

Procurement Reform Update

The 2012 Legislature passed [2SHB 2452](#) to consolidate procurement laws under Enterprise Services. The legislation was designed to make the procurement process more transparent, promote open completion, centralize oversight, encourage/facilitate participation by small business and increase accountability. The changes were codified in chapter 39.26 RCW and took effect January 1, 2013.

General Overview

- The procurement process for goods and services is combined in a single chapter of law. A common approach will be used for goods and services.
- Agency employees who develop, manage or execute contracts must receive training and/or certification to ensure consistent practices.
- Agencies have been delegated authority for purchasing goods and services. Future delegation will be based on a risk assessment process developed by Enterprise Services and stakeholders.
- Agencies must submit sole-source contracts to Enterprise Services for review and approval, but will no longer submit personal-service contracts that are competitively solicited for review.
- Contracts may be awarded based on best value criteria that align with the strategic goals and values of the state.
- Agencies will notify bidders and identify awarded contractors in a central system.
- Agencies will submit data about awarded contracts to Enterprise Services to be maintained in a single searchable public site.
- Enterprise Services will establish rules and guidelines for procurement of goods and services.
- Enterprise Services will be able to debar contractors for cause.

Projects / Initiatives – In Progress/Future Projects

- Procurement Training and Credential Curriculum
- Policies, Best Practices and Models addressing Complaints & Protests, Bonding, Convenience Contracts and Ethics in Procurement, et al.
- Procurement Manual
- Develop 2014 Model Plan
- Risk Assessment Pilot (in tandem with Risk Assessment Review)
- eBid and eSignature

Projects / Initiatives – Completed and Moved to Operations

- Initial Delegation of Authority
- 2014 Risk Assessment Review (in progress/tandem with pilot)
- Debarment Rules and Procedures
- Agency contract reporting (transparency) requirements under RCW 39.36.210
- Small Business Initiatives, including changes to WEBS

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- 2013 Small Business Technical Assistance Report
 - Sole Source, Direct Buys and Emergency Procurement

Current Status

- The training curriculum project kicked off November 2013 with signing of vendor Public Knowledge (PK). PK will assist in building the framework for Washington Procurement Training to meet directives per RCW 39.26.
- The risk assessment pilot project concluded 12/31/13 and updated assessments are being finished for pilot participants.
- The 2014 risk assessment review began March 5, with a letter sent to agencies asking for completed risk assessments by April 9. The goal is to evaluate the assessments and issue updated delegations of authority by June 30.
- The Agency Contract Reporting project concluded with 23 agencies participating. Two additional pilot opt-in periods are scheduled with reporting due March 31 and June 30. Participation in the opt-in opportunities is voluntary and gives state agencies and higher education institutions the ability to report a smaller initial data set. Participants that opt-in are still required to report contracts for the July 1, 2013, through June 30, 2014, period by the September 1, 2014, deadline. Organizations that cannot, or choose not to participate in the opt-in opportunities must report agency contract data for the full period of January 1, 2013 through June 30, 2014 by the statutory reporting deadline of September 1, 2014.
- The Small, Mini, Micro project successfully concluded. This project included updates to WEBS application allow self-certification of Small, Mini, Micro business and incorporate data feeds from the Office of Women and Minority Business Enterprises and Department of Veteran Affairs certifications. A WEBS report to track registration numbers of small and diverse businesses was also deployed. Additionally, two enterprise reports were developed to assess and compare state spend on small and diverse businesses by FY. This report was created to assist in measuring metrics per RCW 42.19.725 and .727.
- Models, Policies and Best Practices – In Process
- DES has issued the following policies:
 - Delegation of Authority (# DES-090-00)
 - Sole Source Contracts (# DES-140-00)
 - Direct Buy (# DES-125-03)
 - Emergency Procurements/Purchases (# DES-130-00)
 - Complaints and Protests (# DES-170-00)
 - Agency Contract Reporting (# DES-210-01)
- The Debarment rule (WAC 200-305) took effect May 20, 2013. Internal administrative procedure training has been completed.

Procurement Reform Questions:

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Procurement Reform Website:

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

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