WASHINGTON STATE GOODS & SERVICES PROCUREMENT

Enterprise Services
Contracts & Procurement Division

Washington State Department of Enterprise Services
GOODS & SERVICES PROCUREMENT

Statutes
- Procurement Code
- Agency Statutes
- Other Statutes

Rules
- Enterprise Services Rules
- Agency Rules

Policies
- Statewide Procurement Policies
- OCIO Policies
- Agency Policies

Other
- Executive Orders
- State Procurement Priorities & Preferences
- Court decision
- AGO Opinions
2012: Creating the New State Procurement Code

- RCW ch. 39.29 Personal Services Contracting
- RCW ch. 39.29 Goods & Services Procurement
- RCW ch. 43.19 Goods & Services Contracting
- RCW ch. 43.78 Printer
- RCW ch. 43.105 Information Technology Goods & Services Contracting
STRATEGIC DRIVERS FOR ‘PROCUREMENT REFORM’

- Competition
- Transparency
- Efficiency & Cost-Effectiveness
- Opportunity
- Procurement Integrity
**SUBSEQUENT AMENDMENTS TO RCW CHAP. 39.26**

- **2012**
  - 2SHB 2452: Procurement Reform (enacts RCW ch. 39.26)

- **2013**
  - ESSB 5891: Exemption for Certain Information Technology Purchases
  - SB 5948: Debarment - Medicaid

- **2014**
  - SSB 6086: PCBs

- **2015**
  - SHB 1447: Debarment - Fines in Lieu of Debarment
  - SB 5075: Technical Changes

- **2016**
  - HB 2398: Blind Vendor Preference

- **2017**
  - SSB 5883: Pay Equality; Debarment
  - SSB 5301: Wage Theft; Responsible Bidder Criteria

- **2018**
  - 2SSB 6245: Purchase of Spoken Language Interpreter Services

- **2019**
  - SSB 5017: Technical Change - Bidder's Certificate
  - HB 1604: Technical Change - Purchase of Spoken Language Interpreter Service (Agency Names)
  - SB 5558: Procurement Code Exemption for Sensory-Impaired Interpreter Services (DSHS & HCA)
  - E2SHB 1112: Hydrofluorocarbon Emissions
  - ESHB 1109: Pay Equality
WASHINGTON STATE PROCUREMENT CODE: SCOPE

RCW chap. 39.26 Includes:
- Goods and services contracts
- IT goods and services contracts
- Client services contracts
- Personal services contracts

RCW chap. 39.26 Excludes:
- Public works RCW chap. 39.04
- Real Estate Services RCW chap. 43.82
- Architecture & Engineering RCW chap. 39.80
- Specified exemptions RCW 39.26.100
**EXEMPTIONS**

- **Statutory Exemptions from State Procurement Code**
  - See [RCW 39.26.100](#)
EXEMPTION FOR CERTAIN IT PURCHASES

- Procurement Code Does NOT Apply to Certain State Agency Information Technology Purchases **if:**
  
  (a) the purchase is less than one hundred thousand dollars,

  (b) the initial purchase is approved by the chief information officer of the state, and

  (c) the agency director and the chief information officer of the state jointly prepare a public document providing a detailed justification for the expenditure.

**RCW 39.26.100(7)**
PROCUREMENT REFORM

Enterprise Services
- Delegation of procurement authority
- Oversight of procurement process
- Develop master contracts
- Develop or participate in cooperative purchasing agreements
- Authorize convenience contracts
- Training
- Rules & Policies

OCIO
- Oversight & approval of certain IT purchases
- IT procurements

State Agency
- Exercise delegated authority, consistent with state procurement policy
- Competitive Procurements
- Noncompetitive procurements
- Contract reporting
DIFERENCE BETWEEN OCIO AND IT CONTRACTS LIAISON

OCIO

- Responsible for ‘what’ is procured
- Major IT project oversight
- Involved through project closeout

Enterprise Services

- Responsible for ‘how’ it is procured
- Procurement assistance
- Involved through contract execution
STATE AGENCY PROCUREMENT

State Agency Procurement

Competitive Procurement Solutions
- Agency Competitive Procurement
  RCW 39.26.120
- Convenience Contract
  RCW 39.26.070

Authorized Noncompetitive Procurement Solutions
- Utilize Master Contract
  RCW 39.26.125(5)
- Direct Buy Purchase
  RCW 39.26.125(3)
- Emergency Contract
  RCW 39.26.125(1) &
  RCW 39.26.130
- Sole Source Contract
  RCW 39.26.125(2) &
  RCW 39.26.140
- Client Services Contracts
  RCW 39.26.125(6)
- Other
# Delegated Authority Policy

<table>
<thead>
<tr>
<th>Interim Delegated Authority</th>
<th>General Delegated Authority</th>
<th>Additional Delegated Authority</th>
<th>Unlimited Delegated Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary Authority</td>
<td>Authority granted by Enterprise Services to an agency to purchase categories of goods and services based on the agency’s Procurement Risk Assessment</td>
<td>Obtained from Enterprise Services when an agency does NOT have sufficient General Delegated Authority to purchase goods or services necessary for the agency to accomplish its mission. Enterprise Services may impose conditions to assist the agency in managing its procurement-related risks.</td>
<td>Using Master Contracts Making Emergency Purchases</td>
</tr>
</tbody>
</table>

### Resources
- POL-DES-090-00 *Delegation Authority Policy* (April 5, 2019)
- PRO-DES-090-00A *Delegated Authority Procedure* (April 5, 2019)
- *Delegated Authority Policy – FAQs* (April 5, 2019)
COMPETITIVE PROCUREMENT PROCESS

Planning
- Perform Market Research
- Develop Strategic Plan
- Develop the Competitive Solicitation & Contract

Solicitation & Selection
- Post Solicitation (WEBS)
- Manage Solicitation
- Evaluate Bids
- Optional Pre-Award Contract Negotiations
- Document Award Determination
- Issue Notice of Intent to Award (ASB)
- Debrief & Protest Period
- Contract Negotiations

Post-Selection
- Contract Award
- Execute Contract
- Contract Management
- Begin Planning for Subsequent Competitive Solicitation
AUTHORIZED NONCOMPETITIVE PROCUREMENT SOLUTIONS

- Emergency Contracts
  - RCW 39.26.125(1)
  - DES Policy No. 130-00
- Sole Source Contracts
  - RCW 39.26.125(2)
  - RCW 39.26.140
  - POL-DES-140-00
- Direct Buy Purchases
  - RCW 39.26.125(3)
  - DES Policy No. 125-03
- Direct Negotiation for special facilities, services, or market conditions
  - RCW 39.26.125(4)
- Purchases from Master Contracts
  - RCW 39.26.125(5)
  - POL-DES-090-00
- Client Services Contracts
  - RCW 39.26.125(6)
- Contracts Exempted by Enterprise Services
  - RCW 39.26.125(7)
- Other
  - RCW 39.26.125(8) – (14)
MASTER CONTRACT PURCHASES

- Authorized Noncompetitive Procurement Solution
  - RCW 39.26.125(5)
  - POL-DES 090-00 (at 6)

- Unlimited Purchase Authority

- Key Requirements
  - Only Enterprise Services is authorized to develop state Master Contracts. See RCW 39.26.080(3)
  - Only Enterprise Services is authorized to develop, sponsor, or participate in Cooperative Purchasing Agreements. See RCW 39.26.060
  - Users (Purchasers) cannot change the Master Contract or Cooperative Purchasing Agreement.
MASTER CONTRACTS CONTINUED

▪ State Agencies
  ▪ Policy: Use Master Contracts unless the contract cannot justifiably satisfy the agency needs.
  ▪ Rationale: Secure the legislative goal of centralized procurement

▪ Other Eligible Users
  ▪ Optional Use with MCUA
MASTER CONTRACTS RESOURCES

▪ Enterprise Services Resources

▪ See our current contracts here: https://des.wa.gov/services/contracting-purchasing/current-contracts

▪ Resource center: 360.407.2210

Search Contracts

Select Contracts:

All Active Contracts

Contracts Search:

Enter Keyword(s), Contract #, or Vendor Name, etc...

Search  Reset  ?

▪ Master Contracts are available as an alternative to agency procurement
DIRECT BUY PURCHASES

- Authorized Noncompetitive Procurement Solution
  - RCW 39.26.125(3)
  - DES Policy No. 125-03

- Key Requirements
  - Master Contract
    - If applicable, use Master Contract; not direct buy purchase
  - OCIO
    - Direct buy purchases must comply with applicable OCIO requirements

- Financial Limits
  - $30,000: Any vendor
  - $40,000: Any microbusiness, minibusiness, or small business.
    See RCW 39.26.010(16), (17), & (22).
SOLE SOURCE CONTRACTS

- Authorized Noncompetitive Procurement Solution
  - RCW 39.26.125(2)
  - RCW 39.26.140
  - POL-DES-140-00 – Sole Source Contract Policy
  - PRO-DES-140-00A - Sole Source Contract Approval Procedure

- Defined
  - RCW 39.26.010(23)

- Key Requirements
  - Must be a sole source
  - Unless exempt, sole source contracts must be visible

- Exemptions to Filing & Posting
  - See POL-DES-140-00 (at 5)
EMERGENCY PROCUREMENT

- Authorized Noncompetitive Procurement Solution
  - RCW 39.26.125(1)
  - RCW 39.26.130
  - DES Policy No. 130-00

- Defined
  - RCW 39.26.130(3)

- Key Requirements
  - Must be an emergency
  - Must be visible
  - Must notify Enterprise Services
All records related to state procurement are public records, subject to public disclosure pursuant to the Public Records Act, RCW chap. 42.56. See RCW 39.26.030(1)

Temporary exemption from public disclosure. See RCW 39.26.030(2). Limited to:
- Bid submissions & bid evaluations
- Until announcement of ASB.

Upon announcement of Apparent Successful Bidder (ASB) – and PRIOR to contract award – agency must make all bid submissions and all bid evaluations transparent. See RCW 39.26.030(2)

Unless statutorily exempt, records are subject to disclosure if requested
**Records Retention**

- Agencies must retain records in accordance with applicable records retention schedules

<table>
<thead>
<tr>
<th>Records</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solicitation documents:</td>
<td>6 years after closure or cancellation</td>
</tr>
<tr>
<td>Unsuccessful bids:</td>
<td>3 years after contract award or procurement cancellation date</td>
</tr>
<tr>
<td>Bidder protests:</td>
<td>6 years after disposition of protest</td>
</tr>
<tr>
<td>Contract documents:</td>
<td>6 years after contract expiration or termination (or resolution of litigation, if later)</td>
</tr>
</tbody>
</table>
CONTRACTS LIAISONS

▪ Enterprise Services Resources
  ▪ Contracts Liaison
    ▪ Cindy Zielinski
      360-407-8256
      Cindy.Zielinski@des.wa.gov
  ▪ Website: Contracts & Purchasing

▪ Role
  ▪ Procurement process
  ▪ Delegated authority
  ▪ Statement of work review
  ▪ Contract review
  ▪ Evaluation models
  ▪ Negotiations help
ENTERPRISE SERVICES
STATUTES, RULES, & POLICIES

▪ Statutes
  ▪ RCW chap. 39.26, *Procurement of Goods & Services*
  ▪ RCW chap. 43.19, *Department of Enterprise Services*

▪ Rules
  ▪ WAC chap. 200-300, *Contracting for Goods & Services*
  ▪ WAC chap. 200-305, *Debarment Procedures*
ENTERPRISE PROCUREMENT POLICIES

- POL-DES-90-00, Delegated Authority Policy (April 5, 2019)
- POL-DES-140-00, Sole Source Contract Policy (April 3, 2019)
- DES 130-00, Emergency Procurements/Purchases (January 8, 2015)
- DES-125-03, Direct Buy Procurements/Purchases (January 8, 2015)
- DES-170-00, Complaints and Protests (January 8, 2015)
- DES-210-01, Agency Contract Reporting (March 9, 2015)
- POL-DES-280-00, Purchasing Preference for Products and Product Packaging That Do Not Contain Polychlorinated Biphenyls (PCBs) (January 1, 2019)
- POL-DES-090-09, Purchases of Washington Grown Food (February 20, 2019)
- POL-DES-EO 18-03, Policy Regarding Executive Order 18-03 (July 1, 2019)
OCIO POLICIES

- Policies
  - Policy 121, IT Investments – Approval and Oversight Policy (August 16, 2018)
  - Policy 141, Securing Information Technology Assets (October 1, 2011)
  - Policy 188, Accessibility (September 12, 2017)
  - Policy 202, Innovation Exemption (November 8, 2013)

- Guidelines
  - Electronic Signature Guidelines (April 1, 2016)
EXECUTIVE ORDERS

- **04-01** (January 28, 2004): Persistent Toxic Chemicals
- **05-03** (March 24, 2005): Plain Talk
- **13-01** (May 10, 2013): Veterans Transition Support
- **16-01** (January 5, 2016): Privacy Protection & Transparency In State Government
- **18-01** (January 16, 2018): State Efficiency and Environmental Performance
- **18-03** (June 12, 2018): Supporting Workers’ Rights to Effectively Address Workplace Violations
- **19-01** (May 13, 2019): Veteran & Military Family Transition & Readiness Support
OTHER STATUTES

- **RCW 28B.10.029**, Colleges & Universities - Property purchase and disposition—Independent purchasing authority

- **RCW chap. 39.12**, Prevailing Wages on Public Works

- **RCW chap. 39.34**, Interlocal Cooperation Act

- **RCW chap. 40.14**, Preservation & Destruction of Public Records

- **RCW 41.06.142**, Purchasing services by contract—Effect on employees in the classified service

- **RCW chap. 42.52**, Ethics in Public Service

- **RCW chap. 42.56**, Public Records Act

- **RCW 43.17.095**, Option to submit document, form, or payment electronically

- **RCW chap. 43.19A**, Recycled Product Procurement
THANK YOU