

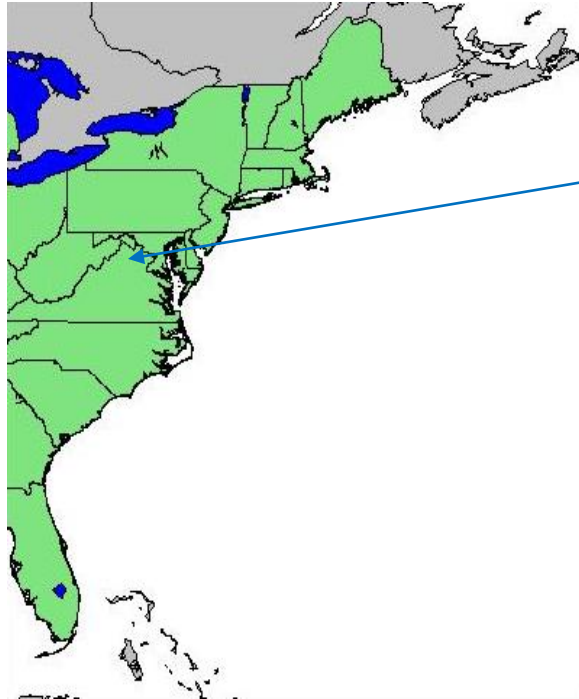
# GLOBAL PROFESSIONALISM

## INCORPORATING BEST PRACTICES



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# Loudoun County Public Schools



- Located in Northern Virginia
- 83,000 students in 92 schools
- \$1.1B Annual Operating Budget
- \$473M non-personnel expenditures – all funding sources
- 3 new schools – Fall 2018
- 10 Procurement Staff including Risk Management

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# INFORMATION SOURCE

- Provided by National Institute of Governmental Purchasing (NIGP):  
The Institute for Public Procurement
- Global Best Practices at [www.nigp.org/home/find-procurement-resources/resources/global-best-practices](http://www.nigp.org/home/find-procurement-resources/resources/global-best-practices)



# THE PLACE OF PROCUREMENT WITHIN THE ENTITY

- Operationally distinct from other departments
- Maximize working relationships with other departments and divisions
- Involved in development of strategic plan

# STRATEGIC PROCUREMENT PLANNING

**Mission Statement + Vision Statement + Goals + Objectives = Strategic Plan**

- Strategic Plan aligns goals and objectives in accordance with the Mission, Vision and Values to meet the needs of the organization and public.
- Without a Strategic Plan, procurement functions will not align with the needs of the organization.

# PROCUREMENT POLICY MANUAL

- Comprehensive Manual
- Defines Authority and Responsibility
- Guidelines for the Organization and Procurement Professional
- Establish Legal Authority of Function
- Laws Governing Procurement
- Fair and Equitable Treatment

# TECHNOLOGY

- Reduce Transaction Costs
- Improve Process Efficiency
- Reduction in “maverick spending”
- Contract Compliance
- Transparency
- Reduce Cycle Times
- Increase Supplier Access to Increase Competition, Diversity and Inclusion

# TRANSPARENCY IN PUBLIC PROCUREMENT

- Practices, Processes, Policies and Relationships with All Stakeholders
- Protection of Confidential Information
- Technology-Oriented Operations
- Access to Information
- Supplier Relationships
- Procurement Professional
- Procurement Organization



# SPEND ANALYSIS

- Leverage Buying Power
- Reduce Costs
- Provide Better Management
- Oversight of Suppliers
- Develop and Informed Procurement Strategy

# USE OF COOPERATIVE PROCUREMENT

- Lower prices and administrative costs
- Increase competition
- Obtain favorable terms and conditions
- Ensure legal compliance
- Open competition
- Effective/efficient use of time and resources

# SUPPLIER RELATIONSHIP MANAGEMENT

- Set of Principles, Processes and Tools to Assist Organizations to Maximize Relationship Value with Suppliers and Minimize Risk and Management of Overhead Through the Supplier Relationship Life Cycle.
- Commitment Between the Supplier and the Buyer
- Understanding, Agreeing and Codifying the Interactions

# ADDITIONAL BEST PRACTICES

- **PERFORMANCE BASED CONTRACTING**

- ✓ Results required—measurable performance standards—contractor performance evaluation—positive and negative incentives

- **SPECIFICATIONS**

- ✓ Accurate description of need

- **DISTINGUISHING BETWEEN SCOPE OF WORK AND STATEMENT OF WORK**

- ✓ Definition and setting a standard

# ADDITIONAL BEST PRACTICES

- RISK MANAGEMENT

- ✓ Risk factors associated with each procurement—consider potential impacts

- DEVELOPING EVALUATION CRITERIA

- ✓ Criteria to evaluate bids or proposals

- EVALUATION PROCESS

- ✓ Evaluation panel—integrity and professionalism—confidentiality

# ADDITIONAL BEST PRACTICES (continued)

- QUALIFICATIONS-BASED SELECTION FOR A & E SERVICES
  - ✓ Qualifications-Based Selection—Accountability—Ethics---Impartiality
- OUTSOURCING
  - ✓ Identify potential services—best value to the public
- LEASE-PURCHASE DECISION
  - ✓ Case-by-Case Evaluation—Cost/Benefit Analysis

# ADDITIONAL BEST PRACTICES (continued)

- **SELECTING THE APPROPRIATE CONSTRUCTION PROJECT DELIVERY METHOD**
  - ✓ Based on legislation, price, complexity of scope, risk, and qualifications, experience, capability, and capacity of the contractor
- **OUTSOURCING**
  - ✓ Identify potential services—best value to the public
- **LEASE-PURCHASE DECISION**
  - ✓ Case-by-Case Evaluation—Cost/Benefit Analysis

# ADDITIONAL BEST PRACTICES (continued)

- INFORMATION TECHNOLOGY (IT) PROCUREMENT
  - ✓ Procedures and processes needed to acquire hardware and software products and services
- INFORMATION TECHNOLOGY (IT) PROCUREMENT-NO. 2
  - ✓ Software procurement and licensing, source code, and data ownership
- INVITATION FOR BIDS (IFB)
  - ✓ IFB (solicitation document) and Competitive Sealed Bid-“Bid” (response to IFB)



# ADDITIONAL BEST PRACTICES (continued)

- PERFORMANCE METRICS
  - ✓ Measurement of performance
- PERFORMANCE MANAGEMENT
  - ✓ Continuous cycle of improvement – Integrated across organization, individual and supplier levels
- INVITATION FOR BIDS (IFB)
  - ✓ IFB (solicitation document) and Competitive Sealed Bid-“Bid” (response to IFB)

# ADDITIONAL BEST PRACTICES (continued)

- PROTESTS

- ✓ Policy – Legal Involvement – Transparency – Accountability – Closeout Assessment

- PUBLIC-PRIVATE PARTNERSHIP (P3): FACILITIES AND INFRASTRUCTURE

- ✓ Combine design and build components under one contract between the public sector and private sector

- SUSTAINABLE PROCUREMENT PRACTICE

- ✓ Purchasing and Investment Process

# ADDITIONAL BEST PRACTICES (continued)

- AUDITS

- ✓ Compliance, Financial, Performance

- ETHICAL PROCUREMENT

- ✓ Conflict of Interest – Conduct with Suppliers – Corruption – Business Gifts – Compliance

- PERFORMANCE MEASUREMENTS

- ✓ Assess progress towards achievement of strategic plan

# CONTACT INFORMATION

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