



Washington State Department of  
**Enterprise Services**

# **ENTERPRISE PROCUREMENT POLICY WORKSHOP**

**JUNE 30, 2020**

Presented by:

Drew Zavatsky

Christine Warnock

Zoë Mroz

# Workshop Objectives

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## 1. Share draft policies/workshop presentation

Procurement Bonds

Refresh of Complaints & Protest Policy

Refresh of Emergency Purchases Policy

Refresh of Agency Contract Reporting Policy

Supplier Diversity (includes EO 19-01)

## 2. Obtain PCAG assistance with feedback for use during the workshop



# Housekeeping Items

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- **Virtual Participation**  
By email invitation through the Zoom registration process  
Policy documents are posted on our [webpage](#).
- **Questions and Answers – use Q&A function in Zoom to ask questions**
- **Audio and other technical issues – use Chat function in Zoom only**
- **Feedback Options**
- **Documents, the PowerPoint presentation, and the workshop recording will be available after the workshop**



# *Procurement Bonds Policy - Objective*

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**Session Objective: NEW**

**We want your input on a proposed draft  
Procurement Bonds policy**



# *Procurement Bonds Policy - Feedback*

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Feedback discussion:

- Does the policy draft address your agency's needs in a bond policy?
- Does the policy draft provide clarity?
- Does the policy draft address issues that you've encountered when using bonds?



# *Procurement Bonds Policy - Highlights*

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Policy Highlights:

Three bond types: Bid,  
Litigation/Protest, Performance

Four balancing “tests”

Alternative forms of security for bonds

Responsible bidder determination



# *Procurement Bonds Policy - Types*

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Three types:

Bid

Protest

Performance



# *Bonds Policy Highlights – 4 Tests*

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- Four Balancing “Tests”





# *Bonds Policy Highlights – Alternatives to Bonds*

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1. Bidders are responsible for the costs of bonds or other sureties.
2. Sureties must be solvent and licensed to do business in Washington.
3. In lieu of bond, a bidder can offer a cashier's check or cash escrow.



# *Bonds Policy Highlights – Responsible Bidder Determination*

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- Cannot use bonds instead of determining if the lowest responsive bidder *is a responsible bidder* for the procurement.
- “Responsible bidder” is a bidder that has not committed a willful violation of a wage payment requirement in the past three years. See RCW 39.26.160(f); and RCW 49.48.082.



# *Procurement Bonds Policy – Feedback Poll*

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Feedback discussion:

- Does the policy draft address your agency's needs in a bond policy?
- Does the policy draft provide clarity?
- Does the policy draft address issues that you've encountered when using bonds?



# Procurement Bonds - Next Steps

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- Please provide feedback by July 31st.
  - Feedback options
    - Use Q&A function in Zoom (only available during the workshop)
    - The preferred method for providing feedback is to e-mail the [Feedback Form](#) to [DESmiEnterpriseProcurementPolicy@des.wa.gov](mailto:DESmiEnterpriseProcurementPolicy@des.wa.gov)
    - Contact one of the Enterprise Procurement Policy team members
- DES Policy Team will compile feedback and use to make appropriate revisions to policy draft(s).
- Policy will be finalized and shared with stakeholders by October 2020.



# Next Steps

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# *Complaints & Protests Policy*

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**Session Objective: REFRESH**

**We want your input on a proposed refresh draft of the existing Complaints & Protest policy**



# Complaints & Protests Policy - Feedback

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Feedback discussion:

- Do the policy documents provide clarity?
- Does the policy and procedure address issues that you've encountered with the current policy?



# Complaints & Protests Policy - Highlights

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DES Policy #DES-170-00

Revision highlights:

- Clarity
  - Protest period
  - Bidder eligibility to file a protest
  - Neutral party = Protest Officer
  - Agency discretions
  - Bids subject to public inspection
- Training
- Procedure: Review and Decision
- Sample documents





# *Clarity – Timing, Eligibility*

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Protest Period – minimum requirements:  
Three days for debriefing, then  
Five days for protest  
Must have bid



# *Clarity – Protest Officer, Discretion*

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Neutral party = Protest Officer

Agency Discretion



# *Clarity – Public Inspection*

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- After Apparent Successful Bidder is announced



# Training

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- Policy now includes relevant details on who must obtain training, as well as deadlines for training completion.



# *Protest Procedure*

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- Gives a step-by-step list of tasks necessary to accomplish in order to successfully resolve a protest.



# *Complaints & Protests Policy – Feedback Poll*

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Feedback discussion:

- Do the policy documents provide clarity?
- Does the policy and procedure address issues that you've encountered with the current policy?



# Complaints & Protests - Next Steps

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- Please provide feedback by July 31st.
  - Feedback options
    - Use Q&A function in Zoom (only available during the workshop)
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# *Emergency Purchases Policy*

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**Session Objective: REFRESH**

**We want your input on a proposed refresh draft of the existing Emergency Purchases policy**





# *Emergency Purchases Policy - Feedback*

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Feedback discussion:

- Do the policy documents provide clarity?
- Does the policy address issues that you've encountered with the current policy?



# *Emergency Purchases Policy - Highlights*

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DES Policy #DES-130-00

Revision highlights:

- Clearer statement of reporting requirements
- Recordkeeping best practice emphasized
- Definition of “emergency” emphasized



# *Clearer Emergency Policy*

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- Clearer statement of reporting requirements



# *Transparency*

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- Three days after starting work, or signing a contract (whichever was first), make the contract available for public inspection.



# *Recordkeeping Best Practices*

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- Clearer statement of reporting requirements



# *Definition of “emergency”*

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- “Emergency” vs. “emergent”  
Actual vs. potential



# *Emergency Purchases Policy – Feedback Poll*

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Feedback discussion:

- Do the policy documents provide clarity?
- Does the policy address issues that you've encountered with the current policy?



# Emergency Purchases - Next Steps

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- Please provide feedback by July 31st.
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# *Agency Contract Reporting Policy*

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**Session Objective: REFRESH**

**We want your input on a proposed refresh draft of the existing Agency Contract Reporting Policy**



# Agency Contract Reporting Policy - Feedback

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Feedback discussion:

- Do the policy documents provide clarity?
- Does the policy and procedure address issues that you've encountered with the current policy?



# Agency Contract Reporting Policy – Highlights

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DES Policy #DES-210-01

Revision highlights:

1. State Agencies must annually submit to DES a list of **all contracts** that were entered into, amended, or in effect during the reporting period, except for those that are otherwise exempt.
2. Agencies will now be **required** to report interlocal agreements and interagency agreements (IAAs)
3. New Procedure Document
4. Reporting Field Requirements



# *Agency Contract Reporting Policy – Feedback Poll*

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Feedback discussion:

- Do the policy documents provide clarity?
- Does the policy and procedure address issues that you've encountered with the current policy?



# Agency Contract Reporting – Next Steps

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- Please provide feedback by July 31st.
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    - Use Q&A function in Zoom (only available during the workshop)
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- Policy will be finalized and shared with stakeholders by October 2020.



# *Supplier Diversity Policy*

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**Session Objective: NEW**

**We want your input on a proposed draft Supplier Diversity policy outline, which includes Executive Order 19-01 (procurement practices and preferences to promote state agency contracting with veteran owned businesses).**



# *Supplier Diversity Policy Outline – Feedback*

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Feedback discussion:

- Are the outline topics correct?
- What other outline subtopics should be included?
- Do you have any model examples of topics/subtopics that we should consider for the policy?
- Any other comments/feedback?



# *Supplier Diversity Policy Outline – Background*

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## **RCW 39.26.005 Intent**

The legislature intends that the state develop procurement policies, procedures, and materials that encourage and facilitate state agency purchase of goods and services from Washington small businesses.





# *Supplier Diversity Policy Outline – Background (cont.)*

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## **RCW 39.26.090(6)**

DES is to develop procurement policies and procedures, such as unbundled contracting and subcontracting, that encourage and facilitate the purchase of goods and services from Washington small businesses.



# *Supplier Diversity Policy Outline – Small Business*

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## **RCW 39.26.010(22)**

To qualify as a small business – the business must:

- Be a Washington state business
- Have fifty or fewer employees
- Have a gross revenue of less than seven million
- Or be certified with the Office of Minority and Women-Owned Business Enterprises



# What does OMWBE do?

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- Certifies small business owned by minorities, women and other socially & economically disadvantaged persons.
- Provides education and outreach to state agencies, educational institutions, prime contractors and small businesses
- Collects and publishes agency supplier diversity plans
- Reports state agencies and colleges spend to the legislature and the governor.
- Agency sponsor to the Business Diversity Sub-Cabinet Community of Practice and Business Assistance



# *Supplier Diversity Policy Outline – EO 19-01 & DVA Goals*

## **Executive Order 19-01** (signed on 5/13/19)

DES in conjunction with the Department of Veteran's Affairs (DVA), and the Office of Minority and Women Business Enterprises (OMWBE), is responsible for establishing a new policy regarding procurement practices and preferences to promote state agency contracting with veteran owned businesses.

## **Veteran-Owned Business Purchasing Goals :**

- ESB 5041 (RCW 43.60A.200) 3% Non-competitive purchases
- Governor's Executive Order 13-01 5% all purchases



# Supplier Diversity Policy Outline – Highlights

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## Policy Outline Highlights:

- Statutory authority
- Leadership commitment
- Forecasting
- Outreach
- Unbundling
- Contract language
- Inclusion plans
- Purchase cards
- Transparency
- Training
- Compliance
- Conditions
- Procedure
- Guideline/Best Practices/Resources
- FAQ



# *Supplier Diversity Policy Outline – Feedback Polls*

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Feedback discussion:

- Are the outline topics correct?
- What other outline subtopics should be included?
- Do you have any model examples of topics/subtopics that we should consider for the policy?
- Any other comments/feedback?



# Supplier Diversity – Next Steps

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- Please provide feedback by July 31st.
  - Feedback options
    - Use Q&A function in Zoom (only available during the workshop)
    - The preferred method for providing feedback is to e-mail the [Feedback Form](#) to [DESmiEnterpriseProcurementPolicy@des.wa.gov](mailto:DESmiEnterpriseProcurementPolicy@des.wa.gov)
    - Contact one of the Enterprise Procurement Policy team members
- DES Policy Team will compile feedback and use to make appropriate revisions to policy draft(s).
- Revised policy draft(s) will be shared with stakeholders prior to finalization.



# *Enterprise Procurement Policy Updates*

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- Environmental Policy Suite
  - Policies and related documents
  - Training Program
- Contract Management Policy





# DES Enterprise Procurement Policy (EPP) – Contact Us

EPP Staff	Phone/E-mail	Areas of Concentration
<p><b>Drew Zavatsky</b> Procurement Risk Assessment Administrator</p>	<p>(360) 407-7915 Drew.Zavatsky@des.wa.gov</p>	<p>Risk Assessments, Delegations of Authority requests, Sole Source/Emergency Filings, Enterprise Procurement Policies</p>
<p><b>Christine Warnock</b> Enterprise Procurement Policy Manager</p>	<p>(360) 407-9398 Christine.Warnock@des.wa.gov</p>	<p>Enterprise Procurement Policies, Sole Source/Emergency Filings</p>
<p><b>Zoë Mroz</b> Enterprise Procurement Policy Management Analyst</p>	<p>(360) 407-8502 Zoe.Mroz@des.wa.gov</p>	<p>Risk Assessments, Sole Source/Emergency Filings, Enterprise Procurement Policies, and Delegations of Authority requests</p>
<p><b>Enterprise Procurement Policy</b></p>	<p><a href="#">DES' Enterprise Procurement Policy mailbox.</a></p>	

**Enterprise Procurement Policy website:**

[Draft Enterprise Procurement Policies](#)

