



Oregon

Tina Kotek, Governor

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May 1, 2025

Co-Chairs Kate Lieber and Tawna Sanchez
Joint Legislative Audits Committee
Oregon State Legislature
900 Court St NE
Salem, OR 97301

Re: DAS Presentation on Secretary of State Audit Report No. 2018-45, OregonBuys

Co-Chairs Leiber and Sanchez, members of the committee,

Thank you for having DAS at the Joint Legislative Audits Committee this week on Monday, April 28, 2025.

During our presentation on the 2018 Secretary of State Audit Report 2018-45; "Significant Cost Savings Can Be Achieved by Modernizing Oregon's Procurement Systems and Practices [Report No. 2018-45](#), Information Technology Audit", there were several questions requiring follow-up information. Please find that information here and let us know if there's anything else we can do to be helpful.

Thank you!

-Melia Masiba
DAS Legislative Director

1) Approximately how much money has gone through the system so far? And can we show spend by agency over the past year?

OregonBuys can produce reports on spend that has been processed inside of the system, which is most procurement spend across the enterprise. There are several agencies with exceptions (see response to Question 3 below for details).

Additionally, agency SPOTS card purchases occur outside of the OregonBuys system. Purchase Orders processed through OregonBuys can be marked as paid externally, such as with SPOTS cards, however this requires the vendor to be fully registered in OregonBuys prior to the purchase. DAS has determined that, at this time, it is not a good use of resources to attempt to register every single vendor that a state agency might

potentially make any purchase from, including incidental and ad hoc field purchases such as replacement materials or coffee or refreshments for a local townhall or other kind of community informational meeting.

The following table displays all purchase orders conducted in OregonBuys during 2024. The OregonBuys system has captured 112,024 Purchase Orders totaling \$3,384,762,726 in spend since it was stood up in 2019.

Agency	Number of Purchase Orders	2024 Purchase Order Totals
Department of Transportation	18,891	\$633,223,064.44
Department of Forestry	10,638	\$334,143,752.59
Oregon Health Authority	2,151	\$155,619,620.78
Oregon Youth Authority	420	\$143,317,017.56
Department of Early Learning and Care	97	\$63,807,222.39
Department of Administrative Services	255	\$62,607,585.65
Department of Veterans' Affairs	484	\$51,727,799.66
Housing and Community Services Department	863	\$49,581,571.58
Oregon Department of Human Services	594	\$23,148,582.46
Department of State Police	1,766	\$23,098,013.54
Department of Environmental Quality	2,197	\$19,006,172.85
Public Employees Retirement System	317	\$18,095,727.30
Secretary of State	679	\$16,060,471.81
Department of Aviation	55	\$15,107,436.36
Department of Justice	1,731	\$13,322,812.60
Department of Public Safety Standards and Training	1,079	\$8,741,715.30
Oregon Business Development Department	329	\$5,489,649.33
Department of Consumer and Business Services	994	\$5,426,296.29
Oregon Liquor and Cannabis Commission	542	\$4,756,282.40
Department of Education	313	\$2,973,679.00
Department of Revenue	1,016	\$2,796,772.61
Higher Education Coordinating Commission	37	\$2,117,019.75
Department of Agriculture	104	\$2,082,794.99
Oregon Forest Resources Institute	326	\$2,040,356.53
Public Utility Commission	110	\$1,688,582.84
Department of Geology and Mineral Industries	43	\$1,649,321.67
Oregon Military Department	33	\$1,552,857.87
Commission for the Blind	63	\$1,258,951.40
Department of the State Fire Marshal	477	\$1,113,853.51
Oregon State Marine Board	50	\$780,198.24
Oregon Watershed Enhancement Board	41	\$663,200.45
Oregon Public Defense Commission	94	\$612,501.96

Water Resources Department	119	\$576,612.32
Bureau of Labor and Industries	14	\$576,032.64
Oregon Department of Fish and Wildlife	1	\$433,392.00
Oregon Medical Board	24	\$354,990.17
Teacher Standards and Practices Commission	5	\$343,834.50
Department of Energy	31	\$211,085.77
Department of Land Conservation and Development	21	\$188,453.11
Department of State Lands	12	\$165,142.72
Oregon Board of Dentistry	18	\$129,961.52
Oregon Criminal Justice Commission	2	\$30,047.20
Construction Contractors Board	8	\$21,961.51
Oregon Board of Accountancy	3	\$17,057.73
Real Estate Agency	13	\$15,043.54
Board of Pharmacy	2	\$3,065.68
Psychiatric Security Review Board	1	\$2,950.00
Department of Emergency Management	1	\$57.84
Grand Total	47,064	\$1,670,680,573.96

2) Of the 896 OrCPPs members, how many of those are still using the system?

By joining the Oregon Cooperative Procurement Program (OrCPP), local government entities such as cities, counties, and school districts can post their contracting opportunities on OregonBuys and search for existing statewide price agreements. OrCPP members follow their own procurement rules so the state cannot require them to post on OregonBuys, though several OrCPP members may choose to write the use of OregonBuys into their procurement code.

[Learn more about the OrCPP program and benefits here.](#)

The table below displays the number of contracting opportunities posted as "Bids" in OregonBuys by OrCPP agencies in 2023 and 2024.

Year	Number of Bids Posted by OrCPP Members	Number of OrCPP Members Posting Bids on OregonBuys	Percentage of Total OrCPP Members Posting Bids on OregonBuys
2023	831	101	11%
2024	1,397	147	16%

3) How many state agencies are using the system?

This link displays the [state agencies that have implemented OregonBuys](#) and calls out the handful of agencies with approved exceptions for some activities.

OregonBuys State Agency Activity for Calendar Year 2024:

Document Type	# Completed	Posting Agencies
Bids (Solicitations/Notices)	1,282	47
Requisitions	47,734	55
Master Blanket Purchase Orders (MBPOs)	6,591	42
Non-MBPO Purchase Orders	47,064	48
Invoices	59,141	38

4) How many agencies, and which ones, are still posting RFPs, etc outside of the OregonBuys system?

Contracting opportunities such as Requests for Proposal (RFPs) and Invitations to Bid (ITB) are posted in OregonBuys using the “Bid” document type. Agencies subject to DAS procurement rules are required to post their contracting opportunities on OregonBuys. We are unaware of any agencies which are not compliant with this requirement.

Other agencies have the option of posting Bids on OregonBuys, however they may choose to post their contracting opportunities elsewhere (i.e., agency website). As described in Question 2 above, OrCPP members may choose to post contracting opportunities on OregonBuys if desired but are not required to do so.

5) How much of the \$9M starting funds have been spent to date?

DAS POP 107 (2019), Procurement System Replacement, increased DAS Other Funds expenditure limitation by \$8.8M to include three positions (2 Limited Duration, 1 Permanent), the Periscope contract fee, ongoing service fees, and technical support. Revenue for establishing OregonBuys as an e-procurement system was self-funded through a one percent administrative fee on purchases from statewide price agreements.

[Additional information](#) on the OregonBuys development and establishment process was shared with the Joint Ways and Means General Government Subcommittee earlier this session on [February 27, 2025](#).

6) Have we realized the “significant” cost savings that were intended?

In 2018, the Secretary of State, in the “Significant Cost Savings Can Be Achieved by Modernizing Oregon’s Procurement Systems and Practices [Report No. 2018-45](#), Information Technology Audit, December 2018”, projected that a centralized, online database to “provide purchase data of sufficient detail to allow for robust spending analysis and identification of opportunities for strategic sourcing and cost reductions. Additionally, develop processes to ensure the results of this analysis are available to

agencies, legislators, and the public" would generate significant cost savings for the state.

OregonBuys has successfully developed into a system that captures data on agency use and spend on a vast majority of the enterprise's contracting activity. This data is available to DAS, other agencies and agency sourcing professionals, legislators, and the public to recommend policy changes, sourcing strategies, and best practices to pursue savings.

While low-cost pricing is always a leading consideration, final purchase decisions also contemplate issues such as standardization versus operational independence, or the exclusion or inclusion of small and diverse suppliers, for example, as values that guide Oregon's procurement choices.

Additionally, there are cost savings realized in efficiencies and digitization of what was a massively paper-heavy process. OregonBuys has also already produced a meaningful increase in the accessibility and transparency of information in the procurement process.

7) Are agencies still allowed to pick and choose their own purchases, brands, etc?

Yes, agencies retain some level of choice in their purchasing decisions. The guidance on purchasing choices agencies are directed to make are determined in legislative direction or procurement policy decisions- although the data being collected by OregonBuys is intended to provide these bodies with information on trends, spend, and other information to better inform these policy decisions.

8) The success rate of meeting the COBID goal seems to be going down? Why is that and what is being done to address this?

While Business Oregon manages the COBID certification program and can share more information about the numbers of certified firms, OregonBuys does allow agencies to filter searches based on COBID certified suppliers. With OregonBuys we can also track which COBID suppliers are being awarded contracts within the system. In partnership with the Governor's Office, DAS recently set a target for executive branch agencies of 11% spend or contract execution be with COBID certified firms.