

The Buyer Flyer

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Quarterly Newsletter of The Procurement Community of Practice

More Efficient Evaluations

How much time do your evaluation processes take? Too much? Would you like to make this process more efficient so that you can get through it faster without compromising the results and documentation?

If so, here's the first of four articles full of hints and tips that you could build into your solicitation processes to get you there.

How much information do you need to differentiate proposals?

We often ask proponents to explain everything that they will do or have done that might relate to our contract. Is this really necessary? For example, for the purposes of selecting a contractor, does it matter how a proponent intends to report on deliverables?

Instead, consider rewording these important-for-the-contract-but-not-the-solicitation elements. Instead of saying "Proponents should have an approach to reporting that includes..." try "The Contractor will report by ..." This simple change creates a term that will be in your contract, but that requires no response and no evaluation.

Another option is to finalize details with the successful proponent rather than evaluate in all responses. Using the reporting example above, the solicitation document could state "The Contractor will report by ...", and then add the following: "The Province will work with the successful Proponent during Contract finalization to document the process that ensures accuracy of this reporting." This additional sentence means that the process to ensure reporting accuracy will be in the final contract, and allows you to discuss and work out issues and concerns with just the one proponent. Of course, the final details and solutions cannot be contrary to anything that was said in the solicitation document or the response – remember your Contract A obligations!



Upcoming Courses



PCMP 110: Procurement Foundations
Ongoing—Online

PCMP 201: Contract Mgmt Planning
Sept 11/2013 - Victoria
Sept 19/2013 - Vancouver
Jan 14/2014 - Victoria

PCMP 202: Contract Solicitation, Award & Monitoring
Oct 1/2013 - Victoria
Oct 29/2013 - Vancouver
Feb 6/2014 - Victoria

PCMP 203: Administering & Evaluating Contract Performance
Oct 24/2013 - Victoria
Oct 30/2013 - Vancouver
Feb 26/2014 - Victoria

PCMP 302: Requests For Proposals
Nov 26/2013 - Victoria
Dec 4/2013 - Vancouver

PCMP 305: Negotiation Skills
Sept 16/2013 - Victoria
Nov 19/2013 - Vancouver
Dec 3/2013 - Victoria

What Is Your Procurement Hot Topic?



What would you like to see discussed in an upcoming webinar or newsletter article? We will endeavour to address the issues you find important. Provide feedback on topics of interest to debbie.owen@gov.bc.ca

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Message From The Steering Committee

It's hard to believe that it's been almost one year since we launched the Procurement Community of Practice (PCoP). In such a short time, it is incredible how successful the PCoP has been, thanks to all of our hard working committees and our amazing members – like you!

We started off with our launch event on November 30, 2012, where we had 54 attendees in-person plus another 47 joining us via Live Meeting. Who can forget that rousing game of Procurement Jeopardy, or the introduction of our Vision:

The Procurement Community of Practice (PCoP) is a forum for all government staff engaged in procurement and/or contract management, to openly and respectfully share and exchange information, knowledge, expertise, advice and ideas relating to procurement and contracting processes. Members participate in the PCoP to contribute to, and benefit from, good procurement and contracting practices across government, through problem solving, innovation, capacity development, the introduction of new strategies and initiatives, and other priorities.

Since the launch, we have held three webinars (with more than 90 participants in each!), two of which you can access from our SharePoint site (<https://purchasing.gov.bc.ca/pcop/Pages/Default.aspx> under the link “webinars”). We have also posted documents and links for 8 templates, 3 samples, 2 tools, and 9 reference documents. We're always looking for more information to post – please let us know if you have something that you find really useful in the world of procurement that you'd like to share.



We have more great informational sessions coming your way. After a break over the summer, we have another webinar planned for September 17th, “Managing Your Procurement and Contract Information: How good records management practices can assist you through an FOI or Audit Adventure”. We are

also working on additional sessions in October, December, January and February, as well as our annual big event scheduled for the morning of November 12th where you can join us in-person or via Live Meeting. We will celebrate our first year and review a draft of the upcoming two page RFP in order to get input from those who will be using it.

If you haven't yet signed up to be a PCoP member, don't be shy – it's free, super easy, and will give you all kinds of access to useful information as well as contacts to help you through your stickier procurement situations. Just go to the website noted above and click on “Become A Member” on the top right. There's a quick form to fill out, and once we confirm that you're not a contractor, you are added to our list of members. We welcome (in fact, we encourage!) your suggestions for new webinar topics, useful information to post and topics that you'd like to see covered in this quarterly newsletter.

And finally, all of us on the Steering Committee want to convey how much we've enjoyed working with such a diverse and dynamic group as the B.C. government procurement professionals. We have learned so much from you over this past year and hope that you get as much from everything the PCoP offers.



Steering Committee Members

- Derek Cockburn, CSCD
- Jacoba Corrigan, FLNR
- Liz Lowe MTIC
- Duncan McLelland MTIC
- Deb Owen MTIC
- David Pilling FIN
- Kai Robinson MTIC
- Dawn Stewart GCPE
- Lisa Tan MSD

Feel free to contact members about issues or ideas.

The Ins and Outs Of Daily Vehicle Rentals

When I managed the Daily Vehicle Rental Corporate Supply Arrangement (CSA) I was often asked “why is the daily rate through the CSA sometimes higher than the rate outside of the CSA? I thought the CSA is supposed to save us money”. This is a fair question. At first blush it can look like we’re paying more through the CSA. Below I provide answers and, hopefully, illustrate how important it is in any procurement to consider all costs and look beyond the price to the actual value we receive for that price.

The answer to the question is that an apples-to-apples comparison of the daily CSA and non-CSA rates isn’t so simple. Let’s look, for example, at renting a compact car at the Vancouver Airport in November. I checked a couple of rental company websites and the lowest daily rate I could find was \$24.00....seems like a pretty good deal compared to the lowest CSA rate of \$30.00.

Here’s the first problem: the daily rate is just one part of the total price of renting a vehicle. Whereas the CSA rate is all-inclusive, the \$24.00 rate doesn’t include the myriad fees that rental companies charge on top of their regular daily rate. After adding the daily ‘Location Fee’ of \$4.67 and ‘Energy Recovery Fee’ of \$0.81, your \$24.00 rate becomes \$29.48. “Ah ha!”, you shriek. “That’s still \$0.52 cheaper than the CSA rate”. Well...yes, but it’s still not so simple. Fees aren’t the only thing that’s not included in the \$24.00 rate.

Let’s look at some added value you get through the CSA that you don’t get through the \$24.00 rate. First is insurance. Through the CSA any cost for damage to your rented vehicle above set deductibles is covered. If you pay with your Travel Card then, in most cases, the deductibles are covered too (similar coverage would cost you \$25.95 a day on top of the \$24.00 rate, by the way). Second, you get \$2 million dollars of third-party liability coverage (most rental companies will only provide \$1 million outside the CSA). And finally, when you rent through the CSA, you’re renting under terms and conditions written by the Province rather than the rental company. In short, through the CSA you get coverage for damage to your rented vehicle, \$1 million dollars more coverage for damage caused to third-parties, and terms and conditions that are written to protect you and the Province. Not bad for \$0.52 more.

Here’s something else of value you get through the CSA: set pricing. You might be wondering why, here in the heat of summer, I used renting a vehicle in November for my example above. The reason is that winter was the only time of year I could find a non-CSA rate that, at face-value, was less than the CSA rate. Rental companies raise and lower their regular rates throughout the year to reflect demand; the CSA rate is the same year round. That compact car rented in November for \$24.00 would cost \$59.00 in July. Through the CSA, it’s \$30.00 year round.

When we compare price, such as CSA to a non-CSA rates, we need to consider everything we get for the price. Small differences in price can sometimes come with large differences in value.

- Kai Robinson, Procurement Specialist

CSA Updates/ Changes

CSA For Temporary Help Services

Platinum Personnel & Business Services Inc., which offers its services in the Okanagan and Kamloops, now has an office in Kamloops. Previously, services for Kamloops were being managed out of their Kelowna office. See the CSA page of the PSB website for more details.



Do You Need A CSA?

Do you find yourself ordering the same products over and over again? Do you suspect that there are others just like you, in other ministries, ordering those same products? Send PSB an email to see if they can set up a Corporate Supply Arrangement that everyone can use, saving time and process costs.
procurement@gov.bc.ca



*Be the yardstick of quality.
Some people aren’t used
to an environment where
excellence is expected.*

- Steve Jobs

Green Procurement

My name is Sol Reeve and I specialize in green procurement. Before working for the Province I studied sustainable product design. I learned that each item we buy is important to the environment: the materials they are made of (are they toxic? are they recyclable, or will they hang around forever in a landfill?) and the amount of energy they use (not just when we plug them in, but when they are made, and delivered to us). So I know that **as purchasers our choices can make a real difference.**



Because we purchase an amazing array of things, both goods and services, and because lots of folks across government do the purchasing, with help from lots of colleagues I created some generic reference materials that everyone can use.

The [Easy Green Guides](#) - These are a series of short guides to greening various aspects of the work place, like meetings, travel and waste reduction. The [Green Purchasing](#) web page - This site explains, in simple terms, why we should be purchasing green, what to look for in environmental labels, and what makes something greener if it doesn't have a label. It talks about avoiding purchasing, considering environmental costs in your initial price, and what to look for in packaging. The "[Buy Goods](#)" and "[Buy Services](#)" sections are set up for Procurement gurus, where they can **copy and paste environmental criteria** into ITQs or RFPs. The Goods section lists environmental specifications for some typically purchased products (got one that's not on the site? [send it to me](#)) The Services section offers criteria related to: travel and transportation; equipment and supplies; reports and manuals; conferences and workshops; facilities; and waste reduction.



There is also an hour long [Green Purchasing webinar](#) on the Live Smart BC site that combines office products and environmental criteria for competitive procurements.

If you're interested in green procurement, let's [keep in touch!](#)

- Sol Reeve, Procurement Specialist

Three Provinces Join Together For Fleet Procurement

The Provinces of British Columbia, Alberta and Saskatchewan are working in collaboration on a joint procurement framework for vehicles under the New West Partnership Trade Agreement. Together, these three provinces have harmonized their vehicle purchasing requirements across one hundred vehicle types. Through this joint procurement initiative, the provinces expect to streamline vehicle procurement processes for government.

The vehicle manufacturing industry has voiced unanimous support for the initiative, which also streamlines their ability to conduct business with the provinces. Common terms and conditions have been completed which provide a framework for future collaboration on other commodities across the three provinces.



The Joke's On Us...Or Is It?



In putting this, our first newsletter, together, we thought we would add in a few lighter elements, perhaps a joke about the profession of procurement or contract management.

Guess what?

There aren't any. So here is our challenge to you: You have seen the jokes about other professions such as "old lawyers never die, they just lose their appeal". How would you complete this joke if it was about buyers/ procurement officers or contract managers?

Complete the jokes below and send your completed joke to debbie.owen@gov.bc.ca and we will share a couple in the next edition.

Old Purchasing Officers never die, they just_____.

Old Contract Managers never die, they just_____.



How To Stay Out Of The Procurement Spotlight

- By Diana Lucas, Manager of Contract and Procurement Services, EDUC

- 1. Govern procurement practices in accordance with New West Partnership Trade Agreement, Agreement on Internal Trade and [Capital Asset Management Framework](#).** Any departure from the general standard should: be based on exceptions recognized within the agreement or framework; be based on decisions made at appropriate senior levels; and be properly documented to ensure accountability and transparency in the expenditure of public funds.
- 2. Avoid direct award.** They are difficult to justify publicly. Use only for small dollar contracts and/or if they meet one of the exceptions recognized in [Core Policy](#). Document a compelling rationale that will withstand public and audit scrutiny and get approval to proceed from higher up. Proposed procurements valued greater than trade agreement thresholds should always be openly competed on BC Bid if a direct award within policy is difficult to justify.
- 3. Use mandatorics with caution.** Precisely word them – they need to be very clearly described in terms of “pass/fail” or “yes/no”. If they are too rigorous, they may eliminate key vendors; if too vague, they may be subject to dispute. Use sparingly in RFPs - you are better off to express almost everything as being desirable, and not mandatory, which enables you to accept an otherwise great offer that may have missed on one point.
- 4. Avoid conflicts of interest.** Employees must not enter into, nor continue to administer, an RFP, tender or contract where the consequences of doing so may result - or may be perceived to result - in a conflict of interest situation. The potential for conflict is particularly high at the contract award phase. Report any actual or perceived conflicts and remove yourself from the situation until cleared by supervisor or management.
- 5. Don't accept materially non-compliant bids.** There are huge risks in accepting such a bid. A tender or RFP package cannot be made “bulletproof” – the 2010 Supreme Court of Canada’s decision in the Tercon versus B.C. case shows a tendering authority cannot necessarily rely upon an exclusion of liability clause.
- 6. Steer clear of using undisclosed preferences.** Inform all bidders of preferences, biases and information within your knowledge which would potentially influence interest to bid and bid prices. You cannot change or make up new evaluation criteria after the RFP closing date.
- 7. Disclose all evaluation criteria, weightings and methodology in the RFP.** Ensure evaluation criteria are as clear, relevant, defensible and objective as possible. The evaluation committee’s goal is to determine the relative merits of all proposals in a fair and consistent manner. Evaluate proposals using the same criteria and only that which is published in the RFP.
- 8. Get it in writing.** [Core Policy](#) requires contracts to be put in writing and signed by both parties before the work/service commences. Verbal contracts are legally enforceable and can be sued upon successfully. They commonly come into dispute regarding terms as nothing is written which then becomes a question of credibility that only a Court can decide. The grief and potential cost of these risks are too great.
- 9. Monitor the contract effectively.** Getting good results on contracts depends a lot on effective monitoring. Communicate with the contractor right from the start. Request progress meetings or reports. Monitor the contractor’s performance in a timely fashion. Keep written notes and monitoring diaries. Know the contract clauses. Ensure work is being performed satisfactorily. Advise the contractor of any problems right away. Take corrective action, when needed. Don’t pay for incomplete or substandard work.
- 10. Document, document, document.** The contents of your contract case file can make or break a court case, an FOI request or an audit report. Quotes to contract by: “Justice must not only be done; it must also be SEEN to be done” and “The palest ink is better than the best memory”.

*Do you have a procurement rule that you “live” by?
Share it with us for the next newsletter by emailing Deb Owen at debbie.owen@gov.bc.ca*

Are You A Member of PCoP Yet?

Procurement Community of Practice Members are finding out what it is like to belong to a community of peers who share knowledge, expertise and time in order to support and educate each other. If you are reading this and are not a member, we invite you to view our sharepoint site at <https://purchasing.gov.bc.ca/pcop/Pages/Default.aspx> What will you find? A rare opportunity to sign up to be part of this group. Click on "Become A Member" and fill in your information to sign up. It is **FREE**.



What do you gain from joining? **FREE** access to documents and templates on the Sharepoint site. Invitations to **FREE** educational sessions such as the webinars and events featured in the column to the right. A **FREE**

copy of this outstanding newsletter that will be sent electronically to members each quarter.

Can it get better than that? It can. Do you wish that you had more friends with an interest in "Contract A" or knew someone who would like to debate the merits of Notices of Intent? If so, we are a community of your peeps and we are waiting for you to join, to share and learn right along with us.

Did we mention the part about it being

FREE ?



Did you know?



- Procurement spending in government is roughly \$6.5 billion (yup, Billion with a B) annually?
- According to the [Core Policy Manual's](#) Guidelines for Procurement of Environmentally Responsible Products and Services (6.3.1 item 14), "Where feasible and cost effective and where the products are compatible with individual ministry requirements, preference should be given to purchase of environmentally sensitive products and services."



Upcoming Events

Webinar: September 17, 10:30 a.m.

Managing Your Procurement & Contract Information

How good records management practices can assist you through an FOI or Audit Adventure

Webinar: October 15, 10:30 a.m.

What Happens When Your Well Planned Procurement Goes Sideways?

Even when you think you have planned for everything, things can go wrong

November 12 PCoP Session

9:00 a.m. 1515 Blanshard and via Live Meeting - Help us celebrate our first year and learn all about the upcoming two page RFP

Webinar: December 10, 10:30 a.m.

Partnership Procurement and Risk Management

Projects procured using a partnership model include an up-front detailed risk analysis. Partnerships BC will provide an overview of their approach in partnership projects.



Thank You

Stephen Kearsey

Those of us involved in the PCoP webinar support would like to thank Stephen Kearsey for all his assistance and patience as we learned about the new (for us) medium.