

SB1565 Managing State Spend

Procurement makes up nearly 10% of Oregon's all funds budget and represents \$8 billion in biennial spending. The state has unified procurement rules, yet, agencies operate without a standardized procurement system. Agencies use procurement methods to spend money in differing ways and there is no way to track or manage the spend. Procurement processing steps vary by agency, are manual in nature, and are labor intensive.

Three part solution:

1 Adopt eProcurement Solution

OregonBuys is an eProcurement solution project that is already underway (since 2014) that we'd like to adopt statewide. Ten agencies intend to deploy the internet based platform solution which provides the following:

- Tracks spend and provides data for analysis.
- Automates the Procure to Pay process (approvals and work flow).
- Establishes online catalogs and shopping from statewide price agreements.
- Provides self service tools for vendors.
- Automates RFP/Bidding process.

2 Reverse Auction Pilot

Institute a pilot project where roles of buyer and seller are reversed and sellers compete to obtain business from the state. In this situation, prices typically decrease as the sellers try to underbid each other.

We want to pilot the reverse auction concept for the purchase of goods or services valued at more than \$150,000.

3 Price at 30% Weight Pilot

Procurement law currently allows agencies to evaluate solicitation offers on a variety of criteria.

As part of this initiative, we want to conduct a pilot to assess the effectiveness of requiring price to be 30% of the final evaluation criteria during the solicitation evaluation process.

Staff contacts:

Berri Leslie
Deputy Chief of Staff
Governor's Office
berri.leslie@oregon.gov

Debbie Dennis
State Chief Procurement Officer
DAS Procurement Services
debbie.dennis@oregon.gov

