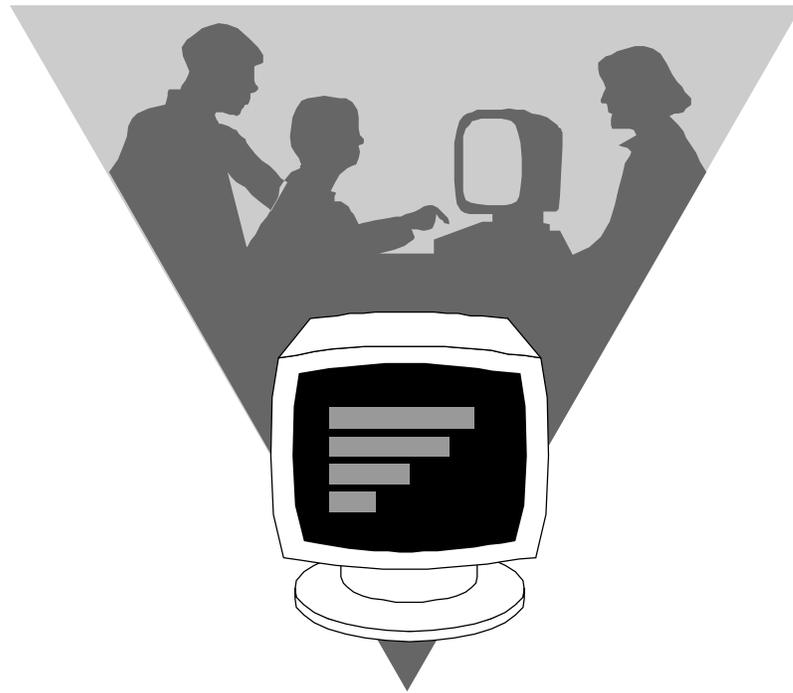

TECHNOLOGY PROJECTS
State Procurement On-line



PAC Meeting -- June 24, 1999

Improving Our Tools

Achieving accessibility, convenience, and reliability for our customers.

One stop shopping for vendors and agencies is a lofty goal for public procurement systems. With the application of Web technology and distributed system tools, even bureaucrats who resist change or mistrust the electronic age can continue to control their environment while still improving their customer relations.

Most agencies with peculiar purchasing requirements and a complex set of authorizing authorities. These agencies can only participate in a consolidated electronic procurement system if what appears to be a single system to vendors is an integrated set of systems that are easy to use and maintain. What we need is a sophisticated communication link for data exchange. Today such a system is no longer a lofty goal, but a reachable economical objective.

In 1998, the Division of General Services began the design and development of several tools to assist DGS and other state agencies in reaching an integrated front end system for state procurement services. Coupling these tools with the on-line public notice system, vendors and agencies should see significant improvements in accessibility to state solicitations in FY2000.

The purpose of this paper is to provide a glimpse into the development of General Services new purchasing tools.

Front End Integrated Procurement System

Front-end Integrated Procurement System contains the following modules.

- Module 1: Replace all current DGS solicitation tracking systems with a Solicitation ID Transaction Data Base capable of issuing a “Solicitation Tracking Number”. (Replaces ITB, ASPS, RAP number id systems)
- Module 2: Solicitation Description Data Base that incorporates the agency demographics, Public Notice Description, Long Description of the Solicitation related to each Solicitation Tracking Number.
- Module 3: Solicitation Procurement Report Data Base incorporates the 36.30 required report data related to each Solicitation Tracking Number.
- Module 4: Create the necessary inter-activity to allow the transmittal of the information from Module 2 to the State’s On-line Public Notice System to avoid any duplicate data entry problems for state agencies.
- Module 5: Solicitation ITB/RFP Document Data Base collects and makes all of the ITB/RFP documents, amendments, and Q/As available on the WEB for access & download by potential bidders.
- Module 6: Create the Vendor Security and Access System that includes Vendor Registration, Vendor Rules of the Road, Vendor Access Tracking System to facilitate Email transmittal of notices, amendments and responses to Q/As by Solicitation Tracking Number.
- Module 7: Create the necessary inter-activity with the State’s On-line Public Notice System. This will allow interested parties to access Module 5 Solicitation ITB/RFP Document Data Base. The On-line Public Notice System and the DGS Front-end Integrated Systems become fully integrated and seamless. Not only are public notices available to the vendors, but all solicitation documents available to the vendors on-line. In addition, agency issuers have full access to Email lists and contact numbers for vendors who have shown any interest (including downloading ITB/RFPs) for a particular solicitation.

- Module X: Electronic Forms Link Data Base -- There will be a simultaneous effort to create "interactive forms¹" to assist agencies in developing certain solicitations. Electronic Forms will link to the Front-end Integrated System as simple Hyper Links or as data exchanges.

Phase Process

During development, we use DGS solicitations so that changes in procedures and the impact of testing will not impair the business operations of other state agencies. There will be a phased migration of agencies to the system to insure staff training and to maintain system integrity and response time for users. Once all of the state agencies are functioning on the system and stress testing is complete, then the system will go live on the Web for vendor participation. Agency participation in user groups for development, training, testing and implementation will be established through the Administrative Solutions Team.

DGS is paying for development without additional appropriations. We are not seeking to charge out the costs of development or requesting "contributions." to maintain the system. However, this does mean that this is a lean, mean machine that organizes procurement transactions and provides accessibility to agencies and vendors.

Development on the Web is planned in such a way that there will be no charge to the WEB users. Agencies and vendors with access to the Web will pay no fees but must comply with all security procedures. Agencies wishing to directly access the data bases on the state servers (not via WEB) for statistical reporting will have to have appropriate licenses to use the software (Oracle and MS Access) or request DGS to provide data extracts as time permits. DGS will provide monthly and annual statistical reports that may meet the needs of most state agencies.

Graphic Presentation

- Appendix A provides a graphic exhibit of the System.

¹ Inter-active electronic form means a form that provides and/or obtains data and allows the user to submit information and/or retrieve information on-line. It is not just a downloadable format.

Automated Bidding System Tools for Commodities

In FY99, DGS completed development of several bidding modules to assist contracting officers in issuing Invitations To Bid (ITBs).

Catalog System Basic

A data base called the “catalog” was developed which allows agencies to specify the products and the quantity of such products they desire. DGS issues the “catalog” as an ITB. The vendor inserts their vendor preferences, their prices and their product preferences and submits the catalog to DGS. The systems functionality is as follows:

1. Consolidates the vendor responses
2. Calculates and adjusts the prices for preferences during bid comparison
3. Notifies and allows the contracting officer to resolve discrepancies
4. Determines the winning vendor for each product
5. Issues the intent to award
6. Issues the purchase orders

The system operates in three environments:

- a.** Data input by hand by the Contracting Officer
- b.** Data transfer to the Catalog System by the Contracting Officer through Email attachments from state agencies and vendors
- c.** On-line interactive data entry via the WEB

The catalog system is now operational in the first two environments. We will go live on WEB in 2nd quarter of FY2000 for the following commodities purchases:

- Quarterly Grocery Bids
- Quarterly Meat Bids

The catalog system will add the following commodities in FY2000 3rd and 4th quarter:

- Laundry/Chemicals
- Microcomputers
- Paper

Catalog System Special

The special catalog system will operate in the same communications environments (direct data entry, email attachment data entry, on-line data entry) as the Basic Catalog System but addresses the condition where the state is not specifying a product like potatoes or detergent. The Special Catalog System is used when the state is requesting that the vendor name both the "product" and the "price" to meet a specific need or function. For instance when the state wants word processing or spreadsheet software, then vendor would list the brand, functionality, and price. We anticipate completing this module in FY2000.

Use of these tools by other state agencies

DGS will make these tools available to other state agencies upon request in two forms:

1. DGS will conduct the procurement for the agency based upon receipt of a PR requesting DGS to procure a "particular set of commodities." There is no charge for this service but we prefer that the requested commodities be ones that the requesting agency feels that other state agencies might also use. The requesting agency will be provided with an electronic catalog for inserting their commodities and desired quantities. DGS will issue the ITB. (Only available for Basic Catalog System in FY2000)
2. DGS will transfer the software programs and architecture to the requesting state agency. The state agency will maintain their own data bases, Web server, and application management. (Not available until 1/1/00)

Graphic Presentation

- Appendix B provides an exhibit of the Basic Catalog System.

Other Automated Policy Issues

Bidders List

Currently DGS maintains a bidders list. Here-to-fore, the bidders list was maintained for the purpose of allowing state agencies to obtain mailing lists so that solicitations could be mailed to potential bidders.

The bidders list is maintained on an antiquated system that must be replaced. Only DGS Front Desk staff have access to the list. When an agency requests a list, the staff prepares an extract of the list based on the requesting agency's parameters. Once prepared, the list is mailed to the agency.

When the Front-end Integrated System is operational, there will be no "essential procurement need" to maintain the list. Vendor's s will be able to track state solicitations on the WEB. The on-line public notice system satisfies the legal requirement for advertising. The Front-end Integrated Systems² satisfies the legal requirement for distributing the solicitations and amendments.

During the development of the Front-end Integrated System, the current system will be converted to an Oracle Data Base with an MS Access inquiry front end. This will allow agency staff statewide to generate vendor lists and mailing labels. However, there will no legal requirement to do so.

Vendors will register in the Data Base when they request to download a solicitation. If they have a complete registration file, they will gain immediate access to the solicitation. If they are new to the system, they will be required to complete a registration form on-line. This system will include an on-line link to business licenses so that the vendor can also request a license or simply obtain their current license number.

The critical difference between the old system and the new system is that the Bidder's List is not a static list of available vendors used for advertising solicitations. It is a dynamic register of persons who have expressed interest in a specific solicitation and allows the contracting agency to contact these individuals on-line.

Vendors who are not WEB enabled

Alaska vendors have public access to the WEB at their local public libraries and through various commercial WEB service companies. WEB services are a cost of doing business in the

² The Front-end Integrated System includes a method for the Vendor to request that a specific solicitation and future amendments be emailed and/or sent by mail.

21st Century. We would expect a majority of Alaskan vendors to have little or no difficulty in obtaining such services. The state will provide appropriate accommodations as required under ADA.

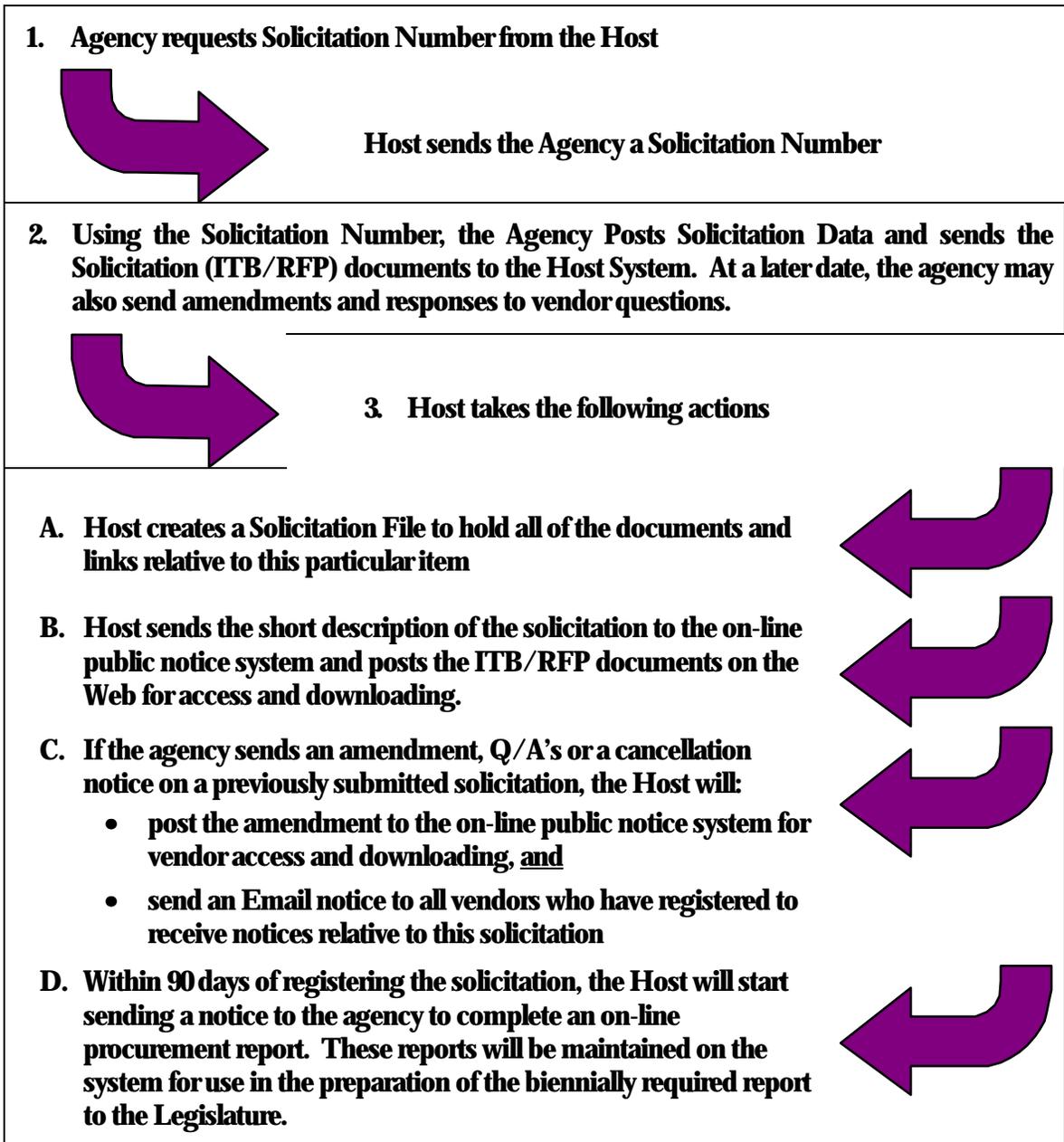
DGS will maintain a help desk to assist vendors as the system is implemented.

Vendor User Groups

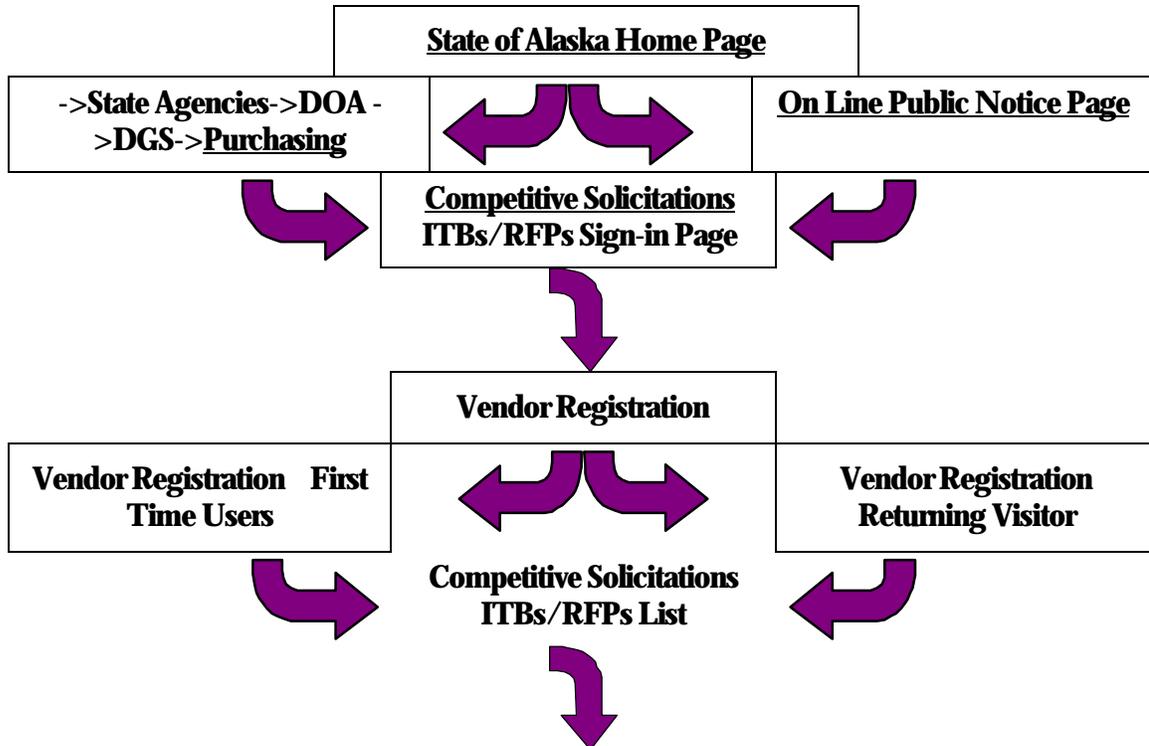
1. **On- Line Bidding:** DGS established a vendor user group for grocers and meat suppliers during the development of Basic Catalog Bidding System. Additional user groups will be created as on-line bidding expands.
2. **On-line Vendor Registration and Access to Solicitations:** DGS will establish a core vendor group to assist in the development of the Front-end Integrated Systems project based upon the model we used to create the On-line Bidding Users Group

Appendix A – Front-end Integrated Systems

State Agency Perspective



Vendor Perspective



- 1. Search and review current solicitations and amendments**
 - a) By Agency
 - b) By Commodity Code
 - c) By Key Word
- 2. Register interest in a particular solicitation (This registration will generate email notices to the vendor if additional materials are placed on the Web relative to this solicitation.)**
- 3. Obtain the solicitation:**
 - a) Download the solicitation and any other documents related to the solicitation.
 - b) Request that the solicitation be sent to the vendor as an Email attachment.
 - c) Request that the solicitation be sent to the vendor via the U.S. Postal Service
- 4. Conduct Email correspondence with the agency contact for a particular solicitation.**

Appendix B – On-line Bidding Systems

Basic Catalog Bidding System on the WEB

