. Does "validation of firm's meeting criteria in Direct Buy Level 2" indicate we are to verify a firms OMWBE certification in order to take advantage of a higher Direct Buy Level 2 threshold? What is the criteria?	The intent of this section is to document the reasonableness of the purchasing decision. In addition, when purchasing under Direct Buy Level 2, staff should provide documentation supporting that the firm meets the qualifying business criteria (e.g. Washington small business or certified veteran-owned business).
Section #2	Workshop Notes	In regards to Section 2d. Documentation to justify – market research etc. Seems counterproductive to have to do full blown analysis. We have several \$500 purchases – too much to expect.	Market research has been removed from the policy. However, market research may be one factor that could support the reasonableness of the purchasing decision.

Section #2	Irene Reyes – Excel Gloves	Section 2 comment on “competition”: So how is this administered? What type of documentation would the agency keep to prove their due diligence was met for any future audits or back tracking? I recommend that DES should have a checklist for due diligence.	Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process. Therefore, this policy provides agencies with discretion to make a non-competitive purchase, using an appropriate level of due diligence, and corresponding record keeping. In addition, when purchasing under Direct Buy Level 2, staff should provide documentation supporting that the firm meets the qualifying business criteria (e.g. Washington small business or certified veteran-owned business). DES is providing additional information in the FAQ, in lieu of a checklist.
Section #2	Jackie Blumberg (GHC)	Section 2.d: Documentation to support the reasonableness of purchase decisions, including market research and validation of firm’s meeting criteria in Direct Buy Level 2, shall be included in the purchase file where appropriate. Documenting every direct buy purchase or within a given direct buy level would be time consuming and create inefficiencies. Number 2.c should be followed by purchasing officials.	With regard to 2.c, agencies may rely on purchasing officials as well as other subject matter experts. With regard to 2.d, certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process. Therefore, this policy provides agencies with discretion to make a non-competitive purchase, using an appropriate level of due diligence, and corresponding record keeping.
Section #2	Lislie Sayers (DNR)	Section 2.d: What is the definition of market research? What is the definition of validation of firm's meeting criteria in Level 2 and who determines it? Clarify market research. Outline what is meant by validating a firm meeting the criteria in Level 2.	Market research is defined as: "Collecting and analyzing information about capabilities within the market to satisfy agency needs. The results of market research are used to arrive at the most suitable approach to acquiring, distributing, and supporting goods and services." However, market research has been removed from the policy, but can be used to support the reasonableness of the purchasing decision. Agencies must confirm that a vendor meets the qualifying criteria for a Direct Buy Level 2. This may include validation using WEBS or OMWBE’s Directory of Certified Businesses. When purchasing under Direct Buy Level 2, staff should provide documentation supporting that the firm meets the qualifying business criteria (e.g. Washington small business or certified veteran-owned business). This clarification has been added to the FAQ.
Section #2	WSDOT Supply Officers	Section 2.c: Suggestion – Provide guidance on what DES defines “due diligence”. • Is that 3 quotes? • Market reports?	Due diligence is defined as: "A business and legal term which refers to research and inquiry made prior to committing to a purchase or making a major business decision." With that being said, the nature of a procurement will determine how much work is needed to fulfill the due diligence requirement. This policy provides agencies with discretion to make a non-competitive purchase, using an appropriate level of due diligence, and corresponding record keeping.

Section #2	WSDOT Supply Officers	<p>Section 2.d: Suggestion – add sound professional judgement</p> <ul style="list-style-type: none"> • Define professional (for those with decentralize procurement) • What is considered Market research? 	<p>Sound professional judgment is defined as: "The use of relevant training, knowledge and experience in making informed direct buy decisions." This definition has been added to the FAQ.</p> <p>Market research is defined as: "Collecting and analyzing information about capabilities within the market to satisfy agency needs. The results of market research are used to arrive at the most suitable approach to acquiring, distributing, and supporting goods and services." Although market research has been removed from the policy, it can be used to support the reasonableness of the purchasing decision.</p>
Section #3	Business Diversity Subcabinet, Master Contracts Action Team	Use of the term “qualified master contract” may be confusing. Remove from the policy language.	DES has made revisions to the draft policy to address this input.
Section #3	Business Diversity Subcabinet, Master Contracts Action Team	If there isn’t an option for a certified firm on a master contract – no other option exists. Suggestion: Clear definition of when you would not make a master contract purchase when there isn’t an opportunity. Clarify the next step for Agencies. What justification is the Agency to use?	Master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.
Section #3	Business Diversity Subcabinet, Master Contracts Action Team	No exception for agency to direct buy from Diverse business rather than use Master contract. Suggestion: Policy change to use direct buy authority / limit	Master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.
Section #3	Business Diversity Subcabinet, Master Contracts Action Team	Required to use Master Contracts first, regardless of DB threshold. From \$1 to \$10k/\$13k. Suggestion: Policy change to use direct buy authority / limit	DES considered your input regarding use of direct buy authority in lieu of a master contract, but has decided to maintain the current approach because master contracts efficiently leverage the state's buying power while reducing transaction costs.
Section #3	DOR	Section 3 re using master contracts unless there’s justification that needs won’t be met... This isn’t a big deal for DOR as we look for and use master contracts whenever we can. However, I think it’s prudent to again think about the overall intent of allowing direct buys and considering removing this requirement.	<p>DES considered your input regarding use of direct buy authority in lieu of a master contract, but has decided to maintain the current approach because master contracts efficiently leverage the state's buying power while reducing transaction costs.</p> <p>DES acknowledges that master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.</p>

Section #3	Workshop Notes	Directing agencies to use master contracts when making direct buys may be problematic.	<p>DES considered your input regarding use of direct buy authority in lieu of a master contract, but has decided to maintain the current approach because master contracts efficiently leverage the state's buying power while reducing transaction costs.</p> <p>DES acknowledges that master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.</p>
Section #3	Workshop Notes	Basis for not using the master contract would include hiring a small firm.	<p>Master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.</p>
Section #3	Workshop Notes	Community of Practices recommendation from Business Diversity Sub-cabinet. There are barriers for agency if required to use master contracts when the purchase is under the direct buy limit.	<p>DES considered your input regarding use of direct buy authority in lieu of a master contract, but has decided to maintain the current approach because master contracts efficiently leverage the state's buying power while reducing transaction costs.</p> <p>DES acknowledges that master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.</p>
Section #3	Workshop Notes	A reason for justifying not using a master contract is meeting certified spend requirements.	<p>Master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.</p>
Section #3	Irene Reyes – Excel Gloves	Section 3: This is vague, what does justifiably satisfy mean? Please provide examples of justifiable cause not to use a Master Contract? If it is price is the Master Contractor given the opportunity to price match or offer lower price. Who decides what is justifiable and examples please? Initially engage the master contractor to identify agency needs before the agency process a Direct Buy initiative. Deviating from contract specs should not be allowed. Bid shopping should not be allowed.	<p>Master contracts may not always meet an agency's needs. Examples of when an agency may purchase outside of a master contract are when an agency is seeking to increase its small business spend and there are no small business options under the master contract, they find a lower price, etc. When the master contract does not meet an agency's needs, the agency is justified to make the purchase elsewhere. Agencies are not required to give the master contractor the opportunity to price match.</p>

Section #3	Jackie Blumberg (GHC)	<p>Section 3: Agencies must use existing qualified master contracts unless they cannot justifiably satisfy agency needs as documented by the agency. Agencies shall consider utilizing existing master contracts.</p>	<p>DES considered your input regarding use of direct buy authority in lieu of a master contract, but has decided to maintain the current approach because master contracts efficiently leverage the state's buying power while reducing transaction costs.</p> <p>DES acknowledges that master contracts may not always meet an agency's needs (e.g. an agency is seeking to increase its small business spend and there are no small business options under the master contract). When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere.</p>
Section #3	Mollie Clinton (ECY)	<p>I recognize that everybody wants to see an increase in the spending limit for direct buy contracting, but I wanted to throw my two cents in as well. My interest lies in the direct buy process for contracting out administrative investigation services. The hourly rate for investigators who are attorneys is high enough that it is unlikely for an investigation to be completed before the 10K cap is met. We do utilize the vendors on the Master Contract, but that list doesn't always meet our needs. We can't utilize the competitive solicitation process because by the time the process is satisfied the investigation timing is pushed out too far to meet our obligation to investigate in a timely manner.</p>	<p>DES considered your input regarding the direct buy limit increase and is proposing \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p> <p>RCW 39.26.125(7) allows agencies to request an exemption from competitive solicitation from the DES Director. If an agency is experiencing an emergent need, such as for administrative investigation services, DES will work with the agency to expedite their exemption request.</p>
Section #3	WSDOT Supply Officers	<p>Section 3: Suggestion – define “cannot justifiably satisfy agency needs”</p> <ul style="list-style-type: none"> • Does this mean delivery, shipping, cost, supplier reliability, fees, etc.? • When is cost a factor to disengage from the contract? 	<p>Master contracts may not always meet an agency's needs. Examples of when an agency may purchase outside of a master contract may include delivery, shipping, when they find a lower price, etc. When the master contract does not meet an agency's needs, the agency is justified making the purchase elsewhere. With regard to supplier reliability, agencies should be working with DES, Contracts & Procurements to address vendor contract performance issues.</p>
Section #4	Business Diversity Subcabinet, Master Contracts Action Team	<p>Section 4: Contracts bundled which inhibits smaller vendor participation. Suggestion: DES should create smaller scope on some master contracts—look at where the opportunities are, restructure portfolios accordingly.</p>	<p>DES appreciates the feedback and notes that this feedback is outside the scope of this policy. This suggestion has been provided to the DES Contracts & Procurement Team that manages the state master contracts for their review.</p>
Section #4	Daryl Huntsinger (DOC)	<p>Many questions around the repetitive purchases, so greater clarity around that would be welcomed.</p>	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p>

Section #4	DOR	<p>4a re repetitive direct buy purchases...</p> <p>In the real world of agency funding today (at least general fund agencies), funds are extremely tight and don't allow agencies to buy more now in anticipation of future need. And it's very difficult for some types of items to effectively project forward for a whole fiscal year what the need will be.</p> <p>I totally support the main statement in #4, but 4a. may set compliant agencies up for failure when additional needs come up that they just couldn't know in advance.</p> <p>For example, throughout the year there may be several instances when a staff person needs a piece of software, and maint/support (aka software assurance) is also purchased. This need may be across different divisions in the agency. Our agency buys software only as a need arises, so even though we support and respect the policy statement in 4, we could potentially find ourselves out of compliance with 4a. just by trying to be fiscally responsible and not buy more than is needed at the time.</p> <p>Also consider unforeseeable things like break/fixes.</p> <p>If this remains in the new policy, it may need more clarity – for example, what if it's different items purchased each time but it's all from the same vendor.</p>	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p> <p>If an agency experiences unforeseeable circumstances, the agency can contact DES for assistance with resolving the issue.</p>
Section #4	Workshop Notes	4(a) needs clarification – what is the scope? By vendor? By service type? Goods or services . . .	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p>
Section #4	Workshop Notes	Cumulating purchases – and how to do it in a larger agency – is also an issue.	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p>
Section #4	Workshop Notes	Cumulating difficulties when one business unit makes a purchase, then another unit wants to make the same kind of purchase.	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p>

Section #4	Ed Maynard – DSHS	<p>Item #4 a: Current: Agencies may not unbundle or manipulate a purchase to have the purchase qualify as a direct buy purchase to avoid using a competitive process.</p> <p>a. Repetitive purchases, defined as an agency cumulative total over the direct buy limit with a single vendor in a fiscal year, shall be competed.</p> <ul style="list-style-type: none"> Recommended Changes: Remove this section. (Reason: This would entail tracking of all orders initiated for our entire agency to ensure no single vendor exceeds the direct buy limit within a fiscal year. DSHS is decentralized in our purchasing effort, processing around 28,000 purchase orders a year across our agency, not including all the P-Card orders that are processed outside of our TRACKS Purchasing System. To state it would be a “monumental task” to ensure compliance to this policy statute would be a gross understatement.) 	<p>Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p>
Section #4	Workshop Notes	Clarify 4a vendor type or service type also for goods.	<p>Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p>
Section #4	Workshop Notes	Single direct buy purchase with a vendor in a fiscal year – we have 9 separate offices. This is difficult to track. Also, if we want to purchase the same product from the vendor when we find more money at the end of the fiscal year we cannot use the same vendor.	<p>Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p>
Section #4	Workshop Notes	In section 4a it is defined as an agency cumulative. At DSHS we do not know what another division is purchasing.	<p>Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p>
Section #4	Workshop Notes	We look at a purchase and see if the intent is to split the procurement to get in under the direct buy. If DES restricts direct buy to fiscal year it would hamper DSHS.	<p>Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>The reason for restricting the direct buy limit to a fiscal year is to honor the spirit of RCW 39.26 which is to honor a competitive solicitation process.</p>
Section #4	Workshop Notes	In section 4a. buying same item repeatedly. Often we are purchasing from the same vendor but may not be buying the same item. This is hard to track through the Purchase Order process.	<p>Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p>

Section #4	Workshop Notes	This topic was addressed in the old GA manual and was called Segmentation and Splitting – it was about circumventing the rules or bad behavior. At moment in time when you are making the purchase the test should be are you acting sinfully or not.	Because agencies are to exercise sound professional judgment in implementing direct buy, the following language appears in Section 4 of the proposed policy: "Agencies may not manipulate a purchase to have the purchase qualify as a direct buy purchase to avoid using a competitive process."
Section #4	Workshop Notes	Cumulative restriction is difficult when we are trying to repair equipment and it is the only option we have.	Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement. The reason for the annual cumulative direct buy limit is to honor the spirit of RCW 39.26 which is to honor a competitive solicitation process.
Section #4	Workshop Notes	When we have a blanket purchase order for dental assisting program with Burkhart and then another request comes from the nursing program that goes over the direct buy limit the nursing program has to competitively solicit or go to another vendor. This results in the first office to get PO in benefiting from direct buy the other office seems to be penalized.	Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.
Section #4	Irene Reyes – Excel Gloves	Section 4 comment on the word "process": This Process opens the door to anyone and including Amazon so it is important for the master contractor to get involved with the end user for anticipated need to exercise Direct Buy. The Direct Buy process if a master contract exists should require more due diligence from the agency and with the permission or pre-qualification from DES Contracting Officer to make sure that due diligence and no contract is infringed.	Agencies are to exercise sound professional judgment in implementing direct buy. This includes determining when the master contract does not meet an agency's needs. If the master contract does not meet the agency's needs, the agency is justified to make the purchase elsewhere and should document its decision.
Section #4	Irene Reyes – Excel Gloves	Section 4 comment on the word "process": Provide the Master Contract to match the needs first before this direct purchase is allowed. The Master Contractor should be initially involved before a request for Direct Buy is allowed.	When the master contract does not meet an agency's needs, the agency is justified to make the purchase elsewhere. Agencies are not required to involve the master contractor or give them the opportunity to match the needs.
Section #4	Irene Reyes – Excel Gloves	Section 4.a. comment on the word "competed": I agree it needs to be competed, do you mean informal quote from 3 bidders. Please elaborate, create a process, with maximum dollar value per year cap.	The state of Washington uses an open competitive process. Competitive solicitation is defined as: "a documented formal process providing an equal and open opportunity to bidders and culminating in a selection based on predetermined criteria." The formal process is not limited to informal quotes from 3 bidders, nor is there a maximum dollar value per year cap.
Section #4	Julie Valdez (Pacific Office Solutions)	Are the \$10,000 and \$13,000 direct buy limits per vendor per year or per purchase order, so a single vendor or small business could have multiple purchase per year from one agency?	Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.
Section #4	Leslie Edwards (DES)	Section 4. The statement that agencies may not unbundle is inconsistent with supplier diversity guidance in desk manual. The desk manual identifies unbundling categories as a consideration to assist with including small and diverse businesses in solicitations.	The policy has been amended to remove the language regarding unbundling.
Section #4	Leslie Edwards (DES)	Section 4.a. Repetitive purchases as defined is not consistent with DES C&P practices.	With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.

Section #4	Lislie Sayers (DNR)	<p>Section 4.a: Defining repetitive purchases based on a dollar threshold by vendor as opposed to scope of work in services or type of product in the procurement of goods creates unintended consequences for both centralized and decentralized agencies on both a compliance and the efficient and effective use of resources aspect for such procurements. These goods/services are typically low dollar amount/risk. Define repetitive purchases as those like goods and similar detailed scope of work services, which will require the dollar threshold amount being invoked.</p>	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p>
Section #4	Michael Maverick – DOH and Greg Zayas - DOL	<p>Segmenting or splitting: There continues to be confusion when a customer agency is improperly using the Direct Buy authority. Customer agencies often do not know if there will be multiple purchases made in one year by multiple parties within the agency. Our Procurement and Supply specialist do not have a tracking system to know whether or not earlier purchases were made and even if they did, those purchases (in the moment) were made with the best intentions and without sin. I suggest the policy include the segmenting and splitting language from the ole Washington Purchasing Manual which reads: "Splitting or segmenting orders for the purposes of avoiding competitive requirements is strictly prohibited." This would mean that if there's no intent then the purchase is appropriate. End.</p>	<p>With regards to your recommendation to adopt language from the Washington Purchasing Manual, DES has decided to maintain the current approach as follows: "Agencies may not manipulate a purchase to have the purchase qualify as a direct buy purchase to avoid using a competitive process." The policy presumes good intent and ethical conduct.</p>
Section #4	OFM	<p>Needs to be clarity regarding repetitive purchases. Paragraph 4.a. still leaves open questions as to how to apply the repetitive purchase criteria. We suggest amending 4.a. to state: "Repetitive purchases for similar or like products or services, defined as an agency cumulative total over the direct buy limit with a single vendor in a fiscal year, shall be competed."</p>	<p>DES has amended the policy language to clarify this issue. Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p>
Section #4	Rick Naten – WSDOT	<p>See 4a. above [related to Sole Source policy feedback] {...are NASPO contracts true master contracts as per the definition found in RCW 39.26.010 (15)? NASPO agreements are not "solicited and established by the department" – they are only agreed to through participating agreement. Same concerns regarding NASPO/master contracts.</p>	<p>NASPO ValuePoint contracts are considered cooperative contracts. DES is authorized to enter into cooperative contracts on behalf of the state under RCW 39.26.060. Once authorized, agencies may use the cooperative contracts as though they are master contracts.</p>
Section #4	Rick Naten – WSDOT	<p>Consideration must be given to the fact that current financial/procurement systems do not always allow for agencies using de-centralized purchasing to monitor repetitive purchases.</p>	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>Agencies will need to establish a mechanism for tracking direct buy purchases for purposes of not exceeding the limit each year with a given vendor; and to monitor repetitive purchases.</p>
Section #4	Sarah Pendleton (DSHS)	<p>DSHS requests clarification of the actual "term" of a direct buy purchase, whether fiscal year, term of the original contract, or a single purchase event.</p>	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p>
Section #4	Sarah Pendleton (DSHS)	<p>DSHS requests that the language limiting repetitive direct buy purchases to a cumulative agency total be stricken from the proposed Section 4(a). Additionally, DSHS requests clarification of the definition of repetitive purchases.</p>	<p>Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p>

Section #4	Servando Patlan 10/11/18	<p>Dear Farrell Presnell, after you left the Business Diversity Subcabinet meeting on September 27, 2018, some discussion arose about the term unbundling.</p> <p>Unbundling is a common procurement strategy for engaging small and diverse businesses in construction and in goods and services procurement. During the discussion of unbundling, the representatives there voiced a negative reaction to unbundling as a strategy for improving government business participation opportunities for small and diverse businesses. We learned that negative perception came from their misunderstanding of the Direct Buy Policy Section 4 Example 4: “Agencies may not unbundle or manipulate a purchase to have the purchase qualify as a direct buy procurement to avoid using a competitive process.”</p> <p>I would like to recommend removing the unbundling example from the policy and recommend the following replacement: “Agencies may not unbundle or manipulate a purchase to have the purchase qualify as a direct buy procurement to avoid using a competitive process.”</p>	The policy has been amended to reflect this suggested change.
Section #4	Susan Banton (WWU) 9/19/18	If direct buy limit is increased then the cumulative amount for repetitive purchases over a longer period of two/three years should be considered. When the direct buy limit was lower and I was a Buyer I would document the requisition amount when it arrived and when the order was issued and I was able to show over a million dollars difference between the two figures in a single fiscal year. In reviewing the data a majority of the purchases were over \$3K and less than \$15K.	Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.
Section #4	WSDOT Supply Officers	Are limits based off calendar year or fiscal year? Specify in the beginning of the policy	<p>Direct buy is an annual (fiscal year) cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.</p> <p>When calculating the value of a direct buy purchase agencies should consider the total life cycle cost, including amendments and determine if that value will remain within the direct buy threshold. If not, a competitive solicitation method should be used.</p>
Section #4	WSDOT Supply Officers	<p>Section 4: Suggestion – clarify this statement</p> <ul style="list-style-type: none"> • What if it is the same vendor but different good or service? • Does this mean the good can be bought through multiple vendors so the cumulative total doesn’t exceed the DB limit? 	Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor. With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.
Section #5	WSDOT Supply Officers	Section 5: Suggestion – Define IT. So many items are overlapping between IT assets and minor capital assets	""Information technology" includes, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications, requisite system controls, simulation, electronic commerce, radio technologies, and all related interactions between people and machines".

Section #6	Irene Reyes – Excel Gloves	Section 6 comment on the word “assessment”: Where is the agency record of compliance stored, who keeps tabs, who enforces and who measures the accountability? You need to state what will be the repercussions of incompliance?	<p>Assessment records are retained by DES, which administers the risk assessment and enforces the delegation of procurement authority.</p> <p>Through participating in the risk assessment, agencies will learn if they are substantially in compliance with overall procurement policies. During the time between risk assessments, if agencies become out of compliance with procurement policies the DES Director may take appropriate action that could include withdrawal of all authority.</p>
Section #6	Lislie Sayers (DNR)	<p>Section 6: An agency should have the ability to protest any detrimental risk assessment and request it be evaluated by a third party. Add language to the Delegated Authority Policy.</p>	<p>This process is already included in the DES Director's Delegation of Authority letter, which follows each risk assessment, and states: "Your agency has five (5) business days upon receipt of this letter to notify DES if you disagree with the findings and/or level of delegation. A meeting will be scheduled to discuss your specific agency concerns."</p>
Section #6	Marci Phillips (ATG)	<p>The draft direct buy policy has a paragraph that says “an agency’s record of compliance with the direct buy policy will be a factor in an agency’s risk assessment.” Can you provide further information on what DES means by record of compliance?</p>	<p>Through participating in the risk assessment, agencies will learn if they are substantially in compliance with overall procurement policies. During the time between risk assessments, if agencies become out of compliance with procurement policies the DES Director may take appropriate action that could include withdrawal of all authority.</p>

Feedback #	Feedback Category	Feedback Person	Feedback Source	Specific Policy Section	Feedback	Response
1	Amendments	Everett CC (Jeffrey Pearce)	E-mail	e. If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed.	No, this is a bad idea. Amendments are most often negotiated quickly on the basis of immediate need. What am I supposed to do with a second vendor coming in on the same project? What am I supposed to do with the first vendor? Please don't do this	DES has chosen to maintain the current proposed amendment language in the policy to maintain the integrity of the spirit of direct buy purchases.
2	Amendments	Grays Harbor CC (Jackie Blumberg)	E-mail	2.e. If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed	2.e. If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed. <u>Amendments that substantially change the scope of work of the original purchase or substantially increase the value of the original purchase shall be based on competitive solicitation process.</u>	DES has chosen to maintain the current proposed amendment language in the policy to maintain the integrity of the spirit of direct buy purchases.
3	Amendments	OFM (Bonnie Lindstrom)	E-mail	If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed.	What about the possibility of doing a Sole Source?	This could be one method for purchasing if the amendment causes the direct buy purchase to exceed the direct buy threshold, if it applies.
4	Amendments	DNR (Joanna Colvin)	E-mail	Section 2.e - If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed.	This restriction creates unintended consequences for agencies. The cost/benefit and risk factor is practically non-existent, is impractical and is not justifiable to competitively procure amendments that exceed the direct buy dollar threshold. Suggested Language/Approach: Suggest adding language that would allow for the amendment without competition if: 1. The amendment, or combined amendments, does not exceed a certain percent of increase from the original dollar amount of the purchase of the good/service. 2. The amendment is of no fault to the contractor and is not a result of non-compliance issues. 3. The amendment does not deviate from the intent and/or scope of the original contract; unless extenuating circumstances beyond the control of the contractor and/or agency exist, are documented, and remain within the percent of change threshold.	DES has chosen to maintain the current proposed amendment language in the policy to maintain the integrity of the spirit of direct buy purchases.
5	Amendments	ECY (Mark Gaffney)	E-mail	2.e.	The requirement to compete an amendment would be difficult as usually the amount for the change is low dollars, this requirement would require doing a sole source process which would stop the contract activity. Trying to compete would be burdensome and difficult as the vendor has already done most of the work and bringing in a new vendor would be problematic. Could you put in a reasonableness measure for times when a little more dollars would finish out the contract?	DES has chosen to maintain the current proposed amendment language in the policy to maintain the integrity of the spirit of direct buy purchases.

6	Amendments	DSHS (Ed Maynard)	E-mail	Re: Policy 2. e If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed.	<p>DSHS feels this should be handled as on a case by case basis for review. What if the item being purchased is integrated, there might not be an option to competitively procure a software product that is integrated into our systems as the cost to replace an existing infrastructure would be cost prohibitive.</p>	<p>DES has chosen to maintain the current proposed amendment language in the policy to maintain the integrity of the spirit of direct buy purchases.</p> <p>In circumstances where agencies may need to look at alternatives to competitive procurement methods (i.e. sole source, exemptions, etc.), those will need to be considered on a case by case basis.</p>
7	Compliance	BDAG	E-mail		<p>Compliance: The BDAG recommends DES have a compliance group and continual accountability and processes for agencies.</p> <p>a. Guidance to report violations of procurement policies (such as ethics violations). Must be anonymous to the agency/individual making the purchase for fear of retaliation.</p> <p>b. Measures to support and hold procurement personnel accountable for actions.</p> <p>c. Businesses wanting to qualify for the larger threshold should be certified or validated by a state entity (i.e. OMWBE, DVA, etc.) and not only self-identified in WEBS. Comment related to this input: A member wanted to better understand how this recommendation would be implemented.</p>	<p>Through the DES Risk Assessment process, agencies adherence to enterprise procurement policies, among other factors, is reflected in their agency risk rating and drives their delegated purchasing authority.</p> <p>In addition, the State Auditor's Office conducts regular performance audits of agencies, which includes their adherence to procurement laws and policies.</p>
8	Compliance	BDAG	E-mail		<p>Direct Buy Only For Responsible Agencies. Increasing the ability for agencies to conduct direct buys could be very beneficial to small and veteran owned firms if the agency is incentivized to actually do that. Absent a meaningful incentive, agencies are more likely to use online marketplaces and buy from the same large vendors they've always purchased from. To incentivize the usage of small and veteran owned firms, the BDAG recommends that only agencies with an approved OMWBE Inclusion Plan be authorized to purchase at the higher level.</p>	<p>The current DES Risk Assessment process includes factors, such as inclusion plans and contracting with diverse vendors, which results in their agency risk rating and drives their delegated purchasing authority.</p>
9	Compliance	BDAG	E-mail		<p>Access to purchasers. Agencies participating in the direct buy method of purchasing should have an ongoing small/veteran and OMWBE business outreach and inclusion strategy that includes publishing the names and emails of individuals with direct buy purchasing authority. Additionally, these purchasers should participate in at least one outreach event per year where there is a strong likelihood small/veteran/OMWBE businesses in relevant commodity codes will be in attendance. Further, purchasers should be required to take training once or twice per year regarding Direct Buy and meet the training or other continuing education for procurement requirements.</p>	<p>DES will use the initial 18 months of the refreshed policy to collect direct buy spend data to determine benchmarks, trends, educational opportunities, and revisions needed to better serve the state.</p>
10	Compliance	OFM (Bonnie Lindstrom)	E-mail		<p>An agency's record of compliance with the direct buy policy will be a factor in an agency's risk assessment. Feedback comment: What does this look like, i.e. what format will DES want for this information when an agency submits their Risk Assessment?</p>	<p>The DES Risk Assessment Tool is modified to directly address each agency's specific issues, including compliance with procurement requirements (including direct buy).</p>

11	Compliance	DOC (Debra Eisen)	E-mail		Direct Buy should be used after it has been verified that there is no Master Contract that will fulfill the specific goods or services need.	This is correct and is already covered in the policy (reference Section 3)
12	Compliance	DSHS (Ed Maynard)	E-mail	Re: Policy 4. Agencies may not manipulate a purchase to have the purchase qualify as a direct buy purchase to avoid using a competitive process.	Please clarify what "manipulate a purchase" represents? Examples	Manipulating a purchase, in this context, refers to splitting a purchase with the intent of avoiding competition.
13	Conditions	DOC	5-23-19 Workshop		A lot of small purchases can be purchased from the master contract.	Yes. There are many products and services available through master contracts.
14	Conditions		5-23-19 Workshop		Would the direct buy have an impact on the master contract purchases?	No, agencies must use existing DES master contracts or DES approved cooperative contracts unless they cannot justifiably satisfy agency needs. This is the current practice, so the revised policy would not have an impact on DES master contract purchases.
15	Conditions		5-23-19 Workshop		If a master contract doesn't have a m/w [i.e. a minority/women-owned business] - can the purchaser use the direct buy to purchase with m/w?	Yes. See FAQ Q1, which states that in the event the master contract cannot justifiably satisfy agency needs, the agency may make the purchase form a non-master contract vendor.
16	Conditions	Everett CC (Jeffrey Pearce)	E-mail	i. DES' Protest Policy #DES-170-00 does not apply.	Apply to what?	The DES Protest Policy #DES-170-00 does not apply to Direct Buy purchases.
17	Conditions	Everett CC (Jeffrey Pearce)	E-mail	j. Advertising in Washington's Electronic Business Solution (WEBS) is not required.	Okay.	Thank you for the feedback.
18	Conditions	Grays Harbor CC (Jackie Blumberg)	E-mail	2. The following conditions apply to the direct buy designations	2. The following conditions apply to the direct buy designations <u>Levels</u>	Suggested change incorporated into the Policy.
19	Conditions	Grays Harbor CC (Jackie Blumberg)	E-mail	2.i. DES' Protest Policy #DES-170-00 does not apply.	DELETE: Only applies to competitive process	DES has chosen to keep this language in the Policy, as the DES Protest Policy #DES-170-00 or RCW 39.26.170 does not specifically exempt Direct Buy purchases. However, it is implied that the Protest Policy only applies to competitive procurements. The intent of this language in the Policy is for clarity.
20	Conditions	Grays Harbor CC (Jackie Blumberg)	E-mail	2.j. Advertising in Washington's Electronic Business Solution (WEBS) is not required.	DELETE: Only applies to competitive process.	DES has chosen to keep this language in the Policy for clarity.
21	Conditions	Everett CC (Jeffrey Pearce)	E-mail	f. If the direct buy exceeds the agency's delegated authority, then the agency must request additional delegation of authority from the DES Director.	Okay.	Thank you for the feedback.

22	Conditions	Grays Harbor CC (Jackie Blumberg)	E-mail	2.f. If the direct buy exceeds the agency's delegated authority, then the agency must request additional delegation of authority from the DES Director.	2.f. If the direct buy exceeds <u>Direct Buy Levels exceed</u> the agency's delegated authority, then the agency must request additional delegation of authority from the DES Director.	Suggested change incorporated into the Policy.
23	Conditions	Everett CC (Jeffrey Pearce)	E-mail	g. Agencies shall use due diligence to determine that the price is reasonable based on experience and knowledge of the market.	Sure.	Thank you for the feedback.
24	Conditions	Everett CC (Jeffrey Pearce)	E-mail	h. Agencies must confirm that a vendor meets the qualifying criteria for a Direct Buy Level 2.	Sure.	Thank you for the feedback.
25	Conditions	Grays Harbor CC (Jackie Blumberg)	E-mail	2.h. Agencies must confirm that a vendor meets the qualifying criteria for a Direct Buy Level 2.	2.h. Agencies must confirm <u>document</u> that a vendor meets the qualifying criteria for a Direct Buy Level 2.	Suggested change incorporated into the Policy.
26	Conditions	DSHS (Ed Maynard)	E-mail	Re: Policy 2. h Agencies must confirm that a vendor meets the qualifying criteria for a Direct Buy Level 2.	How does an agency confirm a Self-Certified business? How does an agency confirm a Certified Veteran Owned Businesses?	Both self-certified small and certified veteran owned businesses can be confirmed and documented using WEBS.
27	Cumulative	DOT	5-23-19 Workshop		In some cases even if purchase exceeds DB cumulative, they still wouldn't have to run a large procurement as there are only 1-3 bidders.	This is correct. If a purchase exceeds the Direct Buy Level and the agency has confirmed through market research that only 1-3 bidders provide the good/service, the agency can use an appropriate competitive process (e.g. phone quotes, Request for Quotations, Request for Proposals, Invitation for Bid, etc.) based on the type of purchase. However, the cumulative issue has been removed from the policy.
28	Cumulative	DSHS	5-23-19 Workshop		Cumulative is not possible with a large agency. The original policy is better for large agencies. This needs to be fleshed out to accommodate large agencies.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
29	Cumulative	DSHS	5-23-19 Workshop		This won't work for an agency where there are multiple offices/regions and purchasers. It is very difficult to communicate amongst the purchasers of whether or not you're reaching or exceeding the particular spending limit.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
30	Cumulative	DOT	5-23-19 Workshop		Agrees with DSHS' issue on cumulative, as they are buying multiple items from the same vendor	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
31	Cumulative	DOC	5-23-19 Workshop		Doesn't have a way to track purchases to know when they've reached the threshold. Going back to previous policy is also not helpful, as threshold is lower.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.

32	Cumulative		5-23-19 Workshop		Is this an annual limit (fiscal year)? Would be helpful to add to slide 7.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
33	Cumulative	DOT (Steve Jensen)	5-23-19 Workshop		Change "purchases from all vendors" to purchases of each commodity to clarify the issues around the limits	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
34	Cumulative		5-23-19 Workshop		Rethink about the limits being cumulative because application can be problematic in various scenarios.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
35	Cumulative	DES (Clayton Long)	5-23-19 Workshop		Most states have a lower limit, but based on a transaction not annual cumulative basis.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
36	Cumulative	DOT	5-23-19 Workshop		Tracking and monitoring cumulative annually is going to be difficult Also limits the direct buy opportunities with the small businesses, as they would then have to compete. Need to find the sweet spot for the competitive procurements.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
37	Cumulative		5-23-19 Workshop		Limits need to be based on a per transaction verses cumulative.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
38	Cumulative		5-23-19 Workshop		Supports removing the cumulative aspect because in practice what most people are doing is this transactional analysis as opposed to a cumulative analysis.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
39	Cumulative	Parks (Michael Maverick)	5-23-19 Workshop		Trackability in a decentralized environment is difficult. The WPM mentioned splitting or segmenting requirements on a transactional basis. The DB limits should be transactional. Purchasers should have discretion to make judgment when repetitive and should be competed.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
40	Cumulative	DOT	5-23-19 Workshop		Agreed with Michael Maverick's comment: Trackability in a decentralized environment is difficult. The WPM mentioned splitting or segmenting requirements on a transactional basis. The DB limits should be transactional. Purchasers should have discretion to make judgment when repetitive and should be competed.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
41	Cumulative		5-23-19 Workshop		If you increase the barriers for agencies to do their job, then you are reducing opportunities for vendors.	The intent of the revised policy is to find the balance of appropriate levels and conditions that provide agencies with increased authority to make direct buy purchases to meet business needs, thus improving efficiency, while balancing risk and preserving a focus on competitive solicitations for higher risk procurements.
42	Cumulative	Vendor (Shilo)	5-23-19 Workshop		Supports increasing limits. Once we segmenting down he would disagree doing it based on the commodity. Transactional seems good. From a vendor if it's under \$15-\$20K, it doesn't really impact them. Once challenge they have as a small business - it takes 40-80 hours to apply (bid) for a job Insurance limits are causing barriers	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.

43	Cumulative	Everett CC (Jeffrey Pearce)	E-mail	c. Direct buy is an annual cumulative limit for an agency's purchases from a given vendor.	No, this should be per purchase. The tracking issues alone that this creates are not conducive to a small procurement department or our decentralized approach to purchasing, which grows out of having a small procurement department and over-regulation from the State of Washington. Unless you are going to provide master contracts for every imaginable good and service, I would ask you not to do this, please.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
44	Cumulative	Grays Harbor CC (Jackie Blumberg)	E-mail	2.c. Direct buy is an annual cumulative limit for an agency's purchases from a given vendor.	2.c. Direct buy is an annual cumulative limit for an agency's purchases from a given vendor. Levels apply to individual purchases. Comment: Direct buy levels apply per purchase. See d below.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
45	Cumulative	DES (Josh Klika)	E-mail	Direct buy is an annual cumulative limit for an agency's purchases from a given vendor.	Is annual fiscal year, calendar year, or a 12 month period from first transaction with a given vendor?	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
46	Cumulative	LNI (Christine Fox)	E-mail	2. c. Direct buy is an annual cumulative limit for an agency's purchases from a vendor.	Related to "annual cumulative" – is it calendar year or fiscal year?	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
47	Cumulative	LNI (Christine Fox)	E-mail	2. c. Direct buy is an annual cumulative limit for an agency's purchases from a vendor.	Related to "vendor" - I believe it should remain as line item/commodity/service and not vendor specific. Examples: Amazon is a vendor selling numerous different line items – if held to annual cumulative limit by vendor, the limit will be reached in a very short period of time; Crain's Office Supply is used for unique items locally not found on a DES contract and they have the ability to provide numerous different line items as well.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.

48	Cumulative	Vendor - Abbotts Printing (Steve Noble)	E-mail	<p>Following are my comments on the policy change for the direct buy Policy POL-DES-125-03 Specifically the change from “per job” to “per annual cumulative per vendor”. My understanding of the purpose of the current policy is avoid a costly bid process for small jobs. The state should not spend more resources (money and time) collecting bids that it would save in a bid process. As stated in reason for policy "Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process. There is also a timing issue. Most work we do for the state is under time deadlines. Time for a bid process would likely take longer than we now spend producing the job.</p> <p>The New proposal (if I understand correctly) creates several issues.</p> <ol style="list-style-type: none"> 1. A single job up to 30k/40k could be purchased without a competitive process. 2. Several large jobs over the current 10k/13k limit can be purchased without a competitive process if the cumulative limit has not yet been reached for the year. 3. Once the 30k/40k limit is reached every job no matter how small would have to go thru a competitive process until the new year starts. 4. Many agencies may switch vendors half way thought the year, which create confusion in reorders. 5. Many jobs will have to be rushed to make up time spent on the 	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
49	Cumulative	Everett CC (Leanne Algard)	E-mail	I would like to verify that this is a per order limit. If we need to spend time accumulating and tracking data of what has been spent cumulatively with each individual vendor this will not bring efficiency to our processes.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
50	Cumulative			<p>Direct buy is an annual cumulative limit for an agency’s purchases from a given vendor.</p> <p>Feedback: This might be a challenge for larger agencies to be able to track this information to the penny. Not all agencies have something in place to verify this data. Regional field offices would need to be included as well – not sure this would be captured.</p>	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
51	Cumulative	SOS (Jim Webster)	E-mail	I support the proposed increased direct buy limits of \$30,000 and \$40,000 but without the cumulative restraints. The restraints will work at cross-purposes with the goal of increasing small business participation in state procurements.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.

52	Cumulative	DES (Howard Cox)	E-mail	<p>The gentleman from SW Region of WSDOT had comments on the limits being FY [from the workshop]. He had several points and DES' paraphrase didn't capture one that I thought was compelling and did not hear from anyone else. As many people stated, large agencies lack the ability to track what is happening throughout their agencies in a timely manner (they may catch it in arrears).</p> <p>He said what this policy may drive is a behavior change: agencies or regions will create short lists of authorized direct buy vendors so that they can monitor the spend for those vendors.</p> <p>This would be counter to the goal of greater access and opportunity for small and diverse business.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
53	Cumulative	LNI (Lance Yount)	E-mail	<p>Regarding 2.c "Direct Buy is an annual cumulative limit for an agency from a given vendor", needs to be removed or reworded. L&I spends between \$35 and \$40 per month with Amazon Business for non-contracted items. This should be per line item acquisition and if that line item is repetitively purchased where the annual total spend surpasses the Direct Buy Limit <u>regardless of the vendor</u> then it needs to be competed.</p> <p>Agency's that have dozens of Field Offices will be extremely difficult to manage if the language stays the same on this part of the policy.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
54	Cumulative	BDAG	E-mail	<p>Cumulative Limit – BDAG supports this revision. Many businesses, especially small and diverse businesses, want the opportunity to show what they have to offer the state. When the same companies are awarded direct buy opportunities, this prevents other businesses from gaining access. By providing this access, businesses will gain experience with the state. This experience also helps these businesses become more competitive on other opportunities directly with the state and as subcontractors (this excludes master contracts where there are small and diverse businesses and agency contracts).</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p> <p>Agencies did not have the means to track cumulative direct buy purchases. However, DES will be using existing data sources to track direct buy spend to develop benchmarks and identify trends. Resulting in better data used for future revisions of the policy in support of small and diverse businesses.</p>
55	Cumulative	DFI (Levi Clemmens)	E-mail	<p>The policy as proposed would work great for my medium size agency, as tracking cumulative spend would be relatively simple given our centralized processes. The issue we currently face is in the low \$ cap per transaction, but your proposed policy would remedy that for us. I am hopeful that some middle ground can be reached that either increases the per transaction \$ limit without a cumulative restriction or that increases the per transaction \$ limit and raises the cumulative limit relative to an agency's delegated spend authority. Having the same per vendor cap at all agencies regardless of size is going to be a hard sell.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>

56	Cumulative	ESD (Kay Lee Evans)	E-mail	<p>After reading the proposed policy and listening to the workshop, I agree with the vast majority of the attendees and those on the chat who expressed they wanted the Direct Buy limit to be based upon individual transactions and not annually by vendor.</p> <p>Since we don't have an online purchasing application, the amount of work that would be required to track all of our purchases per vendor would be too time consuming and room for error. One of the three goals of the 2013 state Procurement Reform law stated that the law was to make the procurement process more efficient.</p> <p>If the proposed Direct Buy Policy were to be implemented, then this would we counter to the reform law goal of efficiency.</p>	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
57	Cumulative	Vendor (Julie Valdez) (via Zoom on-line chat)	5-23-19 Workshop	I understand that the \$40,000 is cumulative by agency. Is the definition of agency broad and by location? Could I potentially sell up to \$40,000 direct buy to a DSHS location in Spokane and also one in Seattle?	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
58	Cumulative	kpatton (via Zoom on-line chat)	5-23-19 Workshop	We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
59	Cumulative	Stefanie LaFave (via Zoom on-line chat)	5-23-19 Workshop	We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
60	Cumulative	Joe Auvil (via Zoom on-line chat)	5-23-19 Workshop	We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
61	Cumulative	Joseph Jones (via Zoom on-line chat)	5-23-19 Workshop	<p>We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.</p> <p>Can be per transaction per company to agency.</p>	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
62	Cumulative	Rebecca Wheeler (via Zoom on-line chat)	5-23-19 Workshop	We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
63	Cumulative	Robbiec (via Zoom on-line chat)	5-23-19 Workshop	We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
64	Cumulative	Vendor - Julie Valdez (via Zoom on-line chat)	5-23-19 Workshop	We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
65	Cumulative	Tom Kreinbring (via Zoom on-line chat)	5-23-19 Workshop	We need the new policy to be based on "per transaction" and not based on a total sum per vendor per FY.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.

66	Cumulative	AGR (Ashley Blowers)	E-mail		<p>I feel the proposal to require a direct buy limit per year or per commodity would be too complex to be effective. To help paint a picture, WSDA has a decentralized purchasing model and as such, only a small portion of all purchasing activity flows through the centralized purchasing and contracts group and as such, I see no feasible way for us to implement this policy effectively if it were finalized as is. Furthermore, standard payment terms are 30 days so there could easily be situations where I might be able to identify that we have only spent \$25k with a vendor, but was not made aware that Accounts Payable had another \$5,000 invoice filed in an upcoming payment batch. If I used that analysis to proceed with the direct buy transaction, I could unknowingly be violating policy.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
67	Cumulative	AGR (Ashley Blowers)	E-mail		<p>Procurement professionals are already heavily burdened with purchasing and contracting needs at the end of each fiscal year. Creating a direct buy per fiscal year would create the potential for an enormous uptick in competitive procurement requirements for situations that do not add value. As I interpret it, if I have spent \$29,999 with a vendor and I am asked to make another \$50 purchase from that vendor (assume here there are no viable alternatives in the current marketplace), this would bump the agency above the annual fiscal year direct buy limit. Therefore, in order to fully comply with the agency I'd be faced with putting together a procurement for \$50. That's not worth the time of the vendor community, nor our time to compete for this purchase.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
68	Cumulative	ESD (Nikoel Stevens)	E-mail		<p>The proposed direct buy policy is unworkable without OneWA being online. Our agency has no procurement system and tracking all spending for each vendor per year on an Excel spreadsheet would be completely untenable. Amazon Business is the only non-contract vendor we use that has any kind of reporting we could utilize and even then, it wouldn't make sense to limit the small businesses that sell in the Amazon marketplace.</p> <p>Please reconsider adding the annual spending limit of \$30k. Our agency already does our due diligence to use master contracts and shop around for the best deal for things that aren't on contract. We do use Amazon a lot, but it's because they have the best prices and free shipping. If we were to try to replace Amazon and buy from multiple other vendors, it would be impossible for us to keep track of every purchase with our current process because we do not have a purchasing system. It's simply an undue burden to put on agencies without OneWA.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>

69	Cumulative	WaHealth Benefit Exchange (Erin Hamilton)	E-mail	To understand the parameters around direct buy, it would be helpful for DES to clarify if the \$30K limit is 1) per purchase; 2) per commodity, per year; 3) per vendor, per year; or 4) other. I've worked in three different agencies and this has come up in each one with no clear guidance available.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
70	Cumulative	Franklin County (Jordan Hanes)	E-mail	My number one suggestion: We need to make the new policy a per-transaction limit rather than an accumulative per vendor policy.	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
71	Cumulative	WSU (Eric Michael Rogers)	E-mail	<p>With a widely distributed group of WSU individuals in every county of the state, the cumulative direct buy will be very difficult to manage. We typically address this with the test of "what you knew and when you knew it". So, if a lab manager has a p-card and a scientist comes up to them and says that they need a \$4K freezer, they may proceed to purchase that freezer. Later in the week or perhaps even the same day, another lab person comes up to them and says that they need a centrifuge; which costs \$4K and they then proceed to purchase. Then they later find out that another lab needs \$5K worth of supplies. They source all of this from one vendor say VWR or Fisher. Cumulatively this is now over the current direct buy of \$10K and these would typically be purchased under our VWR or Fisher contracts, but if they were not and competition was not covered – it would be very difficult to manage the cumulative effect.</p> <p>If we have a new lab startup package that includes a list of equipment and supplies that will cost \$100K, then we require the competitive process. If we take the cumulative approach with all vendors – we will have a very hard time knowing that across our system with purchase orders, contracts, blanket orders and p-card we have hit the cumulative threshold.</p>	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
72	Cumulative	EWU (Doug Vandenboom)	E-mail	Can you clarify whether or not this is an annual or aggregate limit? For example, would a contract with a value of \$30K/year over a multi-year term fit within the direct buy criteria?	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
73	Cumulative	DOC (Debra Eisen)	E-mail	Thanks also to DES for clarifying that the maximum per vendor purchase amount is intended to be per year and cumulative agency-wide. (Please clarify calendar or fiscal year.)	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.

74	Cumulative	DOC (Debra Eisen)	E-mail	<p>Unfortunately, most if not all agencies, will not be able to adhere to a per vendor annual agency-wide cumulative total. As was enthusiastically and repeatedly voiced at the Policy Workgroup, most agencies, including the largest, DOC, DOT and DSHS, have decentralized purchasing processes and it is not possible to track agency-wide purchases in real time. I am confident that contracting professionals in all agencies will do the best that they can but any agency-wide limit will be problematic.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
75	Cumulative	UW (Ray Hsu)	E-mail	<p>Reducing the administrative burden associated with the competitive bidding process by raising the direct buy threshold and requiring the utilization of DES master contracts will be viewed as a benefit to some agencies. However the proposed policy presents operational challenges to University of Washington; While we support the concept of raising the direct buy limit in general, we are challenged to understand the rationale for limiting the direct buy limit to an annual cumulative limit from a given vendor and specifically how that will be administered. The University has hundreds of individual departments, including our medical centers, with personnel placing hundreds of orders daily on behalf of their individual departments and programs. The cumulative spend with a vendor could easily be exceeded in one day since individual departments are unaware of which vendors other departments are using. By restricting the direct buy to the cumulative total per vendor it's also possible that two departments may place orders with the same vendor on the same day and exceed the cumulative total.</p> <p>Furthermore, This policy may also have the unintended consequence of reducing the number of purchases from state certified small businesses. The current direct buy limit of \$10,000 has been interpreted to apply to an individual transaction, regardless of the number of individual departments utilizing the vendor.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>

76	Cumulative	Bellingham Technical College (Stefanie LaFave)	E-mail	<p>I would strongly suggest that the Direct Buy limit set be “per transaction” and not cumulative. It would be very difficult to track our spend based on the fact that our college is very decentralized, comprised of multiple departments, and has both on and off campus sites that utilize p-cards to make purchases from vendors. I am concerned that we would exceed the cumulative direct buy total without realizing it until well after the fact. Currently, our staff and faculty are trained to stay under the direct buy threshold per transaction and are aware of the purchasing requirements when exceeding the direct buy limit. We would prefer that the new Direct Buy limit remain “per transaction” to ensure that our college can remain in compliance with the state’s requirements. As a procurement professional in higher-ed, I find it exceedingly difficult to comply with all of DES’ existing requirements due to not having enough time or resources, which I think is a similar issue in other state agency procurement departments. If DES chooses to have the Direct Buy limit be cumulative, chances are that there will be less compliance (unintentionally) compared to leaving the direct buy limit at “per transaction”.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
77	Cumulative	DNR (Joanna Colvin)	E-mail	<p>Section 2.c - Direct buy is an annual cumulative limit for an agency's purchases from a given vendor.</p> <p>The addition of this requirement will result in a significant impact to resources currently not funded. Suggested Language/Approach: Suggest one of the below options: 1. Removal of the annual cumulative limit. 2. Reverting to the current direct buy policy language: "agencies are authorized to purchase goods and services up to a cost of \$10,000 (excluding sales tax) directly from a vendor without competition. In addition, agencies are authorized to purchase goods and services up to a cost of \$13,000 (excluding sales tax) directly from a vendor and without competition if the purchase is being made from a microbusiness, minibusiness, or small business as those terms are defined by RCW 39.26.010 (17), (18) and (21).</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
78	Cumulative	ECY (Mark Gaffney)	E-mail	<p>2.c.</p> <p>In response to 2.c. The change to an “annual” purchase model would be difficult to manage as we have a lot of purchasing happening and we don’t see all the moving parts, and we would have to slow down the process to check cumulative spent before each purchase. We have many departments where buying is happening a different times due to funding and needs, which would create confusion in purchasing. In addition, we often buy from the same vendor totally different products and supplies, bidding this would be difficult.</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>

79	Cumulative	DSHS (Ed Maynard)	E-mail	<p>Re: Policy 2. c Direct buy is an annual cumulative limit for an agency's purchases from a given vendor.</p> <p>DSHS is a large agency that has many purchasing units that are decentralized which would add an insurmountable amount of administrative time and expense to attempt to track cumulative purchases across an agency that has 17K plus employees. The current DSHS purchasing system, TRACKS, is over 20 years old and will not be able to provide this added function. As well as it is too old of a system to make such changes with OneWashington on the near horizon for the State of Washington.</p> <p>Another issue this will cause for the agency would be to conduct more procurements once a contract reaches the \$30,000 threshold. Example, a contract total amount needs to add a couple more months of service at \$1,000 to complete a project. Is the agency expected to conduct a procurement for this \$1,000? This seems to contradict the Reason for Policy section, "Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process."</p>	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
80	e-Commerce	Everett CC (Jeffrey Pearce)	E-mail	<p>Purchases from a large business's e-commerce marketplace (e.g. Amazon) are only authorized for Direct Buy Level 1.</p> <p>Sure.</p>	Thank you for the feedback.
81	e-Commerce	Grays Harbor CC (Jackie Blumberg)	E-mail	<p>2.a Purchases from a large business's e-commerce marketplace (e.g. Amazon) are only authorized for Direct Buy Level 1.</p> <p>DELETE. Level 2 requirements identified above.</p>	DES has chosen to keep this language in the Policy for clarity.
82	e-Commerce	DFW (Jeff Hugdahl)	E-mail	<p>If the intent of the policy is to limit direct buy purchased to \$30,000 annually utilizing any single e-commerce market place (i.e. Amazon), we would need DES to enter into master contracts for any possible information technology hardware purchase – that is the vast majority of Amazon purchases that the agency performs, and it exceeds this limit by a large amount. We would have to end the Amazon Business process agency-wide and restrict purchase card use in order to make sure we met state policy if this is adopted.</p>	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.
83	e-Commerce	ECY (Mark Gaffney)	E-mail	<p>2.a.</p> <p>In response to 2.a. The restriction concerning e-commerce would hamper a lot of business, your example of Amazon especially, we purchase quite a bit thru Amazon from third-party sellers. Buying all sorts of supplies and products. We could easily exceed your suggested limits in very short time. I don't think we could bid out Amazon as we are all over the board on what buy.</p>	Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis. Therefore, your issue in 2.a. is mitigated.

84	Amendments	DES (Josh Klika)	E-mail	<p>2.e. "If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed."</p> <p>The draft policy currently states for 2.e. "If any amendment causes the direct buy purchase to exceed the direct buy threshold, the amendment shall be competed." My suggestion would be to add a FAQ question to address this. I was assuming the following scenario would be accurate based on my review of the draft policy. I have formatted my interpretation in a Question and Answer. My interpretation may be incorrect.</p> <p>Q: If I have a direct buy purchase agreement under Direct Buy Level 1 for \$30,000. I need to amend my direct buy agreement with the same provider to add \$500 in the same calendar year. Would I now have to conduct a competitive procurement for the \$500 additional cost?</p> <p>A: The direct buy purchase is now above the Direct Buy Level 1 for \$30,000. A competitive procurement for the \$500 additional cost would need to occur.</p>	Added to the FAQ.
85	FAQ	BDAG	E-mail	<p>Use of Master Contract</p> <p>The BDAG supports the clarity provided in FAQ #2 related to satisfying agency's needs by a diverse firm instead of a master contract in the event that the master contract does not include diverse firms.</p>	Thank you for the feedback.
86	General	DNR (Alex Nagygyor)	E-mail	<p>I would like to see the new policy provide a definition of what a service activity is within the direct buy policy. Currently state organization are interpreting laws and policy differently depending on what organization they are in. A good definition that clearly draws the line in what work is a service and what work is a public works, would provide the frame work for a consistent interpretation of laws and policies.</p>	In the future, DES will be developing a Purchasing Manual. The Purchasing Manual will be an appropriate place to address the differences between goods and services covered under RCW 39.26 and public works.
87	FAQ			<p>FAQ Question #7: What should I include to show that a vendor qualifies for a Direct Buy Level 2?</p> <p>Answer: Agencies must confirm that a vendor meets the qualifying criteria for a Direct Buy Level 2. This may include validation using WEBS or OMWBE's Directory of Certified Businesses. When purchasing under Direct Buy Level 2, staff should retain documentation supporting that the firm meets the qualifying business criteria (e.g. Washington small business or certified veteran-owned business).</p> <p>Feedback comment regarding the parenthetical in the above answer: Does this include a firm's self-identification as a Small, Micro, or Mini Business per 39.26.010?</p>	Yes. Small, micro or mini businesses are identified in WEBS.
88	General		5-23-19 Workshop	<p>It would be helpful to have a way for small businesses to know how to access this market better given this change.</p>	DES, OMWBE, and PTAC are all available resources to help small businesses access the direct buy market.

89	General	Vendor	5-23-19 Workshop	What benefit does the vendor have with the current limits v. proposed limits?	The current limits of \$10k (or \$13k if purchasing with a WA small business) and the proposed limits of \$30k (or \$40k if purchase with a WA small or certified veteran owned business) are intended to encourage purchases from WA small businesses and certified veteran owned businesses. Overall, the proposed limits are higher, which benefits vendors by not having to go through the competitive process for those purchases now between \$10k - \$30k (or \$13k - \$40k for WA small or certified veteran owned businesses). We heard from the vendor community that the competitive process is burdensome for small purchases.
90	General	State Investment Board	5-23-19 Workshop	The policy solves a lot of their problems	Thank you for the feedback.
91	General		5-23-19 Workshop	Yes, they improved clarity	Thank you for the feedback.
92	General		5-23-19 Workshop	Request for streamlining how direct buy purchases are made from a vendor's perspective.	DES does not have the benefit of understanding the context of this feedback. However, DES believes that the increase in direct buy levels will help streamline overall purchasing, which affects both agencies and vendors.
93	General		5-23-19 Workshop	Are registration and certification costs precluding small businesses from the market?	There is no cost to vendors to register for bid notification in Washington's Electronic Business Solution (WEBS). The certification process is managed by the Office of Minority and Women's Business Enterprise (OMWBE) and Department of Veteran's Affairs (DVA). This question will be referred to OMWBE and DVA.

94	General	PTAC (Tiffany Scroggs) (via Zoom on-line chat)	5-23-19 Workshop	<p>How can vendors and general public see which agencies are buying what and from whom after a direct buy transaction?</p>	<p>Currently, there are a number of data sources where purchase transactions are captured. The annual contract report collected by DES, financial transactions through Agency Financial Reporting System (AFRS), P-Card purchases, and purchases made through Amazon. This information is publicly available through data.wa.gov (DES Contract Report and Amazon purchases) and fiscal.wa.gov (AFRS data) and P-Card data is also subject to public disclosure. However, the current data sources are difficult to distinguish direct buy purchases from other purchases.</p>
95	General	DSHS (Ed Maynard)	E-mail	<p>Sunset review date: (Two years from effective date).</p> <p>Two years from the effective date seems to be a very short time period for this policy. We foresee that a short term policy could potentially contribute to training issues, inconsistency in how contracts are written and how purchases are conducted, along with staff getting into habits that may make it challenging for them to change with a shorter term policy that could change every two years.</p>	<p>The purpose for the shorter than normal (5 year) sunset review date is to assess the effectiveness of the revised policy. If, at the two year review date, the policy is effective and meeting the needs of the state, there would not be a major change. If, however, the policy is not meeting the needs of the state, DES will address those issues.</p>
96	Limits	Vendor	5-23-19 Workshop	<p>Are minority owned business included in Direct Buy Limit 2?</p>	<p>Level 2 applies to purchases made from a certified veteran-owned business or small business defined in RCW 39.26.010(22) as: "Small business" means an in-state business, including a sole proprietorship, corporation, partnership, or other legal entity, that: (a) Certifies, under penalty of perjury, that it is owned and operated independently from all other businesses and has either: (i) Fifty or fewer employees; or (ii) A gross revenue of less than seven million dollars annually as reported on its federal income tax return or its return filed with the department of revenue over the previous three consecutive years; or (b) Is certified with the office of women and minority business enterprises under chapter 39.19 RCW.</p>
97	Limits	Vendor	5-23-19 Workshop	<p>Would like to see the limits lowered by \$10K. As vendor's entry into the competitive state market will be reduced because your not going to be able to bid on things that will allow you to build a history that would be recognized by a state to hire your company.</p>	<p>DES considered your input regarding the direct buy limits and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p>

98	Limits		5-23-19 Workshop	<p>Does a business have to be certified by OMWBE to fit within this {Level 2} or will self-certification be sufficient?</p>	<p>Level 2 applies to purchases made from a certified veteran-owned business or small business defined in RCW 39.26.010(22) as: "Small business" means an in-state business, including a sole proprietorship, corporation, partnership, or other legal entity, that: (a) Certifies, under penalty of perjury, that it is owned and operated independently from all other businesses and has either: (i) Fifty or fewer employees; or (ii) A gross revenue of less than seven million dollars annually as reported on its federal income tax return or its return filed with the department of revenue over the previous three consecutive years; or (b) Is certified with the office of women and minority business enterprises under chapter 39.19 RCW.</p>
99	Limits		5-23-19 Workshop	<p>What are the benefits of OMWBE certification and does the policy differentiate between agency {OMWBE} certification and self-certification?</p>	<p>OMWBE would be the best source to share the benefits of certification.</p> <p>The policy identifies that direct buy level 2 purchases can be made from small businesses as defined in RCW 39.26.010(22) as: "Small business" means an in-state business, including a sole proprietorship, corporation, partnership, or other legal entity, that: (a) Certifies, under penalty of perjury, that it is owned and operated independently from all other businesses and has either: (i) Fifty or fewer employees; or (ii) A gross revenue of less than seven million dollars annually as reported on its federal income tax return or its return filed with the department of revenue over the previous three consecutive years; or (b) Is certified with the office of women and minority business enterprises under chapter 39.19 RCW.</p>

100	Limits		5-23-19 Workshop	Does business have to show certification to fit within the small business definition?	Agencies are required to document that a vendor meets the qualifying criteria for a direct buy Level 2. This may include asking the vendor to verify certification if applicable.
101	Limits		5-23-19 Workshop	What are the benefits if you are a certified m/w?	OMWBE would be the best source to share the benefits of certification.
102	Limits	DSHS	5-23-19 Workshop	The purpose of the higher limit is to allow vendors who are already having trouble to enter the market. However, it is unclear if the proposed limits are a benefit of a barrier.	This policy will be reviewed for effectiveness within 12-18 months. Appropriate changes will be made at the sunset date, which is 2 years from the effective date of the policy.
103	Limits		5-23-19 Workshop	Add definition of small business and what that actually means in terms of number of employees and sales volume.	The RCW reference, that defines small business, is part of the policy.
104	Limits	DOC	5-23-19 Workshop	Appreciate clarification and raised limits.	Thank you for the feedback.
105	Limits	DOH	5-23-19 Workshop	Funding may have an impact under the direct buy limits	Thank you for the feedback.
106	Limits	Grays Harbor CC (Jackie Blumberg)	E-mail	1. The following direct buy designations shall apply:	Change made to the policy.
107	Limits	Grays Harbor CC (Jackie Blumberg)	E-mail	1.b. Direct Buy Level 2: \$40,000 if the purchase is being made from a small business as defined by RCW 39.26.010(22); or from a certified veteran-owned business.	DES did not adopt this change, as the Department of Veteran Affairs will be certifying firms, using factors such as RCW 43.60A.010(7) and others. The DVA certification is the key to using a veteran-owned business under direct buy level 2.
108	Limits	Everett CC (Leanne Algard)	E-mail	I do like the concept of raising the direct buy limit from \$10,000 to \$30,000.	DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
109	Limits			Feedback: Dollar amount proposed is appropriate.	DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

110	Limits	kpatton (via Zoom on-line chat)	5-23-19 Workshop	<p>What is the rationale for a max of \$30k? Based upon feedback from the documentation with this policy, others have asked that it be higher. Much higher...</p>	<p>DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p> <p>The reason for proposed limits is to balance the spirit of RCW 39.26 which is to honor a competitive solicitation process with the fact that certain public purchases do not justify the administrative time and expenses necessary to conduct a competitive process.</p>
111	Limits	Jason (via Zoom on-line chat)	5-23-19 Workshop	<p>What if the state offers the same service that you are purchasing when it falls under the direct buy threshold? Do you need to explore prices from both public and private?</p>	<p>DES does not have the benefit of fully understanding this feedback question. However, the only potential tie in to this policy is related to conditions around when direct buy is not appropriate to use. The policy states that agencies must use existing DES master contracts or DES approved cooperative contracts unless they cannot justifiably satisfy agency needs. In the event that the state provides the service that a state agency is seeking, there will be guidelines around if the agency can purchase outside of the state provided service or not.</p>
112	Limits	AGR (Ashley Blowers)	E-mail	<p>WSDA has done an internal analysis and our proposal for a direct buy limit would be \$50,000 per transaction event in order to hit out "sweet spot" – which I will define as the threshold where the amount of work that goes into the effort provides a commensurate level of value. Due to the nature of the work WSDA does, we are often faced with the need to procure very specific scientific equipment where no viable alternatives exist due to the current vendors in the marketplace or Federal (or other) requirements.</p>	<p>DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p>
113	Limits	WaHealth Benefit Exchange (Erin Hamilton)	E-mail	<p>The increase to \$30K/\$40K is helpful and will make low-dollar purchasing more efficient</p>	<p>DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p>

114	Limits	EWU (Doug Vandenboom)	E-mail	With the proposed increase in the direct buy limit, will individual agencies, such as institutions of higher education, have the ability to manage the limits as they see fit? For example, DES has raised the direct buy limit to \$30K/\$40K, but our institution has chosen to remain at \$10K.	Institutions of higher education has independent authority under RCW 28B.10.029, which may include developing direct buy limits for their institution.
115	Limits	Bellingham Technical College (Stefanie LaFave)	E-mail	What is the rationale for a max of \$30k? Based upon feedback from the documentation with this policy, others have asked that it be higher.	DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
116	Limits	OMWBE (Elisa Young)	E-mail	Thanks for the update. I will be able to provide some extensive feedback from each of the agencies I've met with. During my meetings, we discuss and review agency data and agencies provide feedback on a reasonable direct buy threshold for their particular agency by reviewing business needs, lines and procurement processes in completing a competitive bid. Agencies are comparing this to availability of small businesses they could've worked with had the threshold been higher and recommending a threshold that makes sense for their agency. I believe this information will be helpful to DES as you finalize your policy. I have found that it may be of interest for DES to consider a different threshold for small and large agencies. I will not be done with my meetings until the end of July. I can provide a final report to you at that time. Let me know if you have any questions.	The reason for current limits is to balance the spirit of RCW 39.26 which is to honor a competitive solicitation process with the fact that certain public purchases do not justify the administrative time and expenses necessary to conduct a competitive process.
117	Limits	DOC (Debra Eisen)	E-mail	First, I want to thank DES for proposing to raise Direct Buy limits to \$30K and \$40K. I think that those higher limits will significantly reduce the competitive procurement workload for contracting professionals in state agencies.	DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.
118	Limits	Human Rights Commission (Jed)	Phone call	Supports an increase in the direct buy limits. Current direct buy limit of \$13k is a barrier. They have smaller purchases (e.g. \$15k) that are low risk, but because of the current limits they have to compete - not the best use of their time.	DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.

119	Limits	Vendor (Joseph Jones)	E-mail	<p>My concerns revolve around the following: Appreciate the increase for V.O.S.B. [Veteran Owned, Small Business], however without addressing two areas the increases may not provide the established improvement goals.</p> <p>1) *Access to Direct Buy buyers: monthly forum, individual access with appropriate buyers. 2) Data on buying patterns: Who are the "Direct Buyers" which buyers are buying what, when and how much the spend. 3) Buyer reporting: why you did / did not use a V.O.S.B.</p>	<p>Currently, there are a number of data sources where purchase transactions are captured. The annual contract report collected by DES, financial transactions through Agency Financial Reporting System (AFRS), P-Card purchases, and purchases made through Amazon. This information is publicly available through data.wa.gov (DES Contract Report and Amazon purchases) and fiscal.wa.gov (AFRS data) and P-Card data is also subject to public disclosure. However, the current data sources are difficult to distinguish direct buy purchases from other purchases.</p>
120	Limits	ECY (Mark Gaffney)	E-mail	<p>In response to 1.a&b.</p> <p>In response to 1.a&b. The limits are too low to impact much change, they would be better at \$50K/60K. The higher limits would encourage a lot more purchases from small businesses, MWBEs, and Veterans. Also, for purchases of service with a higher amount would allow for savings from the procurement process and improve the timeliness of the procurement.</p>	<p>DES considered your input regarding the direct buy limit increase and is moving forward with the \$30,000 and \$40,000 if the purchase is being made from a microbusiness, minibusiness, or small business; or a certified veteran-owned business.</p>
121	Limits	DSHS (Ed Maynard)	E-mail	<p>Policy 1. b Direct Buy Level 2: \$40,000 if the purchase is being made from a small business as defined by RCW 39.26.010(22); or from a certified veteran-owned business.</p> <p>Does a certified veteran-owned business need to be from Washington?</p>	<p>The Department of Veteran Affairs (DVA) is the entity that certified veteran-owned business. DVA has shared that certification means: 1) proof of honorable veteran status; 2) proof of 51% ownership; and 3) be a Washington state enterprise.</p>
122	Map	Vendor	5-23-19 Workshop	<p>Out of these states, which of these states found greater efficiencies and have actually seen more diversity businesses that are getting direct buy?</p>	<p>When DES collected this information from other states, it did not receive this level of detail. Therefore, we do not have this information currently available.</p>
123	Out of scope	DOT	5-23-19 Workshop	<p>He hears from vendors: "what is the benefit of certifying with omwbe?"</p>	<p>OMWBE would be the best source to share the benefits of certification.</p>
124	Out of scope	Vendor (Joseph Jones)	E-mail	<p>My concerns revolve around the following: Clarification on question of "inclusion" : Does this refer to diversity established for one product manufacturer on a master contract satisfy diversity for the entire contract or does each manufacturer on the master contract need to show diversity in the suppliers used.</p>	<p>Master contract related question (not policy related). Therefore, this feedback question will be referred to the DES Contracts & Procurement Team for responding directly to the vendor.</p>
125	Purpose	Grays Harbor CC (Jackie Blumberg)	E-mail	<p>This policy establishes the Direct Buy procurement levels authorized in RCW 39.26.125(3).</p> <p>This policy establishes the Direct Buy procurement <u>criteria</u> levels authorized in RCW 39.26.125(3).</p>	<p>This feedback has been incorporated into the Policy. Note: this change is in the initial introductory section of the policy and complies with RCW 39.26.125. The reference to "Levels" pertains to section 1 of the policy.</p>

126	Purpose	Grays Harbor CC (Jackie Blumberg)	E-mail	<p>This policy applies to all purchases for goods and services executed by agencies under delegated authority granted in accordance with RCW 39.26.090 or under RCW 28B.10.029 .</p> <p>Comment related to RCW 28B.10.029: Has AAG reviewed this policy? This conflicts with DES policy POL-DES-125-03?</p>	<p>DES is assuming this feedback is related to the Direct Buy dollar amount. It is true that the DES Direct Buy Policy, if the current proposal is approved, will be higher than the Direct Buy amount in RCW 28B.10.029. However, agencies and institutions of higher education can have more restrictive policies than DES. Alternatively, if higher education is interested in increasing their Direct Buy dollar amount, they may request a legislative change.</p>
129	Purpose	AGR (Ashley Blowers)	E-mail	<p>I think it's important to keep <u>intent</u> in mind while we are working through the direct buy and other policy revisions. The intent is to provide open and fair competition to the vendor community and get best value for the State of Washington. I believe it should be done in a way thoughtful way that does not overburden the procurement professional. As the current proposed policy stands, I see it as missing the mark.</p>	<p>DES has made significant revisions, based on stakeholder input, so we hope the adopted revised policy better meets your needs. The intent is to balance the spirit of RCW 39.26 which is to honor a competitive solicitation process with the fact that certain public purchases do not justify the administrative time and expenses necessary to conduct a comeptitive process.</p>
130	Purpose	OFM (Bonnie Lindstrom)	E-mail	<p>Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process.</p> <p>Certain public purchases do not justify the administrative time and expense necessary for the conducting of a competitive process. Comment regarding "public": Not sure this is necessary.</p>	<p>DES has incorporated a variation of this feedback into the Policy.</p>
131	Purpose	DSHS (Ed Maynard)	E-mail	<p>Reason for Policy</p> <p>This sentence doesn't read well: "Certain public purchases do not justify the administrative time and expense necessary for the conduct of a competitive process." Recommended Revision: "Certain public purchases do not justify the administrative time and expenses necessary to conduct a competitive process."</p>	<p>DES has incorporated this feedback into the Policy.</p>
132	repetitive		5-23-19 Workshop	<p>Repetitive needs some clarification in the FAQs because it it is repetitive but it is under the limit over a period of three to five months are we really going to have to compete that?</p>	<p>Added to the FAQ.</p>
133	repetitive	DSHS	5-23-19 Workshop	<p>In the realm of cumulative what does this mean to repetitive?</p>	<p>Based on stakeholder feedback, the cumulative condition has been removed from the policy. The Direct Buy Levels apply on a per-transaction basis.</p>
134	repetitive	Everett CC (Jeffrey Pearce)	E-mail	<p>d.</p> <p>With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement. Feedback: Should? Must?</p>	<p>This feedback has been considered and the policy will remain with "should".</p>

135	repetitive	Grays Harbor CC (Jackie Blumberg)	E-mail	2.d. With regard to repetitive purchases, If an agency makes the same types of purchases over and over again even if from different vendors annually, it should enter into a competitive procurement.	2.d. With regard to repetitive purchases, If an agency makes the same types of purchases over and over again <u>repetitive purchases, and the amount is at or above the Direct Buy Level even if from different vendors</u> annually, it <u>agency should conduct</u> should enter into a competitive procurement <u>solicitation process.</u>	This has been clarified in the FAQ
136	repetitive	ECY (Mark Gaffney)	E-mail	2.d.	In response to 2.d. There are sometimes reasons based on availability of supply or past performance issues, where we may use different vendors for the same product. Not sure what you mean, "same types of purchases" could you explain more? Seems like this requirement should be balanced against the direct buy limit, we shouldn't have to do a contract if the total spent is low even if the volume is high.	Agencies are to use their best judgment in determining when the same type of purchases would benefit from volume discounts, better pricing, and/or other favorable contract terms.
137	repetitive	DSHS (Ed Maynard)	E-mail	Re: Policy 2. d With regard to repetitive purchases, if an agency makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.	DSHS is a large agency that has many purchasing units that are decentralized which would add an insurmountable amount of administrative time and expense to attempt to track repetitive purchases across an agency that has 17K plus employees. The current DSHS purchasing system, TRACKS, is over 20 years old and will not be able to provide this added function. As well as it is too old of a system to make such changes with OneWashington on the near horizon for the State of Washington. How would an agency predict what it will order and from whom? Especially for large agencies who are decentralized when it comes to their purchasing processes such as DSHS.	Agencies should monitor repetitive purchases even if from different vendors. When the aggregate total of the same type of purchases exceeds the direct buy limit in a fiscal year, the agency must enter into a competitive procurement (e.g. tracked by type of purchase not by vendor). The reasons for conducting a competitive procurement for the same type of purchases include that an agency may receive volume discounts, better pricing, and/or other favorable contract terms. In this way, agencies maximize state resources.
138	Shipping Costs	Everett CC (Jeffrey Pearce)	E-mail	b. Direct buy purchases exclude sales and use tax, and finance charges. Shipping and handling costs are included in the limits.	Shipping and handling are not part of the product. They should not be included in the direct buy limit. I'm not buying shipping and handling. I can't use them. Please don't do this.	Shipping contributes to the overall cost of the product. Vendors do not have control over sales and use taxes, therefore these taxes are not included in the Direct Buy limit. Based on stakeholder feedback, DES has decided to maintain the proposed language which include shipping and handling in the limit(s).
139	Shipping Costs	Grays Harbor CC (Jackie Blumberg)	E-mail	2.b. Direct buy purchases exclude sales and use tax, and finance charges. Shipping and handling costs are included in the limits.	2.b. Direct buy purchases <u>Buy Levels include shipping, and handling costs but exclude sales and use taxes,</u> and finance charges. Shipping and handling costs are included in the limits.	DES has incorporated this feedback into the Policy.

140	Transparency	BDAG	E-mail	<p>Enhancing Transparency</p> <p>One of the biggest barriers to selling to the state is transparency of who is buying what and from whom. This is especially the case for direct buy purchases outside of master contracts. By enhancing the transparency of these transactions, all vendors will have a better understanding of the marketplace which will also lead to the reduction of fraud and abuse.</p> <p>a. WEBS notices: The BDAG recommends that direct buys over \$10,000 be posted on WEBS at the time of the transaction as a public “award” notice that is available on WEBS to every vendor for years in the future. We further recommend the notice in WEBS show the dollar value, name of vendor, commodity code, and what the purchase was for. It is also recommended, but not required, that agencies provide information to help other businesses with market research by listing what was important to the organization for the purchase (i.e. manufacturer, key features, etc.).</p> <p>b. Awards enhancement in WEBS: The BDAG further recommends historical awards notices remain searchable within the WEBS system, as a registered vendor.</p>	<p>Currently, there are a number of data sources where purchase transactions are captured. The annual contract report collected by DES, financial transactions through Agency Financial Reporting System (AFRS), P-Card purchases, and purchases made through Amazon. This information is publicly available through data.wa.gov (DES Contract Report and Amazon purchases) and fiscal.wa.gov (AFRS data) and P-Card data is also subject to public disclosure. However, the current data sources are difficult to distinguish direct buy purchases from other purchases.</p>
141	Unbundling	Grays Harbor CC (Jackie Blumberg)	E-mail	<p>5. Agencies are encouraged to consider unbundling and subcontracting may result in increased purchases from Washington small businesses, to include minority, women, and veteran owned businesses.</p> <p>5. Agencies are encouraged to consider <u>if</u> unbundling and subcontracting may result in increased purchases from Washington small businesses, <u>microbusinesses, minibusinesses, and</u> to include minority, <u>and</u> women, and veteran owned businesses.</p>	<p>DES considered your input regarding the direct buy limit approach and has decided to maintain the current language, as the Direct Buy Level 2 Limit is specific to Washington small businesses (which include minority and women owned businesses) and certified veteran owned businesses.</p> <p>Small businesses are defined, to include certified minority and women-owned businesses, in RCW 39.26.010(22).</p>
142	Unbundling			<p>Agencies are encouraged to consider whether approaches such as unbundling and subcontracting may result in increased purchases from Washington small businesses, to include minority, women, and veteran owned businesses</p> <p>This should be clearly spelled out that Agencies are encouraged to unbundle so that they can consider Washington small businesses, to include minority, women, and veteran owned businesses.</p>	<p>The Policy clearly states this in Section 5.</p>

