

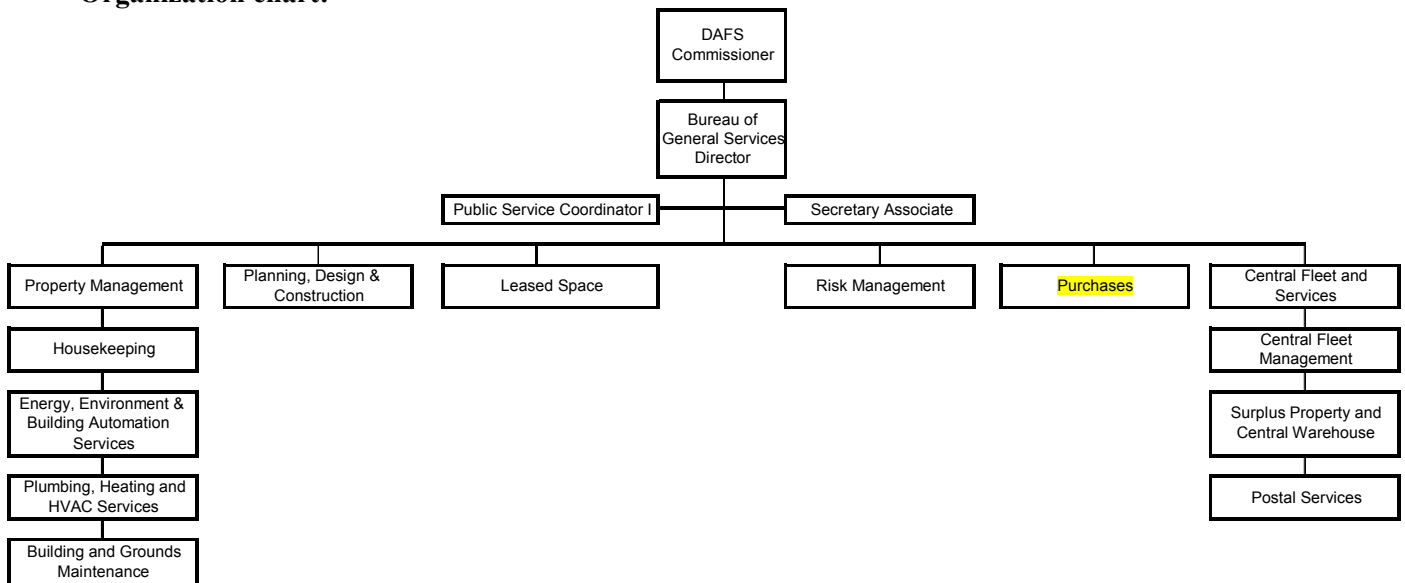
**Bureau of General Services
Division of Purchases
Program Evaluation Report**

The Bureau of General Services provides consolidated management and coordinated oversight for a range of property, procurement, risk management and central services to meet the operational needs of state programs and services. The Division of Purchases serves the aforementioned “procurement” capacity of the Bureau.

The Bureau helps ensure cost-effective operations, reduces costs wherever possible in its own operations and in the operations of other departments and agencies, and protects the financial and other interests of the State and the people of Maine that fall within the Bureau’s responsibilities. The Bureau’s enabling or authorizing laws can be found in 5 MRSA, Chapters 152 through 156, and Federal Management Regulations Title 41, Part 102-37.

The Bureau complies with all federal and state health and safety laws, including the Americans with Disabilities Act, the federal Occupational Safety and Health Act, affirmative action requirements and workers compensation laws.

Organization chart:



Division of Purchases

Program Description:

- The Division of Purchases has one primary purpose, that is carried out by its staff of 15 members. That purpose is to directly purchase or review/approve agency purchases of goods and services, in order to support the needs of State government agencies. The Division of Purchases ensures that all of these purchasing transactions are made on a "best value" basis, ensuring both quality and cost reasonability, and that the transactions are made in a fair and competitive manner.

Major Functions and Responsibilities:

- Direct purchase of tangible goods and standard services, valued at \$5,000 or more
- Establishment of master agreements for use by all state agencies and certain other public entities
- Review and approval of all requests for proposals for professional services and the resulting contracts
- Review and approval of all requests for sole source contracts and purchases
- Administration of the State's procurement card program
- Administration of the State Purchasing Code of Conduct
- Conduct appeals brought by parties aggrieved by State procurement awards

Established Priorities:

- Established statewide program for temporary staff augmentation in support of information technology projects. It is focused on reducing cost and streamlining the acquisition of temporary IT resources.
- Publication of contracts for public access on the State of Maine website
- All staff seeking achievement of nationally recognized procurement and buyer certifications
- Ongoing statewide RFP and commodity training sessions.

Selected Accomplishments:

- Earned the "Achievement of Excellence in Procurement" Award
<http://www.npicconnection.org/aep/index.asp>
- Implementation of AdvantageME, an integrated e-procurement application
- Reduction of three positions or 20 percent of the staff at that time in a cost-savings reorganization and updated expectations and skills of remaining staff
- Development of Comprehensive Procurement Card Policy to improve accountability and control and the subsequent implementation of policy-enhanced Procurement Card Program
- Implementation of a variety of environmentally-preferable purchasing initiatives for paper, cleaning products and other products
- Development and implementation of statutory Code of Conduct policy for clothes and textiles
- Creation of two positions targeted on broad-based cost savings activities and the subsequent achievement of associated savings.
- Implementation of management recommendations from review conducted by the Office of Program Evaluation and Government Accountability, including development of new policies and guidelines for sole source justifications and contract renewals and amendments.
- Ongoing cost savings initiatives including new statewide contracts to pool purchasing volumes, identifying and participating in multi-state cooperative agreements, and renegotiating existing contracts upon renewal.

Agency Coordination Efforts:

- The Division of Purchases works closely with state agencies to ensure the effective and efficient use of public funds. This coordination includes the review and approval of agency solicitations (Requests for Quotations (RFQs) and Requests for Proposals (RFPs)), agency selection decisions, and agency contracts. Additionally the Division of Purchases manages and maintains over 400 Master Agreements for items that are used by multiple State agencies, pooling the State's purchasing power for the most advantageous pricing and terms from contractors. These prices and terms are also

offered to municipalities and political sub-divisions through a program that allows other public entities to benefit from certain State contracts.

Constituencies, stakeholders and contacts:

- The Maine business community and all providers or vendors seeking to do business with the State of Maine; the Governor's Office and All Executive Agencies, including but not limited to the Office of the State Controller, the Bureau of the Budget, and the Office of Information Technology; and external organizations such as municipalities and political subdivisions and the National Association of State Procurement Officials.

Alternative Service Delivery Efforts:

- Last year, the Division of Purchases and the Office of Information Technology implemented a technology staff augmentation program for temporary resources based on a fixed hourly-rate card. To date, this program has saved over a million dollars when compared to previous acquisition methods. These coordinated activities save agency funds through reduced costs, and also saves agency time by not re-creating contracts that other agencies may have already sought to implement. The Division of Purchases also seeks to participate in multi-state contracts whenever possible, for the same reasons as stated above -- pooling purchasing volumes across states for time and cost benefits.

Emerging Issues:

- Like most State agencies, the Division of Purchases is concerned with the expected increase in retirements of agency personnel who handle contracts (both inside and outside of the Division of Purchases).
- The Division also recognizes that shrinking budgets mean that agencies must learn to "do more with less." When reviewing over 5,000 service contract documents per year, and processing approximately 10,000 commodity purchase documents per year, the Division of Purchases does its best to remain vigilant on contractual issues, and ensure that all contracting decisions are made in a logical and reasonable manner.
- Finally, ensuring that the general public has access to procurement documents is a key focus as technology allows better transparency. In the upcoming years, the Division of Purchases will need to work with our current staff toward achieving a greater degree of transparency.

Personal Information:

- The Division of Purchases has no policy or requirement for the collection, management, or use personal information over the internet or non-electronically. The Division discourages the presence of such information in agency solicitation or contract documents. Certain identifying information from vendors that do business with the State of Maine is found within the State's financial system of record, AdvantageME. Vendors self-register with that system, and operation of the system is under the authority of the Office of the State Controller. With regard to other information technology policies, the Division adheres to the policies set forth by the Office of Information Technology.