

State Purchasing Division Wins Acclaim While Continuing Transformation

For an unprecedented 11th consecutive year, the DOAS State Purchasing Division has been awarded the Achievement of Excellence in Purchasing (AEP) award. Administered by the National Purchasing Institute, the AEP Award recognizes excellence in public sector Purchasing departments. The National Purchasing Institute is affiliated with the Institute for Supply Management (ISM) and serves as the Official Public Sector Purchasing Association for federal, state and local governments. The State of Georgia is the only state in the country to have won this prestigious award for 11 years running.

What is amazing about winning this award for so many years is the criteria used to evaluate submissions for the award continue to increase and become more difficult each year. For example, to gain points for the number of staff having been formally certified as Purchasing professionals, the percentage of staff needing certification has increased each year. Even more amazing is the State Purchasing Division has been undergoing a comprehensive transformation over the last 3 years, and yet the group continues to gain national acclaim. New staff, new processes, procedures and new purchasing tools have all contributed to the successful run of awards, and we expect to continue the positive results as the transformation of the state's Purchasing function moves forward.

For the first time since the Procurement Transformation began, the State Purchasing Division has nearly finalized hiring staff for all its positions and new functions. Currently at about 90% capacity, some 70 staff members now compose the department, and hopefully our agency and university customers have noticed a difference in our work quality and service delivery.

One area of focus for the State Purchasing Division in FY 2009 is to lower cycle times. The time it takes to process Requests for Quotes (RFQ's) and Requests for Proposals (RFP's) is of paramount importance to our customers. Already during the past year, the time it has taken to conduct a procurement solicitation utilizing RFP's has decreased by 6.7%, a reduction of nearly 2 weeks. For RFQ's, the cycle reduction is even more dramatic. In 2008, RFQ's now are processed 30% quicker than the previous year, shaving an *entire* month off the process. While much progress has been made, we aren't yet satisfied with the results, and thus we are reviewing the current process for both RFP's and RFQ's to further streamline the workflow and save even more time when conducting procurements.

To assist in this effort, the State Purchasing Division (SPD) will soon be utilizing a scorecard to evaluate agency RFP's and RFQ's as they are received by SPD to determine areas for improvement. This will also serve to identify any areas where additional training of agency or university Purchasing staff is warranted in order to further improve the quality of RFP/RFQ documents received by State Purchasing.

Many of you who operate the Purchasing function of your respective agency have assisted SPD in lowering the cycle time for RFQ's by utilizing eQuote. eQuote is SPD's automated method to issue RFQ's in a most efficient manner.

Since its statewide re-launch this past March, eQuote has processed over 750 RFQ's with the average award amounting to just under \$20,000. Based on the difference between the highest and lowest quote for each of these solicitations, more than \$10.5M in cost avoidance has been recorded by the various state agencies and universities utilizing the eQuote system.

Progress on the PeopleSoft eProcurement Implementation also continues to proceed as planned. In the initial phase of implementation, the Department of Corrections and DHR, along with DOAS, will be the first agencies to pilot the new eProcurement system dubbed *Team Georgia Marketplace*. Deploying in early 2009, *Team Georgia Marketplace* will make it easier for buyers statewide to access both statewide and agency contracts, offering improved efficiency and effectiveness in the state Procurement process.

As you can see, the State Purchasing Division continues to make tremendous strides to improve the state's Purchasing function. Here's hoping the changes are rewarded with a 12th consecutive Excellence in Purchasing Award this time next year.