



Purchasing Forum & Trade Show

Procurement Records:

Why They Are Important & How to Create Them

May 18 & 19, 2016



Today's Focus

Today you will learn about:

- Who is responsible for developing the procurement record
- Why you need it
- When it should be used
- What it includes

Today's Speakers

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Who is Responsible?

The person that is conducting the procurement and getting the approvals is responsible for creating and maintaining the procurement record.

It's you that's responsible for the procurement record...

- Contract manager
- Purchasing agent
- Office manager
- Procurement professional



Why Do You Need a Procurement Record?

- State finance law requires you document your process for the record (Article XI, Section 163, 9g & 1f).
- This applies to all procurements and must include a procurement record checklist.
- This includes documenting the decisions made and the approach taken.
- This record serves as the basis for both the Office of the State Comptroller (OSC) and your review/approval of the contract award.

What the documentation you use looks like depends on the type and complexity of the procurement.



When Does a Procurement Record Begin?

You should start your record with your beginning thoughts on doing any procurement.



Remember: When Choosing the Procurement Method Use the Order of Purchasing Priority

State finance law requires government to follow a process to make purchases.

1. Buy From a Preferred Sources*

Must meet form, function, & utility

2. Use OGS Centralized Contracts

- Commodities
- Services
- Technology

3. Use Other Agency-Established Contracts

- Piggybacking

4. Conduct Your Own Procurement

- IFB/RFP*
- Discretionary spending*

*There's a forum class on this!

What Does a Procurement Record Show?

It should demonstrate the following, but is not limited to:

- A clear statement of need (Why are you doing this?)
- A description of the required specifications governing performance and related factors (Did you define the need?)
- A reasonable process for ensuring a competitive field (Usually the more the competition, the better the result)
- A fair and equal opportunity for offerers to submit responsive offers (Does it create openness and fairness?)
- A balanced and fair method of award (Did you create the ability for the vendor community to be responsive with a fair evaluation process?)
- A determination of vendor responsibility
- Other decisions made during the procurement process (Show what you did and why)



Procurement Record Best Practices

- It should include hard copy, soft copy, memos, documented decisions, etc.
- Even though each procurement is unique, it should follow a logical order.
- File names must use a clear and logical file naming convention on all electronic documents.
- Complete and well organized procurement records improve the quality and efficiency of management approval.
- As time passes, this record tells the story of your procurement for staff changes, audits, future procurements, etc.



Common Items Documented in Your Procurement Record

Phase	Examples
Pre-Bid	<ul style="list-style-type: none">• Document statement of need• Determine your procurement method• Establish MWBE, SDVOB, etc. goals• Develop the solicitation (method of award, scope, etc.)• Advertise in contract reporter
Evaluation	<ul style="list-style-type: none">• Ensure all required forms were submitted with bid• Document evaluation process followed (administrative, technical, financial)• Conduct vendor responsibility (VR) review
Award	<ul style="list-style-type: none">• Send contracts to awardees for signatures, if applicable• Obtain all internal contract/award approvals• Encumber funds• Debriefing opportunity
Contract Management	<ul style="list-style-type: none">• Communications – web postings, announcements, etc.• SFS and notification documents• Contract updates



Example Procurement Record

PR/Award #:		Bid Open Date:	
Group #:		Description:	
Project Lead:			
IFB	Solicitation Type		
If labeled below, then required. If blank then disregard	Sub Folder #	Check box below when item is complete.	
IFB	1	Statement of Need (Business Case); i.e., Agency Specific Purchase Requisition or Filed Price Requirements, etc.	
IFB	1	Estimated Contract Value/Quantities	
IFB	1	Sales Report(s) from Current Contractor(s) Reviewed (If applicable)	
IFB	2	NYSPro Survey Results - Review Customer Recommendations	
IFB	3	Prevailing Wage Rates Schedule from DOL (If applicable)	
IFB	3	MWBE Goals or Determination of Zero Goals	
IFB	3	Solicitation Documents	
IFB	3	Obtain Team Leader Approval	
IFB	3	Obtain OGS Counsel Approval (If applicable)	
IFB	3	Obtain Assistant Director Approval (If applicable)	
IFB	3	Obtain Director Approval (If applicable)	
IFB	3	Obtain CPO Approval (If applicable)	
IFB	3	Obtain Commissioner Approval (If applicable)	
IFB	3	Agency Concurrence (DOT, State Police, etc.) w/Bid Document (If applicable)	
-	3	<u>Used Appropriate Template/Contract(s) as Guidance Documents (note here)</u>	
-	3	Documentation the Agency has determined its in the best interest of the State to Procure from this particular vendor (Single Source only)	
-	3	Documentation why vendor is the only viable source (Sole Source only)	
-	3	Contract use request (Agency)	
-	3	Use "Piggyback" Agreement as template for solicitation	
-	3	Approval to use contract to Piggyback on (Piggyback Only)	
-	3	Statewide OGS approval form	
-	4	Create Evaluation Team	
-	4	Create Evaluation Procedure before bid opening	
-	4	Conducted Evaluation Team Review (If applicable)	
IFB	4	All Early Engagement Documents (IT only)	
IFB	2	All RFI and RFC Documentation	
IFB	1	Contract Reporter Ad	
IFB	3	Contract Reporter Amendments	
IFB	5	Update Memos and Associated Documentation	
		Complete Section 1 of Encourage NYS form (see Excel tab)	

Pre-Procurement Key Components:

- Statement of need
- Estimated contract values
- MWBE goals
- Solicitation documents
- Approvals
- Evaluation materials
- Contract reporter ad & amendments

Example Procurement Record

PR/Award #: 0		Bid Open Date: January 0, 1900	
Group #: 0		Description: 0	
Project Lead: 0		Column A: add solicitation type as noted	
		Additional edits in blue as noted	
IFB	Solicitation Type		
If labeled below, then required. If blank then disregard	Sub Folder #	Check box below when item is complete.	
			Hard copy (HC), Soft Copy (SC), or Both.
IFB	3	MWBE Utilization Form	
IFB	3	MWBE 100	
IFB	3	Appendices (Listed below)	
IFB	8	Documentation of Follow up with Non-Bidders (required for 2 or Less Bids)	
IFB	3	Restricted Period Letter(s) for Continuous/Periodic Recruitment, (If Approved)	
IFB	3	Additional Designated Contact Letter(s) - Continuous/Periodic Recruitment, (If Applicable)	
IFB	3	Surveys of Non-Bidders (Used for 2 or less bidders)	
-	5	3 Signature Pages for Periodic Recruitment, Contract Pages, (Date of Signature)	
IFB	5	Workers' Compensation Form(s) Received	
IFB	5	Disability Insurance Benefit Form(s) Received	
IFB	5	All other insurance requirements as outlined in solicitation	
IFB	5	SVRQ(s) Received	
IFB	5	ST220-CA(s) Received	
-	5	Appendix E Fully Completed received/correct, (If applicable)	
-	7	Reseller Agreement(s) Received, (If applicable)	
IFB	7	Agency Concurrence Form of Award Recommendation, (If applicable)	
IFB	7	Brief Management of Award Recommendation	
IFB	7	Manufacturer/Supplier Certificate(s) (if applicable)	
IFB	7	Computation of Bid Results (Bid Tabulation)	
IFB	9	Create Procurement Record Memo (Previous OSC Memo)	
IFB	7	Create Contract(s) with Counsel (If Applicable)	
IFB	4	Copy of original Contract Price list (if applicable)	
IFB	2	Administrative Review Summary (if applicable)	
IFB	2	Technical Review Summary (if applicable)	
IFB	2	Financial Review Summary (if applicable)	
IFB		Complete Section 2 of EncourageNYS form (see Excel tab)	
		Appendices Names:	

Evaluation Phase Key Components:

- MWBE documentation
- Surveys
- Forms
- Appendices
- Bid results
- Administrative, technical, and financial summaries



Example Procurement Record

PR/Award #:	0	Bid Open Date:	1/0/1900
Group #:	0	Description:	0
Project Lead:	0		
IFB	Solicitation Type		
If labeled below, then required. If blank then disregard	Sub Folder #	Check box below when item is complete.	
IFB	4	Tentative Award Letters	
IFB	4	Non-Award Letters	
IFB	2	DED Omnibus Procurement Act form(s) sent to DED – file copy (If applicable)	
IFB	2	Contract Letter(s)/Pdata(s)	
IFB	2	P-data Encumbrance/SFS Contract Request Form(s)	
IFB	2	Vendor Responsibility Profile(s)	
IFB	2	Vendor Responsibility Checklist(s)	
IFB	2	Vendor Responsibility Report	
IFB	2	State Finance Law 138-J & K	
IFB	2	Procurement Record Checklist	
IFB	1	CAN to Team Leader for Approval	
IFB	1	CAN to Counsel's Office for Approval	
IFB	1	CAN to Assistant Director for Approval (If applicable)	
-	1	CAN to Director for Approval (If applicable)	
-	1	CAN to CPO for Approval (If applicable)	
-	1	CAN to Deputy Commissioner for Approval (If applicable)	
-	1	CAN to 1st Deputy Commissioner for Approval (If applicable)	
-	1	CAN to Commissioner for Approval (If applicable)	
IFB	4	Signed Contracts from Tentative Awardees/Vendors	
Need to check on applicable contract types	3	If Agency specific contract, send entire packet to OSC for approval	
IFB	1	Contract(s)/CAN/Award Letter to Awardee(s)	
IFB		Complete Section 3 of EncourageNYS form (see Excel tab)	

Award Phase Key Components:

- Tentative award letters
- Non-award letters
- Forms
- Vendor responsibility documentation
- Procurement record checklist
- Contract approvals
- Signed documents
- Notifications



Example Procurement Record

PR/Award #: 0		Bid Open Date: 1/0/1900	
Group #: 0		Description: 0	
Project Lead: 0			
Solicitation Type			
IFB If labeled below, then required. If blank then disregard	Sub Folder #	Check box below when item is complete.	
		IFB 1	Create User Procurement Instructions and/or FAQ
		IFB 1	Final Approved CAN
		IFB 1	OGS Web Posting
		IFB 1	Other documents required for posting the contract to web
		IFB 2	Single Transaction Summary Document(s) (Received after approval)
		IFB 2	Enterprise Data Notification
		IFB 3	Agency Approval (If applicable ie. IT)
		IFB 3	Fully Executed Contract Approved by OGS
		IFB 3	Fully Executed Contract Approved by AG (If applicable)
IFB 3	Fully Executed Contract OSC (If applicable)		

Contract Admin Phase Key Components:

- FAQs, user guides and other helpful resources (best practice)
- Executed contract with approvals (internal, OSC, AG)

Characteristics of a Strong Procurement Record

- It presents the documents in a logical structure that tells the story of the procurement.
 - This applies to both electronic and hard copies!
- It will demonstrate a fair and open bid process that did not disadvantage any bidders.
- It answers the following questions:
 - How have you shown that you followed the method of award in the bid?
 - How have you documented that a bidder was or was not responsive?
 - Was any bidder information incomplete or missing?



Characteristics of a Strong Procurement Record

- It answers these questions:
 - How did the scope and method of award foster competition?
 - Was the evaluation criteria followed as written and did it measure what it was intended to do?
 - Were requirements written and applied equally to all bidders, including both new or current contract holders?
 - **Remember:** Make sure to not waive a requirement for a current contractor because there was no known issue with them under a previous agreement!

Remember

- Each procurement is unique.
- Don't be afraid to create worksheets or guides for bidders so you get from them what you want.
- Make sure to document all decisions and approvals.
- Complete and well organized procurement records improve quality and efficiency for audits.
- Qualifications and requirements that are included will be evaluated, measureable, and as objective as possible.

Helpful Resources

NYS Purchasing Forum & Trade Show

Other Classes to Visit

- Monitoring Your Contracts
- Delivering an Effective Debrief
- The RFP Process
- Understanding Insurance Requirements
- Using Discretionary Spending
- Service-Disabled Veteran-Owned Business: Program Overview
- Increasing MWBE Participation in Your Procurement Process

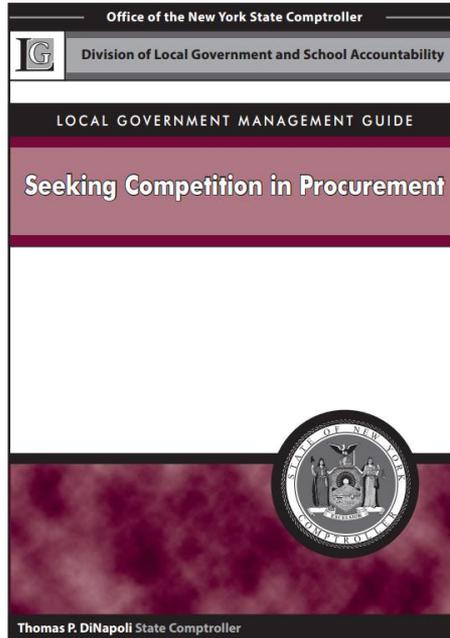
Miss Something? Check online.

- Get year-round training.
- Class presentations and videos are posted from the 2014 and 2015 Forums.



www.purchasingforum.ogs.ny.gov

OSC Guide to Seeking Competition in Procurement



It provides for state and local organizations:

- Information on planning & promotion
- How to seek competition
- e-Procurement guidelines
- Policies & procedures
- Guidance on cooperative purchasing
- Ethics & conflicts of interest information

www.osc.state.ny.us/localgov/pubs/lgmg/seekingcompetition.pdf

Use the BSC Purchasing Requirements Guide

Find it on: www.bsc.ogs.ny.gov

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Business Services Center
 A Division of the Office of General Services

New York State Purchasing Requirements for BSC Customer Agencies

1 Preferred Sources
 Preferred Sources must be considered first. State agencies are required to purchase from a Preferred Source if it meets the agency's form, function and utility. If a Preferred Source is available and not used, the agency must document the reasons why.

What purchasing method do I use?	Procurement Card where possible or Purchase Requirement	
	Agency - Use published price lists	Agency - Use published price lists
Who solicits quotes or issues bid documents?	NO	YES
If Technology-related, is PTP approval required?	NO	YES
Do I have to advertise in the Contract Reporter?	NO	YES
Do I need OSC approval?	NO	YES
Do I need a Vendor Responsibility Profile/ Checklist?	NO	YES
Do I need a Vendor Responsibility Questionnaire?	NO	YES
Is a NYS Procurement Lobbying Law form required?	NO	YES
Are there any MWBE Goals?	NO	YES
Do I need DOB B-1184 approval?	DOB B-1184 approval threshold varies based on what is being purchased. See B-1184 Approval Thresholds (page 3).	DOB B-1184 approval threshold varies based on what is being purchased. See B-1184 Approval Thresholds (page 3).

*The BSC will conduct solicitations for Invitations for Bids for one-time commodity purchases. Information Technology Services Request/Procure (PTP) approval is required prior to any procurement of a product or service equal to or greater than \$50,000. Approval is also required when procuring from a requesting exemption from purchasing from any aggregate or enterprise agreement, regardless of dollar amount. Agencies submit their own request for PTP. For OGS, the discretionary purchasing limit is \$85,000 for transactions processed in SPS. OGS (05/2016). OGS is not required to conduct a formal solicitation for purchases between \$50,000 and \$85,000. Three written quotes should be obtained. OGS is still obligated to advertise in the Contract Reporter for Open Market Purchases \$50,000 and over.

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New York State Purchasing Requirements for BSC Customer Agencies

3 Open Market
 Agencies may purchase commodities, technology and services in the open market when the procurement/purchasing need cannot be met by a Preferred Source or NYS Centralized Contract.

Purchasing Commodities, Technology & Services in the Open Market	Purchasing Commodities, Technology & Services in the Open Market	Purchasing Commodities, Technology & Services in the Open Market	Purchasing On-going Services in the Open Market	Purchasing with a NYS small business, MWBE, targeted or reformulated goods/procurement (small business, purchased or harvested in NYS)

Card where Purchase	Procurement Card where possible or Purchase Requirement	Contract Purchase Requirement	Service Contract (ongoing requirement)	Contract Purchase Requirement
written quote	Agency - 3 written quotes	Agency by BSC/IFB	Agency Formal Bid	Agency - 3 written quotes
NO	YES	YES	YES	YES
NO	YES	YES	YES	YES
NO	YES - if over \$50,000 ¹	YES - if over \$50,000 ¹	YES - if over \$50,000 ¹	YES - if over \$50,000 ¹
NO	YES	YES	YES	YES
NO	YES - if over \$100,000	YES - if over \$100,000	YES - if over \$100,000	YES - if over \$100,000
NO	YES - if over \$15,000	YES	YES	YES
NO	YES - if over \$20,000	YES	YES	YES

is vary by agency approval varies based on what is being purchased. See B-1184 Approval Thresholds (page 3).

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Capital Construction	\$1,000,000	\$100,000 - \$999,999
Clarification of thresholds from DOB bulletin should be addressed through the agency's budget unit. Agency should document its decision in writing and include in the procurement record.		

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State Purchasing Requirements for BSC Customer Agencies

About this Purchasing Requirements Guide
 The information in this guide is intended to provide general purchasing criteria only. Please note that some requirements may vary. Specific requirements should be discussed with the BSC on a case-by-case basis. All employees involved in the vendor selection process should be familiar with the agency's Minority/Woman Owned Enterprise (MWBE) usage goals. MWBE vendors are to be solicited for quotes, whenever possible. Equipment maintenance requirements should be placed on the Equipment Maintenance Insurance Policy (REMI Program) whenever practical. Agencies should never sign a vendor's form contract without consulting with their Legal Department.

December 2014.

Number MWBE Goals Approval (Attachment C)

00 - \$49,999
00 - \$49,999
00 - \$49,999
00 - \$49,999
00 - \$49,999
00 - \$49,999
00 - \$999,999
00 - \$999,999

Websites
 Preferred Source Guidelines: <http://www.ogs.ny.gov/procure/econ/>
 OGS Public Website - Procurement Services: www.ogs.ny.gov

Helpful Resources

- NYS Procurement Council Guidelines | www.ogs.ny.gov/BU/PC/SPC.asp
- NYS OGS Procurement Services | www.nyspro.ogs.ny.gov
- New York State Contract Reporter | www.nyscr.ny.gov
- SAMPO | www.nysampo.org
- NASPO | www.naspo.org
- National Institute of Gov. Purchasing | www.nigp.org



Can't Find Something? We are here to help!

Feedback is important, so share your improvements today.

Contact us today

(518) 474-6717

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Questions