

# Conducting Competitive Procurements

## Tips, Tricks, and Transparency



Texas Department of Information Resources

Transforming How  
Texas Government  
Serves Texans

# Presenter

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- Over 15 years with the state
- Joined DIR in 2016 from OAG CSD
- Advisor for the DIR Innovative Procurement Lab (IPL)





# Competitive Procurements



# Procurement Statutes

1. [TGC 2155: PURCHASING: GENERAL RULES AND PROCEDURES](#)
2. [TGC 2156: PURCHASING METHODS](#)
3. [TGC 2157: PURCHASE OF AUTOMATED INFORMATION SYSTEMS](#)
4. [TGC 2158: PURCHASING: MISCELLANEOUS PROVISIONS FOR PURCHASE OF CERTAIN GOODS AND SERVICES](#)
5. [TGC 2161: HISTORICALLY UNDERUTILIZED BUSINESSES](#)
6. [TGC 2170: TELECOMMUNICATION SERVICES](#)
7. [TGC 656.050: TRAINING IN CONTRACT NEGOTIATION FOR PURCHASES OF INFORMATION RESOURCES TECHNOLOGY](#)

# Determining the appropriate method – a 12 step program

## The procurement official must check:

1. Is the purchase subject to a disaster declaration?
2. Can the purchase be completed using State or Federal surplus?
3. Is the purchase for professional, consulting, or legal services?
4. Can the purchase be completed using the TCI program?
5. Can the purchase be completed using the State Use program?
6. Is the purchase for Automated Information Systems (AIS)?

# Determining the appropriate method – a 12 step program

## The procurement official must check:

7. Can the purchase be completed through another state agency or local government?
8. Can the purchase be completed using Statewide Procurement Division (SPD) term contracts?
9. Is the purchase for printing services or equipment or mail or messenger services?
10. Does the purchase include **USED** systems or supplies?
11. Can the purchase be completed using:
  1. SPD delegated purchases
  2. SPD TXMAS contracts
  3. Contract established by another state agency
  4. Federal government
  5. Interstate compacts & coop agreements
12. Is the purchase for goods valued over \$50,000 or services over \$100,000

# Procurement Team must check:

- Thresholds (AIS and Non-AIS)

\*AIS: Automated Information System = IT Commodity or Service (distinguishable by the asterisk on the CPA's NIGP code book)

- The CPA procurement threshold chart is located here:  
<https://comptroller.texas.gov/purchasing/docs/procurement-requirements.pdf>
- Threshold requirements start as low as \$2500 and dictate where, how, and to whom different types of procurements must be conducted/shared.
- Threshold requirements also dictate additional reviews necessary to maintain compliance with state law



# Procurement Team must check:

- Need for Negotiations and best value trade-offs
  - Negotiations are allowed for Request for Proposals/Offers (RFPs and RFOs)
    - Additionally, the agency may determine best value criteria in advance to justify best value to the state
    - See TGC Sections 2155.074, 2156.007, 2157.003, 2254.003, and 2254.027 regarding best value determinations and documentation





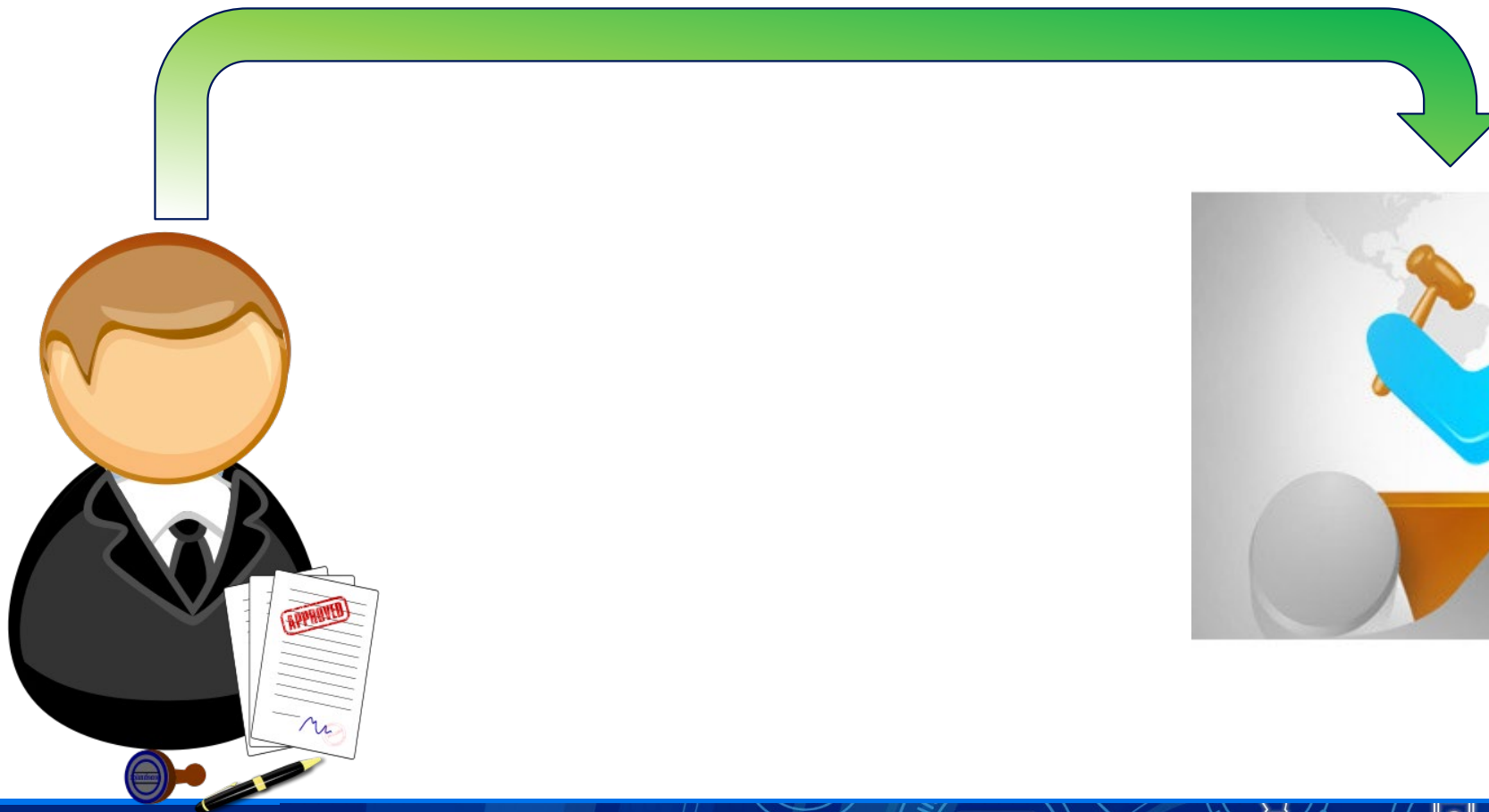
# Procurement Team must check:

- Need for Negotiations and best value trade-offs
  - Negotiations are **NOT** allowed for Invitations for Bid (IFBs)
    - The lowest priced vendor meeting all specifications must be awarded the contract with no negotiations
    - If only a single bid is received, negotiations MAY occur with that bidder to ensure best value for the state
    - Requests for Quote (RFQs) under the DIR cooperative contract program may mirror the agency's IFB process



# AIS Purchases – IT Commodities and Services

When purchasing AIS commodities and related services, agency customers **MUST** use DIR contracts or receive an exemption **PRIOR** to pursuing an alternative method.



# Cooperative Contracts Products

- Computers
- Software
- Networking Equipment
- Printers & Copiers
- Surveillance Cameras
- Security Products
- Data Storage
- Digital Photography
- Accessibility Products
- Projectors
- Cyber Security Products
- Videoconferencing Equipment
- Classroom Interactive Products
- Body Cameras
- Drones
- Disaster Recovery Products
- IT Land Based Survey Products
- GIS Products



# Cooperative Contracts Services

- IT Staffing Services
- Technology Based Training
- End-User IT Outsourcing (Seat Management)
- Managed Document Output
- Deliverables Based IT Services (DBITS)
- Cyber Security Services
- Comprehensive Web Development
- Cloud Managed Services
- Cabling Services
- GIS Mapping Services
- Break/Fix Services
- Telecommunications Products and Related Services:
  - Network and Communications
  - Video Conferencing
  - Web Conferencing
  - Interpreter Services – over the phone and video





# AIS Purchases – Services and/or Solutions

**Data Center Services (DCS) designated agencies must host solutions within either the physical data center (Texas private cloud) or using the DCS public cloud. Other customers may elect to use these services. Designated agencies are:**

Angelo State University  
Department of Criminal Justice  
Department of Family and Protective Services  
Department of Information Resources  
Department of Licensing and Regulation  
Department of Motor Vehicles  
Department of State Health Services  
Health and Human Services Commission

Office of the Attorney General  
Public Utility Commission  
Railroad Commission  
Secretary of State  
Texas Alcoholic Beverage Commission  
Texas Facilities Commission  
Texas Commission of Environmental Quality  
Texas Department of Insurance  
Texas Department of Transportation

Texas Education Agency  
Texas Higher Education Coordinating Board  
Texas Juvenile Justice Department  
Texas Parks and Wildlife  
Texas State Library and Archives Commission  
Texas Veterans Commission  
Texas Water Development Board  
Texas Workforce Commission



# DIR Shared Technology Services: Data Center Services

## Multi-sourcing Services Integrator (MSI) - Capgemini

- Marketplace
- Service Management
- Business Management
- Operations Management
- Customer Relationship Management

- Privileged Access
- Policies & Standards

### DCS Security Operations SAIC

- Active Threat Identification
- Security Incident and Event Management

- Technology Planning
- Reference Architecture

### Technology Solution Services (TSS) Deloitte

- Solution Consulting
- Project Delivery

#### Application Services Deloitte

- Application Development
- Application Maintenance
- Legacy Modernization
- Staff Augmentation

#### Private Cloud Atos

- Managed Server Compute
- Managed LAN/WAN
- Data Center Facilities

#### Public Cloud Manager Rackspace

- AWS, Azure, Google
- Managed Cloud Services
- Email O365
- Geographic Information Systems

#### Mainframe Atos

- Managed Mainframe Services

#### Print Mail Xerox

- Managed Print & Mail
- Digitization
- Document Management System



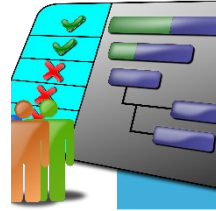
# **Tips and Tricks**

# Procurement Planning



## Yearly

- Align with FY/Sales Quarter
- Create a list of questions
- Identify amount/type of support needed
- Know the market



## Each Key Solicitation

- Determine amount of face time with Vendors
- Designate a Negotiation Lead/Contract Manager
- Account for approximate Transition Time



## Lessons Learned

- Review prior solicitations, if any
- Update any key templates
- Training
- Communications Plan



# FY Ends for Major Vendors

January	<ul style="list-style-type: none"><li>• Dell</li><li>• Salesforce.com</li></ul>
March	<ul style="list-style-type: none"><li>• BMC Software</li><li>• CA Technologies</li><li>• Fujitsu</li><li>• Lenovo</li><li>• Symantec</li></ul>
May	<ul style="list-style-type: none"><li>• Oracle</li></ul>
June	<ul style="list-style-type: none"><li>• Microsoft</li></ul>
July	<ul style="list-style-type: none"><li>• Cisco Systems</li></ul>
November	<ul style="list-style-type: none"><li>• Adobe</li></ul>
December	<ul style="list-style-type: none"><li>• EMC</li><li>• IBM</li><li>• SAP</li><li>• SAS</li><li>• Software AG</li><li>• VMWare</li></ul>

# Build Your Team

- Identify experts
  - SMEs
  - Legal
  - Contract Management
  - Business
  - Financial
- Assign a Lead
  - By area
  - Overall
- Assign roles, considering negotiator type
  - Soft negotiator
  - Analyzer
  - Hard negotiator
- Work collaboratively!



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# Templates Save Time

- Use templates!
- Require Respondents to complete templates
  - makes review/evaluation faster
  - can be carried over to negotiations
- Keep your templates updated



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# Use Clear Response Instructions

- Be clear on what you need to see
- Only ask for what you need
- Consider in-line responses
- Tie all requested material to evaluation criteria



# Transparency



# Inform the Vendor community throughout

- Market engagement
- Pre-solicitation notices
- Vendor conferences
- Frequent communication
- Vendor debriefs



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# Contact



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# Questions



# Thank You

[dir.texas.gov](http://dir.texas.gov)

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