

EXECUTIVE DEPARTMENT

STATE OF CALIFORNIA

EXECUTIVE ORDER W-73-94

WHEREAS, the State of California purchases goods and services worth \$4 billion annually to support the operation of state agencies and institutions; and

WHEREAS, The Wilson administration has undertaken the task of reforming state government, to fundamentally transform the way it does business; and

WHEREAS, the procurement function must consider new technology and state-of-the-art materials, equipment and practices to enhance its value and improve customer service by providing the best quality, value and cost effective materials and services on a timely basis;

NOW, THEREFORE, I, PETE WILSON, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and statutes of the State of California, do hereby issue this order to become effective immediately:

1. The Department of General Services (DGS), Office of Procurement shall undertake a comprehensive procurement reform initiative guided by the Governor's vision to create a process that is effective and user-friendly, while maintaining public trust with the assurance that each tax dollar used to purchase goods and services will be used in the most efficient manner.
2. The goal of the procurement reform initiative shall be to ensure that all customers (user agencies and institutions) receive the materials and services required to carry out their respective duties in a timely manner. The procurement initiative shall consider, but not be limited to, the following:
 - a. The current organizational structure for the Office of Procurement is a centralized, control oriented function. Consideration shall be given to a decentralized, service oriented procurement function with dedicated procurement professionals housed within the customer organization. The advantages of economies of scale shall be considered in the decision process.
 - b. Consideration shall be given to delegating procurement authority to each customer organization to allow faster procurement of materials and services.
 - c. Consideration shall be given to creating a "core" procurement oversight office within the DGS to ensure the integrity of a radical new procurement process involving decentralized procurement authority. This office would be charged with maintaining public trust and ensuring equal access.

- d. Consideration shall be given to the latest state-of-the-art computer and data processing technology to reduce or eliminate the current massive paper-generating process.
 - e. Consideration shall be given to state-of-the-art procurement processes and techniques in use in industry, government and educational institutions.
 - f. Consideration shall be given to legislative changes needed to implement and support a new procurement process and to take procurement into the 21st century.
3. A procurement reform seminar shall be convened to take advantage of the considerable procurement knowledge and expertise in industry, government and educational institutions. The seminar shall seek testimony by business, government and education leaders regarding their view of state procurement, new technology and processes in the procurement field and recommendations regarding the state procurement function.
 4. The Department of General Services shall appoint a Procurement Reform Steering Committee following the procurement reform seminar to provide expert guidance to the Office of Procurement for adoption and implementation of procurement reform initiatives.
 5. As an integral part of this reform initiative, the Department of General Services, Office of Procurement will immediately undertake an outreach initiative to businesses affected by military base closings. The outreach initiative will focus on streamlining the certification process and the conduct of workshops to facilitate access to the State's procurement process.
 6. All state agencies and institutions shall cooperate with the Office of Procurement and provide whatever assistance and information is required to successfully carry out this order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 10th day of February 1994.

Governor of California

ATTEST:

Secretary of State