ARIZONA
DEPARTMENT OF ADMINISTRATION
PROCUREMENT

SPO Newsletter

Our vision is to be the #1 state procurement office in the nation, where adding value is the norm and customer service is second to none.

A Message from CPO Chris Ruth, Arizona Department of Health Services

As I leave the Arizona Department of Health Services, I wanted to recognize the ADHS Procurement team for their hard work and dedication serving the citizens of Arizona to ensure that health services are provided where they are needed. ADHS has 6 Divisions that include the Arizona State Hospital, Public Health Prevention, Public Health Preparedness. Licensing, Director's Office and Planning and Operations.

Within those Divisions are a myriad of programs. In Fiscal 2022, our team of 10 Procurement Officers and 2 Contractors completed 6,510 Purchase Orders in FY22 for a total spend of $559,929,294.79. They completed 36 agreements, 158 Contracts, 10 Requests for Grant Applications, 15 Requests for Proposals, 12 Invitation for Bid, 114 Intergovernmental Agreements, 55 Interagency Service Agreements, 41 Memorandum of Understanding and over 300 Amendments.

I am proud of the work they do and who they are: Gina Corwin, Kristine Newton, Jacqueline Ortega-Avila, Jodie Cassin, Kailee Gray, Delilah Gonzalez, Paul Evans, Brenda Prevost, Anthony Beckum, Karla Varela, Hana Hehman, Brandon Durick, and Lucas Terry.

Cooperative-Focused Meeting in Clarkdale

On December 5, 2022, Ed Jimenez, Kim Fiumara, Jessica Klein, and Julia Ladner from ADOA met with local leaders in Clarkdale to discuss the State's cooperative program and opportunities for use of Job-Order Contracting services. Procurement professionals and local leaders from Clarkdale, Cottonwood, Payson, Sedona, Jerome, and Camp Verde joined SPO to discuss their procurement needs.

Kim Fiurmara, Ed Jimenez, Clarkdale Town Manager Susan Guthrie, and Vice Mayor Debbie Hunseder (left to right)

Data Security Moving to StateRAMP

The SPO Commodities team has been an early adopter of data security through StateRAMP. Simon Alvarez, Renee Uliassi, and Francine Whittington were part of the first-in-the-nation use of StateRAMP. Simon released the first RFP from SPO to include StateRAMP for the Workers' Comp Medical Case Mgt, followed by Francine releasing the Secure Printing and Mailing Services Statewide, and Renee releasing Vocational Rehabilitation Services. We are the first State to have multiple solicitation released reference StateRAMP and the end goal of StateRAMP certification. Well Done!

Congrats, Jesse!

Join SPO in congratulating DCS's Jesse Atoigue on his well-deserved win of NIGP's RJD Mentoring Award.

Shoutout to the New Chief Procurement Officers

The following individuals have taken on new Chief Procurement Officer roles this year: Ted Cooper (Forestry and Fire Management), Jessica Sullivan (Pioneers' Home), Alissa Vander Veen (Board of Chiropractic Examiners), and Gina Corwin (Arizona Department of Health Services). Be sure to congratulate them and offer your support as needed. A special thanks to Kerry Wells, who has worn two hats this year, as both a senior member of the SPO

Compliance team and Chief Procurement Officer for Arizona Department of Juvenile Corrections.

SGU Highlights

The Arizona Department of Corrections, Rehabilitation & Reentry (ADCRR): ADCRR procurement has been working hard to accomplish many projects including success in fulfilling the purchase of two major private prisons; establishing the management of inmates at two major private prisons, working on a new Foodservice solicitation for all Institutions, and one big major initiative in looking at a Participating Addendum with NASPO for Inmate phones, tablets and mail service.

Arizona Department of Child Safety (DCS): With direct support from the State Procurement Office, particularly Michael Hillebrand, the State was successful in soliciting and awarding a contract on behalf of DCS for IT Maintenance & Operations professional services. This contract supports the DCS Guardian Case Management System and all the required services including managed cloud services, operational support services, business analytics, routine application support, as well as major enhancements and solution architecture support. The new contract also provides for documentation and training of users for new Guardian enhancements being deployed as well as service level management.

Arizona Department of Environmental Quality (ADEQ): In August 2022, the Department of Interior awarded ADEQ's Oil & Gas Unit $25M for the Arizona Orphaned Well Site Plugging, Remediation and Restoration project under the Infrastructure Investment and Jobs Act (IIJA). The ADEQ Procurement Staff:

- Amended (25) *Statewide Assessment and Remediation of Hazardous or Regulated Substances* contracts to include Build America, Buy America (BABA) language, National Historic Preservation Act (NHPA; 54 U.S.C. 300101), and specifically Section 106 of the NHPA (54 U.S.C. 306108) as implemented through the regulations of the Advisory Council on Historic

Preservation (ACHP) at 36 CFR Part 800, as well as <u>A.R.S.§41-2637. Compliance with federal requirements</u> within (90) days of receipt of federal funds.

- Provided *Introduction to Public Procurement*, *Task Order Process, and ADEQ Purchasing Process* training and agency standard work to all ADEQ Oil & Gas unit employees.
- Assisted ADEQ Oil & Gas unit with facilitating a supplier symposium, discussion forum w/Q&A, scope of work creation and task order distribution to awarded suppliers in order to obligate all federal funds within (90) days (*December 30, 2022 deadline*) of receipt of federal funds.
- Assisted ADEQ Oil & Gas unit with encumbering $20.8M of the $22.5M (92.4%) federal project funds to ensure compliance with federal obligation of funds requirement.

This was a huge success for ADEQ Procurement and the agency!

Arizona Department of Transportation (ADOT): In August of 2022, ADOT Procurement launched a revised version of its Procurement Fundamentals as a self-paced computer-based training (CBT). This allows ADOT employees to complete the course on-demand rather than having to wait to attend a monthly instructor led session.
Since the beginning of fiscal year 2023, ADOT Procurement awarded fleet-related State contracts for:
- Landscape & Utility Vehicles
- Bulk Fuel & Propane

We also completed solicitations and awarded contracts for two major ADOT initiatives to include
- Drivers License Security Software Upgrade
- Central Credential Issuance for Drivers Licenses and State IDs

Arizona Department of Economic Security (ADES): ADES received increased funding for federally funded programs, such Early Childhood Development, Homelessness, Refugee Resettlement, Utility & Rental Assistances, and had a strong need for growth in our network of service providers.

The team supported ongoing operational and IT services including, three major case management system replacements (projects greater than $15M), contact center service re-bid ($250M), and virtual office efficiency technologies.

The team continues to collaborate with SPO and other agencies to improve, enhance, and continuously improve our policies, standard work, and standardization of documentation.

SPO Academy Training

Training sessions available through the SPO Academy. Training covers the basics of Arizona State Procurement, requests for proposals, requests for quotations, risk assessment, negotiations, and more.

FIND OUT MORE ABOUT TRAINING

General Services Division Update

The ADOA's General Services Division (GSD) has provided the following helpful links:

For job-order contracts (JOC), the Adjustment Factor Spreadsheet for all trades as well as contractor contact information and map of seven regions can be here:
https://doa.az.gov/resources/job-order-contracting-adjustment-factors

Professional service submission packet:
https://doa.az.gov/resources/professional-service-vendors-annual-submission-packet

Pre-qualified vendors list:
https://doa.az.gov/resources/professional-service-vendors-general-services
New vendors are being added weekly, and GSD accepts submissions at any time.

Shout Out to the Negotiations Training Group

Thank you to the Negotiations training group composed of Ed Jimenez, Steve Nettles, Renee Uliassi, Yanneth Montes, Joyann George, and John Jimenez for providing an informative and productive course. Thanks also to all attendees for your focused attention on this important skill.

SPO Compliance Unit Updates

For the first time since 2013, the Uniform Terms and Conditions have been updated. The newest version can be found on the SPO website and has been incorporated into the Solicitation Requirements and RFQ Template documents. SPO Compliance continues to review and revise Technical Bulletins and Standard Procedures, as needed.

In addition to the changes to the Uniform Terms and Conditions, the Special Terms and Conditions in the RFP Requirements document have also been updated to reduce duplication, integrate terms required by Homeland Security, and increase clarity. In the new year, look for new direct contract templates and task orders, new terms integrating StateRAMP requirements, and revised instructions to offerors.

Note that all the State of Arizona IT Policies and Standards related to Cybersecurity for State Agencies, Boards, and Commissions are now available on Homeland Security's website at: https://azdohs.gov/information-security-policies-standards-and-procedures. Any questions regarding this process should be directed to Homeland Security at **GRC@AZDOHS.gov.**

Risk Management and SPO Compliance are currently working together to create a Word version of Risk Management's insurance modules. This will allow procurement officers to copy and paste the required module into an addendum rather than paste the module into the Solicitation Requirements document. As a result, the time required to format the Solicitation Requirements document will be greatly reduced.

Set-Aside Program

In August 2022, the Set Aside Program won the 2022 National Association of State Chief Administrators' (NASCA) Innovation in Government award in the category of Diversity, Equity, and Inclusion in Procurement. As stated by NASCA, "This year's award program was very competitive, and it is undoubtedly a great accomplishment to earn this award." We want to take this opportunity to thank all those who participate and make the Set Aside Program the success it is. The program has a direct positive impact on individuals with disabilities who are employed by non-profit organizations acting as active suppliers to state contracts and individuals participating in the Arizona Correctional Industries programs.

Yanneth Montes, Co-chair of the Set Aside program, is responsible for the management of the program and the administration of the Set Aside contracts. Yanneth's submission demonstrated how SPO revamped its metrics and processes to gather data, standardization and reporting to capture information and measure the health of the program for years to come.

Fiscal Year 2022 Results:

- Total Annual Wages Paid through the program: $768,917
- Total lives impacted by Set Aside Program: 832
- Jobs created by the Set Aside Program: 727

If you have any questions about the program feel free to contact its Co-chairs Yanneth Montes or Ken Sanchez or visit the Set Aside page in the SPO website. https://spo.az.gov/set-aside-contracts

Puncurement: Season's Greetings from Frosty the SPOman!

Enterprise Computer Hardware Program (ECHP)

Leveraging the State's purchasing power!

After a successful pilot program, ADOA launched the Enterprise Computer Hardware Program in July 2022 to significantly lower laptop and other computer hardware costs, as well as reduce lead-times. It was a team effort between SPO's Technology unit led by Eric Bell and Arizona Strategic Enterprise Technology (ASET). Through a robust competition among the State's existing computer hardware contractors, ADOA selected Lenovo as their exclusive partner for the program, which offers an extremely discounted price on the ThinkPad L15 Gen2, 11th Generation Intel® Core™ i7-1165G7 Processor, for $1,014.40. Computer Monitors and Docking Stations are also part of the program.

To reduce lead-times from months to just days, the ECHP is designed to receive forecasted volume demands from participating agencies while Lenovo holds all inventory at a local warehouse, and only charges the participating agencies when they are ready to physically receive the product. For more information or to join the ECHP, check out https://aset.az.gov/programs/echp, ECHP FAQs, or contact Eric Bell (SPO Technology Procurement Analyst Statewide) or Lindsey Daberko (ASET Enterprise Project Manager).

Responsible, Responsive, and Susceptible

When reviewing responses to a solicitation, procurement officers must ensure that the offers are responsible, responsive, and susceptible. Though these words are familiar to most, it is important to understand their context when it comes to the solicitations.

A responsible offeror has the capability to perform the contract requirements and the integrity and reliability which will assure good faith performance. There are a number of ways to determine responsibility. It may be a review of the offeror's financial documents, a reference check, or other analysis. How responsibility is determined is within the procurement officer's discretion.

A responsive offer is one that conforms in all material respects to the solicitation. For example, if an offeror did not include all of the required documents in the solicitation response, then this may deem them not responsive.

A susceptible offer is one that meets the mandatory requirements of the solicitation and complies with any susceptibility criteria identified in the solicitation. If an offer does not meet one or more of the requirements, does not comply with susceptibility criteria, or is not susceptible for award in comparison to other offers based on the criteria set forth in the solicitation, the procurement officer may determine that the offer is not susceptible for award.

Required solicitation instruction language regarding responsibility, responsiveness, and susceptibility can be found in Technical Bulletin 047 (TB 047) and in this slide deck.