



Washington State Department of
Enterprise Services

ENTERPRISE PROCUREMENT POLICY WORKSHOP

Presented by:

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Greg Tolbert

Christine Warnock

Farrell Presnell

Workshop Objectives

1. Streamline the policy development process
2. Obtain meaningful feedback on each policy



Housekeeping Items

- **Remote Participation**

To join by phone, call the number below:

Workshop Call-in Number: +1 669 900 6833 **Meeting ID:** 422 418 925

To participate by computer, click on the link: <https://zoom.us/j/422418925>

- **Session attendance:** [Register here](https://www.eventbrite.com/e/2019-enterprise-procurement-policy-workshop-tickets-59924107619)

(<https://www.eventbrite.com/e/2019-enterprise-procurement-policy-workshop-tickets-59924107619>)

- **Emergency evacuation/Restrooms**

- **The power point presentation is available, and is screen reader accessible.**



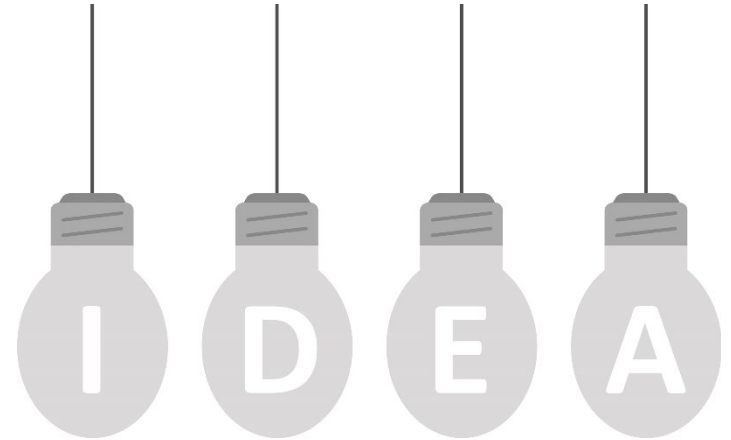
Questions/Feedback

- This workshop is designed for us to listen to your feedback on the focus areas for each policy.
- We are taking notes of all the questions/feedback that are received from participants in the room.
- If you are participating by phone, please provide questions/feedback at DESmiEnterpriseProcurementPolicy@des.wa.gov.
- **FEEDBACK DUE JUNE 13, 2019**
- DES will summarize feedback and share with stakeholders.



Direct Buy Policy

Session Objective:



We want your input on the revised Draft Direct Buy Policy, with a focus on proposed limits as well as the FAQ.



Direct Buy Policy

Summary of changes (from the 9/19/18 workshop draft to current draft):

- Proposed limit increase.
- Added several items to the FAQ document
- Conditions/clarifications added related to:
 - Purchases from a large business's e-commerce marketplace
 - Shipping costs included in the limits
 - Direct buy purchases cumulate annually per vendor
 - Repetitive purchases
 - Direct buy purchases in excess of agency's delegated authority
 - Agencies responsibility to qualify vendors for Direct Buy Level 2
- Clarified the use of DES approved cooperative contracts
- 2 year refresh



Direct Buy Policy

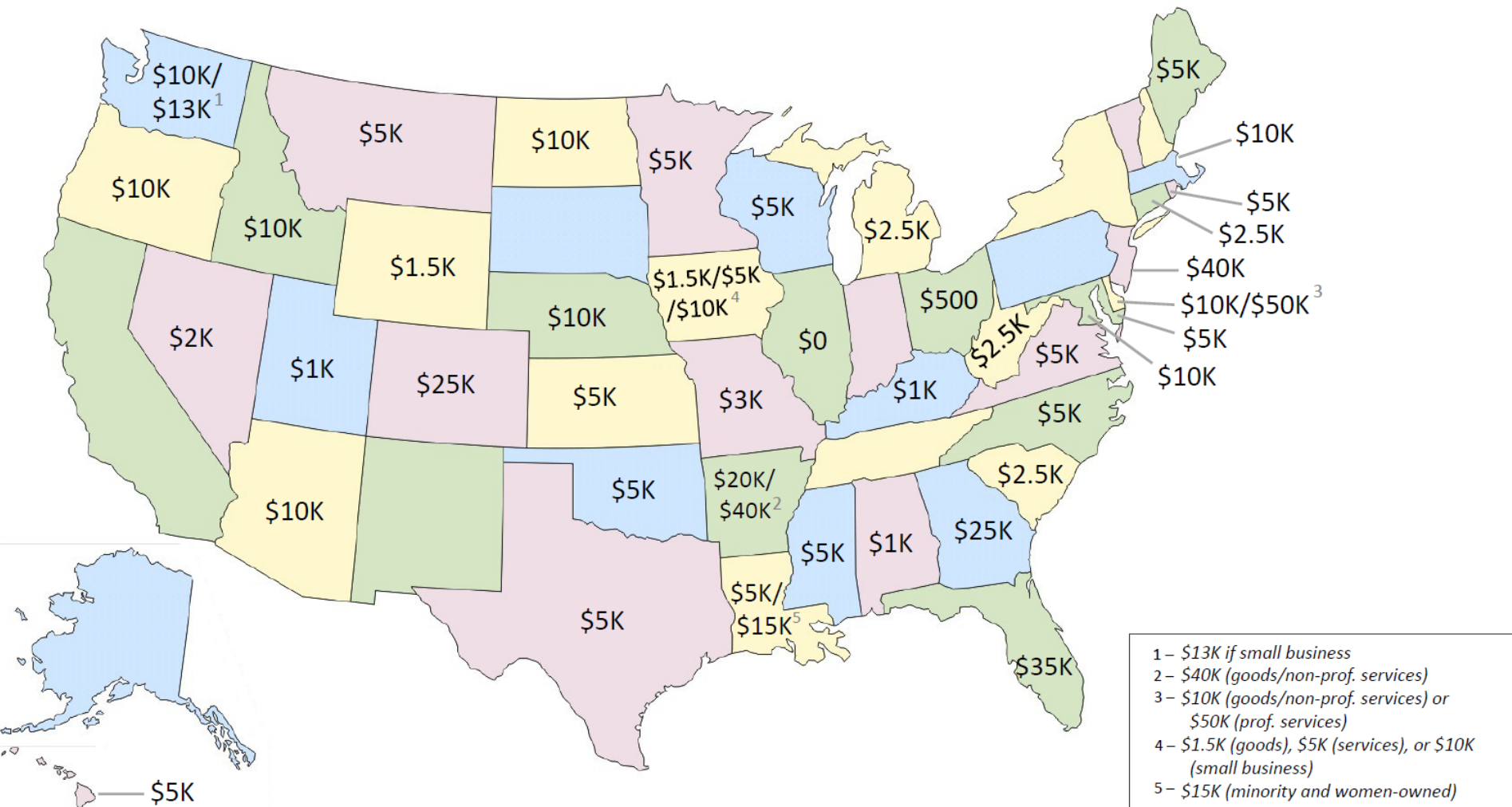
Proposed Limits:

Current Limit	Proposed Limit	
\$10,000	\$30,000	Purchases from all vendors
\$13,000	\$40,000	Purchases from WA small businesses or certified veteran-owned businesses



Direct Buy Policy

Figures derived from NASPO's 2017 Survey and may not reflect current limits



Direct Buy Policy

Feedback discussion:

- The proposed limits
- The [FAQ](#) and [Policy](#)
- Do proposed policy documents improve clarity?



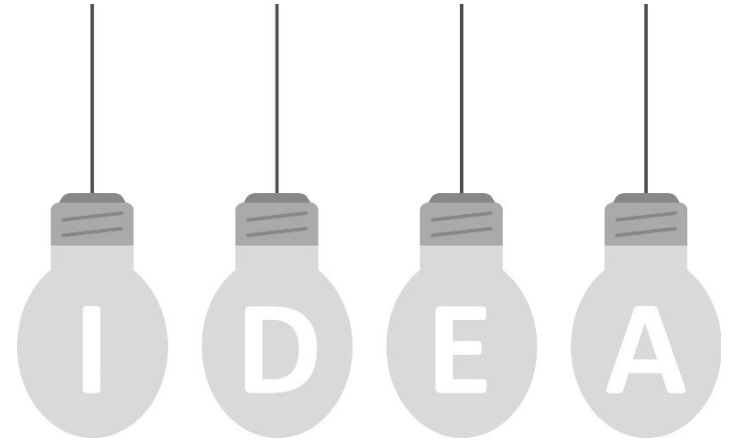
Next Steps

- Please provide feedback by June 13th
 - Feedback options
 - E-mail at DESmiEnterpriseProcurementPolicy@des.wa.gov
 - Contact one of the Enterprise Procurement Policy team members
- Target completion: July 2019



Executive Order 18-03

Session Objective:



We want your input on the proposed Executive Order 18-03 (Supporting Workers' Rights to Effectively Address Workplace Violations) policy.



Greg Tolbert Presenting



Environmental Policies




Session Objectives:

- **We want your input on the three new proposed Environmental policies**
- **We want your input on some tools and guides that make managing the environmental policies more efficiently.**

Environmental Regulatory Framework

RCW 43.19.663 & RCW 39.26.160 (3)(d) & 43.19A.070 (2)

Clean Technology is a broad base of processes, practices and tools, in any industry that supports a sustainable business approach, including but not limited to: pollution control, resource reduction and management, end of life strategy, waste reduction, energy efficiency, carbon mitigation and profitability.




Choose Products that don't contain persistent toxic chemicals. RCW 70.76, EO 04-01 & EO 18-01



Choose Environmentally Responsible Vehicles & Fuels



Choose Recycled Products
RCW 39.26.255
RCW 43.19a.040(2)
WAC 200-300-085



Choose Environmentally Responsible Electronics
RCW 39.26.265(1)

Choose PCBs Free
RCW 39.26.280/290

Choose electric vehicles RCW 39.26.090(10)
EO 14-04

Choose Strawboard
RCW 43.19a.020(2)

Choose Mercury Free
RCW 70.95M.060(2)

Choose Biofuels, clean fuels
RCW 43.19.642-.647,
RCW 43.19.637 & .648

Choose Environmentally responsible paper.
RCW 39.24.050
RCW 39.26.255
RCW 39.30.050
RCW 43.19A.022(1)
WAC 200-300-085
EO 05-01

Choose PBDEs free
RCW 70.95M.080

Choose products that don't contain HFCs
RCW: TBD

Choose food packages and firefighting chemicals without per-fluorinated (PFA/PFC) chemicals
RCWs: 70.75A.020, 70.95G.070

Choose products aren't hazardous RCW 43.19A.070 (2)

Environmental Policy

- Here are the laws we are addressing today:
 - RCW 39.26.255 – Recycled Products Preference
 - RCW 39.26.265 – Electronics Products Preference
 - RCW 70.95M.060 – Mercury Reduction Preference



Environmental Policy

Recycled Content Purchasing Preference Policy #DES-255-00:

- Proposed preference percentage of 10%
- Clarify ties to all related statutes, rules, federal guidelines, etc.
- Clarify products impacted
- Identifies exemptions
- Includes a mandatory training program related to environmental purchasing
- Identifies policy compliance requirements
- Created a [Draft Procedure](#) to complement the policy
- [Developed a FAQ](#)



Environmental Policy

Electronic Products Purchasing Preference Policy #DES-265-00:

- Proposed preference percentage of 5-10%
- Clarify products impacted
- Identifies exemptions.
- Includes a mandatory training program related to environmental purchasing
- Identifies policy compliance requirements.
- Created a [Draft FAQ](#)



Environmental Policy

Mercury Free Products Purchasing Preference Policy #DES-70.95M.060-00:

- Identify the product categories impacted
- Proposed preference percentage of 5%
- Identifies exemptions
- Refers to the proper disposal of mercury-added products
- Includes a mandatory training program related to environmental purchasing.
- Identifies policy compliance requirements.
- Includes penalties



Environmental Guide and Tools



A quick [Decision Tree](#) that will tell you exactly which environmental requirements you need to apply to your specific procurement- In less than five minutes.



[A Comprehensive list of products and specifications](#)



[A Desk Aid](#) that includes *all that is above* along with:

- Step by Step Instructions
- FAQs
- Sample Language
- Examples

Environmental Policy

Feedback discussion:

- Are the draft policies clear?
- What tools would be helpful for implementing the consolidated approach to these policies?



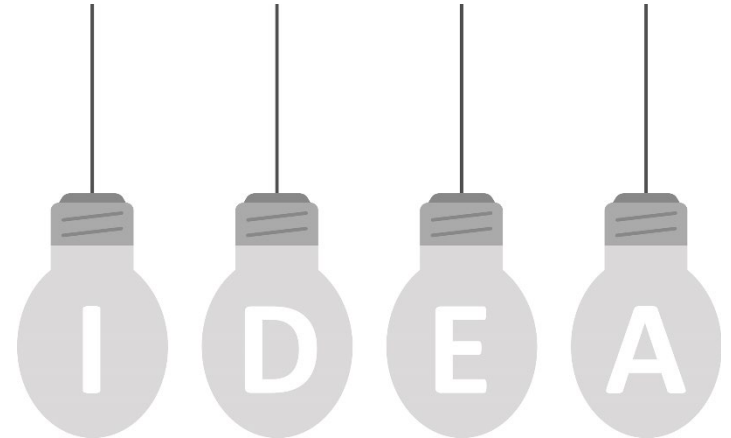
Next Steps

- Please provide feedback by June 13th
 - Feedback options
 - E-mail at DESmiEnterpriseProcurementPolicy@des.wa.gov
 - Contact one of the Enterprise Procurement Policy team members
- DES will compile feedback and make appropriate revisions to policy documents
- Draft policy(ies) will be sent to stakeholders for further review and input



Contract Management Policy

Session Objective:



We want your input on a new proposed Contract Management policy concept.



Contract Management Policy

- Why a Contract Management Policy?
 - RCW
 - SAO
 - Governor

- Research



RCW 39.26.080(2)

- **Procurement policy—Director's responsibility and authority—Master contracts.**

(2) The director is authorized to adopt rules, policies, and guidelines governing the procurement, contracting, and ***contract management*** of any and all goods and services procured by state agencies under this chapter.



RCW 39.26.180

Contract management.

(1) The department must adopt uniform policies and procedures for the effective and efficient management of contracts by all state agencies. The policies and procedures must, at a minimum, include:

(a) Pre-contract procedures for selecting potential contractors based on their qualifications and ability to perform;

(b) Model complaint and protest procedures;



RCW 39.26.180

- (c) Alternative dispute resolution processes;
- (d) Incorporation of performance measures and measurable benchmarks in contracts;
- (e) Model contract terms to ensure contract performance and compliance with state and federal standards;
- (f) Executing contracts using electronic signatures;



RCW 39.26.180

(g) Criteria for contract amendments;

(h) Post-contract procedures;

(i) Procedures and criteria for terminating contracts for cause or otherwise; and

(j) Any other subject related to effective and efficient contract management.

[Sections 2 -5 were deleted because the sections are about contract requirements like Performance Based contracting and access to data]



SAO Audit Performance Audit

The audit called “Contract Assurances for Vendor-Hosted State Information Technology Applications” looked at:

- Whether state agencies included appropriate language in their contracts with IT vendors requiring them to comply with IT security requirements
- Assessed whether agencies are using leading practices when monitoring their IT vendors
- Assurances agencies are including in their contracts to protect the state in the event of a data breach



SAO Audit Findings - DES

2. Finalize policies and procedures to help agencies monitor IT contracts effectively and efficiently.

DES Response – DES offers a basic contract management training and is in the process of developing an advanced contract monitoring training, which will include procedures. ***An enterprise contract management and monitoring policy will also be adopted.***



Governor

- Expressed concern with state agency's contract management practices
 - Are agencies including contract language that ensures vendor performance
 - Concerned the state is not getting what it bargained for



Contract Management Policy Research

- States

Oregon

Texas

Virginia

Maine

California

Maryland

North Carolina

- WA-State Contract Management Manual
- NASPO Contract Administration Best Practices Guide



Research Results

- Common Topics:
 - Roles and Responsibilities (assigning a contract manager)
 - Contract Monitoring Plans
 - Kick-off Conferences
 - Monitoring Contract Performance
 - Receiving Goods and Services
 - Payment



Research Results

- Common Topics (cont.)
 - Managing Contract Issues and Disputes
 - Terminating Contracts
 - Contract File
 - Training



Contract Management

- What does your agency need in a contract management policy?
- What is needed to ensure successful implementation of the policy?
- Should the policy be based on aspects of the Contract Management Training?



DES Enterprise Procurement Policy (EPP)

EPP Staff	Phone/E-mail	Areas of Concentration
<p>Drew Zavatsky Risk Assessment Manager</p>	<p>(360) 407-7915 Drew.Zavatsky@des.wa.gov</p>	<p>Risk Assessments, Delegations of Authority requests, Sole Source/Emergency Filings, Delegation of Authority & Sole Source policies</p>
<p>Christine Warnock Strategic Business Initiatives Manager</p>	<p>(360) 407-9398 Christine.Warnock@des.wa.gov</p>	<p>Enterprise Procurement Policies, Sole Source/Emergency Filings</p>
<p>Farrell Presnell Enterprise Procurement Policy Manager</p>	<p>(360) 407-7937 Farrell.presnell@des.wa.gov</p>	<p>Enterprise Procurement Policies, Sole Source/Emergency Filings, Delegations of Authority requests</p>
<p>Enterprise Procurement Policy</p>	<p>DES' Enterprise Procurement Policy mailbox.</p>	

Enterprise Procurement Policy website:
<https://des.wa.gov/about/projects-initiatives/procurement-reform/current-policies>

