



# THE BASICS

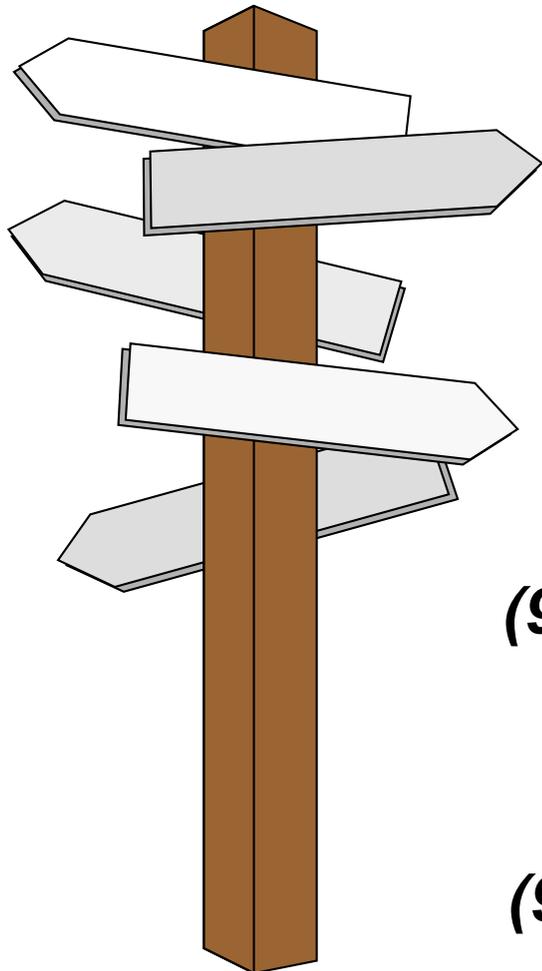
## *THE NEW BUYERS ROADMAP TO SUCCESS*

*Robert French*

*(916) 324-2686 bob.french@dgs.ca.gov*

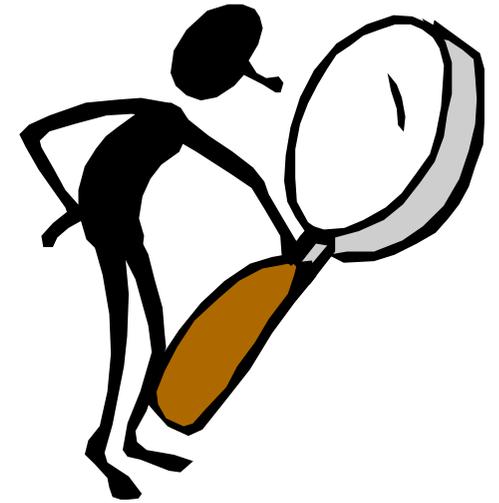
*Joyce Henry*

*(916) 327-7301 joyce.henry@dgs.ca.gov*





# OVERVIEW

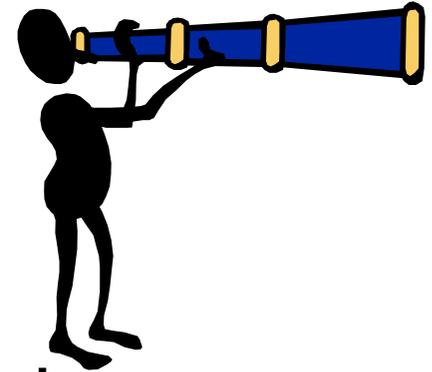


- Legal Concepts
- Categorizing the Buy
- Alternatives - “*Purchasing Flexibility*”
- Defining Requirements
- Single/Sole Source Acquisitions



# OVERVIEW

- Solicitation Development / Administration
- Developing Evaluation Criteria
- Evaluation Process
- Awarding the Contract/Purchase Order
- Post-Award Administration





***How Contracts Are  
Formed:  
The Legal Elements  
of a  
Legally Enforceable  
Contract***



# LEGAL ELEMENTS

- **Mutual Agreement**

- Offer
- Acceptance
- Consideration



- **Capable Parties**

- **Legal Purpose**



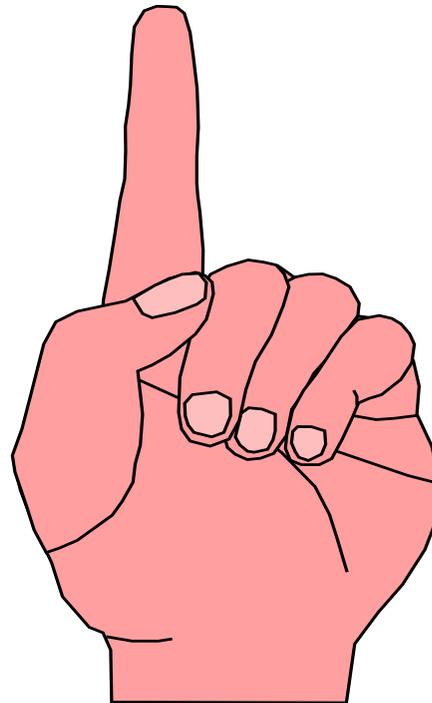


# The State Process

<u>Invitation</u>	<u>Offer</u>	<u>Acceptance</u>	<u>Other</u>
Price List/ Catalog	PO	Ack'lgd	
RFQ/RFP /IFB	Quote or Proposal	PO PO	Ack'ldg



# Keep in Mind.....





# ENFORCEABLE CONTRACTS

- In Writing if Over \$500
- Must Identify All Affected Parties
- Subject Matter Must be Clear
- Essential Terms - Quantity Specified Controls
- Must be Signed by Party to be Charged with Performance



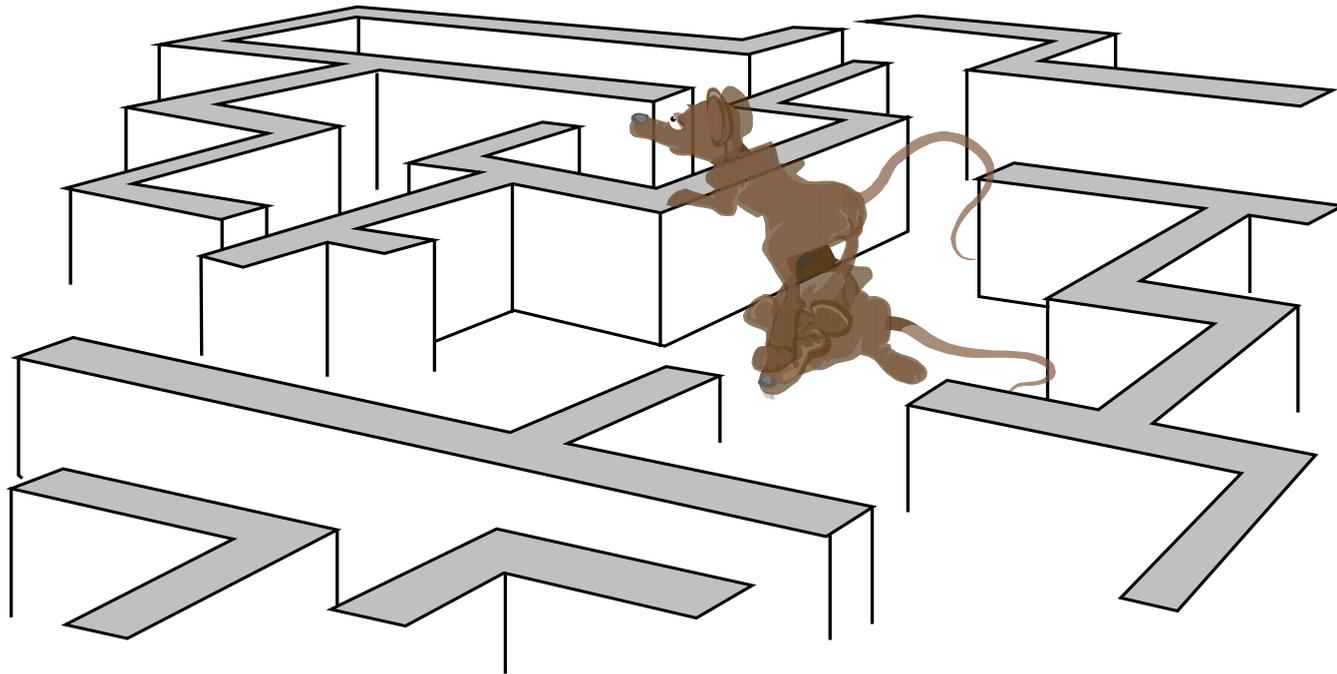
# TERMINATION OF OFFER

- Rejection/Counteroffer
- Events of Law
- Lapse of Time
- Revocation



# CATEGORIZING THE BUY

- Which way in the State maze do you go?





# CATEGORIZING THE BUY

- Commodity?
- Information Technology
- Services?
- Consulting Services?
- Architectural and Engineering?
- Public Works?
- Combination?





**SO NOW WHAT?**

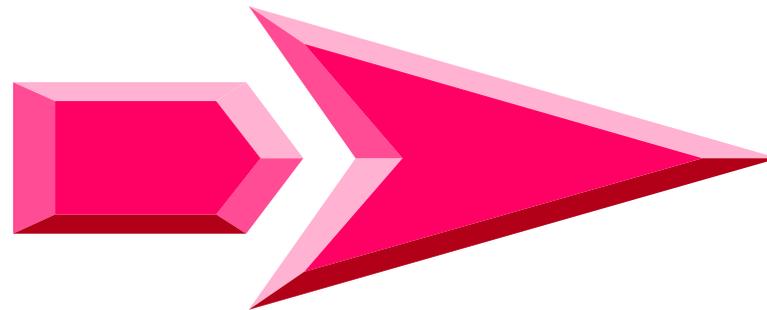


**DO I HAVE**

**TO DO A BID?**



# ALTERNATIVES





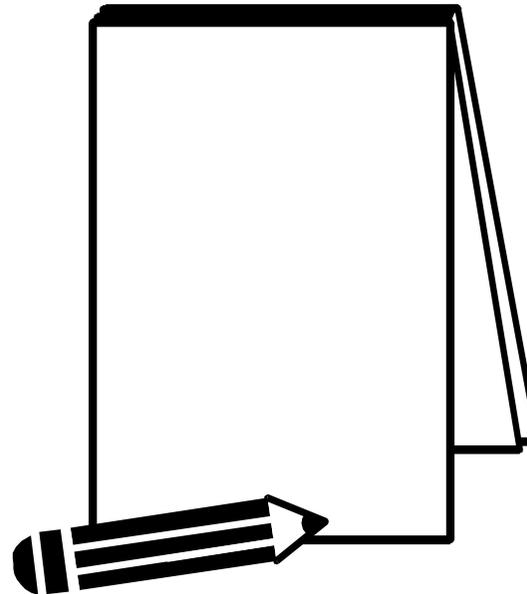
# ALTERNATIVES

- The State's "Shopping Mall"
  - CMAS
  - Leveraged Procurements (Masters)
  - California Computer Store
  - Many Others ("*Purchasing Flexibility*" flyer)
  - Delegations - *NOTE!!*





# DEFINING YOUR REQUIREMENTS





## **DEFINING REQUIREMENTS**

- **Know The Business Need**
- **Have a Good Understanding of:**
  - **What is it?**
  - **How does it work?**
  - **Industry standards**



## **DEFINING REQUIREMENTS**

- Survey the Marketplace**
- Conduct a Pre-Bid Conference**
- Actively Develop the Potential Suppliers**
- Small Businesses - AB 835**



## **DEFINING REQUIREMENTS**

- **State Your Requirements Very Clearly - What is Your Objective for this Solicitation?**
- **Only One Interpretation**
- **Don't Ask for More Than You Need**
- **Options - Anticipate the Future**
- **Be Prepared to Explain Requirements**



# **SINGLE/ SOLE SOURCE ACQUISITIONS**

- **Allowable by Statute**
  - **PCC 10301, 10348, 10380, 12102**
- **Policy Direction**
  - **Executive Order W-103-94**
  - **Management Memo 96-16**



# SINGLE/SOLE SOURCE ACQUISITIONS

- **Written Justifications**
  - **No Need to Justify Why You Need the Service or Good**

**HOWEVER!!!**

- **You DO Need to Justify WHY The Service or Good Cannot Be Competitively Bid**



## **SOLICITATION DEVELOPMENT**

- **Solicitation Package Must Be Complete**
- **Must Cover the “What If’s” - Unanticipated Tasks**
- **Acceptance Testing?**
- **Who’s Responsible for What: Who? What? When? Where? Why? And How?**



# FACSIMILE BIDS

- Okay for Informal Bids
- Telephone Recipients
- Keep Confirmations





# SOLICITATION ADMINISTRATION

- **Communications**
  - Single Point of Contact is **Critical**
  - Confidentiality is **Critical**
  - **Do Not** Reveal Information about other suppliers
  - **Do Not** Discuss Pricing
  - **Do Not** Discuss Bid During Evaluations
  - **Do** Refer Calls to the Project Leader



# SOLICITATION ADMINISTRATION

- Document Your Files Thoroughly

- Tell the story



- Use Addenda to Make Changes

- No verbal changes



- Maintain a Level Playing Field

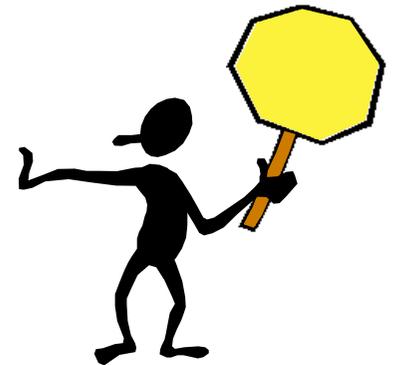
- Treat all suppliers equally





# CONSTRUCTING EVALUATION CRITERIA

- What's Important to You?
- *Must* Identify *All* Evaluation Criteria Up Front
- Must Be Quantifiable/Measurable
- Mandatory Requirements?
- Be Prepared to Explain
- Include Responsibility Requirements - experience, facilities, reputation, financial resources, and other criteria.





# EVALUATION PROCESS

- Supplier must be RESPONSIVE
  - Was the bid received on time and in the manner required by your solicitation?
  - Does the bid answer/address all requirements?
  - Does the bid meet all administrative requirements?
  - Is the signature an authorized representative of the supplier?
  - Does the proposed equipment or service meet all of the technical requirements?



# EVALUATION PROCESS (CONTINUED)

## RESPONSIVE (cont'd):

- Are there any “material” deviations?
- Is the bid conditional in any way?
- Is the math correct?
  - See Bidders Instructions, Section 4 for direction on mistakes in pricing



# EVALUATION PROCESS

## (continued)

- Supplier must also be RESPONSIBLE
  - Experience
  - Facilities
  - Reputation
  - Financial resources
  - Other criteria unique to procurement
- Mistakes? Withdrawals?



# EVALUATION PROCESS

**(continued)**

- **Is supplier claiming any preferences?**
  - **Verify small business status with the Office of Small Business Certification and Resources**  
**([www.dgs.ca.gov/osbcr](http://www.dgs.ca.gov/osbcr)) or**  
**call 916-322-5060**
- **Document the file**
  - **Informal bids, can use the quote worksheet**
  - **Formal bids, use the Procurement Summary**



# REALITY CHECK

## OVERVIEW

- Prepared and Issued Solicitation
- Received and Opened Bids
- Completed Evaluations



# AWARDING THE CONTRACT

- **Notify intended awardee**
  - **Informal Solicitations: by delivering contract/PO**
  - **Formal Solicitations: Always in writing**
    - **Formal Commodity Solicitations Have Special Requirements**
- **NO CHANGES!**
- **Document the file**





# POST-AWARD

## ADMINISTRATION

- Transaction is still “LIVE” (the story continues)
- Monitor performance
- Changes
- Disputes
- Termination - For Convenience/Default
- **DOCUMENT! DOCUMENT! DOCUMENT!**



# QUESTIONS?

*Call Procurement!*

*Business Development Unit*

*Glenn Ford (916) 324-4518*

*(800) 559-5529*

*custserv@dgs.ca.gov*



## A WORD FROM OUR SPONSOR...

- Resources
  - *“Purchasing Flexibility Flyer”*
  - *“Summary of Requirements”*
  - *“Excerpts”*
  - *“California Acquisition Manual (CAM)”*
  - [www.dgs.ca.gov/pd](http://www.dgs.ca.gov/pd)
- CAMMI Classes
  - *“Legal Purchasing Considerations”*
  - *“Procurement 101” - New!*
  - **And Many More!**
- Other CalPro Workshops





*THANK YOU!!*

*Remember to fill out your  
Evaluation Form!*

