

Statewide Procurement Consolidation Frequently Asked Questions – as of July 8

#	Question	Answer
1	What is Procurement Consolidation?	Procurement duties under AS 36.30.005 (a) will transfer to the Department of Administration to create the Office of Procurement and Property Management (OPPM). There are some exceptions, for example construction-related procurement.
2	Why is Procurement Consolidation happening?	In February 2019, the Governor issued Administrative Order No. 304 to establish Statewide Procurement Consolidation and create the Office of Procurement and Property Management. Today, there are approximately 100 non-construction procurement staff throughout state agencies. While the current practice of allowing agencies flexibilities to purchase their own needs has some positive aspects, this decentralized model has significant drawbacks, including redundancies in purchases, difficulty in data sharing and implementing best practices, and difficulty enforcing procurement policies. Anticipated benefits from procurement consolidation include commodity and contractual cost savings, standardized and streamlined processes that improve efficiencies, greater consistency and control in the exercise of procurement and greater flexibility for employee growth.
3	What is the timeline for Procurement Consolidation?	AAPEX consultants assessed the current state of procurement and developed plans for a consolidated procurement organization. These reports are available on the AAPEX website (doa.alaska.gov/AAPEX). DOA is currently revising the proposed schedule and this FAQ will be updated when the schedule is finalized. DOA does not expect positions to transfer in calendar year 2020.
4	When will Procurement Consolidation start?	DOA is currently revising the proposed schedule and this FAQ will be updated when the schedule is finalized. DOA does not expect positions to transfer in calendar year 2020.
5	Is the State moving forward with Procurement Consolidation?	Yes, the State is moving forward with Procurement Consolidation. Right now, DOA is socializing the high-level strategy and having discussions with departments to figure out where the plan should be adjusted.
6	Will procurement positions be relocated to Anchorage or Juneau?	No, procurement positions will not be relocated. The current plan is for impacted employees to physically remain at their desk in their original department. During COVID-19, we've shown that working remotely can be successful. There may be opportunities in the future for Procurement Specialists to relocate to a dedicated Statewide Procurement office space.
7	Will there be a reduction in personnel?	The Procurement Consolidation plan does not include any reductions in personnel. Efficiencies from standardized and streamlined processes may reduce the need to hire for vacant positions.

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8	How will IRIS security and workflow work? My understanding is that there are no cross-department approvals.	Security and workflow will not change in Phase I. Division of Finance and the IRIS team will work collaboratively with Procurement to ensure that IRIS security and workflow issues are resolved.
9	How will IRIS training be deployed to procurement staff?	<p>Today, there is a lack of IRIS training for procurement-related tasks. There is also not a standard process that departments use for the IRIS procurement module.</p> <p>A training team is being established, with representatives from Division of Finance, Department Procurement, and Department Finance, to inventory all IRIS procurement processes and assess training needs. This team will identify the best approach for deploying training.</p>
10	Will departments have assigned procurement specialists that have insight into their business functions or will departments have to go to a different procurement specialist for each category of need?	<p>In Phase I, Procurement Specialists will remain assigned to the Department that they were transferred from.</p> <p>In Phase III, the department's current Procurement Managers will be assigned to their same department and will be responsible for coordinating with Procurement Specialists to meet their department needs.</p>
11	Will Statewide Procurement manage fixed assets and physical inventory? Today, our department's procurement handles these duties.	We are working with departments to determine which duties are in scope for transfer.
12	The first phase of Procurement Consolidation occurs during appropriation, which is a very busy time for Procurement. departments are also busy responding to COVID-19. Did Procurement Consolidation take this into account?	DOA is currently revising the proposed schedule and this FAQ will be updated when the schedule is finalized. DOA does not expect positions to transfer in calendar year 2020.
13	Will category manager positions be filled with existing staff or will they be recruited?	DOA will consider all options and make a determination that is best for the State considering the desire of the employees and their experience and skillset.
14	Is there any plan to standardize vendors/sources within categories? Today, departments have discretion. Who will make the final determination for the supplier?	<p>Procurement can get better pricing by consolidating spend with standardized vendors.</p> <p>Departments will continue to develop business requirements for their procurements and participate in vendor selection processes. Ultimately, the department has the final say whether they want to proceed with award or if they want to re-compete.</p>

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15	Will there be additional red tape for non-standard purchases?	In Phase I, all department processes will remain the same. In Phase II, processes will be streamlined and standardized which should remove red tape for non-standard purchases.
16	When will Commissioners approve the procurement consolidation plan?	Commissioners and their leadership teams are being consulted throughout this process. DOA is socializing the high-level strategy and having discussions with departments to figure out where the plan should be adjusted. DOA will take department input and incorporate it into the plan.
17	Who will coordinate administrative tasks for position transfers?	DOA will need to work collaboratively with each department to coordinate the administrative tasks associated with position transfers. DOA is currently identifying the lead resource for this work.
18	I'm excited about Procurement Consolidation! How do I participate?	That's great! Email the project team at DOA.Procure.Consolidation@alaska.gov to get started.
19	I have questions, comments, ideas, and/or concerns. How do I provide feedback on Procurement Consolidation?	Great question! We have established a dedicated inbox for inputs, questions and suggestions. Please email your thoughts to DOA.Procure.Consolidation@alaska.gov .
20	Will Department Procurement Managers no longer have direct reports when Phase III starts?	Department Procurement Managers will have dotted line to Category Managers, and will work with them to make the buy for that category. The complexity of the department may warrant additional support staff for the Department Procurement Managers.
21	If I am my department's Lead Procurement Officer, will I remain in my position as the Department Procurement Manager?	Yes, the current plan is for Department Lead Procurement Officers to remain in their position as the Department Procurement Manager. Their PCNs will point to DOA.
22	Will all the Department Procurement Managers be the same range? Or will the ranges vary like they do now?	Department Procurement Managers pay range will vary like they do now.
23	In Phase III, how will Procurement Specialists be assigned to Category Managers?	DOA will work with HR on position assignments, and will try to accommodate requests as employees shift around.
24	What is the process for requesting/applying for a particular position?	DOA will work with HR to use standard HR processes.
25	What qualifies someone to be a Category Manager?	The ideal Category Manager candidate would have experience managing and soliciting contracts that are used by multiple business units and have category-specific knowledge.
26	Do the Department Procurement Managers continue to work with their	Department Procurement Managers will work with their same department, and will have dotted line to Category Managers so that they can work with them to make the buy for that category.

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27	What are the pay ranges of these positions?	DOA will work with HR on position classification and range. DOA does not anticipate changes for Department Procurement Manager positions. Category Managers will be a senior-level position.
28	How many procurement specialists will be under the Category Manager?	It will depend on the volume of transactions for each category. For example, some categories may have 3 or 4 Procurement Specialists while others may only have 1 or 2.
29	If I'm one of the Category Managers, do I get to choose or keep most of my staff?	DOA will work with HR on position assignments, and will try to accommodate requests as employees shift around.
30	Do you get to choose which Category you want to be in?	DOA will work with HR on position assignments, and will try to accommodate requests as employees shift around.
31	How will my work be affected by the new organization?	In Phase I, your day-to-day work shouldn't be impacted very much. You will continue to support procurement activities for your original department. In Phase II, you will need to learn and use new standardize processes, and you will continue to support your original department. In Phase III, your role may change depending on assignment.
32	Will I be able to be part of the training group?	There will be opportunities to participate on training teams. DOA will work with HR to use standard HR processes to hire for the Policy, Oversight, and Training Analyst positions.
33	How are the categories defined?	"Category" is a high-level description of the goods and services procured.
34	Will there be any changes to job titles, duties, or job classifications based on the Phase III implementation?	Procurement Specialist duties will remain mostly the same, but job titles and specific roles will change during Phase III.
35	My department makes confidential purchases. How will this be handled?	DOA will work collaboratively with your department to understand how to best support this need.
36	How will process between AP and procurement work?	In Phase I, there will be few changes in process, and the way that your department handles the process between AP and procurement will remain the same. A training team is being formed to create training for IRIS procurement processes. In Phase II, processes will be streamlined and standardized, including the procure-to-pay process.
37	Who's responsibility is it for maintaining procurement/contract records?	DOA is currently working with departments to clarify the roles and responsibilities for both DOA and departments.

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38	How will the emergency purchase process work? Will the department have to wait in a queue?	In Phase I, the emergency purchase process will remain the same. In Phase II, processes will be streamlined and standardized. DOA will ensure that emergency purchases meet department expectations for service levels.
39	As myself and others have stated, the project deadline shows a large amount of additional work to be performed during May and June, the busiest time for Procurement staff. If staff are unable to devote time to these additional duties, or you are not able to secure volunteers to assist with this large project as requested, what are the options for you?	DOA is currently revising the proposed schedule and this FAQ will be updated when the schedule is finalized. DOA does not expect positions to transfer in calendar year 2020.
40	One of the benefits to this project is shown as "Address Staffing Challenges". What staffing challenges currently exist for Procurement personnel? Is this department specific? Location specific?	This is not location or department specific. There have been ongoing challenges reported by departments regarding difficulties in hiring for Procurement Specialists.
41	What staff comprise the 184 "Procurement" FTEs?	In A&M's report, on the Current State slide, there is a table that describes 184 "Procurement" FTEs throughout the State of Alaska per the FY20 budget. This number includes Procurement Specialists positions and positions in other job classifications that are directly and indirectly involved with procurement.
42	In Phase 1, training of procurement staff on refined processes and procedures is shown. Will there be input from APOG members on the proposed new processes and procedures?	Yes, the training team will work with APOG members on Phase I training. The goal for Phase I is to create a consistent set of training materials for IRIS procurement processes. New and standardized processes will be defined in Phase II.
43	What KPIs are anticipated to be tracked and monitored?	Leading practices for KPIs in consolidated procurement organizations are summarized below. DOA will work with Procurement Specialists to identify the most meaningful KPIs for Alaska. Process-related KPIs: RFP cycle time, PO cycle time, % of solicitations completed within agreed upon timeline, % of actual contract awards completed, % spend on statewide contracts, etc. Contract/supplier management KPIs: average internal customer satisfaction score, vendor performance report card, # of contracts

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		<p>extended beyond maximum term, etc.</p> <p>Transparency, openness, and accountability KPIs: % of active contracts published on website, reduced # of sole source procurements, timely posting of bid opportunities online, etc.</p> <p>Professionalism KPIs: % of staff that completed certification training, training spend, average # of professional development hours, etc.</p>
44	What is the “Help Desk Functionality” that is shown as one of the duties of a Department Procurement Manager?	Department Procurement Managers will be the primary liaison with their assigned department, and will be responsible for answering any department questions and ensuring that their procurement needs are being met.
45	Who will comprise the Policy, Oversight and Training Analysts section? Will these be the same personnel currently under the Division of Risk Management?	No, these are new positions.
46	Do you anticipate simple day to day purchases and the creation of encumbering documents to remain in the department or will SSoA be performing those tasks?	DOA is currently working with departments to clarify the roles and responsibilities for both DOA and departments.
47	Where it states vehicle fleet and inventory (property) is to remain with the departments, will these functions be removed from a procurement PCN, or will these duties remain with a procurement PCN?	DOA is currently working with departments to clarify the roles and responsibilities for both DOA and departments.
48	Department property duties: In most departments property management, i.e. transfer, destruction, annual reporting duties are a procurement function. Is this duty going to transfer to DOA with the employee or is it being left behind with the departments after consolidation?	This function should come to the Office of Procurement and Property Management.
49	What date does department procurement positions officially point to DOA, is it	DOA is currently revising the proposed schedule and this FAQ will be updated when the schedule is finalized. DOA does not expect positions to transfer in calendar year 2020.

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	July 1 2020 or October 1 2020?	
50	Are supply technicians moving over to DOA? If not, what duties will be left for them and who will manage them?	DOA will consider absorbing supply techs.
51	How much will OPPM charge departments?	DOA is developing a rates model for OPPM. DOA will share the rates methodology and expected costs compared to current costs with departments. PCNs will not be transferred until a rate has been developed.
52	Will departments be allowed to procure goods and services without going thru procurement? Ex: if a project manager wants to procure an equipment, can they do this on their own (if they have Procurement Level I)?	All procurement for goods, services or professional services over the limit of \$5,000 will go through OPPM.
53	Will Warrant Levels I-III be removed/taken away from procurement officers?	The Construction Contracting Warrant delegation is managed by the Department of Transportation. DOA has no intention of having current warrant delegations removed from procurement officers.