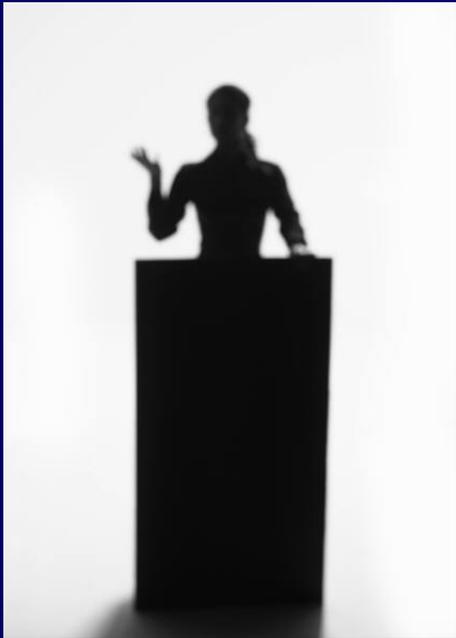


Agency Procurement Officer Orientation

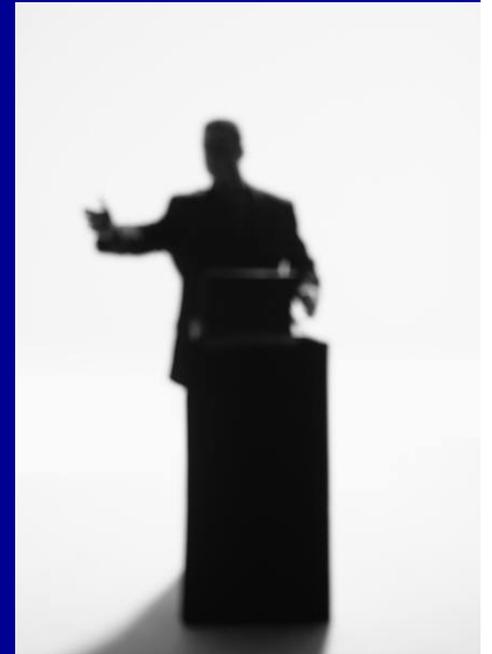
August 2008

Opening Remarks



Jan Allen
Cabinet Secretary
Office of the Governor

Hugh Quill
Director
DAS





Today's Topics

Procurement Reform
Current State
Goals

Activities/Recommendations
Spend Assessment
Benchmarking
Panel Report

Implementation
APO Role
Who, What, When
Next Steps

Questions

Scope of State Agency Procurement ...

Approximately \$3.5 Billion annually including:

Fuels



Information technology

Pharmaceuticals



Vehicles and heavy equipment



Food products and services

General observations about the current state ...

- Bureaucratic
- Decentralized
- Inflexible
- Not focused on results
- Not focused on vendor perspective



Goal is to increase:

- ✓ Flexibility
- ✓ Accountability
- ✓ Transparency
- ✓ Efficiency



Procurement Reform Activities ...

Advantage Ohio Panel:
Public/private partnership



Benchmarking:
Hackett
Group

Spend Assessment:
Accenture



Spend Assessment ...

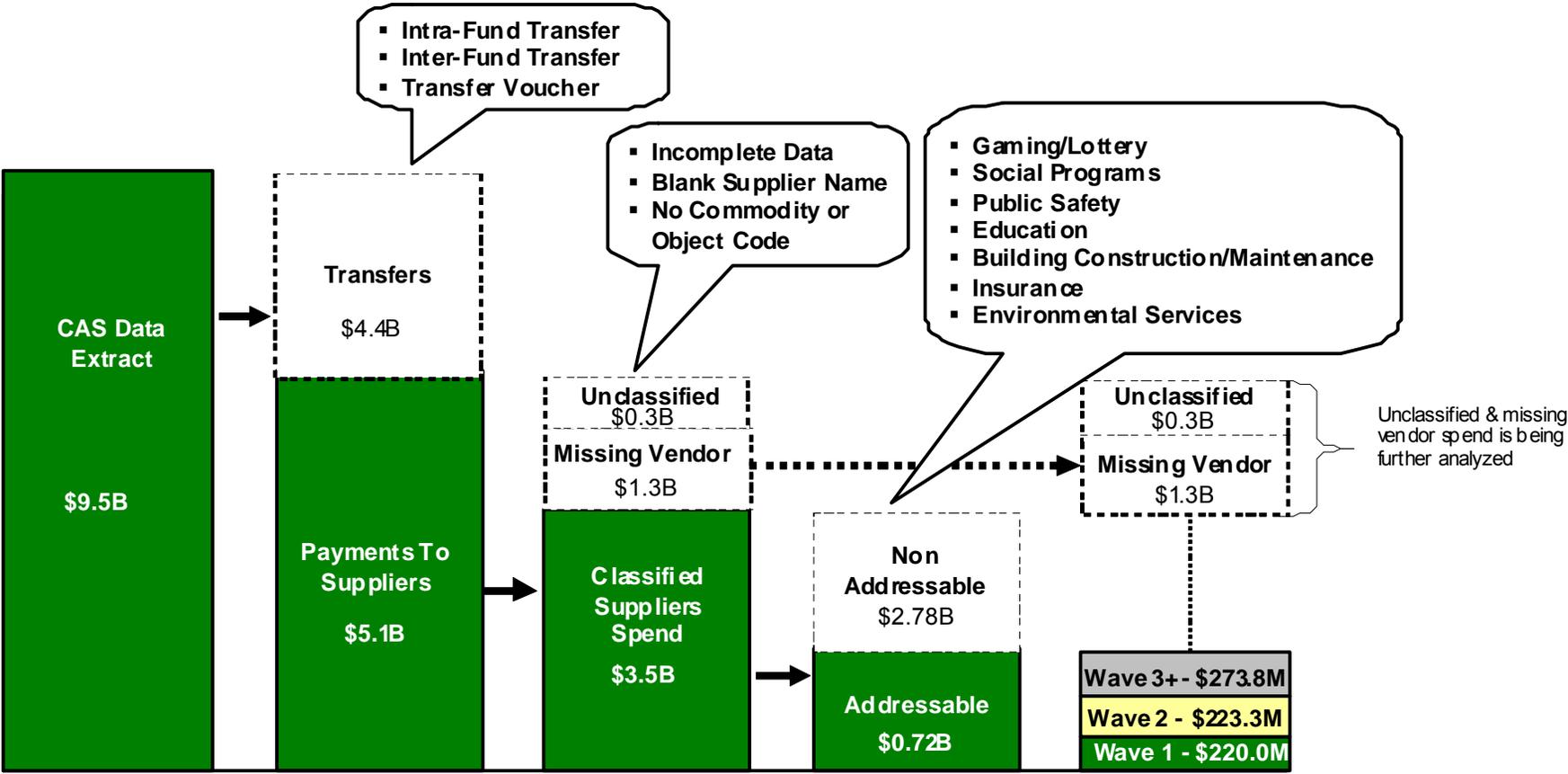
- Spend Profile: by category, agency, and vendor
- Category Prioritization Matrix
- Category Sourcing Wave Plan
 - Wave 1
 - Wave 2
- Savings Opportunity Summary





Spend Profile

The Spend Analysis starts with the entire “pie” of spend from CAS and is analyzed to determine how much of the spend could be considered sourceable.



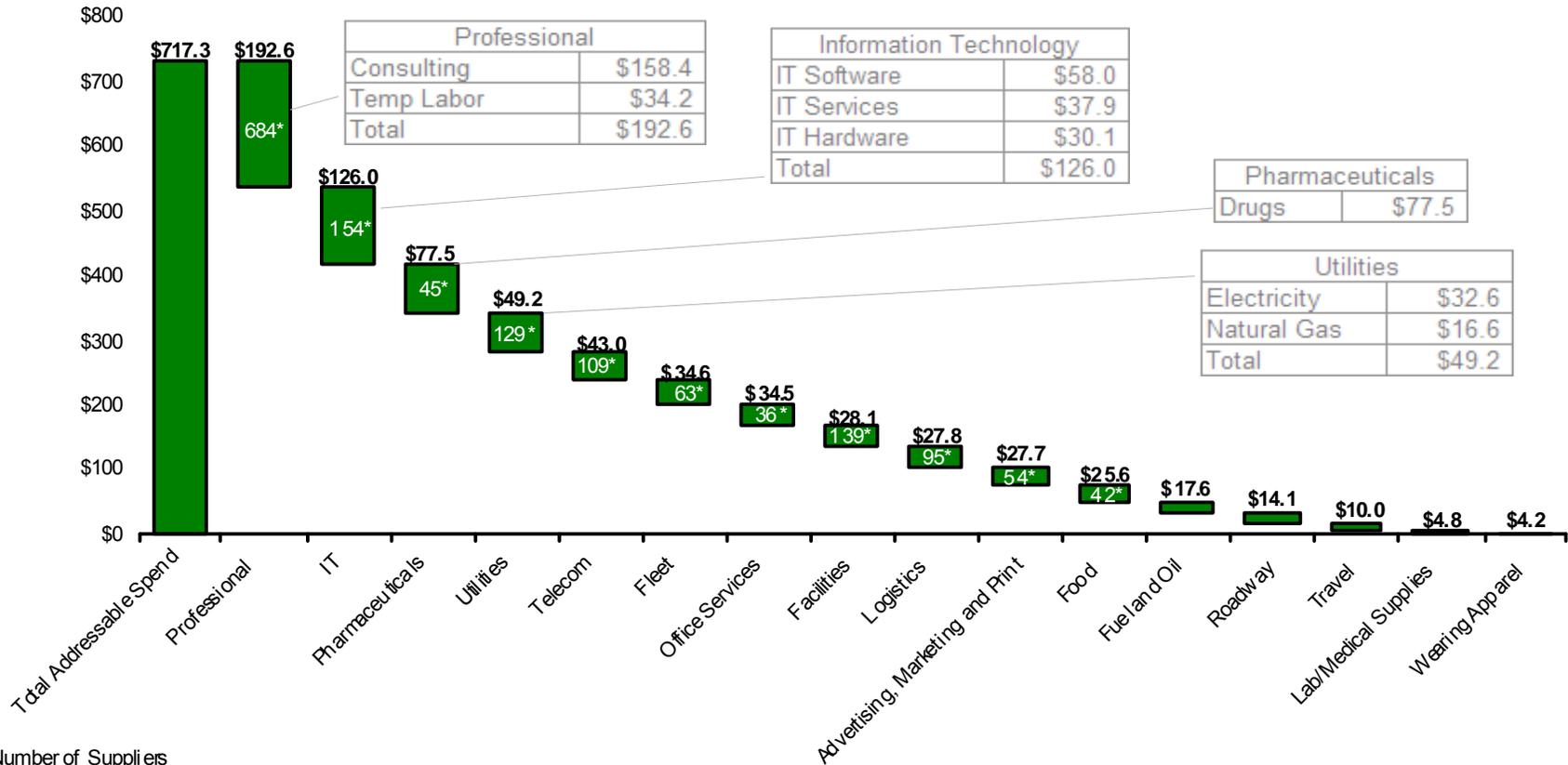
Source: FY07 CAS Accounts Payable Extract
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Addressable Spend Analysis by Category

Professional, IT, Pharmaceuticals and Utilities represents 62% (\$445M) of the total sourceable spend.

- State of Ohio Spend by Category (\$M) -
Total \$0.72B



* = Number of Suppliers

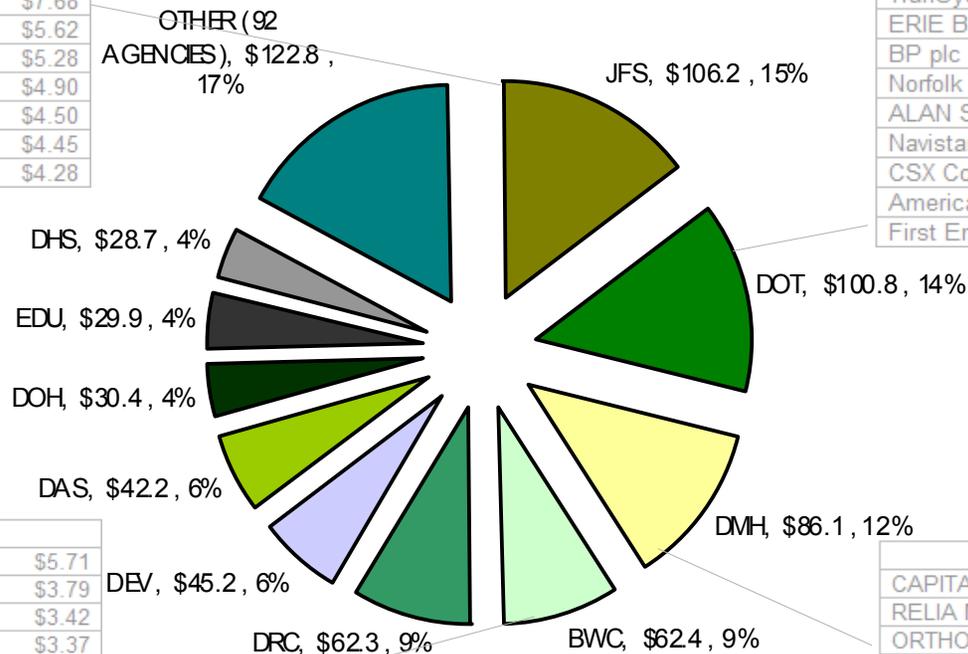


Addressable Spend Analysis by Agency

83% of the State of Ohio's addressable spend falls within 10 Agencies.

JFS	
SABER SOLUTIONS INC	\$17.61
AT&T Inc.	\$8.62
Compuware Corporation	\$7.68
Towers Perrin	\$5.62
Deloitte Touche Tohmatsu	\$5.28
CGI TECHNOLOGIES & SOLUTIONS	\$4.90
Qwest Communications	\$4.50
Pomeroy IT Solutions, Inc.	\$4.45
EDS INFORMATION SERVICES	\$4.28

- State of Ohio Spend by Agency (\$M) -
Total \$0.72B



DOT	
TranSystems Corporation	\$19.85
ERIE BLACKTOP INC	\$14.06
BP plc	\$13.24
Norfolk Southern Corp.	\$6.81
ALAN STONE CO INC	\$5.87
Navistar International Corporation	\$5.73
CSX Corporation	\$3.40
American Electric Power Co	\$2.78
First Energy Corp.	\$1.38

BWC	
International Business Machines Corp.	\$5.71
Pitney Bowes Inc.	\$3.79
ASTUTE INC	\$3.42
HARRIS MACKESSY & BRENNAN	\$3.37
CDW Corporation	\$2.42
Compuware Corporation	\$2.34
ENTERPRISE RESOURCE PARTNERS	\$2.19
NETWAVE CORPORATION	\$2.11
Software House International, Inc.	\$1.62

DMH	
CAPITAL WHOLESALE DRUG CO	\$21.23
RELIA MED DISTRIBUTORS LLC	\$6.71
ORTHO PHARMACEUTICAL CORP	\$6.21
Compass Group plc	\$5.60
PRESCRIPTION SUPPLY INC	\$5.29
AstraZeneca plc	\$3.83
R & S NORTHEAST LLC	\$3.03
Bellco Health Corp.	\$2.81
STELLAR MARKETING INC	\$2.26

Source: FY07 CAS Accounts Payable Extract
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Savings Opportunity Summary

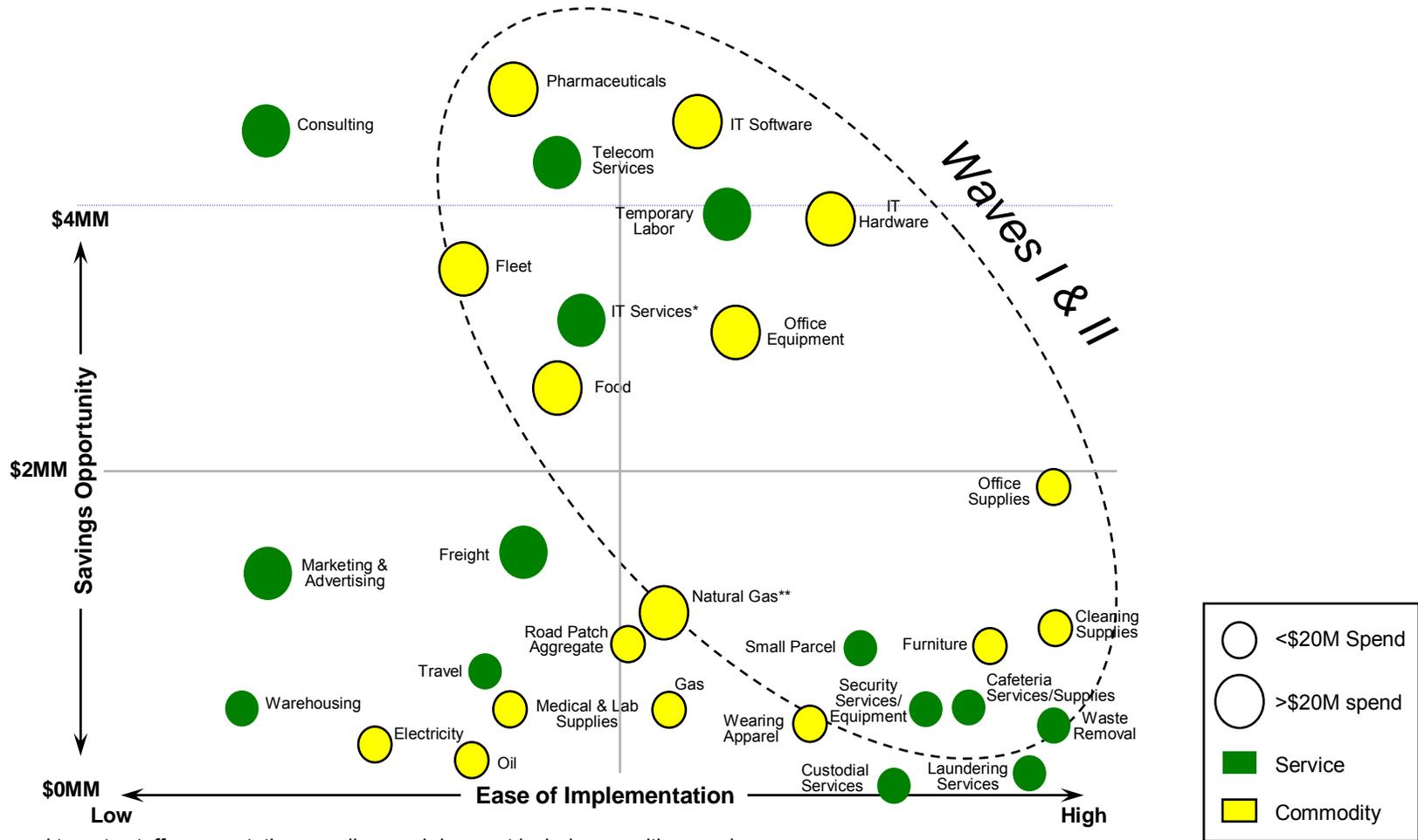
The total amount of addressable spend is \$717.3M with annual estimated savings ranging from a low of \$42.9M (6.0%) to a high of \$79.9 (11.1%).

Category	Addressable Spend (\$M)	Low	High
Professional (Consulting, Temp. Labor, 3 rd Party Admin.)	\$ 192.55	\$ 5.90	\$ 14.63
IT (Hardware, Software, Services)	\$ 125.98	\$ 10.80	\$ 17.00
Pharmaceuticals (Pharmaceuticals)	\$ 77.53	\$ 7.75	\$ 13.18
Utilities (Electricity, Natural Gas)	\$ 49.16	\$ 0.33	\$ 2.30
Telecom (Telecom Services)	\$ 43.02	\$ 3.44	\$ 6.02
Fleet (Fleet)	\$ 34.58	\$ 2.77	\$ 4.15
Office Services (Office Supplies, Furniture, Office Equipment)	\$ 34.50	\$ 4.30	\$ 6.81
Logistics (Freight, Warehousing, Small Parcel)	\$ 27.79	\$ 1.62	\$ 3.59
Advertising and Marketing (Advertising, Marketing Services)	\$ 27.65	\$ 1.11	\$ 2.21
Food (Food)	\$ 25.55	\$ 2.04	\$ 3.06
Fuel (Gas, Oil)	\$ 17.56	\$ 0.40	\$ 1.11
Roadway (Road Patch / Aggregate)	\$ 14.06	\$ 0.28	\$ 1.40
Travel (Airfare, Hotel, Car)	\$ 10.37	\$ 0.30	\$0.90
Other (Cafeteria Services, Cleaning Supplies, Security Services, etc.)	\$ 37.03	\$ 1.87	\$ 3.52
Totals	\$ 717.3M	\$ 42.9M	\$ 79.9M
Two Year Savings		\$ 85.8M	\$ 159.8M



Category Prioritization Matrix

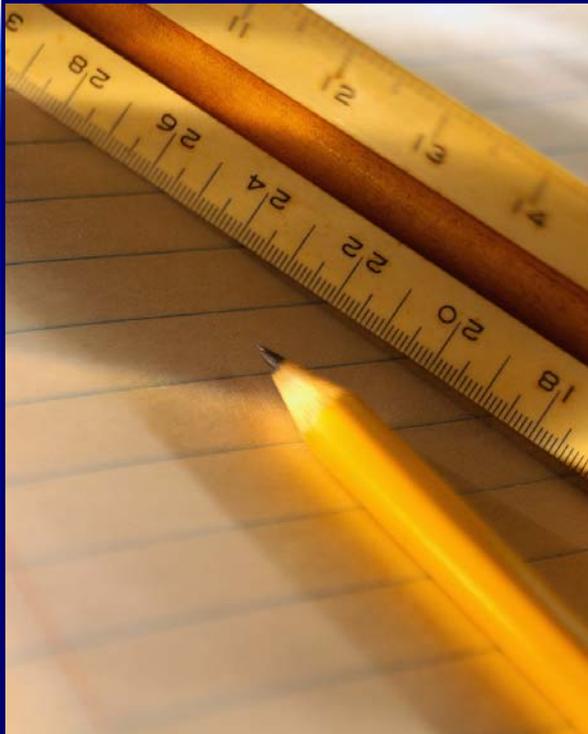
Eighteen Categories have been identified as Wave I & II based on savings opportunity and ease of implementation.



* IT Services spend targets staff augmentation suppliers and does not include consulting services

** The LDC distribution cost portion (25%) of the total spend for Natural Gas is considered non-addressable

Benchmarking ...



- Comparison of state of Ohio to similar organizations and to world-class organizations
- Four areas: Finance, Information Technology, **Procurement** and Human Resources
- Data only
- Report released in February 2008

Table of Contents

The Hackett Group
World-Class Defined

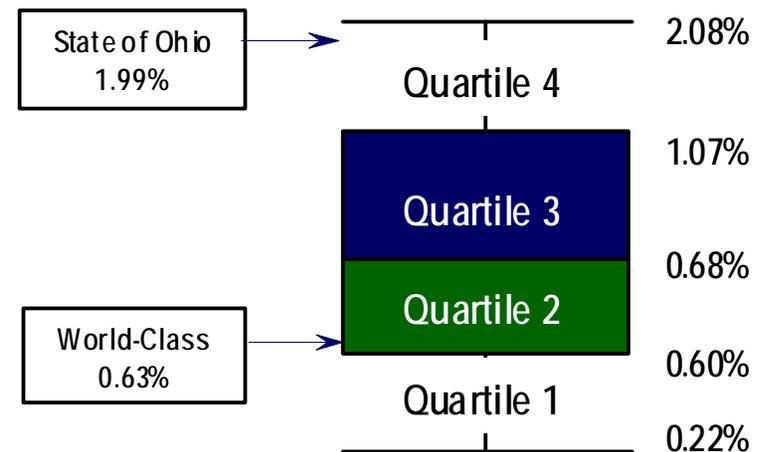
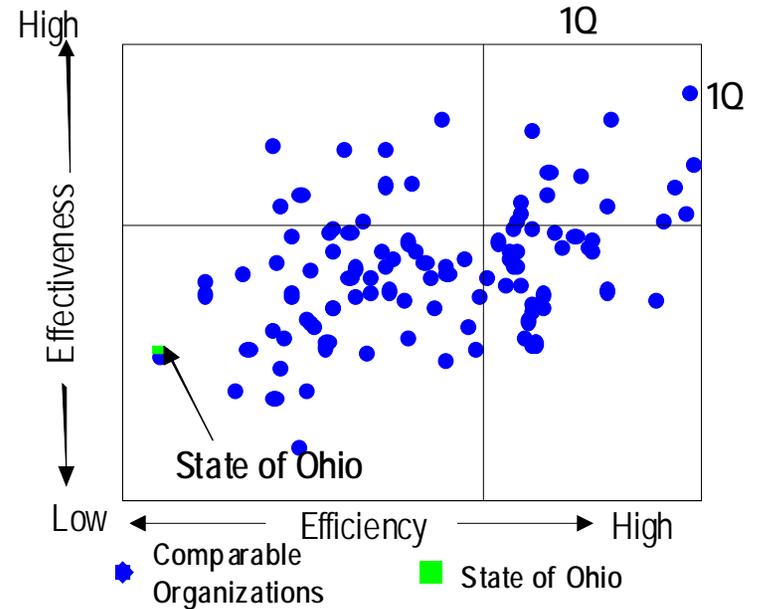


REL
Cash Flow Delivered

- **Section One**
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 - Appendix
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 - Introduction - *page x*
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 - Achieving World-Class Performance – *page x*
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 - About The Hackett Group – *page x*

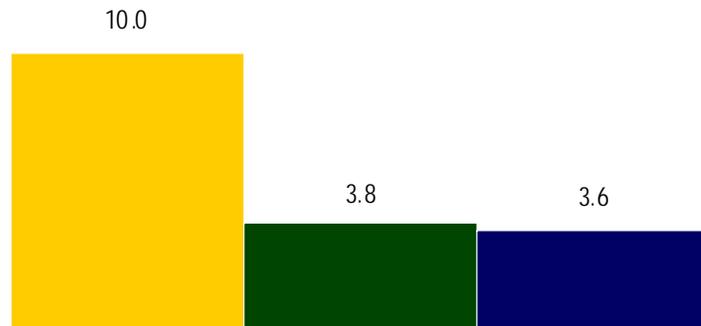
Efficiency and Effectiveness Ranking as Calculated by The Hackett Group's Procurement Value Grid

- Procurement costs for the in scope processes were \$43.06 million
 - Total Procurement cost of \$43.06m equates to 1.99% of total spend (4th quartile)
 - Higher staffing levels with a higher Clerical staff mix
 - Lower fully-loaded labor rates in comparison
 - 64% focus on Transactional processing
- Procurement scores fourth quartile on the Hackett Value Grid for efficiency
 - Low efficiency plotting on the value grid due to high overall costs, staffing & productivity, longer cycle times and low technology leverage
- Procurement scores fourth quartile on the Hackett Value Grid for effectiveness:
 - Low effectiveness plotting attributed to Procurement role, talent management, economic return, and supplier relationship

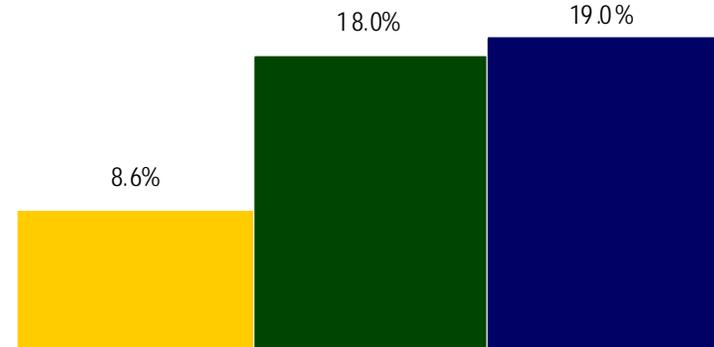


Transaction Automation

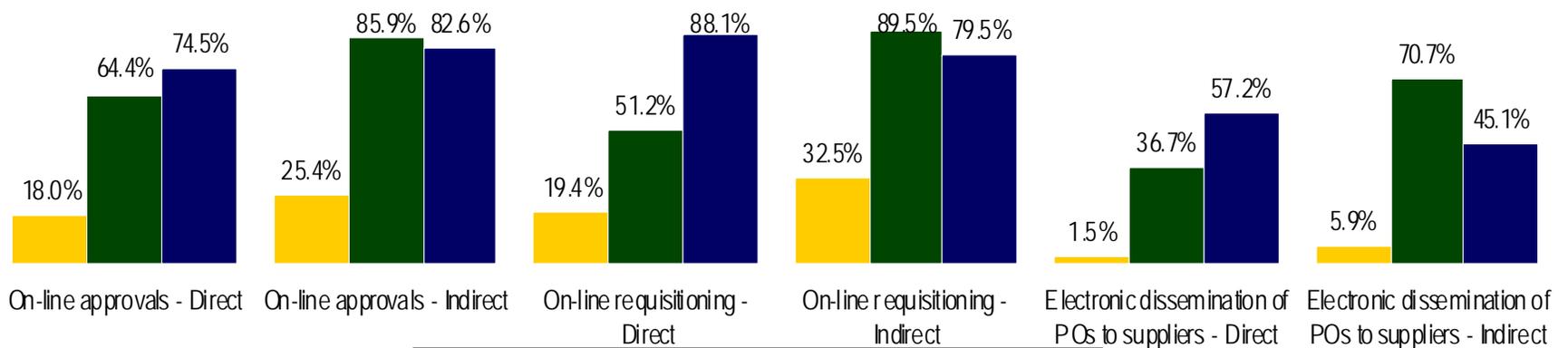
Procurement Process Cost to Technology Cost Ratio



Technology Cost as a Percent of Total Cost



Percent of Automated Transactions



Benchmarking ...

Achieving World-Class Performance
Rapid Benchmark Report

The Hackett Group
World-Class Defined



REL
Cash Flow Delivered

Presented to:
State of Ohio



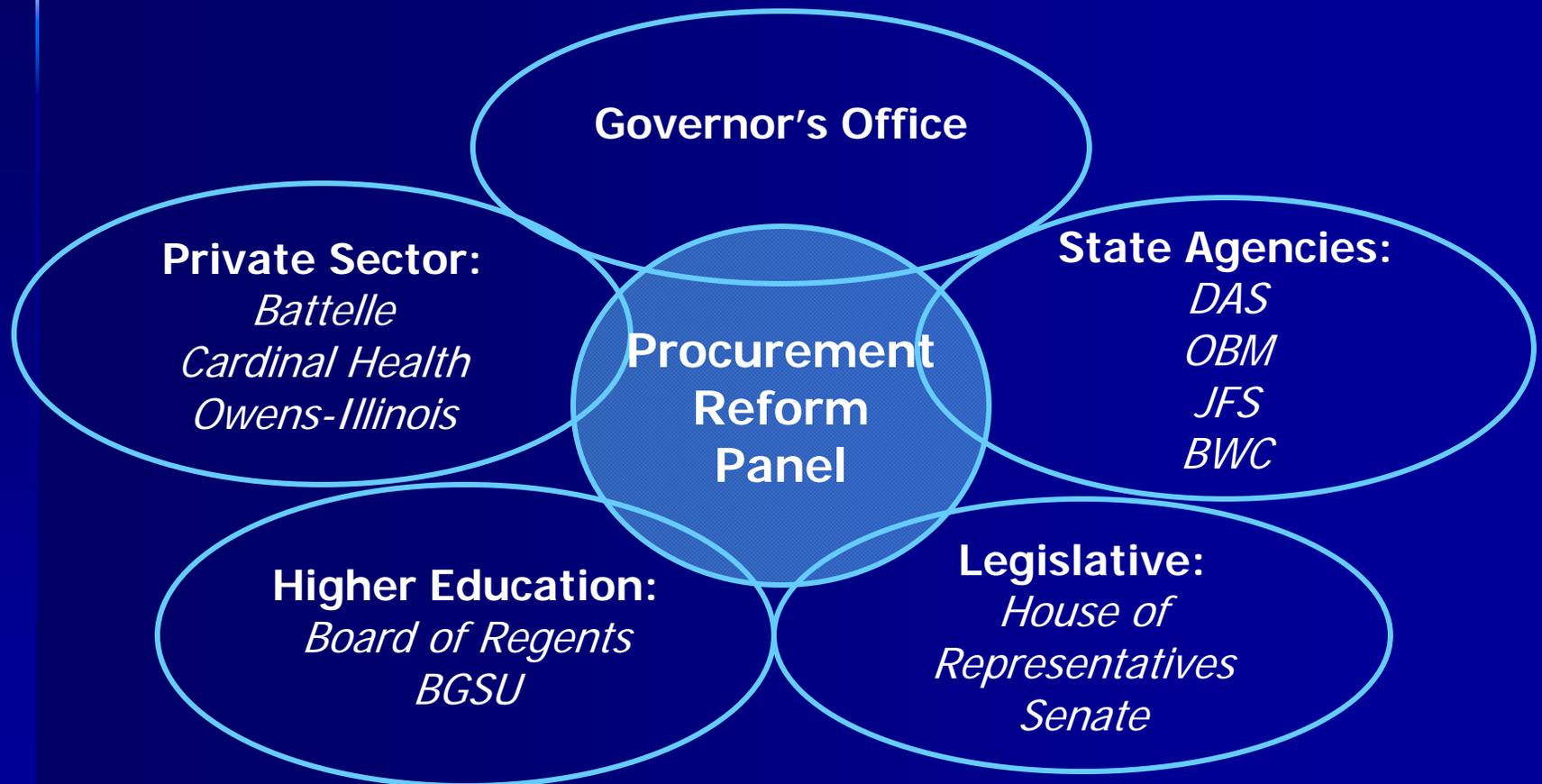
The Hackett Group
February 2008



Complete
Hackett report
available at:

http://www.das.ohio.gov/asd/PDFs/BenchmarkReport_February%202008.pdf

Procurement Reform Panel Participants ...



Panel Recommendations ...

25 recommendations in seven major areas:

- 11 require legislation
- 8 can be enacted through executive order
- 15 are related to “strategic sourcing”



Key recommendations:

- ✓ Leverage more centralized spending
- ✓ Use strategic sourcing concepts

No.	Recommendation	Strategic Imperative	Theme	Legisl. Req'd ?	Exec. Order ?
1	Redefine competitive selection and allow delegated authority	Center Led	F, A, E	Y	N
2	Authorize emergency purchases in the event of contractor default	Center Led	F, E	Y	N
3	Authorize negotiation with vendors	Center Led	F, E	Y	N
4	Make it easier to procure Homeland Security items	Center Led	F, E	Y	N
5	Clean up inconsistent, ambiguous & inefficient sections of law	Center Led	E	Y	N
6	Evaluate and/or eliminate central warehousing system	Center Led	E	Maybe	N
7	Expand cooperative purchasing agreements	Leverage	F, E	Y	N
8	Reset purchasing thresholds and allow adjustments	Leverage	F, A, E	Y	N
9	Require previously exempted agencies to use competitive selection	Leverage	A, T, E	Y	N
10	Leverage more centralized spending	Leverage	E	N	Y
11	Implement strategic sourcing concepts	Sourcing Process	E	Maybe	Y
12	Standardize, simplify & reduce bidding documents	Sourcing Process	T, E	Maybe	N
13	Protect trade secret information	Sourcing Process	T	Y	N
14	Employ commodity manager model	Sourcing Process	A, E	N	N
15	Modify Controlling Board procedures	Sourcing Process	T, E	Y	N
16	Require professional certification for procurement staff	People	A, T	Maybe	N
17	Establish chief procurement officers in agencies	People	A, T	N	Y
18	Actively manage supplier relationships	Measurement	A, T	N	N
19	Create a purchasing scorecard and metrics	Measurement	A, T	N	Y
20	Consolidate contract advertisements & improve vendor communication	Technology	T, E	N	Y
21	Expand utilization of electronic procurement	Technology	E	N	N
22	Authorize state to conduct business electronically	Technology	F, E	Y	N
23	Streamline vendor certification processes	Supplier Diversity	E	Maybe	Y
24	Maximize the volume of purchases through Ohio-based programs	Supplier Diversity	F, A, E	N	Y
25	Review set aside and preference programs	Supplier Diversity	A, T, E	N	Y

Seven Strategic Imperatives ...

- ✓ **Center-led:** Create a center-led supply organization across state government
- ✓ **Leverage:** Maximize state government's purchasing power through leverage
- ✓ **Sourcing Process:** Apply a consistent strategic sourcing process
- ✓ **People:** Attract, develop and retain a talented corps of supply management professionals



Seven Strategic Imperatives ...

- ✓ **Measurement:** Set annual targets for key procurement performance metrics & report results
- ✓ **Technology:** Maximize use of information technology to facilitate the conduct of commerce across the supply chain
- ✓ **Diversity:** Accomplish these objectives without compromising product quality, customer service, or supplier diversity objectives



Implementation - Progress

- Executive Order 2008-12S
- House Bill 562
- Consolidation of IT & non-IT procurement
- Appointment of Ohio Chief Procurement Officer (OCPO)
- Appointment of Agency Chief Procurement Officers (APOs)

Role of APO – Executive Order

4. **Duties of the OCPO and State Agency Procurement Officers.** The OCPO and Agency Procurement Officers will also be responsible for ensuring that the State is undertaking procurement best practices by:
 - a. Creating a center-led supply organization across state government;
 - b. Maximizing state government's purchasing power by leveraging its spending;
 - c. Applying a consistent strategic sourcing process that will allow the State to standardize its purchasing process in order to obtain the best prices for services and supplies;
 - d. Attracting, developing, and retaining a talented corps of supply management professionals;
 - e. Setting annual targets to determine whether the State is making progress towards its procurement performance goals by reporting results and applying a strict and consistent process for determining real cost savings;
 - f. Maximizing use of information technology for procurement to reduce processing time, reduce transactional cost and increase supplier leverage;
 - g. Implementing, to the extent possible, the detailed best practices recommendations of the Advantage Ohio Procurement Reform Working Group analyzing our state procurement practices; and
 - h. Accomplishing the above objectives without compromising product quality, customer service, or supplier diversity objectives.

Role of APO – Executive Order

5. **Additional Responsibilities of Agency Procurement Officers.** In addition to the foregoing responsibilities, State Agency Procurement Officers will also be responsible for:
- a. serving as the entity's procurement contact;
 - b. communicating needs for supplies and services to the state Chief Procurement Officer;
 - c. ensuring that procurement personnel are properly certified and trained;
 - d. maximizing competition and minimizing waivers of competitive selection;
 - e. implementing the "Think Ohio First" procurement practices described in Paragraph Seven of this Order;
 - f. coordinating with the Chief Ethics Officers to ensure that all contracts are awarded according to applicable Ohio ethics laws and Executive Order 2007-01S;
 - g. paying vendors promptly and taking advantage of prompt payment discounts;
 - h. disseminating best practice information to individuals involved in procurement; and
 - i. producing and verifying data and reports as requested.

Summary: Who, What, When

Source	Reference	Req. No.	Requirement	Timeline	Responsible Party	Comments
Ex. Order 2008-12S	Ex. Order Item #3	1	Appoint an Ohio Chief Procurement Officer (OCPO)	9/25/08	DAS/GSD	Panel Report recommendation #17; completed 8/21/08
		2	Appoint agency procurement officers (APOs)	7/25/08	Agencies	Panel Report recommendation #17; completed 8/20/08
	6	3	Chancellor of University System of Ohio coordinate with OCPO	Ongoing	BOR, DAS	
	7	4	Establish the Ohio Business Gateway (OBG) as state's central web portal for procurement	4/01/09	DAS	Panel Report recommendation #20
		5	Post all agency contract opportunities exceeding \$25,000 and all current contracts exceeding \$25,000 on the OBG	7/01/09	Agencies	Panel Report recommendation #20; deadline is 90 days from completion of previous requirement
	8	6	Transition IT procurement from the state Chief Information Officer to the OCPO	7/25/08	DAS	Panel Report recommendation #14; transfer became effective 7/06/08; physical move of personnel scheduled for Dec 2008
	9	7	Identify savings from new contracts and streamlined processes and report quarterly	4/15/09	DAS	First report on 4/15/09 and then quarterly thereafter
	10a	8	Proactively search for Ohio companies and include Ohio companies on solicitation lists for informal quotes	Immediate	Agencies	Panel Report recommendation #24
	10b	9	Maximize volume of purchases through Think Ohio First programs	Immediate	Agencies	Panel Report recommendation #24
	10c	10	Include Think Ohio First in purchasing scorecard (see next item)	n/a	DAS/OAKS	Panel Report recommendation #19
	11	11	Create a purchasing scorecard and metrics	1/01/09	DAS	Panel Report recommendation #19; first report on 1/01/09 and then quarterly thereafter
	12	12	Review Think Ohio First programs annually for socioeconomic benefit, quality assurance, responsiveness, and value	10/01/08	DAS, RSC, DRC	Panel Report recommendation #25; first review should begin on 6/30/08 and is due on 10/01/08 to the OCPO and Controlling Board; report due annually on 10/1 each year thereafter
HB 562	125.05(A)	13	Adopt written procedures consistent with DAS procedures for purchases valued at \$25,000 or less	9/25/08	Agencies	Panel Report recommendation #1

Summary: Who, What, When (cont.)

Source	Reference	Req. No.	Requirement	Timeline	Responsible Party	Comments
HB 562 (cont.)	125.05(B)	14	Adopt written procedures consistent with DAS procedures for purchases valued between \$25,000 and \$50,000	9/25/08	Agencies	Panel Report recommendation #1
	125.05 (E)	15	Recommend to the general assembly any changes to purchasing thresholds	1/31/10	DAS, OBM	1/31 of each even-numbered year
	125.051	16	Create procurement certification program and adopt administrative rules	No deadline specified	DAS	Panel Report Recommendation #16
Panel Report	Recomm. #6	17	Evaluate and/or eliminate central warehousing system	No deadline specified	Institutional agencies, OBM, DAS	
	7	18	Expand cooperative purchasing agreements	No deadline specified	DAS, higher ed, political subdivisions	
	9	19	Require previously exempted agencies to use competitive selection	9/25/08	BWC, ADJ, DRC, DAS	Also under HB 562, new language under ORC Chapter 125
	10	20	Leverage more centralized spending	No deadline specified	DAS, agencies	
	11	21	Implement strategic sourcing concepts	No deadline specified	DAS	Evaluating strategic sourcing consultants through RFP process
	12	22	Standardize, simplify & reduce bidding documents	No deadline specified	DAS, agencies	
	14	23	Employ commodity manager model	No deadline specified	DAS	
	15	24	Modify Controlling Board procedures	No deadline specified	OBM	
	18	25	Actively manage supplier relationships	No deadline specified	DAS, agencies	
	21	26	Expand utilization of electronic procurement	No deadline specified	DAS, OBM, OAKS	
23	27	Streamline vendor certification processes	No deadline specified	DAS		

DAS = Blue

Agencies = Yellow

OBM = Pink

Multiple = Green

Next Steps for APOs...



- ❑ Agency-specific meetings: ADJ, BWC, DRC, DMH, RSC, OBM
- ❑ Adopt written procedures by 9/25/08
- ❑ Identify individuals to begin certification path (if desired)
- ❑ Read and respond to requests for information
- ❑ Access Procurement web site

Ohio.gov *So much to Discover!* State Procurement

for **Contractors/Vendors** for **Government Entities** for **State Employees** for **the Public**

- 
- OAKS Information
- What's New
- Selling to the State
- Current Contracts
- Find It Fast
- Procurement Contacts
- Help & Reference Materials
- FAQ
- Forms
- Web Links
- Comments/Questions
- Training/Tutorials



The State of Ohio Procurement Web site displays all procurement opportunities and supplies and services contract information administered by the Department of Administrative Services (DAS) and the Office of Information Technology (OIT). These agencies issue all major procurement opportunities and negotiate all contracts displayed unless otherwise noted.

[state home](#)
[OIT home](#)
[DAS home](#)
[site map](#)
[contact DAS](#)
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Questions?

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Executive Order 2008-12S



TED STRICKLAND
GOVERNOR
STATE OF OHIO

Executive Order 2008 – 12S

Enhancing the State's Procurement Process through the Establishment of "Think Ohio First" and other Procurement Best Practices

- 1. Ohio's State Agencies Are Major Purchasers of Supplies and Services.** Collectively, various entities of the State's government purchase billions of dollars of supplies and services annually that facilitate the State's ability to provide needed services to Ohioans. The Office of Procurement Services, within the Ohio Department of Administrative Services (ODAS), is the purchasing arm of state government and is responsible for establishing contracts for those myriad supplies and services in a cost-effective manner.
- 2. Coordination of State Purchasing Can Bring Cost Savings.** While the majority of Ohio's cabinet agencies, boards and commissions (collectively the "State Agencies") purchase supplies and services through a coordinated effort that is managed by ODAS, there are still some State Agencies that procure supplies and services independent of the State's cooperative effort to minimize its spending and maximize its savings. If these independent purchases were coordinated through the State's larger procurement system, and other procurement best practices were adopted, then the State could realize substantial savings.
- 3. Appointment of Procurement Officers.** In order to ensure that the State Agencies are coordinating their state purchasing through the Office of Procurement Services and are making the most financially prudent purchase decisions, I hereby order the Director of ODAS to appoint an Ohio Chief Procurement Officer (OCPO), who will oversee the coordination of all of the State's procurement efforts. I also hereby order each State Agency to appoint a Procurement Officer (Agency Procurement

Officers) who will report to the OCPO regarding each State Agency's procurement activities in order to facilitate efficient purchasing functions. The Director of ODAS will report to me on the status of hiring the OCPO every three months, beginning September 25, 2008, until the OCPO is selected. All Agency Procurement Officers shall be appointed by no later than July 25, 2008.

4. **Duties of the OCPO and State Agency Procurement Officers.** The OCPO and Agency Procurement Officers will also be responsible for ensuring that the State is undertaking procurement best practices by:
 - a. creating a center-led supply organization across state government;
 - b. maximizing state government's purchasing power by leveraging its spending;
 - c. applying a consistent strategic sourcing process that will allow the State to standardize its purchasing process in order to obtain the best prices for services and supplies;
 - d. attracting, developing, and retaining a talented corps of supply management professionals;
 - e. setting annual targets to determine whether the State is making progress towards its procurement performance goals by reporting results and applying a strict and consistent process for determining real cost savings;
 - f. maximizing use of information technology for procurement to reduce processing time, reduce transactional cost, and increase supplier leverage;
 - g. implementing, to the extent possible, the detailed best practices recommendations of the Advantage Ohio Procurement Reform Working Group analyzing our state procurement practices; and
 - h. accomplishing the above objectives without compromising product quality, customer service, or supplier diversity objectives.
5. **Additional Responsibilities of Agency Procurement Officers.** In addition to the foregoing responsibilities, Agency Procurement Officers will also be responsible for:
 - a. serving as their State Agencies' procurement contacts;

- b. communicating needs for supplies and services to the OCPO;
 - c. ensuring that procurement personnel are properly certified and trained;
 - d. maximizing competition and minimizing waivers of competitive selection;
 - e. implementing the "Think Ohio First" procurement practices described in Paragraph Ten of this Order;
 - f. coordinating with the Chief Ethics Officers to ensure that all contracts are awarded according to applicable Ohio Ethics Laws and Executive Order 2007-01S;
 - g. paying vendors promptly and taking advantage of prompt payment discounts;
 - h. disseminating best practices information to individuals involved in procurement; and
 - i. producing and verifying data and reports as requested.
6. **Collaboration with the Chancellor to Identify Opportunities to Coordinate Purchases.** I further order the Chancellor of the University System of Ohio to work collaboratively with the OCPO to identify opportunities for coordination of purchasing among the University System entities and other State Agencies.
7. **Creation of a State Procurement Web Portal.** An essential element of ensuring the orderly distribution of information regarding the procurement process is the development of a centralized point of communication that is available not only to vendors, but to the State Agencies and other stakeholders in the procurement process. As such, I hereby order ODAS to undertake the work necessary to establish the Ohio Business Gateway as the State's central web portal for procurement by April 1, 2009. I further order all State Agencies that purchase supplies or services to post all state contract opportunities exceeding \$25,000, and all of their current contracts exceeding \$25,000, on the Ohio Business Gateway procurement portal, within ninety (90) days of its establishment.

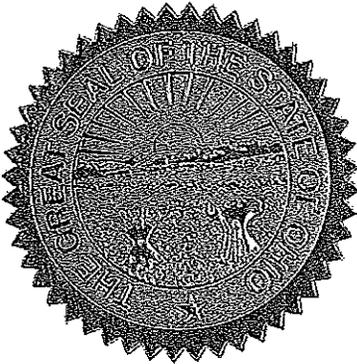
8. **Transfer of Information Technology Procurement Functions.** In an effort to facilitate the creation of the web portal for procurement services, I order the State Chief Information Officer to transition the information technology procurement functions currently performed within the Office of Information Technology to the OCPO by no later than July 25, 2008.
9. **The State Must Have a Tangible Method of Identifying Actual Savings that Are Achieved through Procurement Best Practices.** To the extent that strategic sourcing contracts provide State Agencies with lower costs for supplies and services, the State must ensure that these lower contract costs translate into real savings at the state level. Consequently, I hereby order the OCPO and the Office of Budget and Management (OBM) to work collaboratively to identify any savings that are achieved through the State's more streamlined procurement process and to summarize those savings in a report that will be submitted to the Director of ODAS on a quarterly basis, beginning April 15, 2009.
10. **Implementation of "Think Ohio First" Procurement Practices.** The purchase of supplies and services from Ohio companies promotes economic development and stability within the State by stimulating trade and industry growth while providing jobs to Ohioans. The State is committed to making purchases from Ohio companies when the opportunities arise and are appropriate based on the State's needs and will work to ensure that Ohio companies are given the opportunity to compete for state procurement business. Accordingly, I hereby order all State Agencies to implement and adhere to the following "Think Ohio First" practices when contemplating what supplies and services are needed by the State and what vendors could fulfill those needs. In implementing "Think Ohio First" strategies, the State will undertake the following initiatives:
 - a. **Inclusion of Ohio Companies in the Procurement Process.** State Agencies should proactively search for Ohio companies to fulfill their supplies and services needs. Ohio companies should be included on solicitation lists for purchases that require informal vendor quotes, to the extent that Ohio companies exist in a particular business area.
 - b. **Utilization of State Procurement Programs Benefitting Ohioans.** State governmental entities should adhere to procurement practices that maximize the volume of purchases that are made through the following "Think Ohio First" programs presently benefiting Ohioans:
 - i. **Encouraging Diversity, Growth and Equity ("EDGE"),** which requires agencies to make good faith efforts to do business with Ohio companies that are socially and economically disadvantaged;

- ii. Minority Business Enterprise (MBE), which directs business to minority-owned Ohio companies;
 - iii. Office of Procurement from Community Rehabilitation Programs (OPCRP), which directs business to Ohio companies that employ people with work-limiting disabilities;
 - iv. Rehabilitation Services Commission, Bureau of Services for the Visually Impaired (BSVI), which directs business to Ohio companies that employ people with visual impairments;
 - v. Ohio Penal Industries (OPI), which provides employment opportunities that focus on providing skills through practical training for Ohioans in correctional institutions;
 - vi. The Small Business Development Center, within the Ohio Department of Development, which serves women business owners by providing them with information on procurement and marketing, as well as a directory of businesses owned by women according to industry and location;
 - vii. Buy Ohio, which requires agencies to apply a price preference to Ohio companies under certain conditions.
- c. Accountability for Utilizing "Think Ohio First" Programs. In order to ensure that the State is actively engaging Ohio businesses in the State's procurement process, inclusion and utilization of existing State programs that maximize the volume of purchases that benefit Ohio businesses will be an element of a scorecard that will be developed by ODAS.
 - d. Coordination of State Resources to Facilitate "Think Ohio First." State agencies with primary responsibility for the above "Think Ohio First" programs should coordinate efforts to educate other State Agencies, regarding opportunities available through these programs.
11. Tracking "Think Ohio First" Purchasing. In order for "Think Ohio First" to succeed, accurate data must be compiled about companies doing business with the State. Accordingly, I hereby order ODAS to use its information technology resources to create a purchasing scorecard to measure and track the portion of overall purchases that state governmental entities make from Ohio businesses. ODAS should ensure that this scorecard is created by January 1, 2009, updated quarterly

thereafter and posted on the Ohio Business Gateway procurement web portal.

12. Annual Review of "Think Ohio First" Programs. Ohio should ensure that contracts issued under "Think Ohio First" programs that alter the normal competitive bidding process provide measurable and intended socio-economic benefits for Ohioans, while also providing quality supplies and services to the State. Accordingly, I hereby order ODAS, the Ohio Rehabilitative Services Commission, and the Ohio Department of Rehabilitation and Correction to review annually their "Think Ohio First" programs to assess whether those programs are meeting socio-economic goals and agency expectations in the areas of quality assurance, responsiveness, and value. This review shall occur beginning June 30, 2008, and every June 30 thereafter, and each agency shall provide a report detailing its results to the State Chief Procurement Officer by October 1 of each year. This report shall also be sent to the Controlling Board President and its members.

13. I signed this Executive Order on June 25, 2008 in Columbus, Ohio and it will not expire unless it is rescinded.



Ted Strickland
Ted Strickland, Governor

ATTEST:

Jennifer Brunner, Secretary of State

New Revised Code

(127th General Assembly)
(Amended Substitute House Bill Number 562)

AN ACT

Be it enacted by the General Assembly of the State of Ohio:

That sections 125.02, 125.021, 125.022, 125.04, 125.041, 125.05, 125.06, 125.07, 125.18, 125.25, 127.16 of the Revised Code be amended and be enacted to read as follows:

Sec. 125.02. Except as to the adjutant general for military supplies and services, the capital square review and advisory board, ~~the department of rehabilitation and correction as specified in division (D) of section 125.04 of the Revised Code~~, the general assembly, ~~the bureau of workers' compensation~~ the judicial branch, and institutions administered by boards of trustees, the department of administrative services may ~~purchase~~ establish contracts for supplies and services for the use of state agencies, or for the use of any political subdivision as described in division (B) of section 125.04 of the Revised Code.

~~So far as possible, the department of administrative services shall make all purchases from the department of rehabilitation and correction in the exercise of the functions of the department of rehabilitation and correction in the management of state institutions.~~

The department of administrative services shall prescribe uniform rules governing forms of specifications, advertisements for proposals, the opening of bids, the making of awards and contracts, and the purchase of supplies and performance of work.

~~Nothing in this section precludes the bureau from entering into a contract with the department of administrative services for the department to purchase supplies, or services for the use of the bureau.~~

Sec. 125.021. (A) Except as to the military department, the general assembly, the bureau of workers' compensation, the industrial commission, and institutions administered by boards of trustees, ~~the office of information technology~~ department of administrative services may contract for, ~~operate, and superintend~~ telephone, other telecommunication, and computer services for state agencies. Nothing in this division precludes the bureau or the commission from contracting with the ~~office~~ department to authorize the ~~office~~ department to contract for, ~~operate, or superintend~~ those services for the bureau or the commission.

(B)(1) As used in this division:

(a) "Active duty" means active duty pursuant to an executive order of the president of the United States, an act of the congress of the United States, or section 5919.29 or 5923.21 of the Revised Code.

(b) "Immediate family" means a person's spouse residing in the person's household, brothers and sisters of the whole or of the half blood, children, including adopted children and stepchildren, parents, and grandparents.

(2) ~~The office of information technology~~ department of administrative services may enter into a contract to purchase bulk long distance telephone services and make them available at cost, or may make bulk long distance telephone services available at cost under any existing contract the ~~office~~ department has entered into, to members of the immediate family of persons deployed on active duty so that those family members can communicate with the persons so deployed. If the ~~office~~ department enters into contracts under division (B)(2) of this section, it shall do so in accordance with sections 125.01 to 125.11 of the Revised Code and in a nondiscriminatory manner that does not place any potential vendor at a competitive disadvantage.

(3) If the ~~office~~ department decides to exercise either option under division (B)(2) of this section, it shall adopt, and may amend, rules under Chapter 119. of the Revised Code to implement that division.

Sec. 125.022. The department of administrative services may enter into cooperative purchasing agreements with one or more other states ~~or~~, groups of states, the federal government, other purchasing consortia, institutions of higher education, or with any political subdivision of this state described in division (B) of section 125.04 of the Revised Code for the purpose of purchasing services or supplies ~~produced from or containing recycled materials for the use of state agencies.~~

Sec. 125.04. (A) Except as provided in division (D) of this section, the department of administrative services shall determine what supplies and services are purchased by or for state agencies. Whenever the department of administrative services makes any change or addition to the lists of supplies and services that it determines to purchase for state agencies, it shall provide a list to the agencies of the changes or additions ~~and indicate when the department will be prepared to furnish each item listed.~~ Except for the requirements of division (B) of section 125.11 of the Revised Code, sections 125.04 to 125.08 and 125.09 to 125.15 of the Revised Code do not apply to or affect the educational institutions of the state. ~~The department shall not include the bureau of workers' compensation in the lists of supplies, equipment, and services purchased and furnished by the department.~~

~~Nothing in this division precludes the bureau from entering into a contract with the department for the department to perform services relative to supplies, equipment, and services contained in this division for the bureau.~~

(B)(1) As used in this division:

(a) "Chartered nonpublic school" has the same meaning as in section 3310.01 of the Revised Code.

(b) "Emergency medical service organization" has the same meaning as in section 4765.01 of the Revised Code.

~~(b)~~(c) "Political subdivision" means any county, township, municipal corporation, school district, conservancy district, township park district, park district created under Chapter 1545. of the Revised Code, regional transit authority, regional airport authority, regional water and sewer district, or port authority. "Political subdivision" also includes any other political subdivision described in the Revised Code that has been approved by the department to participate in the department's contracts under this division.

~~(e)~~(d) "Private fire company" has the same meaning as in section 9.60 of the Revised Code.

(2) Subject to division (C) of this section, the department of administrative services may permit a political subdivision, county board of elections, private fire company, ~~or private, nonprofit emergency medical service organization, or chartered nonpublic school~~ to participate in contracts into which the department has entered for the purchase of supplies and services. The department may charge the entity a reasonable fee to cover the administrative costs the department incurs as a result of participation by the entity in such a purchase contract.

A political subdivision desiring to participate in such purchase contracts shall file with the department a certified copy of an ordinance or resolution of the legislative authority or governing board of the political subdivision. The resolution or ordinance shall request that the political subdivision be authorized to participate in such contracts and shall agree that the political subdivision will be bound by such terms and conditions as the department prescribes and that it will directly pay the vendor under each purchase contract. A board of elections desiring to participate in such purchase contracts shall file with the purchasing authority a written request for inclusion in the program. A private fire company ~~or, private, nonprofit emergency medical service organization, or chartered nonpublic school~~ desiring to participate in such purchase contracts shall file with the department a written request for inclusion in the program signed by the chief officer of the company ~~or, organization, or chartered nonpublic school~~. A request for inclusion shall include an agreement to be bound by such terms and conditions as the department prescribes and to make direct payments to the vendor under each purchase contract.

The department shall include in its annual report an estimate of the cost it incurs by permitting political subdivisions, county boards of elections, private fire companies, ~~and private, nonprofit emergency medical service organizations, and chartered nonpublic schools~~ to participate in contracts pursuant to this division. The department may require such entities to file a report with the department, as often as it finds necessary, stating how many such contracts the entities participated in within a specified period of time, and any other information the department requires.

(3) Purchases made by a political subdivision or a county board of elections under this division are exempt from any competitive selection procedures otherwise required by law.

No political subdivision shall make any purchase under this division when bids have been received for such purchase by the subdivision, unless such purchase can be made upon the same terms, conditions, and specifications at a lower price under this division.

(C) A political subdivision as defined in division (B) of this section or a county board of elections may purchase supplies or services from another party, including a political subdivision, instead of through participation in contracts described in division (B) of this section if the political subdivision or county board of elections can purchase those supplies or services from the other party upon equivalent terms, conditions, and specifications but at a lower price than it can through those contracts. Purchases that a political subdivision or county board of elections makes under this division are exempt from any competitive selection procedures otherwise required by law. A political subdivision or county board of elections that makes any purchase under this division shall maintain sufficient information regarding the purchase to verify that the political subdivision or county board of elections satisfied the conditions for making a purchase under this division. Nothing in this division restricts any action taken by a county or township as authorized by division (A)(1) of section 9.48 of the Revised Code.

(D) This section does not apply to supplies or services required by the legislative or judicial branches, the capitol square review and advisory board, the adjutant general for military supplies and services, to supplies or services purchased by a state agency directly as provided in division (A), (B), or ~~(E)~~(F) of section 125.05 of the Revised Code, or to purchases of supplies or services for the emergency management agency as provided in section 125.023 of the Revised Code, ~~or to purchases of supplies or services for the department of rehabilitation and correction in its operation of the program for the employment of prisoners established under section 5145.16 of the Revised Code that shall be made pursuant to rules adopted by the director of administrative services and the director of rehabilitation and correction in accordance with Chapter 119. of the Revised Code. The rules may provide for the exemption of the program for the employment of prisoners from the requirements of division (A) of this section.~~

Sec. 125.041. Nothing in sections 125.02, 125.03 to 125.08, 125.12 to 125.16, 125.18, 125.31 to 125.76, or 125.831 of the Revised Code shall be construed as limiting the attorney general, auditor of state, secretary of state, or treasurer of state in any of the following:

(A) Purchases for less than the dollar amounts for the purchase of supplies or services determined pursuant to division ~~(D)~~(E) of section 125.05 of the Revised Code;

(B) Purchases that equal or exceed the dollar amounts for the purchase of supplies or services determined pursuant to division ~~(D)~~(E) of section 125.05 of the Revised Code with the approval of the controlling board, if that approval is required by section 127.16 of the Revised Code;

(C) The final determination of the nature or quantity making any purchase of supplies or services to be purchased pursuant to section 125.06 of the Revised Code;

- (D) The final determination and disposal of excess and surplus supplies;
- (E) The inventory of state property;
- (F) The purchase of printing;
- (G) Activities related to information technology development and use;
- (H) The fleet management program.

Sec. 125.05. Except as provided in division ~~(E)~~(F) of this section, no state agency shall purchase any supplies or services except as provided in divisions (A) to ~~(C)~~(D) of this section.

(A) Subject to division ~~(D)~~(E) of this section, a state agency may, without competitive selection, make any purchase of supplies or services that cost fifty twenty-five thousand dollars or less ~~or any purchase of supplies that cost twenty-five thousand dollars or less.~~ The agency may make the purchase directly or may make the purchase from or through the department of administrative services, whichever the agency determines. The department shall establish written procedures to assist state agencies when they make direct purchases. If the agency makes the purchase directly, it shall make the purchase by a term contract whenever possible agency shall adopt written procedures consistent with the department's purchasing procedures and shall use those procedures when making purchases under this division.

(B) Subject to division (E) of this section and in accordance with section 125.051 of the Revised Code, a state agency may make purchases of supplies and services that cost more than twenty-five thousand dollars but less than fifty thousand dollars if the purchases are made under the direction of an employee of the agency who is certified by the department to make purchases and if the purchases comply with the department's purchasing procedures. Section 127.16 of the Revised Code does not apply to purchases made under this division. Until the certification effective date established by the department in rules adopted under section 125.051 of the Revised Code, state agencies may make purchases of supplies and services that cost more than twenty-five thousand dollars but less than fifty thousand dollars in the same manner as provided in division (A) of this section.

~~(B)~~(C) Subject to division ~~(D)~~(E) of this section, a state agency wanting to purchase ~~services that cost more than fifty thousand dollars or~~ supplies or services that cost more than twenty-five thousand dollars shall, unless otherwise authorized by law, make the purchase from or through the department. The department shall make the purchase by competitive selection ~~under section 125.07 of the Revised Code.~~ If the director of administrative services determines that it is not possible or not advantageous to the state for the department to make the purchase, the department shall grant the agency a release and permit under section 125.06 of the Revised Code to make the purchase. Section 127.16 of the Revised Code does not apply to purchases the department makes under this section.

~~(C)~~(D) An agency that has been granted a release and permit to make a purchase may make the purchase without competitive selection if after making the purchase the cumulative purchase threshold as computed under division ~~(F)~~(E) of section 127.16 of the Revised Code would:

- (1) Be exceeded and the controlling board approves the purchase;
- (2) Not be exceeded and the department of administrative services approves the purchase.

~~(D)~~(E) Not later than January 31, 1997, the amounts specified in divisions (A) and (B) of this section and, not later than the thirty-first day of January of each ~~second~~ even-numbered year thereafter, any amounts computed by adjustments made under this division, shall be increased or decreased by the average percentage increase or decrease in the consumer price index prepared by the United States bureau of labor statistics (U.S. City Average for Urban Wage Earners and Clerical Workers: "All Items 1982-1984=100") for the twenty-four calendar month period prior to the immediately preceding first day of January over the immediately preceding twenty-four calendar month period, as reported by the bureau. The director of administrative services shall make this determination and adjust the appropriate amounts accordingly, the directors of administrative services and budget and management shall review and recommend to the general assembly, if necessary, adjustments to the amounts specified in divisions (A) to (C) of this section and division (B) of section 127.16 of the Revised Code.

~~(E)~~(F) If the eTech Ohio commission, the department of education, or the Ohio education computer network determines that it can purchase software services or supplies for specified school districts at a price less than the price for which the districts could purchase the same software services or supplies for themselves, the commission, department, or network shall certify that fact to the department of administrative services and, acting as an agent for the specified school districts, shall make that purchase without following the provisions in divisions (A) to (D) of this section.

Sec. 125.051. The director of administrative services shall certify employees of state agencies to make purchases of supplies and services under division (B) of section 125.05 of the Revised Code. The director shall adopt rules in accordance with Chapter 119. of the Revised Code governing certification that provide for the following:

(A) Requirements for certification, including candidate qualifications and training on how to make purchases in accordance with the department of administrative services' purchasing procedures;

(B) Requirements and procedures for renewal of certification;

(C) Causes for and procedures governing termination of certification;

(D) Requirements and procedures for granting provisional certification;

(E) The certification effective date, after which purchases shall be made by certified employees;

(F) Any other rules necessary to govern certification.

Sec. 125.06. The department of administrative services may, pursuant to division ~~(B)~~(C) of section 125.05 of the Revised Code and subject to such rules as the director of administrative services may adopt, issue a release and permit to the agency to secure supplies or services. A release and permit shall specify the supplies or services to which it applies, the time during which it is operative, and the reason for its issuance. A release and permit for computer services shall also specify the type of services to be rendered, the number and type of machines to be employed, and may specify the amount of such services to be performed. One copy of every release and permit shall be filed with the agency to which it is issued, and one copy shall be retained by the department.

Sec. 125.07. The department of administrative services, in making a purchase by competitive selection pursuant to division ~~(B)~~(C) of section 125.05 of the Revised Code, shall give notice in the following manner:

(A) The department shall advertise the intended purchases by notice that is posted by mail or electronic means and that is for the benefit of competing persons producing or dealing in the supplies or services to be purchased, including, but not limited to, the persons whose names appear on the appropriate list provided for in section 125.08 of the Revised Code. The notice may be in the form of the bid or proposal document or of a listing in a periodic bulletin, or in any other form the director of administrative services considers appropriate to sufficiently notify qualified competing persons of the intended purchases.

(B) The notice required under division (A) of this section shall include the time and place where bids or proposals will be accepted and opened, or, when bids are made in a reverse auction, the time when bids will be accepted; the conditions under which bids or proposals will be received; the terms of the proposed purchases; and an itemized list of the supplies or services to be purchased and the estimated quantities or amounts of them.

(C) The posting of the notice required under division (A) of this section shall be completed by the number of days the director determines preceding the day when the bids or proposals will be opened or accepted.

(D) The department also shall maintain, in a public place in its office, a bulletin board upon which it shall post and maintain a copy of the notice required under division (A) of this section for at least the number of days the director determines under division (C) of this section preceding the day of the opening or acceptance of the bids or proposals. The failure to so additionally post the notice shall invalidate all proceedings had and any contract entered into pursuant to the proceedings.

Sec. 125.18. (A) There is hereby established the office of information technology housed within the department of administrative services. The office shall be under the supervision of a state chief information officer to be appointed by the ~~governor~~ director of administrative services and subject to removal at the pleasure of the ~~governor~~ director. The chief information officer ~~shall serve as the~~ is an assistant director of the ~~office~~ administrative services.

(B) ~~The director of the office of information technology shall advise the governor regarding the superintendence and implementation of statewide information technology policy.~~

~~(C) The director of the office of information technology~~ Under the direction of the director of administrative services, the state chief information officer shall lead, oversee, and direct state agency activities related to information technology development and use. In that regard, the ~~director~~ state chief information officer shall do all of the following:

(1) Coordinate and superintend statewide efforts to promote common use and development of technology by state agencies. The office of information technology shall establish policies and standards that govern and direct state agency participation in statewide programs and initiatives.

(2) Establish policies and standards for the acquisition and use of information technology by state agencies, including, but not limited to, hardware, software, technology services, and security, with which state agencies shall comply;

(3) Establish criteria and review processes to identify state agency information technology projects or purchases that require alignment or oversight. As appropriate, the ~~office of information technology~~ department of administrative services shall provide the governor and the director of budget and management with notice and advice regarding the appropriate allocation of resources for those projects. The ~~director of the office of information technology~~ state chief information officer may require state agencies to provide, and may prescribe the form and manner by which they must provide, information to fulfill the ~~director's~~ state chief information officer's alignment and oversight role;

(4) Establish policies and procedures for the security of personal information that is maintained and destroyed by state agencies;

(5) Employ a chief information security officer who is responsible for the implementation of the policies and procedures described in division ~~(C)~~(B)(4) of this section and for coordinating the implementation of those policies and procedures in all of the state agencies;

(6) Employ a chief privacy officer who is responsible for advising ~~the office of information technology~~ and state agencies when establishing policies and procedures for

the security of personal information and developing education and training programs regarding the state's security procedures.

~~(D)~~(C)(1) The chief information security officer shall assist each state agency with the development of an information technology security strategic plan and review that plan, and each state agency shall submit that plan to the ~~office of information technology state chief information officer~~. The chief information security officer may require that each state agency update its information technology security strategic plan annually as determined by the state chief information officer.

(2) Prior to the implementation of any information technology data system, a state agency shall prepare or have prepared a privacy impact statement for that system.

~~(E)~~ The office of information technology shall have the same authority given to the department of administrative services under sections 125.01, 125.02, 125.023, 125.04, 125.05, 125.06, 125.07, 125.071, 125.072, 125.081, 125.09, 125.10, 125.11, and 125.25 of the Revised Code for the purchase of information technology supplies and services for state agencies.

~~(F)~~(D) When a state agency requests a purchase of information technology supplies or services under Chapter 125. of the Revised Code, the state chief information officer may review and reject the requested purchase for noncompliance with information technology direction, plans, policies, standards, or project-alignment criteria.

~~(E)~~ The office of information technology may make contracts for, operate, and superintend technology supplies and services for state agencies in accordance with this chapter.

~~(G)~~ The ~~(F)~~ (F) With the approval of the director of administrative services, the office of information technology may establish cooperative agreements with federal and local government agencies and state agencies that are not under the authority of the governor for the provision of technology services and the development of technology projects.

~~(H)~~(G) As used in this section:

(1) "Personal information" has the same meaning as in section 149.45 of the Revised Code.

(2) "State agency" means every organized body, office, or agency established by the laws of the state for the exercise of any function of state government, other than any state-supported institution of higher education, the office of the auditor of state, treasurer of state, secretary of state, or attorney general, the adjutant general's department, the bureau of workers' compensation, the industrial commission, the public employees retirement system, the Ohio police and fire pension fund, the state teachers retirement system, the school employees retirement system, the state highway patrol retirement system, the general assembly or any legislative agency, or the courts or any judicial agency.

Sec. 125.25. (A) The director of administrative services may debar a vendor from consideration for contract awards upon a finding based upon a reasonable belief that the vendor has done any of the following:

- (1) Abused the selection process by repeatedly withdrawing bids or proposals before purchase orders or contracts are issued or failing to accept orders based upon firm bids;
- (2) Failed to substantially perform a contract according to its terms, conditions, and specifications within specified time limits;
- (3) Failed to cooperate in monitoring contract performance by refusing to provide information or documents required in a contract, failed to respond to complaints to the vendor, or accumulated repeated justified complaints regarding performance of a contract;
- (4) Attempted to influence a public employee to breach ethical conduct standards or to influence a contract award;
- (5) Colluded to restrain competition by any means;
- (6) Been convicted of a criminal offense related to the application for or performance of any public or private contract, including, but not limited to, embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, and any other offense that directly reflects on the vendor's business integrity;
- (7) Been convicted under state or federal antitrust laws;
- (8) Deliberately or willfully submitted false or misleading information in connection with the application for or performance of a public contract;
- (9) Violated any other responsible business practice or performed in an unsatisfactory manner as determined by the director;
- (10) Through the default of a contract or through other means had a determination of unresolved finding for recovery by the auditor of state under section 9.24 of the Revised Code;
- (11) Acted in such a manner as to be debarred from participating in a contract with any governmental agency.

(B) When the director reasonably believes that grounds for debarment exist, the director shall send the vendor a notice of proposed debarment indicating the grounds for the proposed debarment and the procedure for requesting a hearing on the proposed debarment. The hearing shall be conducted in accordance with Chapter 119. of the Revised Code. If the vendor does not respond with a request for a hearing in the manner specified in Chapter 119. of the Revised Code, the director shall issue the debarment

decision without a hearing and shall notify the vendor of the decision by certified mail, return receipt requested.

(C) The director shall determine the length of the debarment period and may rescind the debarment at any time upon notification to the vendor. During the period of debarment, the vendor is not eligible to participate in any state contract. After the debarment period expires, the vendor shall be eligible to be awarded contracts by state agencies.

(D) The director, through ~~the office of information technology~~ and the office of procurement services, shall maintain a list of all vendors currently debarred under this section.

Sec. 127.16. (A) Upon the request of either a state agency or the director of budget and management and after the controlling board determines that an emergency or a sufficient economic reason exists, the controlling board may approve the making of a purchase without competitive selection as provided in division (B) of this section.

(B) Except as otherwise provided in this section, no state agency, using money that has been appropriated to it directly, shall:

(1) Make any purchase from a particular supplier, that would amount to fifty thousand dollars or more when combined with both the amount of all disbursements to the supplier during the fiscal year for purchases made by the agency and the amount of all outstanding encumbrances for purchases made by the agency from the supplier, unless the purchase is made by competitive selection or with the approval of the controlling board;

(2) Lease real estate from a particular supplier, if the lease would amount to seventy-five thousand dollars or more when combined with both the amount of all disbursements to the supplier during the fiscal year for real estate leases made by the agency and the amount of all outstanding encumbrances for real estate leases made by the agency from the supplier, unless the lease is made by competitive selection or with the approval of the controlling board.

(C) Any person who authorizes a purchase in violation of division (B) of this section shall be liable to the state for any state funds spent on the purchase, and the attorney general shall collect the amount from the person.

(D) Nothing in division (B) of this section shall be construed as:

(1) A limitation upon the authority of the director of transportation as granted in sections 5501.17, 5517.02, and 5525.14 of the Revised Code;

(2) Applying to medicaid provider agreements under Chapter 5111. of the Revised Code or payments or provider agreements under the disability medical assistance program established under Chapter 5115. of the Revised Code;

- (3) Applying to the purchase of examinations from a sole supplier by a state licensing board under Title XLVII of the Revised Code;
- (4) Applying to entertainment contracts for the Ohio state fair entered into by the Ohio expositions commission, provided that the controlling board has given its approval to the commission to enter into such contracts and has approved a total budget amount for such contracts as agreed upon by commission action, and that the commission causes to be kept itemized records of the amounts of money spent under each contract and annually files those records with the clerk of the house of representatives and the clerk of the senate following the close of the fair;
- (5) Limiting the authority of the chief of the division of mineral resources management to contract for reclamation work with an operator mining adjacent land as provided in section 1513.27 of the Revised Code;
- (6) Applying to investment transactions and procedures of any state agency, except that the agency shall file with the board the name of any person with whom the agency contracts to make, broker, service, or otherwise manage its investments, as well as the commission, rate, or schedule of charges of such person with respect to any investment transactions to be undertaken on behalf of the agency. The filing shall be in a form and at such times as the board considers appropriate.
- (7) Applying to purchases made with money for the per cent for arts program established by section 3379.10 of the Revised Code;
- (8) Applying to purchases made by the rehabilitation services commission of services, or supplies, that are provided to persons with disabilities, or to purchases made by the commission in connection with the eligibility determinations it makes for applicants of programs administered by the social security administration;
- (9) Applying to payments by the department of job and family services under section 5111.13 of the Revised Code for group health plan premiums, deductibles, coinsurance, and other cost-sharing expenses;
- (10) Applying to any agency of the legislative branch of the state government;
- (11) Applying to agreements or contracts entered into under section 5101.11, 5101.20, 5101.201, 5101.21, or 5101.214 of the Revised Code;
- (12) Applying to purchases of services by the adult parole authority under section 2967.14 of the Revised Code or by the department of youth services under section 5139.08 of the Revised Code;
- (13) Applying to dues or fees paid for membership in an organization or association;

- (14) Applying to purchases of utility services pursuant to section 9.30 of the Revised Code;
- (15) Applying to purchases made in accordance with rules adopted by the department of administrative services of motor vehicle, aviation, or watercraft fuel, or emergency repairs of such vehicles;
- (16) Applying to purchases of tickets for passenger air transportation;
- (17) Applying to purchases necessary to provide public notifications required by law or to provide notifications of job openings;
- (18) Applying to the judicial branch of state government;
- (19) Applying to purchases of liquor for resale by the division of liquor control;
- (20) Applying to purchases of motor courier and freight services made in accordance with department of administrative services rules;
- (21) Applying to purchases from the United States postal service and purchases of stamps and postal meter replenishment from vendors at rates established by the United States postal service;
- (22) Applying to purchases of books, periodicals, pamphlets, newspapers, maintenance subscriptions, and other published materials;
- (23) Applying to purchases from other state agencies, including state-assisted institutions of higher education;
- (24) Limiting the authority of the director of environmental protection to enter into contracts under division (D) of section 3745.14 of the Revised Code to conduct compliance reviews, as defined in division (A) of that section;
- (25) Applying to purchases from a qualified nonprofit agency pursuant to sections 125.60 to 125.6012 or 4115.31 to 4115.35 of the Revised Code;
- (26) Applying to payments by the department of job and family services to the United States department of health and human services for printing and mailing notices pertaining to the tax refund offset program of the internal revenue service of the United States department of the treasury;
- (27) Applying to contracts entered into by the department of mental retardation and developmental disabilities under section 5123.18 of the Revised Code;
- (28) Applying to payments made by the department of mental health under a physician recruitment program authorized by section 5119.101 of the Revised Code;

(29) Applying to contracts entered into with persons by the director of commerce for unclaimed funds collection and remittance efforts as provided in division (F) of section 169.03 of the Revised Code. The director shall keep an itemized accounting of unclaimed funds collected by those persons and amounts paid to them for their services.

(30) Applying to purchases made by a state institution of higher education in accordance with the terms of a contract between the vendor and an inter-university purchasing group comprised of purchasing officers of state institutions of higher education;

(31) Applying to the department of job and family services' purchases of health assistance services under the children's health insurance program part I provided for under section 5101.50 of the Revised Code, the children's health insurance program part II provided for under section 5101.51 of the Revised Code, or the children's health insurance program part III provided for under section 5101.52 of the Revised Code, or the children's buy-in program provided for under sections 5101.5211 to 5101.5216 of the Revised Code;

(32) Applying to payments by the attorney general from the reparations fund to hospitals and other emergency medical facilities for performing medical examinations to collect physical evidence pursuant to section 2907.28 of the Revised Code;

(33) Applying to contracts with a contracting authority or administrative receiver under division (B) of section 5126.056 of the Revised Code;

(34) Applying to reimbursements paid to the United States department of veterans affairs for pharmaceutical and patient supply purchases made on behalf of the Ohio veterans' home agency;

(35) Applying to agreements entered into with terminal distributors of dangerous drugs under section 173.79 of the Revised Code;

(36) Applying to payments by the superintendent of the bureau of criminal identification and investigation to the federal bureau of investigation for criminal records checks pursuant to section 109.572 of the Revised Code.

~~(E) Notwithstanding division (B)(1) of this section, the cumulative purchase threshold shall be seventy-five thousand dollars for the departments of mental retardation and developmental disabilities, mental health, rehabilitation and correction, and youth services.~~

~~(F) When determining whether a state agency has reached the cumulative purchase thresholds established in divisions (B)(1), (B) and (2), and (E) of this section, all of the following purchases by such agency shall not be considered:~~

~~(1) Purchases made through competitive selection or with controlling board approval;~~

~~(2) Purchases listed in division (D) of this section;~~

(3) For the purposes of the ~~thresholds~~ threshold of divisions division (B)(1) and ~~(E)~~ of this section only, leases of real estate.

~~(G)~~(F) As used in this section, "competitive selection," "purchase," "supplies," and "services" have the same meanings as in section 125.01 of the Revised Code.

Director's Memo



MEMORANDUM

TO: APPOINTING AUTHORITIES FOR AGENCIES, BOARDS, COMMISSIONS
AND INSTITUTIONS

FROM: HUGH QUILL, DIRECTOR 

DATE: JUNE 25, 2008

RE: EXECUTIVE ORDER 2008-12S and AM. SUB. HOUSE BILL 562

Today, Governor Ted Strickland signed Executive Order 2008-12S, *Enhancing the State's Procurement Process through the Establishment of "Think Ohio First" and other Procurement Best Practices*. The Governor also signed into law Am. Sub. House Bill 562, which includes changes to laws affecting state procurement. I am sure you have many questions about what these changes mean and how they will affect your agency.

As you already know, the State is facing serious budget and funding issues for FY 2009 and beyond. Procurement of supplies and services is a major expense for the state and we need to look for ways to curb these expenses. Research indicates there are many opportunities to reduce these costs if we combine our needs, where possible, to take advantage of additional volume discounts. At the same time, we will continue to emphasize supplier diversity to maximize opportunities for Ohio's small, minority-owned, and women-owned businesses.

To accomplish this, various activities must be set in motion. The following is a summary of the items addressed in the Executive Order and new law which should help answer some of your immediate questions.

1. Establishing a Chief Procurement Officer network

- The Department of Administrative Services will designate a person to serve as the Ohio Chief Procurement Officer (OCPO).
- Each agency is to designate a person on their staff to serve as the chief Agency Procurement Officer (APO), who will be their point of contact to the OCPO.
- Large agencies may request to have more than one APO because of their organizational complexity or internal division of contract responsibility. The goal is to consolidate into the smallest number of APOs possible while properly representing your agency's spending.
- Your APO designee should have a strong working knowledge of procurement practices and be empowered to act on behalf of your agency.
- APOs are not required to be professionally certified. However, with HB 562, in time all contracts above \$25,000 will have to be reviewed or approved by a certified procurement professional. Agencies may choose to fulfill this certification requirement through their APO.

- The name and contact information of your APO should be forwarded by July 25, 2008, to the DAS General Services Division, Attn: Jeff Westhoven, 4200 Surface Road, Columbus, OH 43228. We will be coordinating an initial meeting of all APOs after the network is established.

2. Involvement of Higher Education

HB 562 grants more authority for state government to purchase cooperatively with and from higher education, other states, the federal government, and other purchasing consortia.

Ohio's colleges and universities also purchase billions of dollars in supplies and services each year. When appropriate, combining the purchases of these entities with state agencies may result in even lower prices, higher product quality and more favorable terms and conditions statewide. The OCPO will work with Ohio's institutions of higher education to determine areas where purchases can be combined.

3. Creating a State Procurement web portal

- The Ohio Business Gateway (OBG) will become the new electronic advertising center for all state contract opportunities valued in excess of \$25,000 annually. The target date for implementation is April 1, 2009, after which agencies will be required to post their contract opportunities on the OBG.
- Agencies may continue to post contract opportunities on their own web sites, in parallel with posting on the OBG.
- All contracts above \$25,000 are required to be publicly accessible through the OBG. The state will work to fulfill this requirement through a newly created report out of the OAKS data warehouse.

4. Information Technology Procurement

- Consolidation of DAS procurement offices: The Office of Information Technology (OIT) Acquisition Management, OIT Contract Management, and the Office of State Purchasing will be consolidated under the DAS Office of Procurement Services. The organizational change will be effective on July 6, 2008.
- Some procurement personnel will be moving to 4200 Surface Road in Columbus, with a target date of January 1, 2009 for the completion of the move.
- As a result, IT procurement processes and contact people may change. DAS will notify agencies directly of any changes.
- Oversight for IT governance will remain at OIT. Greater emphasis will be placed upon IT planning, well in advance of the procurement cycle.

Strategic Sourcing

- DAS will be reviewing, revising, and rebidding many of its central contracts under the strategic sourcing initiative. The OCPO will rely upon communication and cooperation among the APO network to assist in the success of this initiative.
- Strategic sourcing will require more standardization of supplies and services across the enterprise. Standardization means fewer variations of similar items, and fewer unique vendors for similar items. This allows the state to aggregate its spending and get better pricing.
- A portion of the savings from strategic sourcing will be retained by the agency, while the remainder will be captured through a billing mechanism in OAKS.

5. "Think Ohio First"

- Agencies are directed to consider Ohio companies first in any informal purchase process. Initial consideration in all purchases should be given to the programs outlined in the Executive Order before looking at other resources.
- OAKS will be configured to gather data on Ohio-specific purchases by agency. This data will be summarized on a purchasing scorecard that will be posted quarterly on the OBG.
- The agencies involved with administering Think Ohio First (DAS, DRC, RSC) will be required to perform a fiscal year review of the effectiveness of their programs. The first annual reports are due on October 1, 2008.

7. Thresholds

The following thresholds will change on the effective date of HB 562:

- DAS release and permit thresholds for supplies and services will be \$25,000. This threshold applies to single purchases from a single agency. The biennial adjustment for inflation has been eliminated.
- The Controlling Board threshold for institutional agencies will change from \$75,000 to \$50,000. This threshold applies to cumulative purchases per agency per vendor per fiscal year.

8. Delegated Authority and Ohio Procurement Certification

- DAS will create an Ohio Procurement Certification program for agency procurement staff.
- DAS will delegate authority for contracts valued between \$25,000 and \$50,000 to agencies that have individuals with an Ohio Procurement Certification. No release and permit will be required for these contracts.



Memo re: Executive Order 2008-12S and Am. Sub.HB 562
June 25, 2008 -- Page 4 of 4

- Certification will require demonstrated expertise in both general and Ohio-specific procurement practices. General certification will be required through the Universal Public Purchasing Certification Council (UPPCC) as currently administered through the National Institute of Governmental Purchasing (NIGP). This certification may require up to four years to complete, depending upon the professional experience and educational background of the applicant. Individuals will fulfill the Ohio-specific requirement through training offered by DAS.
- DAS will create a provisional certification program that allows agencies to award contracts valued between \$25,000 and \$50,000 if they demonstrate a good faith effort towards attaining the Ohio Procurement Certification for their staff.
- Agencies should consider the financial resources of the Exempt Professional Development Program and the Union Education Trust Program to assist with the cost of procurement certification training. Funding may also be available to members of the Central Ohio Organization of Public Purchasers (CO-OPP).
- DAS will create rules that provide further detail on delegated authority and certification.

Thank you for your attention to and support of these important procurement initiatives. If you have questions or comments, please feel free to contact Steve Hunter, Administrator, Office of Procurement Services at 614-466-7066.

Procurement Reform Requirements

Procurement Reform Requirements

From Executive Order 2008-12S, HB 562 and Panel Report

Source	Reference	Req. No.	Requirement	Timeline	Responsible Party	Comments
Ex. Order 2008-12S	Ex. Order Item #3	1	Appoint an Ohio Chief Procurement Officer (OCPO)	9/25/08	DAS/GSD	Panel Report recommendation #17; completed 8/21/08
		2	Appoint agency procurement officers (APOs)	7/25/08	Agencies	Panel Report recommendation #17; completed 8/20/08
	6	3	Chancellor of University System of Ohio coordinate with OCPO	Ongoing	BOR, DAS	
	7	4	Establish the Ohio Business Gateway (OBG) as state's central web portal for procurement	4/01/09	DAS	Panel Report recommendation #20
		5	Post all agency contract opportunities exceeding \$25,000 and all current contracts exceeding \$25,000 on the OBG	7/01/09	Agencies	Panel Report recommendation #20; deadline is 90 days from completion of previous requirement
	8	6	Transition IT procurement from the state Chief Information Officer to the OCPO	7/25/08	DAS	Panel Report recommendation #14; transfer became effective 7/06/08; physical move of personnel scheduled for Dec 2008
	9	7	Identify savings from new contracts and streamlined processes and report quarterly	4/15/09	DAS	First report on 4/15/09 and then quarterly thereafter
	10a	8	Proactively search for Ohio companies and include Ohio companies on solicitation lists for informal quotes	Immediate	Agencies	Panel Report recommendation #24
	10b	9	Maximize volume of purchases through Think Ohio First programs	Immediate	Agencies	Panel Report recommendation #24
	10c	10	Include Think Ohio First in purchasing scorecard (see next item)	n/a	DAS/OAKS	Panel Report recommendation #19
	11	11	Create a purchasing scorecard and metrics	1/01/09	DAS	Panel Report recommendation #19; first report on 1/01/09 and then quarterly thereafter
	12	12	Review Think Ohio First programs annually for socioeconomic benefit, quality assurance, responsiveness, and value	10/01/08	DAS, RSC, DRC	Panel Report recommendation #25; first review should begin on 6/30/08 and is due on 10/01/08 to the OCPO and Controlling Board; report due annually on 10/1 each year thereafter
HB 562	125.05(A)	13	Adopt written procedures consistent with DAS procedures for purchases valued at \$25,000 or less	9/25/08	Agencies	Panel Report recommendation #1

Procurement Reform Requirements

From Executive Order 2008-12S, HB 562 and Panel Report

Source	Reference	Req. No.	Requirement	Timeline	Responsible Party	Comments
HB 562 (cont.)	125.05(B)	14	Adopt written procedures consistent with DAS procedures for purchases valued between \$25,000 and \$50,000	9/25/08	Agencies	Panel Report recommendation #1
	125.05 (E)	15	Recommend to the general assembly any changes to purchasing thresholds	1/31/10	DAS, OBM	1/31 of each even-numbered year
	125.051	16	Create procurement certification program and adopt administrative rules	No deadline specified	DAS	Panel Report Recommendation #16
Panel Report	Recomm. #6	17	Evaluate and/or eliminate central warehousing system	No deadline specified	Institutional agencies, OBM, DAS	
	7	18	Expand cooperative purchasing agreements	No deadline specified	DAS, higher ed, political subdivisions	
	9	19	Require previously exempted agencies to use competitive selection	9/25/08	BWC, ADJ, DRC, DAS	Also under HB 562, new language under ORC Chapter 125
	10	20	Leverage more centralized spending	No deadline specified	DAS, agencies	
	11	21	Implement strategic sourcing concepts	No deadline specified	DAS	Evaluating strategic sourcing consultants through RFP process
	12	22	Standardize, simplify & reduce bidding documents	No deadline specified	DAS, agencies	
	14	23	Employ commodity manager model	No deadline specified	DAS	
	15	24	Modify Controlling Board procedures	No deadline specified	OBM	
	18	25	Actively manage supplier relationships	No deadline specified	DAS, agencies	
	21	26	Expand utilization of electronic procurement	No deadline specified	DAS, OBM, OAKS	
	23	27	Streamline vendor certification processes	No deadline specified	DAS	

DAS = Blue
 Agencies = Yellow
 OBM = Pink
 Multiple = Green

Think Ohio First



Choose Ohio Business & Industry

www.thinkohiofirst.ohio.gov

Help Create Opportunity for the Disabled

Encourage Minority-Owned Businesses

Buy Ohio

Support Ohio Businesses

Secure Opportunity for the Blind

Encourage Small Business Growth

**Why
think ohio
first?**

Ohio Government Procurement Professionals

**For More Information On How To
Think Ohio First:**

EDGE & MBE

Ohio Department of Administrative Services
Equal Opportunity Division
(614) 466-8380
www.das.ohio.gov/eod

OPCRP

Ohio Department of Administrative Services
Office of Procurement Services
(614) 752-9772
das.ohio.gov/GSD/CRP

OPI

Ohio Department of Rehabilitation & Correction
(614) 752-0287
www.opi.state.oh.us/opi/oos/welcomemenu.aspx

BSVI

Ohio Rehabilitation Services Commission
(614) 438-1438
www.rsc.ohio.gov/VR_Services/BSVI/bsvi.asp

Buy Ohio

Ohio Department of Administrative Services
(614) 466-5090
procure.ohio.gov/proc/index.asp



Choose Ohio Business & Industry

www.thinkohiofirst.ohio.gov

EDGE

Encouraging Diversity, Growth, and Equity

EDGE is designed to help small, socially and economically disadvantaged businesses gain access to state government contracts and business opportunities.

State agencies have goals to meet in awarding contracts to EDGE-eligible businesses.

To become an EDGE business, a participant must be a small business which is economically and socially disadvantaged and owned and controlled by a U.S. citizen who is a resident of Ohio.

MBE

Minority Business Enterprise

MBE directs state government business to minority-owned Ohio companies.

MBE businesses must be for-profit and in existence for at least one year prior to applying for MBE status. The owner and operator must be a U.S. citizen and a resident of Ohio.

MBE business owners must belong to one of these groups: African American, Native American, Hispanic, and/or Asian/Pacific Islander.

OPCRP

Office of Procurement from Community Rehabilitation Programs

OPCRP assists state agencies in buying goods and services from local organizations which employ people with work-limiting disabilities.

OPI

Ohio Penal Industries

OPI is an industrial training program for those incarcerated within the Ohio Department of Rehabilitation and Corrections. Goods made by OPI are fabricated from materials and supplies purchased from Ohio companies.

Additionally, OPI provides offenders with work-related skills to help ease their re-entry into society. OPI is entirely self-sufficient and receives no tax dollars. Purchasing OPI products supports Ohio business due to the millions of dollars spent by OPI each year with Ohio suppliers.

BSVI

Rehabilitation Services Commission, Bureau of Services for the Visually Impaired

Administered by BSVI, the Ohio Business Enterprise Program (BEP) enables Ohioans who are legally blind to pursue careers in food service management. BEP operates more than 120 food service and vending operations across Ohio.

Through the Ohio Revised Code, state agencies, colleges, and universities are mandated to use BSVI food services.

Buy Ohio

The Buy Ohio program fosters business for Ohio products and services through a 5% price preference on state invitations to bid.

To be eligible for the program, a business must offer products produced in Ohio and be an eligible border state.

Make a Choice. Choose Ohio.

Accenture Spend Assessment



State of Ohio Spend Assessment

February 2008



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▪Implementation Plan



Timing and Approach

The scope of the spend assessment consisted of five high level stages and required approximately eight weeks to complete.

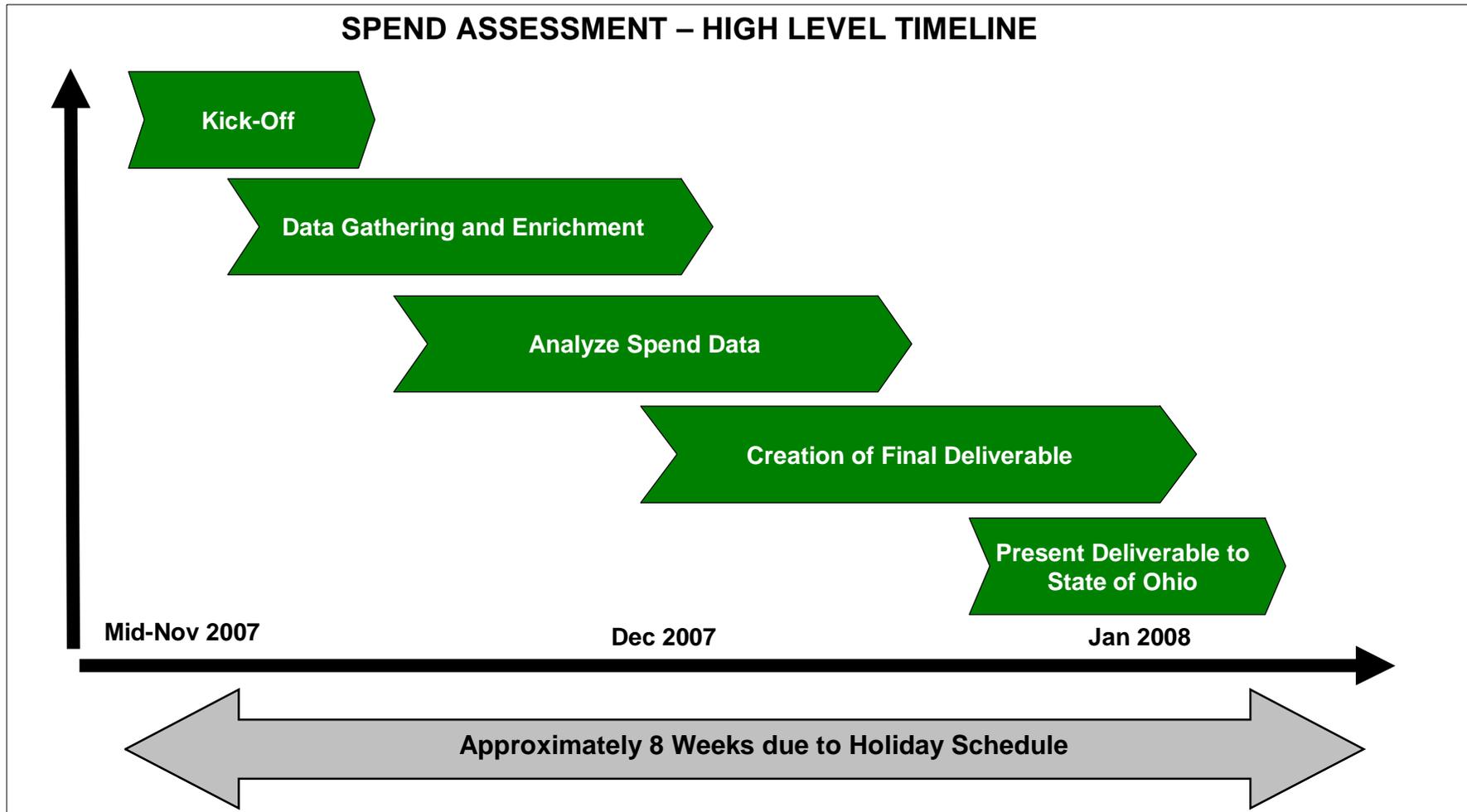




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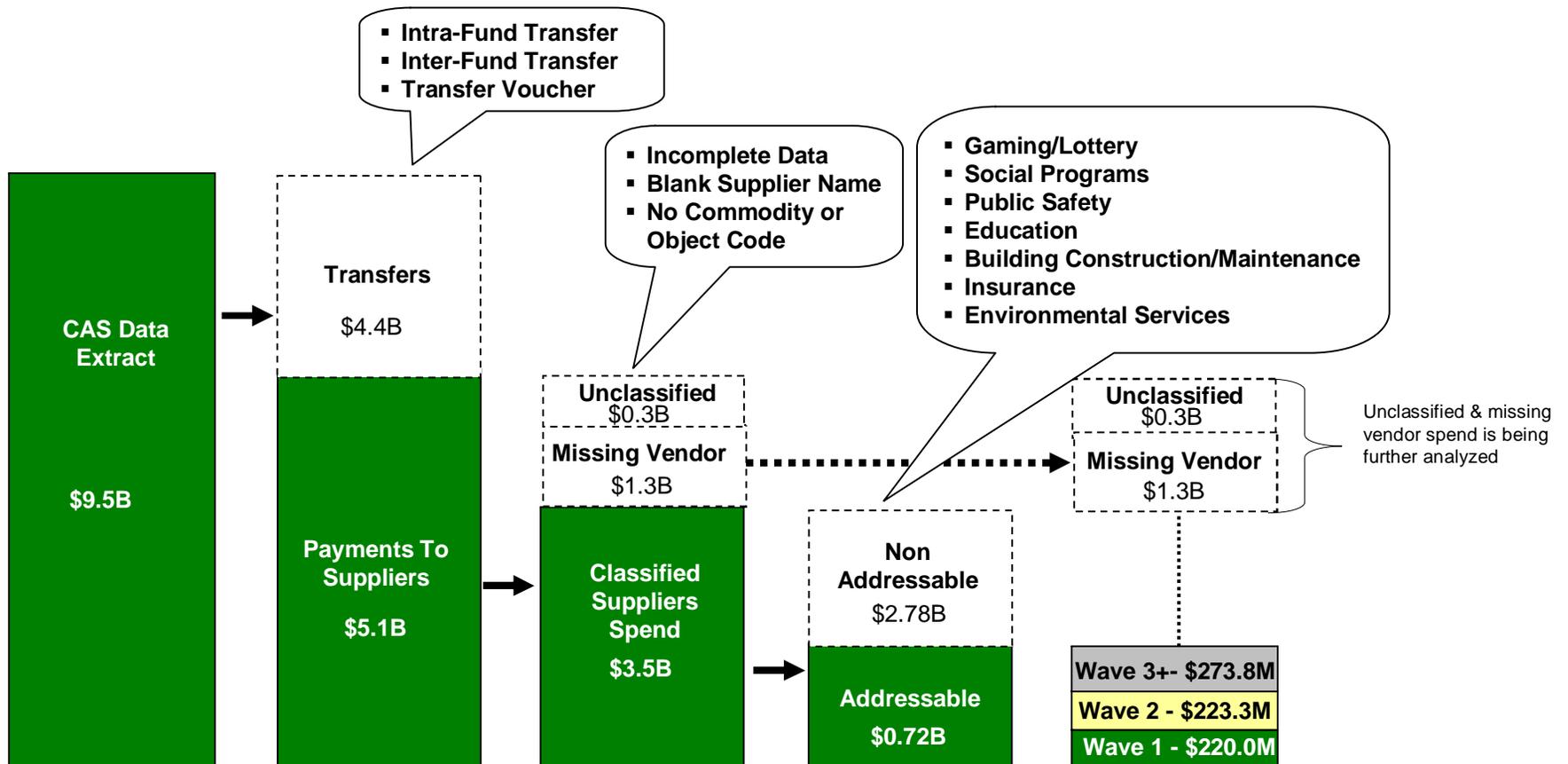
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Spend Profile

The Spend Analysis starts with the entire “pie” of spend from CAS and is analyzed to determine how much of the spend could be considered sourceable.





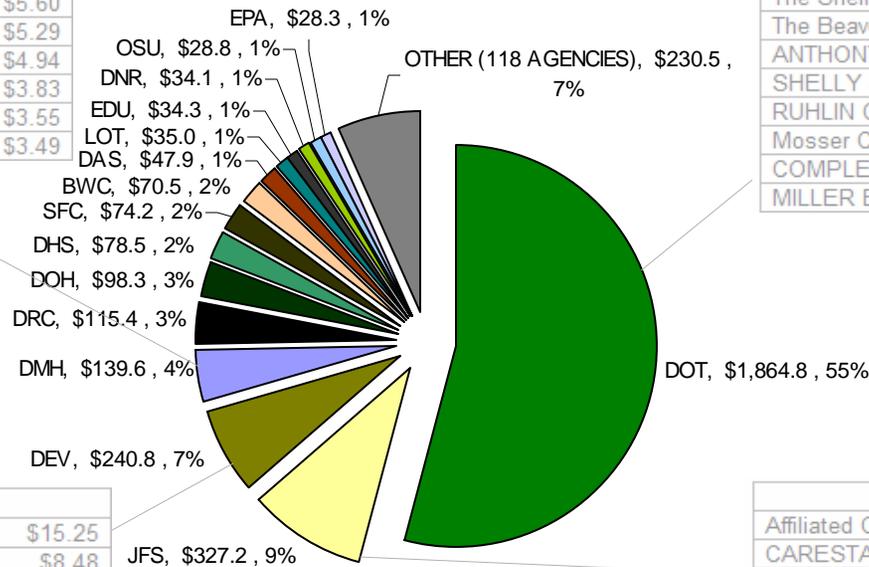
Classified Spend Analysis by Agency

88% of the State of Ohio's classified spend falls within 10 Agencies.

- State of Ohio Spend by Agency (\$M) -
Total \$3.5B

DMH	
CAPITAL WHOLESALE DRUG CO	\$21.23
RELIA MED DISTRIBUTORS LLC	\$6.71
ORTHO PHARMACEUTICAL CORP	\$6.20
Compass Group plc	\$5.60
PRESCRIPTION SUPPLY INC	\$5.29
Baxter International Inc.	\$4.94
AstraZeneca plc	\$3.83
AmerisourceBergen Corp.	\$3.55
SUPREME FOOD RESOURCE INC	\$3.49

DOT	
Kokosing Construction Company, Inc.	\$322.01
The Shelly Company	\$106.75
The Beaver Excavating Company, Inc.	\$97.05
ANTHONY ALLEGA CEMENT CONTRACTOR	\$84.77
SHELLY & SANDS INC	\$82.00
RUHLIN COMPANY	\$65.80
Mosser Construction Inc.	\$65.65
COMPLETE GENERAL CONSTR CO	\$47.05
MILLER BROTHERS CONSTR INC	\$44.16



DEV	
REGIONAL GROWTH PARTNERSHIP	\$15.25
ULTRACELL CORPORATION	\$8.48
KENT DISPLAYS INC	\$8.00
GrafTech International Ltd.	\$7.95
WIL RESEARCH LABORATORIES LLC	\$7.00
AMYLIN OHIO LLC	\$6.65
SKYBUS AIRLINES INC	\$6.55
Swagelok Company	\$5.50
Whirlpool Corp	\$5.40

JFS	
Affiliated Computer Services, Inc.	\$37.61
CARESTAR INC	\$27.04
SABER SOLUTIONS INC	\$17.61
Dynamics Research Corporation	\$16.13
AT&T Inc.	\$8.62
Compuware Corporation	\$7.68
AUTOMATED HEALTH SYSTEMS INC	\$5.97
YOUNG SERVICES INC	\$5.83
Sirius Computer Solutions, Inc.	\$5.77

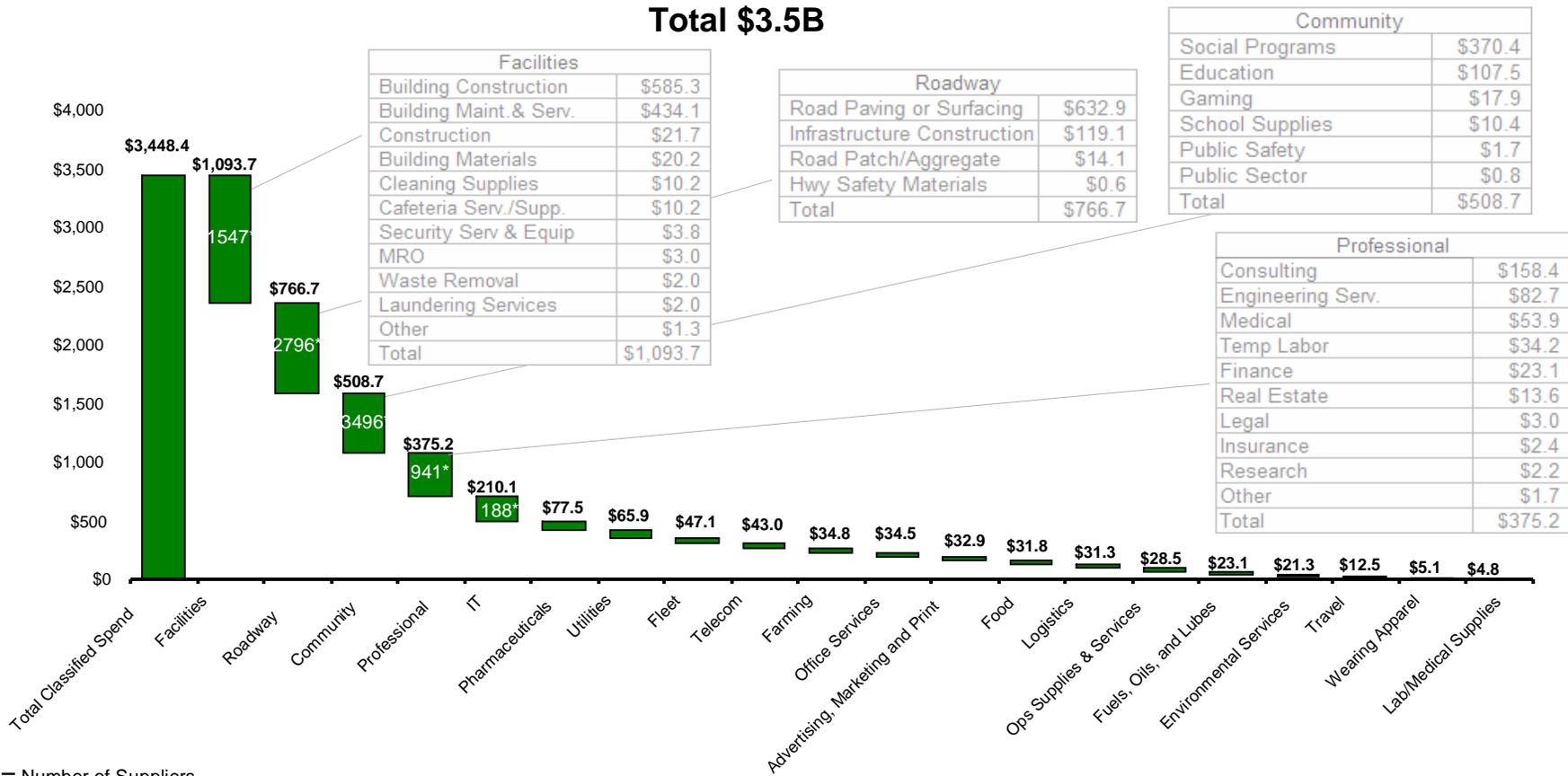
Source: FY07 CAS Accounts Payable Extract



Classified Spend Analysis by Category

Facilities, Roadway, Community, and Professional represents 80% (\$2.7B) of the total classified spend.

- State of Ohio Spend by Category (\$M) -
Total \$3.5B



* = Number of Suppliers

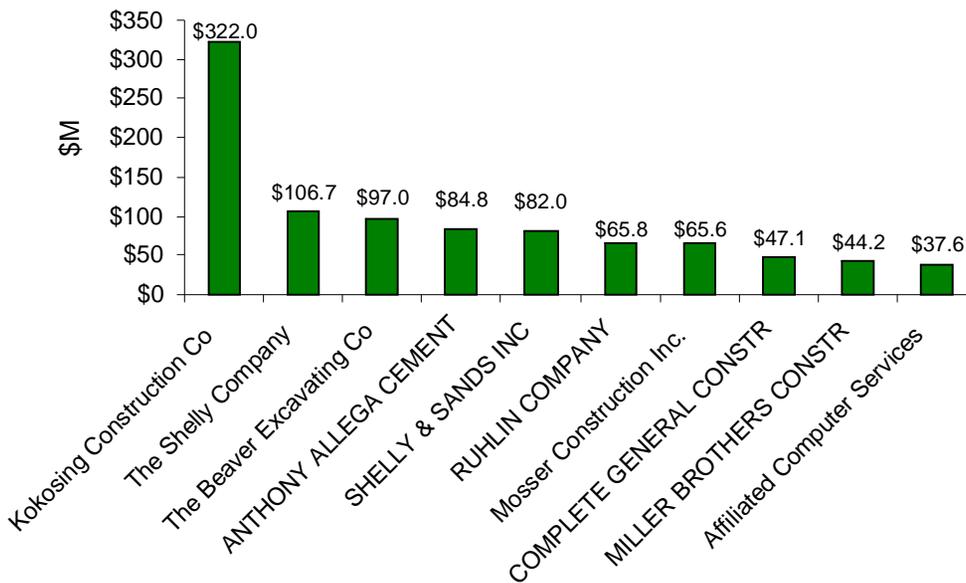
Source: FY07 CAS Accounts Payable Extract



Classified Spend Analysis by Supplier

Of the top ten suppliers within classified spend, six (6) fall within the 'Facilities' category and three (3) fall within the Roadway category.

- State of Ohio Spend by Vendor (\$M) -
Total \$0.952B of \$3.5B



Takeaways

- Top 10 suppliers make up 28% of the total classified spend
 - Kokosing Construction Co. alone is responsible for 9% of the total classified spend
- For the top 10 suppliers, the classified spend with each supplier is comprised of 7 or less agencies
 - DOT has the largest spend with 9 of the top 10 suppliers
 - JFS has the largest spend with Affiliated Computer Services

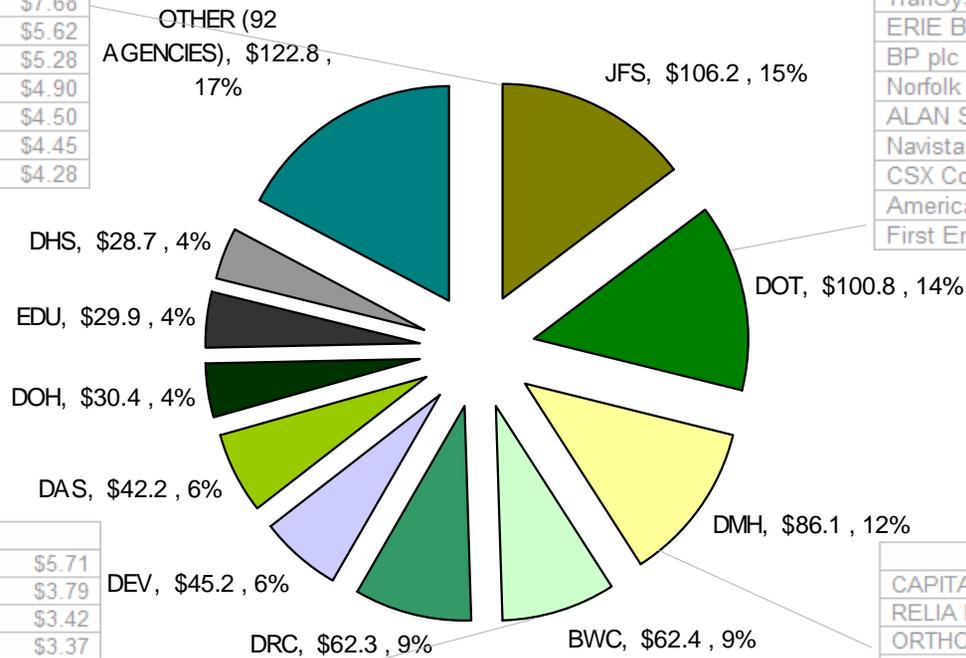


Addressable Spend Analysis by Agency

83% of the State of Ohio's addressable spend falls within 10 Agencies.

JFS	
SABER SOLUTIONS INC	\$17.61
AT&T Inc.	\$8.62
Compuware Corporation	\$7.68
Towers Perrin	\$5.62
Deloitte Touche Tohmatsu	\$5.28
CGI TECHNOLOGIES & SOLUTIONS	\$4.90
Qwest Communications	\$4.50
Pomeroy IT Solutions, Inc.	\$4.45
EDS INFORMATION SERVICES	\$4.28

- State of Ohio Spend by Agency (\$M) - Total \$0.72B



DOT	
TranSystems Corporation	\$19.85
ERIE BLACKTOP INC	\$14.06
BP plc	\$13.24
Norfolk Southern Corp.	\$6.81
ALAN STONE CO INC	\$5.87
Navistar International Corporation	\$5.73
CSX Corporation	\$3.40
American Electric Power Co	\$2.78
First Energy Corp.	\$1.38

BWC	
International Business Machines Corp.	\$5.71
Pitney Bowes Inc.	\$3.79
ASTUTE INC	\$3.42
HARRIS MACKESSY & BRENNAN	\$3.37
CDW Corporation	\$2.42
Compuware Corporation	\$2.34
ENTERPRISE RESOURCE PARTNERS	\$2.19
NETWAVE CORPORATION	\$2.11
Software House International, Inc.	\$1.62

DMH	
CAPITAL WHOLESALE DRUG CO	\$21.23
RELIA MED DISTRIBUTORS LLC	\$6.71
ORTHO PHARMACEUTICAL CORP	\$6.21
Compass Group plc	\$5.60
PRESCRIPTION SUPPLY INC	\$5.29
AstraZeneca plc	\$3.83
R & S NORTHEAST LLC	\$3.03
Bellco Health Corp.	\$2.81
STELLAR MARKETING INC	\$2.26

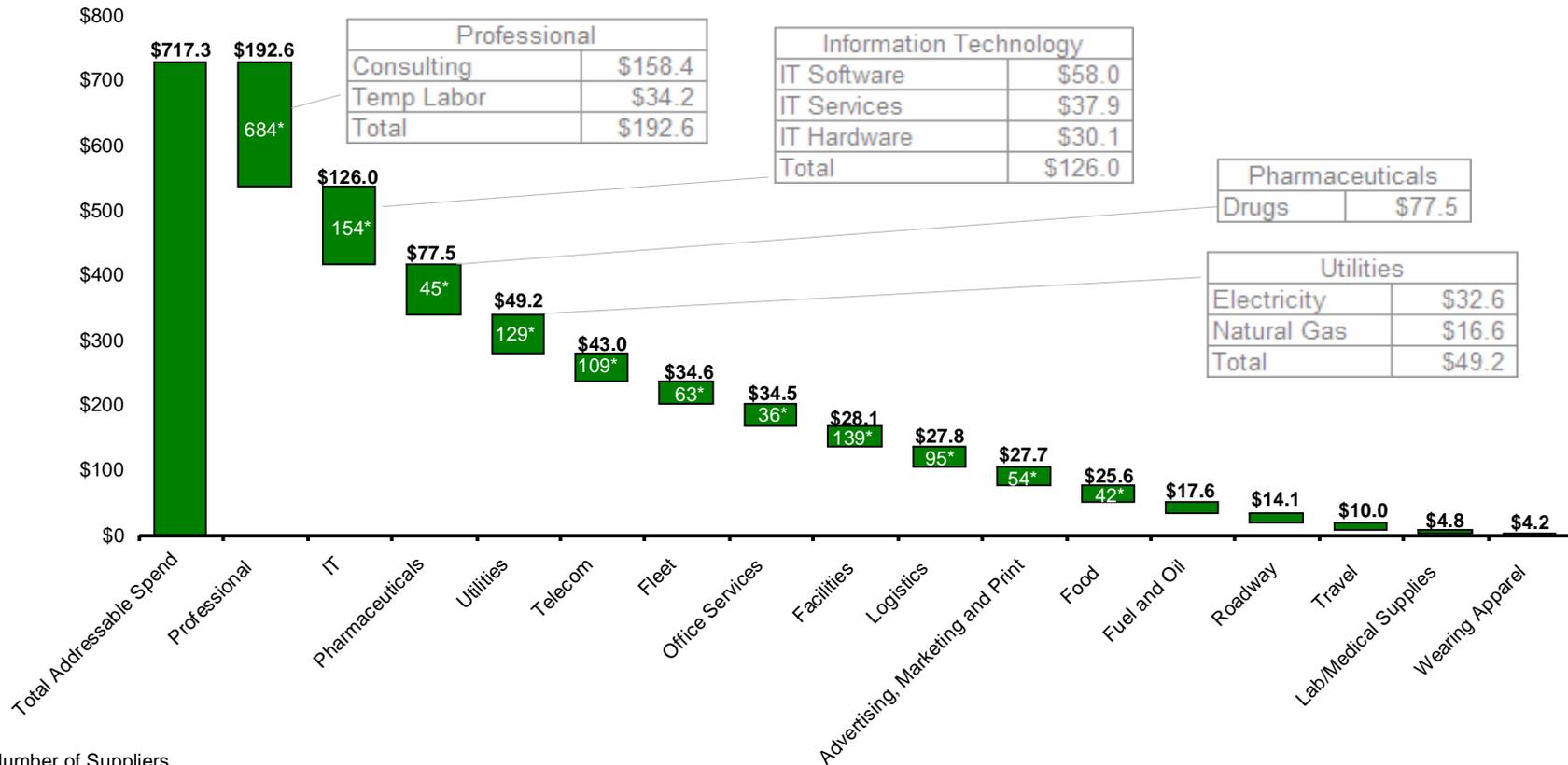
Source: FY07 CAS Accounts Payable Extract



Addressable Spend Analysis by Category

Professional, IT, Pharmaceuticals and Utilities represents 62% (\$445M) of the total sourceable spend.

- State of Ohio Spend by Category (\$M) -
Total \$0.72B



* = Number of Suppliers

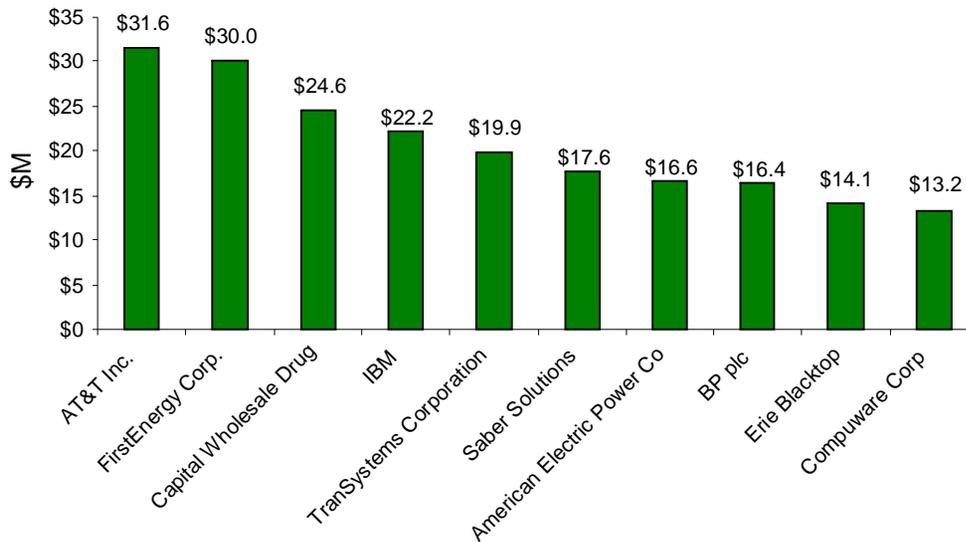
Source: FY07 CAS Accounts Payable Extract



Addressable Spend Analysis by Supplier

Of the top ten suppliers in addressable spend, three (3) fall within the Professional category and two (2) within the Utilities category.

- State of Ohio Top 10 Suppliers (\$M) - Total \$0.21B of \$0.72B



Takeaways

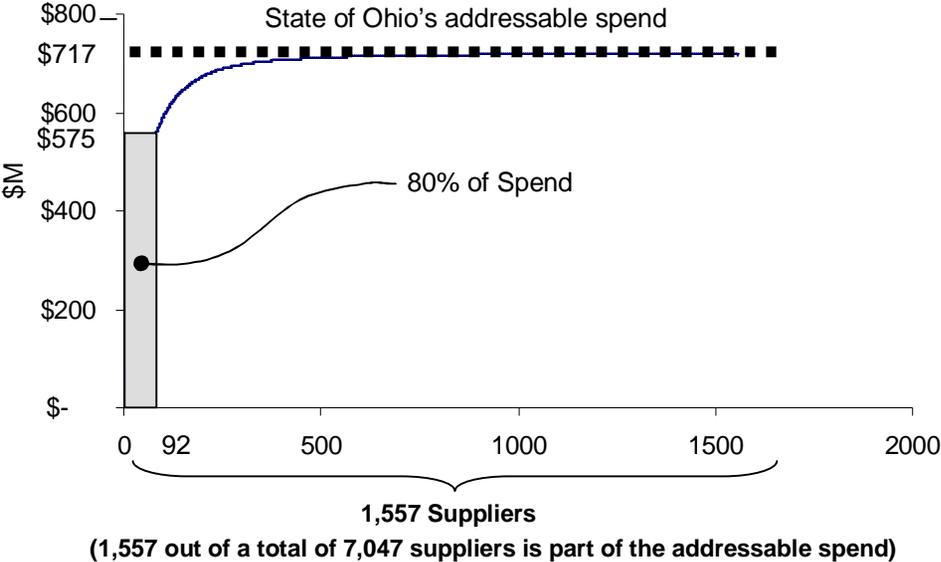
- Top 10 suppliers make up 29% of the total sourceable spend
 - Sourceable spend does not include Construction and Road Paving categories
- 6 of the top 10 suppliers, the spend is fragmented across multiple agencies
 - AT&T spend is comprised of 54 agencies
 - First Energy spend is comprised of 25 agencies
 - American Electric Power spend is comprised of 26 agencies
 - BP spend is comprised of 17 agencies
 - Compuware Corp spend is comprised of 16 agencies



Addressable Spend Analysis by Supplier

Of the total suppliers within addressable spend, 92 suppliers consist of 80% of the addressable spend and the top ten suppliers make up 29% of the addressable spend.

- State of Ohio Supplier Concentration Curve (\$M) -



Takeaways

- 6% (92 suppliers) of the supply base is responsible for 80% of the total sourceable spend
 - Bulk of the spend is concentrated with suppliers from the Professional, Utilities and IT categories
- 15% (234 suppliers) of the supply base is responsible for 95% of the total sourceable spend



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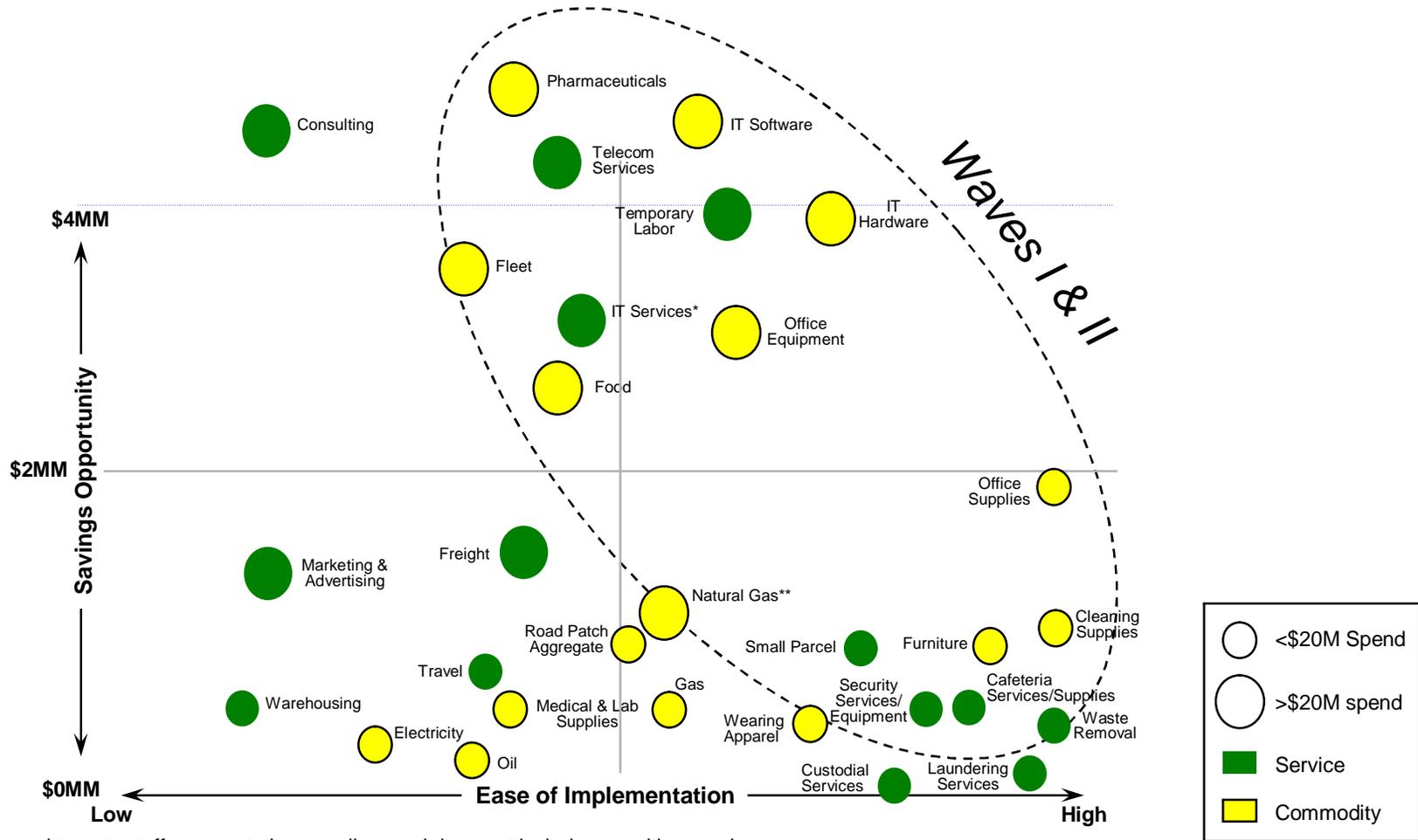
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Category Prioritization Matrix

Eighteen Categories have been identified as Wave I & II based on savings opportunity and ease of implementation.



* IT Services spend targets staff augmentation suppliers and does not include consulting services

** The LDC distribution cost portion (25%) of the total spend for Natural Gas is considered non-addressable



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Category Sourcing Wave Plan - Example

Waves I and II will require approximately 6 to 8 months each to complete and will account for approximately \$443M in addressable spend.

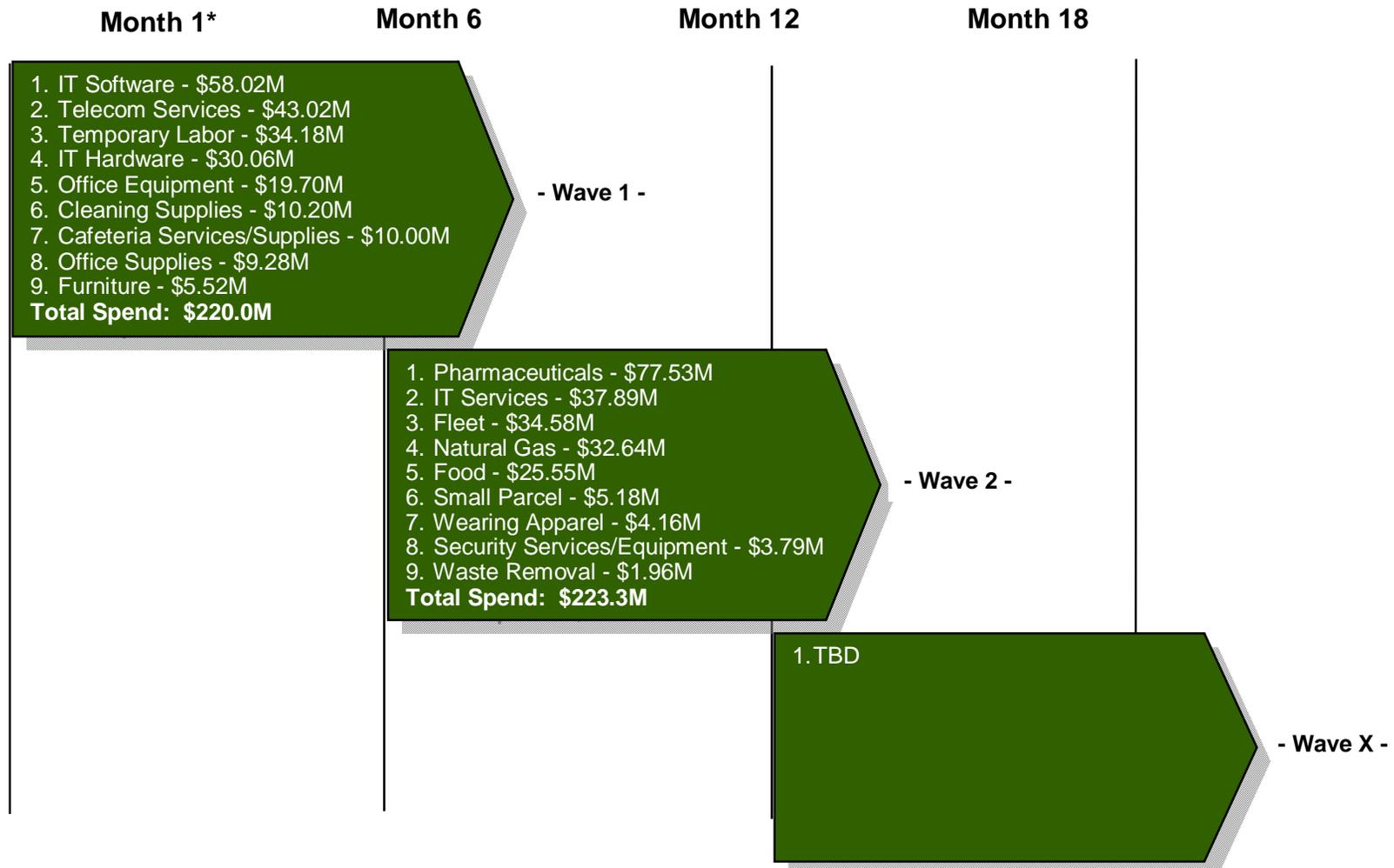




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IT Software - Overview

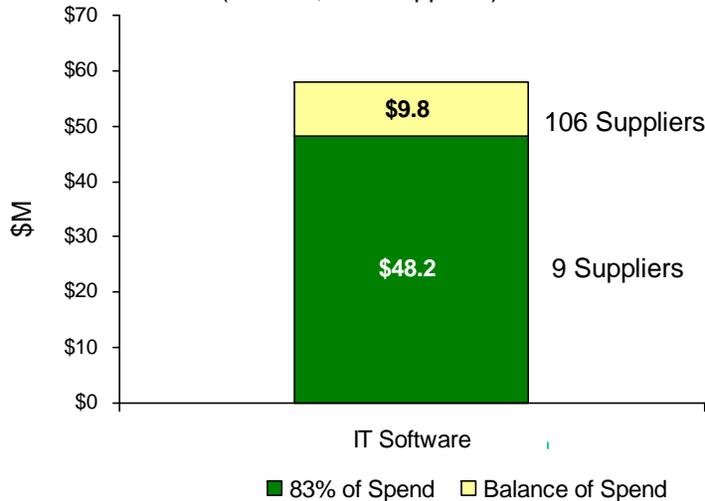
IT Software has \$58.0M in addressable spend with an estimated savings range of \$5.2M (9%) to \$8.7M (15%). There are 115 suppliers who provide IT Software to 68 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$58.0M ⁽¹⁾
Addressable Spend	\$58.0M
<u>Opportunity (9% - 15%)</u>	<u>\$5.2M - \$8.7M</u>
Timing	~ 6 months

Supplier Concentration⁽¹⁾

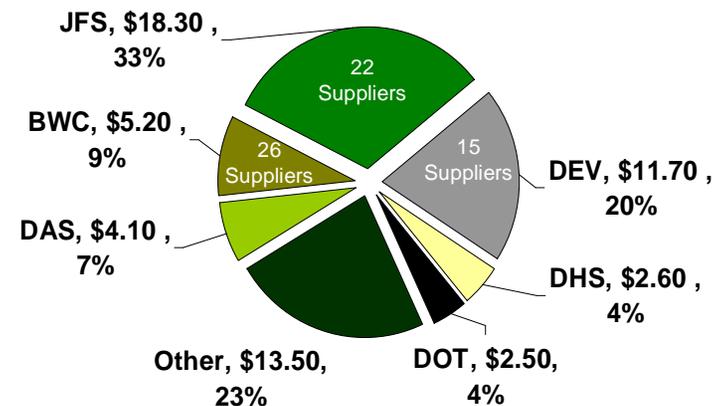
IT Software - (\$58.0M, 115 Suppliers)



Commodity Profile

- JFS, DEV, and BWC are the largest users and represent 62% of the total addressable spend
- There are 115 suppliers within the IT software category
 - Top 10 suppliers represent 85% of the total addressable spend
 - 106 suppliers consist of over \$9.8M in spend
- MBE/EDGE total spend: \$1.1M made up of 1 supplier⁽²⁾
- P-Card FY07 spend is \$0.2M⁽³⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM



Telecom Services – Overview

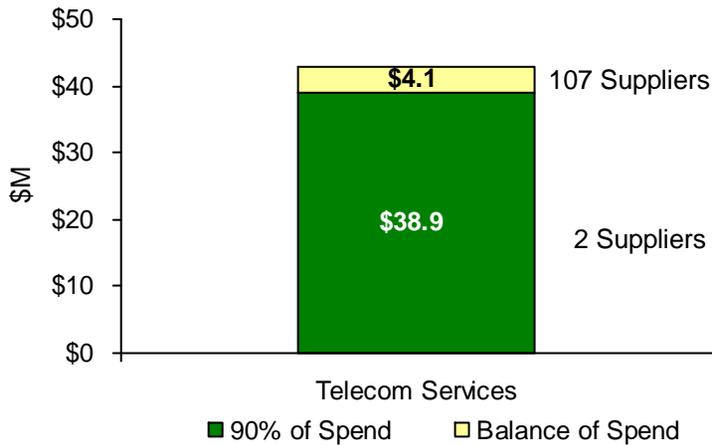
Telecom Services has \$43.0M in annual spend with an estimated savings range of \$3.4M (8%) to \$6.0M (14%). There are 109 Telecom providers who service 75 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$43.0M ⁽¹⁾
Addressable Spend	\$43.0M
Opportunity (8% - 14%)	\$3.4M - \$6.0M
Timing	~ 7 months

Supplier Concentration

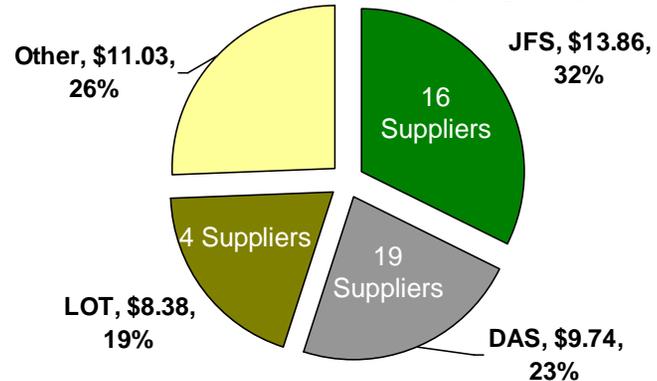
AT&T - (\$31.6M, 1 Supplier)
 Remaining Spend – (\$11.4M, 108 Suppliers)



Service Profile

- Telecom services include VOIP, Long Distance, Local, and Mobile Services
- JFS, DAS, and LOT are the largest users and represent 74% of the total addressable spend
- There are 109 suppliers within the Telecom Services category
 - The top supplier (AT&T) represents 73% of the total addressable spend
 - There are 107 suppliers that consist of \$4.1M in spend
- There are no MBE/EDGE suppliers⁽²⁾
- P-Card FY07 spend is \$3.9M⁽³⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM



Temporary Labor - Overview

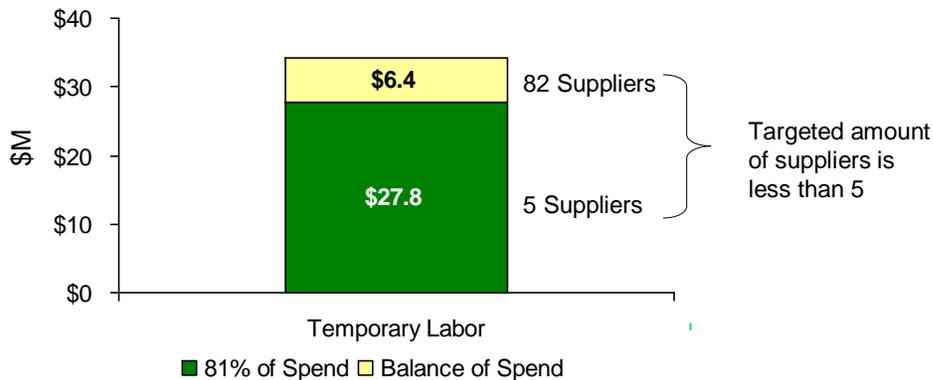
Temporary Labor has \$34.2M in addressable spend with an estimated savings range of \$2.7M (8%) to \$5.1M (15%). There are 87 suppliers who provide Temporary Labor Services to 47 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$34.2M ⁽¹⁾
Addressable Spend	\$34.2M
Opportunity (8% - 15%)	\$2.7M - \$5.1M
Timing	~ 6 months

Supplier Concentration ⁽¹⁾

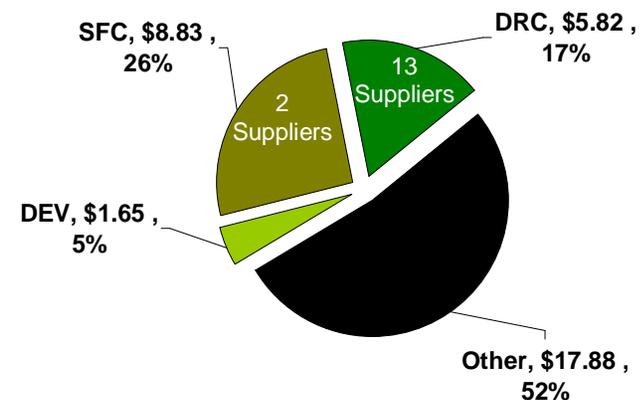
80% of Spend - (\$31.6M)
Balance of Spend - (\$6.4M)



Service Profile

- SFC, DRC, and DEV are the largest agencies and represent 48% of the total addressable spend
- There are 87 suppliers within the Temporary Labor category
 - The top ten suppliers represent 94% of the total addressable spend
 - 82 suppliers represent \$6.4M in total addressable spend
- MBE/EDGE total spend: \$ 8M⁽²⁾ made up of 7 suppliers⁽²⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)

(2) Source: FY07 Term Contract Expenditures



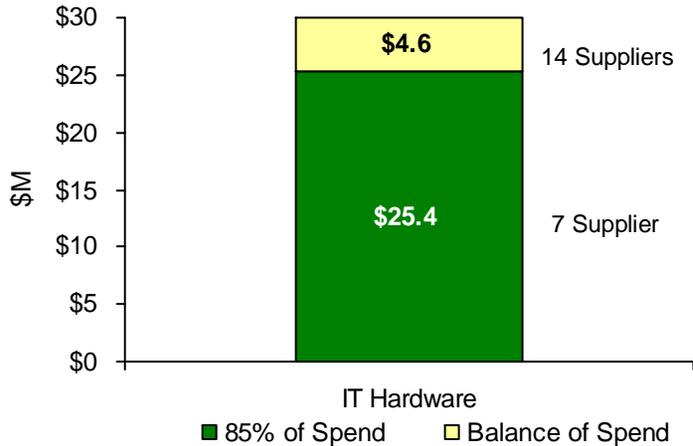
IT Hardware – Overview

IT Hardware has \$30.0M in addressable spend with an estimated savings range of \$3.3M (11%) to \$4.5M (15%). There are 21 suppliers providing IT Hardware to 66 different state agencies.

Annual Opportunity Sizing

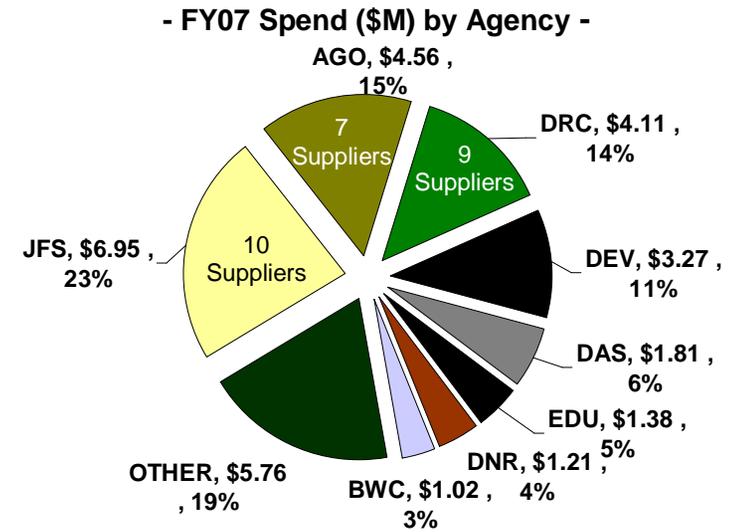
Annual Spend	\$30.0M ⁽¹⁾
Addressable Spend	\$30.0M
Opportunity (11% - 15%)	\$3.3M - \$4.5M
Timing	~ 6 months

Supplier Concentration⁽¹⁾
 PC's, Laptops - (\$16.6M, 12 Suppliers)
 Peripherals - (\$9.4M, 6 Suppliers)
 Network Equipment - (\$4.0M, 5 Suppliers)



Commodity Profile

- Includes PCs (Desktops, Laptops), Servers, IT Peripherals, and Network Equipment
- JFS, AGO, and DRC are the largest users and represent 52% of the total addressable spend
- There are 21 suppliers within the IT Hardware category
- MBE/EDGE total spend: \$0.6M made up of 1 supplier⁽²⁾
- P-Card spend in FY07 is \$0.2M⁽³⁾



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM



Office Equipment – Overview

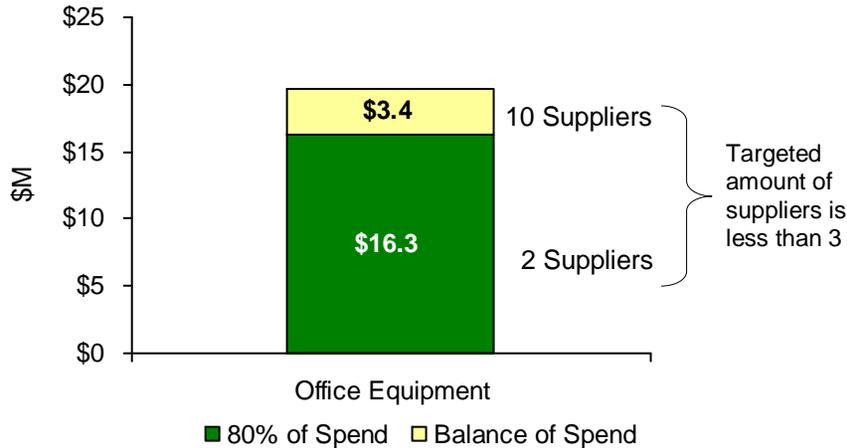
Office Equipment has \$19.7M in addressable spend with an estimated savings range of \$2.4M (12%) to \$3.6M (18%). There are 12 suppliers who provide Office Equipment to 66 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$19.7M ⁽¹⁾
Addressable Spend	\$19.7M
Opportunity (12% - 18%)	\$2.4M - \$3.6M
Timing	~ 6 months

Supplier Concentration⁽¹⁾

Copiers/MFDs - (\$18.3M, 8 Suppliers)
 Cost Per Copy - (\$1.4M, 4 Suppliers)

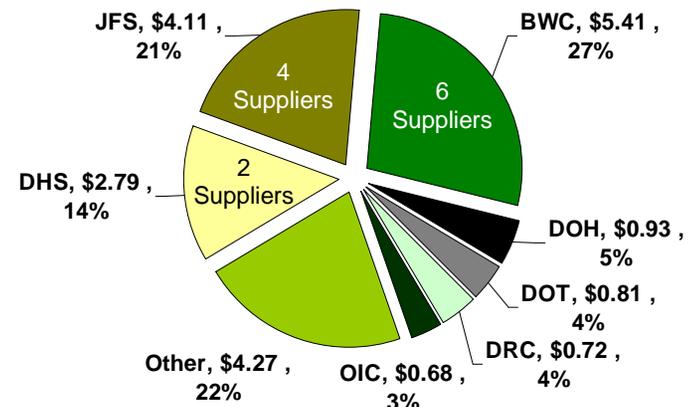


(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM

Commodity Profile

- The Office Equipment category includes office machines (MFDs), duplicating / copy machines, and fax machines
- BWC, JFS, and DHS are the largest users and represent 62% of the total addressable spend
- There 12 suppliers within the Office Equipment category
 - The top two suppliers (Pitney Bowes & Xerox Corp) represent 83% of the total addressable spend
- There are 10 suppliers who represent \$3.4M in spend
- There are no MBE/EDGE suppliers⁽²⁾
- P-Card FY07 spend is \$0.5M⁽³⁾

- FY07 Spend (\$M) by Agency -





Cleaning Supplies - Overview

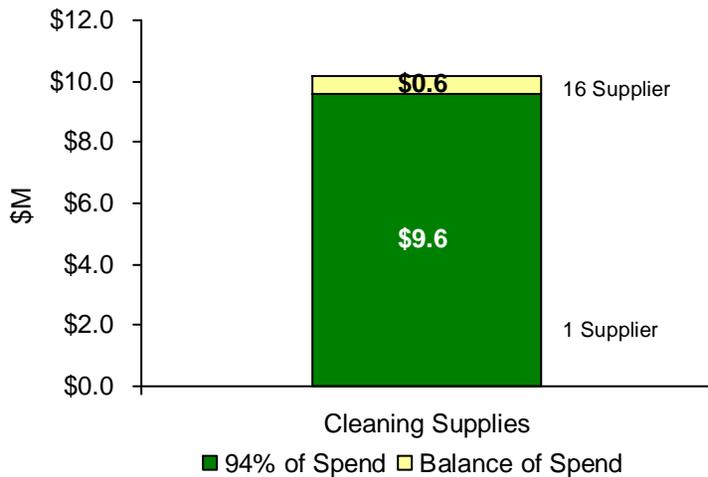
Cleaning Supplies has \$10.2M in addressable spend with an estimated savings range of \$0.6M (6%) to \$1.0M (10%). There are 17 suppliers who provide Cleaning Supplies to 24 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$10.2M ⁽¹⁾
Addressable Spend	\$10.2M
Opportunity (6% - 10%)	\$0.6M - \$1.0M
Timing	~ 5 months

Supplier Concentration⁽¹⁾

(\$10.2M in Supplies, 17 Suppliers)

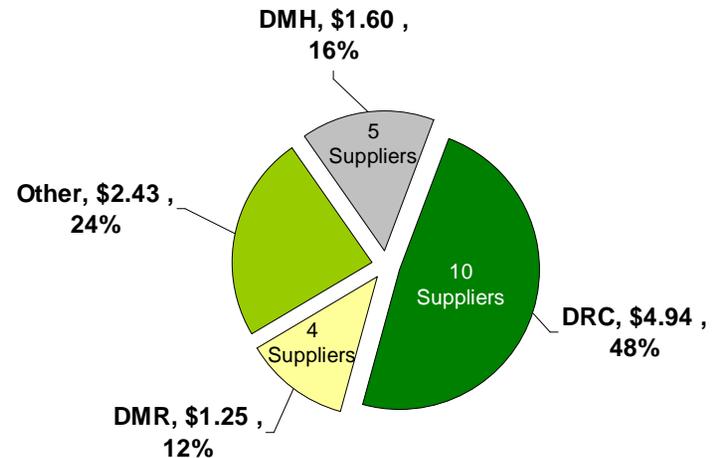


(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM

Commodity Profile

- DRC, DMH, and DMR are the largest users and represent 76% of the total addressable spend
- One supplier, Direct Resource, represents 94% of the total addressable spend
- 16 suppliers make up \$0.6M in addressable spend
- MBE/EDGE total spend: \$1.4M made up of 6 suppliers⁽²⁾
- P-Card spend is \$0.02M⁽³⁾

- FY07 Spend (\$M) by Agency -





Cafeteria Services / Supplies - Overview

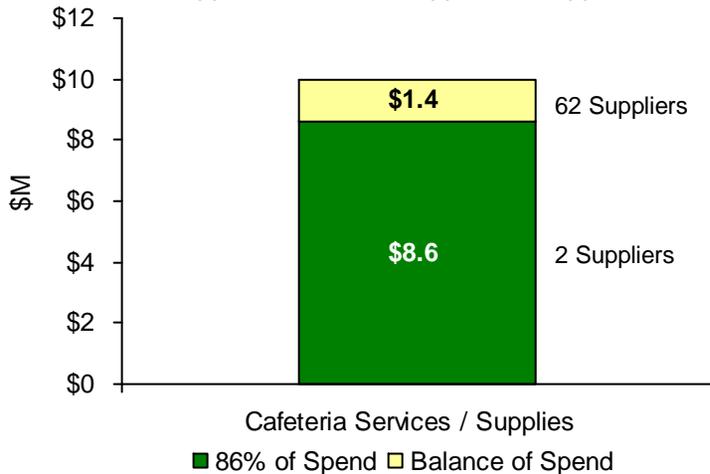
Cafeteria Services / Supplies has \$10.0M in addressable spend with an estimated savings range of \$0.2M (2%) to \$0.6M (6%). There are 64 suppliers who provide Cafeteria Services / Supplies to 23 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$10.0M ⁽¹⁾
Addressable Spend	\$10.0M
Opportunity (2% - 6%)	\$0.2M - \$0.6M
<hr/>	
Timing	~ 5 months

Supplier Concentration⁽¹⁾

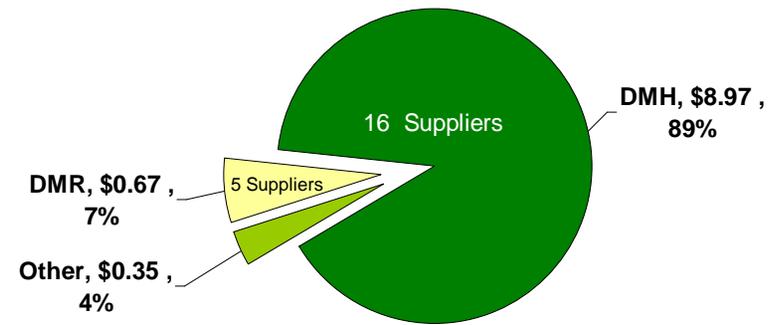
Cafeteria Services - \$7.2M in Supplies, 57 Suppliers
 Cafeteria Supplies - \$2.8M in Supplies, 7 Suppliers



Commodity / Service Profile

- DMH and DMR are the largest users and represent 96% of the total addressable spend
- There are 64 suppliers within Cafeteria Services / Supplies
 - The top two suppliers (Compass and Joshen Paper and Packaging) represent 86% of the total addressable spend
 - 62 suppliers consist of \$1.4M in addressable spend
- There are no MBE/EDGE suppliers⁽²⁾
- P-Card FY07 spend is \$0.5M⁽³⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM



Office Supplies - Overview

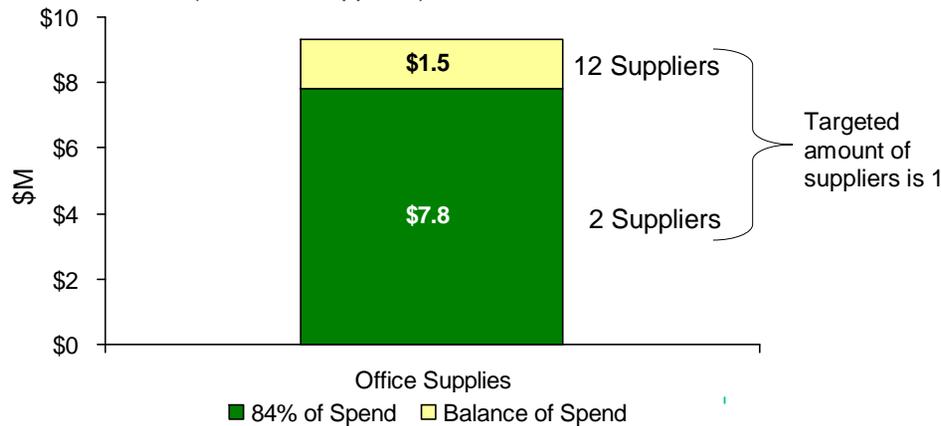
Office Supplies has \$9.3M in addressable spend with an estimated savings range of \$1.4M (15%) to \$2.3M (25%). There are 14 suppliers who provide Office Supplies to 82 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$9.3M ⁽¹⁾
Addressable Spend	\$9.3M
Opportunity (15% - 25%)	\$1.4M - \$2.3M
Timing	~ 5 months

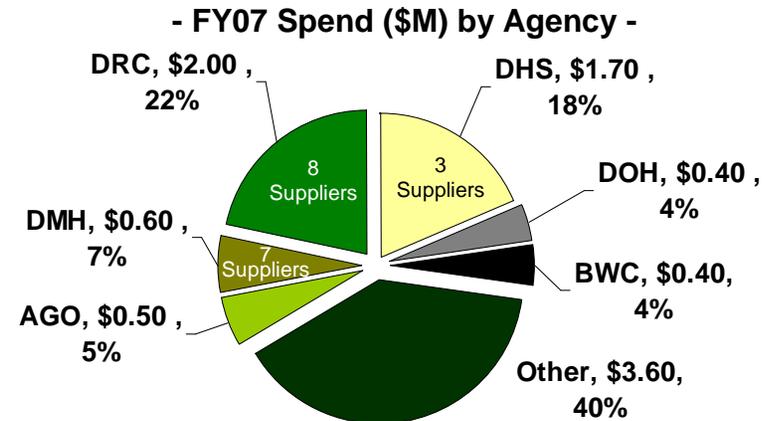
Supplier Concentration⁽¹⁾

Office Supplies - (\$7.6M, 4 Suppliers)
 Paper - (\$1.3M, 8 Suppliers)
 Other - (\$0.3M, 4 Suppliers)



Commodity Profile

- DRC, DHS, and DMH are the largest users and represent 47% of the total addressable spend
- There are 14 suppliers within the Office Supplies category
 - Office Max accounts for 69% of the spend
 - Spend is broken into the following categories
 - 14% paper; 82% OS; 3% other
- MBE/EDGE total spend: \$0.002M made up of 1 supplier⁽²⁾
- P-Card FY07 spend is \$8.5M⁽³⁾



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM



Furniture - Overview

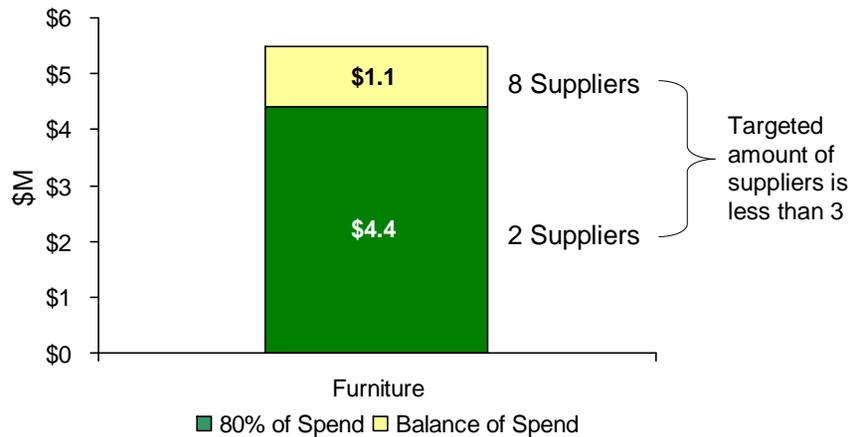
Furniture has \$5.5M in addressable spend with an estimated savings range of \$0.6M (10%) to \$0.9M (17%). There are 10 suppliers who provide Furniture to 25 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$5.5M ⁽¹⁾
Addressable Spend	\$5.5M
Opportunity (10% - 17%)	\$0.6M - \$0.9M
Timing	~ 5 months

Supplier Concentration⁽¹⁾

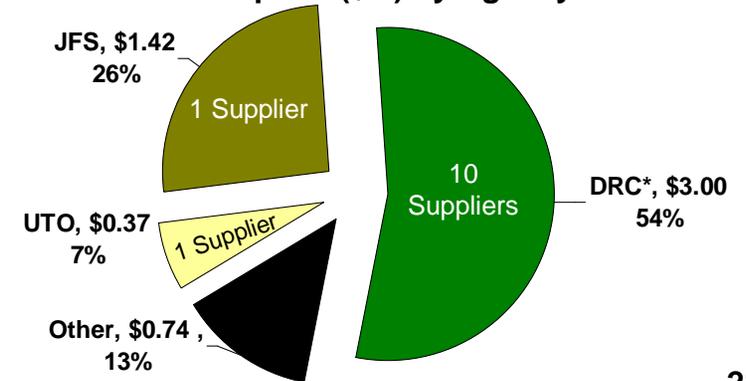
(\$5.5M, 10 Suppliers)



Commodity Profile

- The Furniture category includes classroom, educational, library, dormitory, healthcare, and office furniture
- DRC*, JFS, and UTO are the largest users and represent 87% of the total addressable spend
 - Top two suppliers (Continental Office Environment and MW International) represent 80% of the total addressable spend
 - Eight suppliers make up \$1.1M in annual spend
- MBE/EDGE total spend: \$0.5M⁽²⁾ made up of 4 suppliers⁽²⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)

(2) Source: FY07 Term Contract Expenditures

*DRC maybe purchasing furniture supplies for manufacturing furniture



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 - Wave 2

 - Savings Opportunity Summary

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Pharmaceuticals – Overview

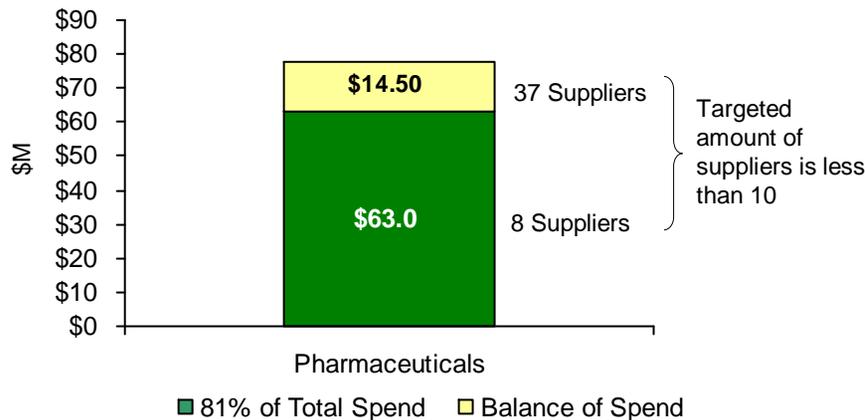
Pharmaceuticals has \$77.5M in addressable spend with an estimated savings range of \$7.8M (10%) to \$13.2M (17%). There are 45 suppliers who provide pharmaceuticals to 11 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$77.5M ⁽¹⁾
Addressable Spend	\$77.5M
Opportunity (10% - 17%)	\$7.8M - \$13.2M
Timing	
	~ 7 months

Supplier Concentration⁽¹⁾

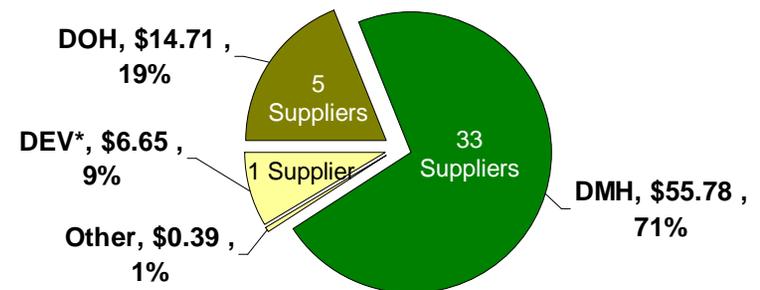
Pharmaceuticals - (\$77.5M, 45 Suppliers)



Commodity Profile

- DMH and DOH are the largest users and represent 99% of the total addressable spend
- There are 45 suppliers within the Pharmaceuticals category
 - The top supplier / distributor (Capital Wholesale Drug Co) represents 32% of the total spend
- 33 suppliers are used by a single agency (DMH)
- MBE/EDGE total spend: \$2.8M made up of 3 suppliers⁽²⁾
- P-Card FY07 spend is \$1.4M⁽³⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)

(2) Source: FY07 Term Contract Expenditures

(3) Source: FY07 P-Card Report from OBM

*The DEV spend for Pharmaceuticals is what is contained in CAS, but is not consistent with State of Ohio information received from DEV group and is believed to be grant money



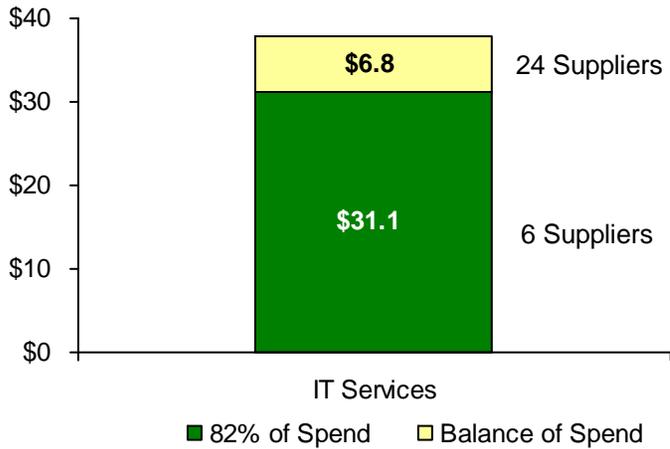
IT Services - Overview

IT Services has \$37.9M in addressable spend with an estimated savings range of \$2.3M (6%) to \$3.8M (10%). There are 30 IT Services providers who service 60 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$122.0M ⁽¹⁾
Addressable Spend	\$37.9M ⁽²⁾
Opportunity (6% - 10%)	\$2.3M - \$3.8M
Timing	~ 6 months

Supplier Concentration⁽¹⁾ (\$37.9M, 30 Suppliers)

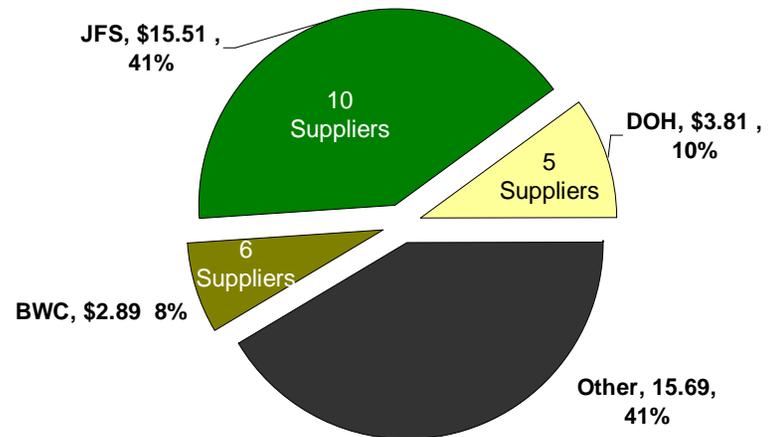


(1) Source: Central Accounting System (CAS)
 (2) Includes targeting 30 of 64 suppliers within the IT Services category
 (3) Source: FY07 Term Contract Expenditures

Service Profile

- JFS, DOH, and BWC are the largest users and represent 59% of the total addressable spend
- There are 30 suppliers within the IT Services category
 - 6 suppliers represent 82% of the total addressable spend
 - 24 suppliers consist of \$6.8M in addressable spend
 - The top supplier (Netwave Corporation) represents 29% of the total addressable spend
- There are no MBE/EDGE suppliers⁽³⁾

- FY07 Spend (\$M) by Agency -





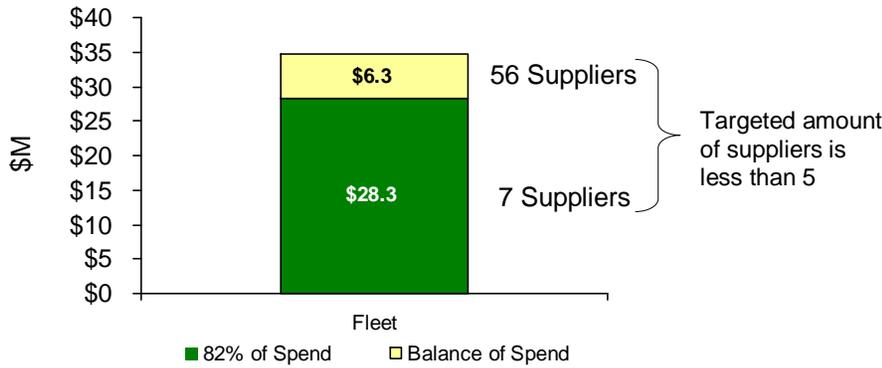
Fleet - Overview

Fleet has \$34.6M in addressable spend with an estimated savings range of \$2.8M (8%) to \$4.2M (12%). There are 63 suppliers who provide vehicles to 27 different state agencies.

Annual Opportunity Sizing

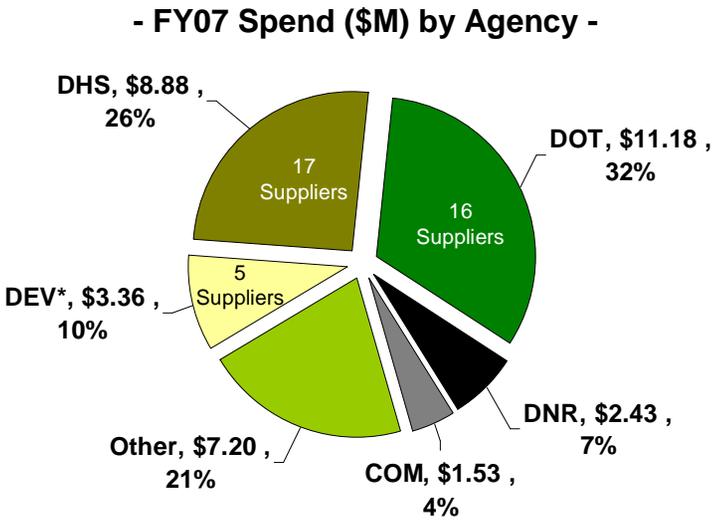
Annual Spend	\$47.1M ⁽¹⁾
Addressable Spend	\$34.6M ⁽²⁾
Opportunity (8% - 12%)	\$2.8M - \$4.2M
Timing	~ 6 months

Supplier Concentration⁽²⁾ (\$34.6M, 63 Suppliers)



Commodity Profile

- DOT and DHS are the largest users and represent 58% of the total addressable spend
- There are 63 suppliers within the Fleet category
- The top four suppliers represent 68% of the total addressable spend
- 53 suppliers represent 32% of the total addressable spend
- MBE/EDGE total spend: \$ 3.2M made up of 3 suppliers⁽³⁾



(1) Source: Central Accounting System (CAS)
 (2) Supplier Concentration is derived from the total addressable spend
 (3) Source: FY07 Term Contract Expenditures
 *The DEV spend for Fleet is what is contained in CAS, but is not consistent with State of Ohio information received from DEV group and is believed to be grant money



Natural Gas - Overview

Natural Gas has \$32.6M in addressable spend with an estimated savings range of \$0.3M (1%) to \$1.6M (5%) There are 126 suppliers who provide Natural Gas to 27 different state agencies.

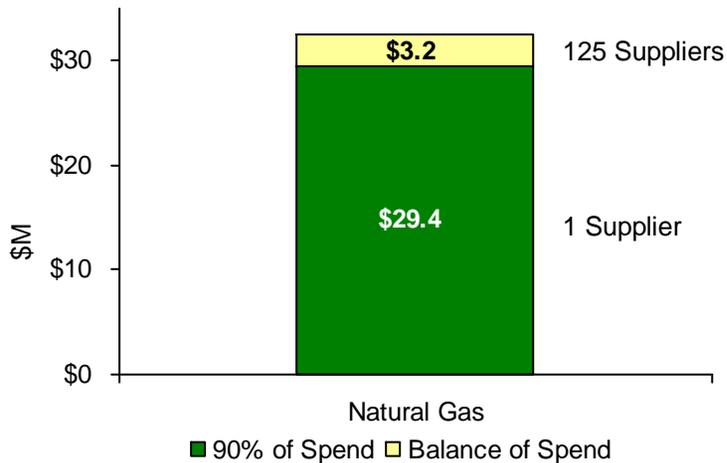
Annual Opportunity Sizing

Annual Spend	\$43.5M ⁽¹⁾
Addressable Spend	\$32.6M
Opportunity (1% - 5%)	\$0.3M - \$1.6M

Timing ~ 6 months

Supplier Concentration⁽²⁾

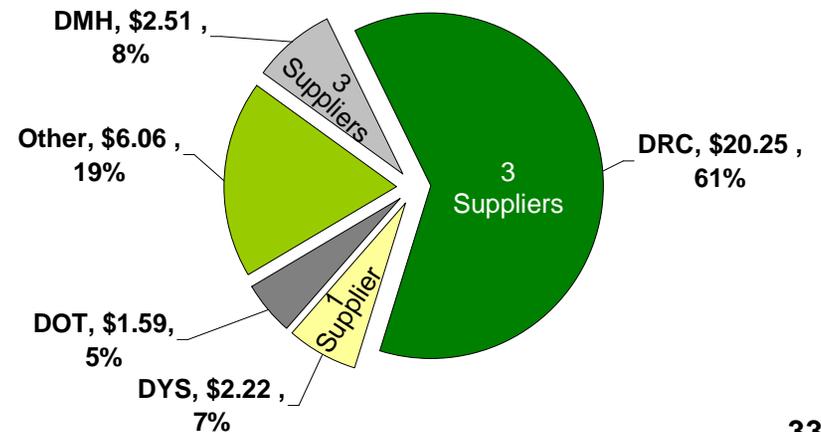
(\$32.6M in Supplies, 126 Suppliers)



Commodity Profile

- DRC, DMH, DYS are the largest users and represent 76% of the addressable spend
- There are 126 suppliers within the Natural Gas category
 - The top supplier, First Energy (3rd Party Provider), represents 90% of the total addressable spend
 - 125 suppliers make up \$3.2M in spend
- There are no MBE/EDGE suppliers⁽³⁾
- P-Card spend is \$0.6M⁽⁴⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)

(2) Supplier concentration is derived from the total addressable spend

(3) Source: FY07 Term Contract Expenditures

(4) Source: FY07 P-Card Report from OBM



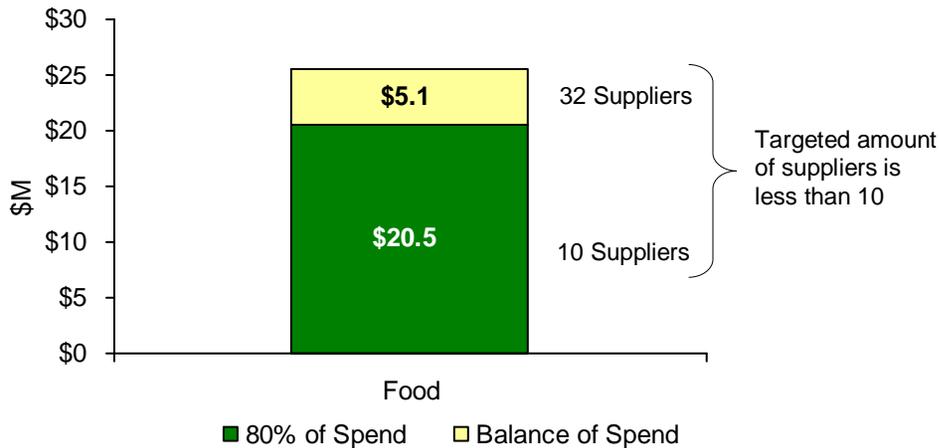
Food - Overview

Food has \$25.6M in addressable spend with an estimated savings range of \$2.0M (8%) to \$3.1M (12%). There are 42 suppliers who provide Food to 10 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$25.6M ⁽¹⁾
Addressable Spend	\$25.6M
Opportunity (8% - 12%)	\$2.0M - \$3.1M
Timing	~ 6 months

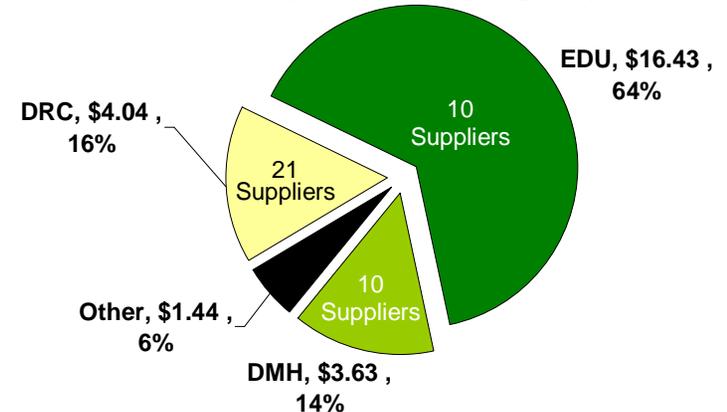
Supplier Concentration⁽¹⁾ (\$25.6M, 42 Suppliers)



Commodity Profile

- EDU, DMH, and DRC are largest users and represent 94% of the total addressable spend
- There are 42 suppliers within the Food category
 - The top supplier (United Commodity Group) represents 24% of the total addressable spend
 - The bottom 32 suppliers represent 20% of the total addressable spend
- MBE/EDGE total spend: \$3.0M made up of 3 suppliers⁽²⁾
- P-Card FY07 spend is \$1.2M⁽³⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM



Small Parcel - Overview

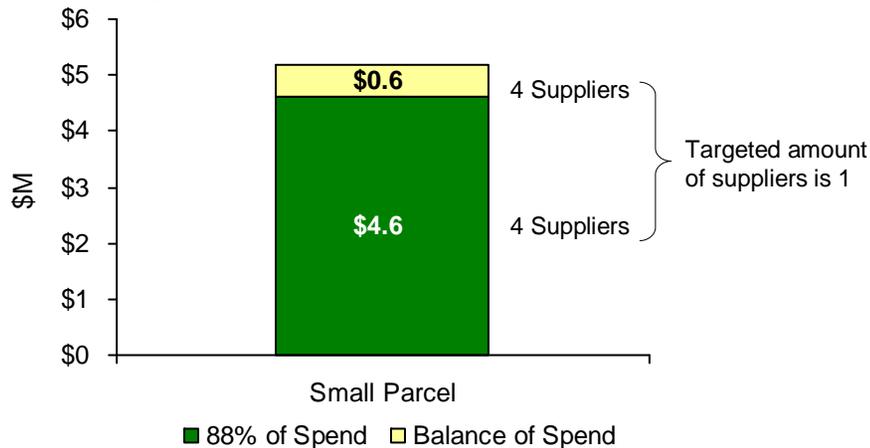
Small Parcel has \$5.2M in addressable spend with an estimated savings range of \$0.3M (5%) to \$0.8M (15%). There are 8 suppliers who provide Small Parcel service to 50 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$5.2M ⁽¹⁾
Addressable Spend	\$5.2M
Opportunity (5% - 15%)	\$0.3 - \$0.8M
Timing	~ 5 months

Supplier Concentration⁽¹⁾

DHL - (\$1.8M, 1 Supplier): contracted
 Remaining - (\$3.4M, 7 Suppliers): non-contracted

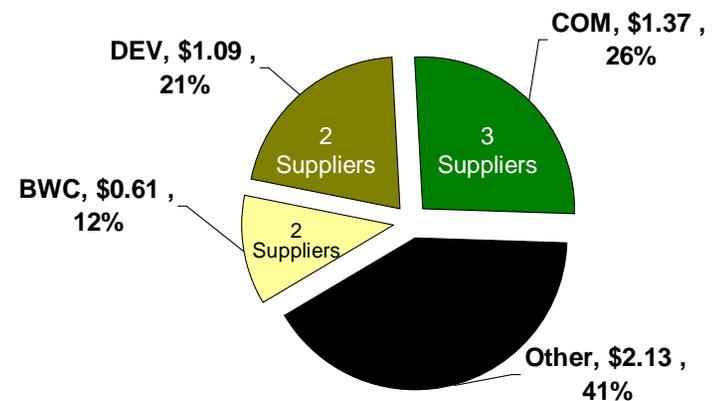


(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM

Commodity Profile

- COM, DEV, and BWC are the largest users and represent 59% of the total addressable spend
- There are 8 suppliers within the Small Parcel category
 - The top supplier DHL Express (contracted supplier) represents 36% of the total addressable spend
- No MBE/EDGE suppliers⁽²⁾
- P-Card spend FY07 is \$0.1M⁽³⁾

- FY07 Spend (\$M) by Agency -





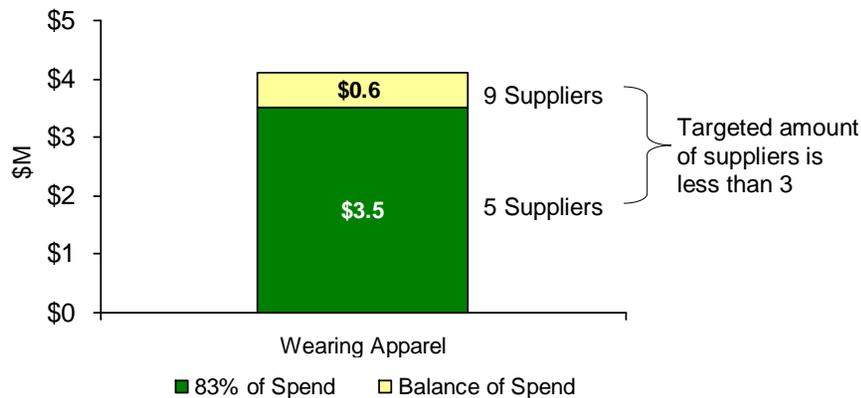
Wearing Apparel - Overview

Wearing Apparel has \$4.2M in annual spend with an estimated savings range of \$0.2M (4%) to \$0.5M (11%). There are 14 suppliers who provide wearing apparel to 24 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$4.2M ⁽¹⁾
Addressable Spend	\$4.2M
Opportunity (4% - 11%)	\$0.2M - \$0.5M
Timing	~ 5 months

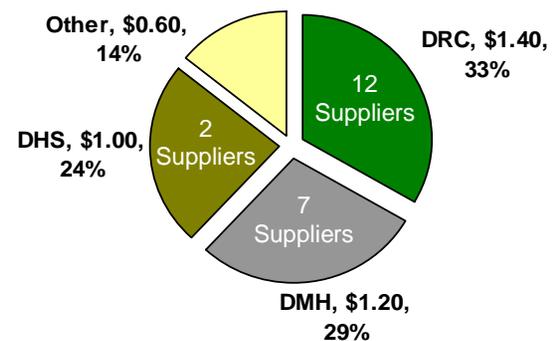
FY07 Supplier Concentration⁽¹⁾ (\$4.2M, 14 Suppliers)



Commodity Profile

- DRC, DMR, and DHS are the largest agencies and represent 86% of the total addressable spend
- There are 14 suppliers within the Wearing Apparel category
 - Top two suppliers (Roger Elliott and Roy Tailors Uniform) represent 59% of the total addressable spend
 - 12 suppliers represent 41% of the total addressable spend
- MBE/EDGE total spend: \$0.5M made up of 5 suppliers⁽²⁾
- P-Card FY07 spend is \$0.5M⁽³⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures
 (3) Source: FY07 P-Card Report from OBM



Security Services/Equipment – Overview

Security Services/Equipment has \$3.8M in addressable spend with an estimated savings range of \$0.3M (8%) to \$0.5M (12%). There are 26 suppliers who provide Security Services/Equipment to 35 different state agencies.

Annual Opportunity Sizing

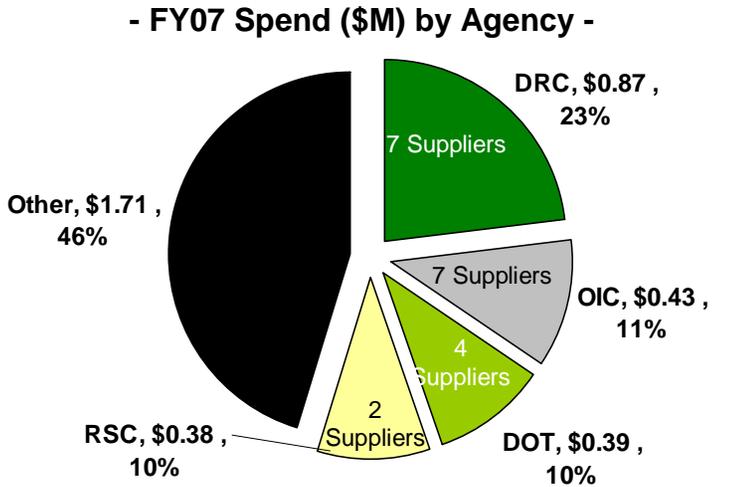
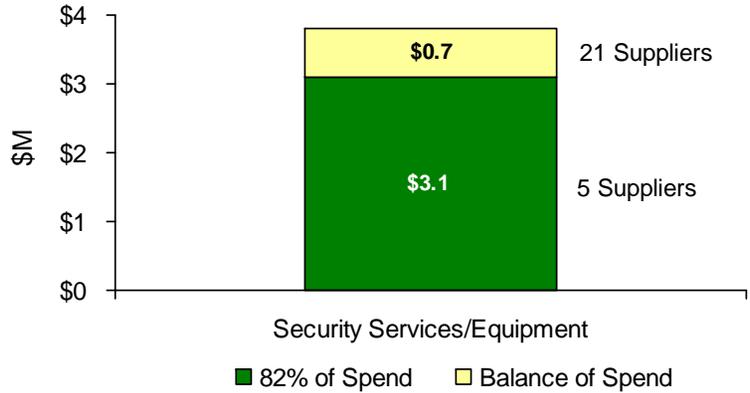
Annual Spend	\$3.8M ⁽¹⁾
Addressable Spend	\$3.8M
Opportunity (8% - 12%)	\$0.3M - \$0.5M
Timing	~ 6 months

Supplier Concentration⁽¹⁾

Security Equipment - (\$2.9M, 14 Suppliers)
 Security Services - (\$0.9M, 12 Suppliers)

Commodity/Service Profile

- DRC, OIC, and DOT are the largest users and represent 44% of the total addressable spend
- There are 26 suppliers within the Security Services / Equipment category
 - The top supplier (Tyco International) represents 54% of the total addressable spend
 - 25 suppliers represent 46% of addressable spend
- There are no MBE/EDGE suppliers⁽²⁾



(1) Source: Central Accounting System (CAS)
 (2) Source: FY07 Term Contract Expenditures



Waste Removal - Overview

Waste Removal has \$2.0M in addressable spend with an estimated savings range of \$0.2M (10%) to \$0.3M (14%). There are 19 suppliers who provide Waste Removal to 13 different state agencies.

Annual Opportunity Sizing

Annual Spend	\$2.0M
Addressable Spend	\$2.0M
Opportunity (10% - 14%)	\$0.2M - \$0.3M
Timing	~ 6 months

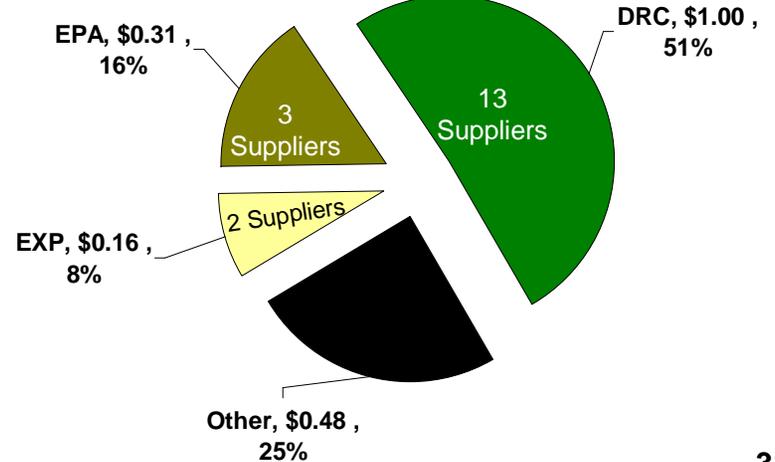
Supplier Concentration⁽¹⁾ (\$2.0M, 19 Suppliers)



Service Profile

- DRC, EPA, EXP are the largest users and represent 75% of the total addressable spend
- There are 19 suppliers within the Waste Removal category
 - The top three suppliers represent 50% of the total addressable spend
 - 16 suppliers represent \$1.0M or 50% of addressable spend
- There are no MBE/EDGE suppliers⁽²⁾

- FY07 Spend (\$M) by Agency -



(1) Source: Central Accounting System (CAS)

(2) Source: FY07 Term Contract Expenditures



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Wave I Spend and Savings Estimates

The total amount of addressable spend for Wave I is \$220.0M with estimated savings ranging from a low of \$19.8M (9.0%) to a high of \$32.8 (14.9%) annually.

Category	Commodity/Service	Strategy Timing	Addressable Spend (\$M)	Savings Range (\$M)
IT	IT Software	6 months	\$ 58.02	\$ 5.22 – 8.70
IT	IT Hardware	6 months	\$ 30.06	\$ 3.30 – 4.51
Telecom	Telecom Services	7 months	\$ 43.02	\$ 3.44 – 6.02
Professional	Temporary Labor	6 months	\$ 34.18	\$ 2.73 – 5.13
Office Services	Office Equipment	6 months	\$ 19.70	\$ 2.36 – 3.55
Office Services	Office Supplies	5 months	\$ 9.28	\$ 1.39 – 2.32
Office Services	Furniture	5 months	\$ 5.52	\$ 0.55 – 0.94
Facilities	Cleaning Supplies	5 months	\$ 10.20	\$ 0.61 – 1.02
Facilities	Cafeteria Services/Supplies	5 months	\$ 10.00	\$ 0.20 – 0.60
Totals			\$ 220.0M	\$ 19.8 - \$ 32.8M
Two Year Savings				\$ 39.6 - \$ 65.6M



Wave II Spend and Savings Estimates

The total amount of addressable spend for Wave II is \$223.3M with estimated savings ranging from a low of \$16.1M (7.2%) to a high of \$27.8M (12.4%) annually.

Category	Commodity/Service	Strategy Timing	Addressable Spend (\$M)	Savings Range (\$M)
Pharmaceuticals	Pharmaceuticals	7 months	\$ 77.53	\$ 7.75 – 13.18
IT	IT Services	6 months	\$ 37.89	\$ 2.27 – 3.79
Fleet	Fleet	6 months	\$ 34.58	\$ 2.77 – 4.15
Utilities	Natural Gas	6 months	\$ 32.64	\$ 0.33 – 1.63
Food	Food	6 months	\$ 25.55	\$ 2.04 – 3.06
Logistics	Small Parcel	5 months	\$ 5.18	\$ 0.26 – 0.78
Clothing	Wearing Apparel	5 months	\$ 4.16	\$ 0.17 – 0.46
Facilities	Security Services/Equip.	6 months	\$ 3.79	\$ 0.30 – 0.45
Facilities	Waste Removal	6 months	\$ 1.96	\$ 0.19 – 0.27
Totals			\$ 223.3M	\$ 16.1 - \$ 27.8M
Two Year Savings				\$ 32.2 - \$ 55.6M



Savings Opportunity Summary

The total amount of addressable spend is \$717.3M with annual estimated savings ranging from a low of \$42.9M (6.0%) to a high of \$79.9 (11.1%).

Category	Addressable Spend (\$M)	Low	High
Professional (Consulting, Temp. Labor, 3 rd Party Admin.)	\$ 192.55	\$ 5.90	\$ 14.63
IT (Hardware, Software, Services)	\$ 125.98	\$ 10.80	\$ 17.00
Pharmaceuticals (Pharmaceuticals)	\$ 77.53	\$ 7.75	\$ 13.18
Utilities (Electricity, Natural Gas)	\$ 49.16	\$ 0.33	\$ 2.30
Telecom (Telecom Services)	\$ 43.02	\$ 3.44	\$ 6.02
Fleet (Fleet)	\$ 34.58	\$ 2.77	\$ 4.15
Office Services (Office Supplies, Furniture, Office Equipment)	\$ 34.50	\$ 4.30	\$ 6.81
Logistics (Freight, Warehousing, Small Parcel)	\$ 27.79	\$ 1.62	\$ 3.59
Advertising and Marketing (Advertising, Marketing Services)	\$ 27.65	\$ 1.11	\$ 2.21
Food (Food)	\$ 25.55	\$ 2.04	\$ 3.06
Fuel (Gas, Oil)	\$ 17.56	\$ 0.40	\$ 1.11
Roadway (Road Patch / Aggregate)	\$ 14.06	\$ 0.28	\$ 1.40
Travel (Airfare, Hotel, Car)	\$ 10.37	\$ 0.30	\$0.90
Other (Cafeteria Services, Cleaning Supplies, Security Services, etc.)	\$ 37.03	\$ 1.87	\$ 3.52
Totals	\$ 717.3M	\$ 42.9M	\$ 79.9M
Two Year Savings		\$ 85.8M	\$ 159.8M



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Business Case Implementation Timeline

Based on March 2008 start date benefits can begin being realized in the August 2008 timeframe.

Commodity Teams		FY 2008				FY 2009									
		Q3	Q4			Q1			Q2			Q3			
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Wave 1	IT Software	\$58M													
	Telecom Services	\$43M													
	Temporary Labor	\$34M													
	IT Hardware	\$30M													
	Office Equipment	\$20M													
	Cleaning Supplies	\$10M													
	Cafeteria Services	\$10M													
	Office Supplies	\$9M													
	Furniture	\$6M													
Wave 2	Pharmaceuticals								\$78M						
	IT Services								\$38M						
	Natural Gas								\$35M						
	Natural Gas								\$33M						
	Food								\$26M						
	Small Parcel								\$5M						
	Wearing Apparel								\$4M						
	Security Srvc/Equip								\$4M						
	Waste Removal								\$2M						

Note: Blue bar represents the duration of the sourcing effort and addressable commodity spend. The end date represents contract implementation and beginning of benefits accumulation.

DAS Directive

DAS Directive

Directive No. **09-21**

Effective Date: **09-01-08**



To: All Departments, Offices, Agencies, Boards, Bureaus, Commissions and Institutions

From: Hugh Quill, *Director of Administrative Services*

Re: Procurement Procedures for Supplies, Services and Information Technology

I. PURPOSE

Each fiscal year state agencies, boards, commissions and institutions purchase over \$2 billion in supplies, services and information technology to run the daily operations of their facilities. The keys to effective procurement of these needs are to standardize and combine needs wherever possible to obtain volume discounts, maintain a staff of well-trained and certified procurement personnel, and to conduct all activities openly and transparently. In accordance with Executive Order 2008-12S, the Department of Administrative Services, Office of Procurement Services will appoint an Ohio Chief Procurement Officer (OCPO) who will be responsible for overseeing all procurement activities of the State. Likewise, each agency is to name a person within the agency as their Agency Procurement Officer (APO) that will report to the OCPO on procurement activities within the respective agency. Among his/her responsibilities, the OCPO will:

- Create a center-led procurement organization across the state
- Maximize the state's purchasing power by leveraging its spending
- Apply concepts of strategic sourcing to obtain volume discounts
- Develop scorecards to measure the successes of the procurement programs
- Coordinate with higher education and local governments to identify opportunities to leverage spending

Among the many responsibilities outlined in the Executive Order, the APOs will:

- Serve as the entity's procurement contact
- Communicate needs for supplies and services to the OCPO
- Ensure that agency staff are properly trained and certified
- Produce and verify data and reports as requested by the OCPO or others

The Department of Administrative Services (DAS), through the Office of Procurement Services (OPS), awards contracts for supplies, services and information technology in excess of \$25,000 for state agencies. State agencies are required to make purchases above \$25,000 through OPS except when the need is available from a required source of supply as described in Section II, A., or except when DAS has delegated authority to the agency to make purchases up to \$50,000. For purchases under \$25,000, for supplies or services that are not available from required state contracts, agencies may use their direct purchase authority to make the purchase. This purpose of this directive is to assist state agencies when exercising their direct purchasing authority.



II. GENERAL

A. Required State Sources of Supply (Think Ohio First)

Law requires that agencies give first consideration to certain state resources prior to making the purchase from another source. Before making any purchase, agencies must first determine if the supply or service is available from any of the following sources (in order of ranking):

1. Ohio Penal Industries (OPI)
Section 5147.07 of the Revised Code.
2. DAS Office of Procurement from Community Rehabilitation Programs (OPCRP)
Sections 125.60 through 125.6012 of the Revised Code.
3. Rehabilitation Services Commission (RSC), Bureau of Services for the Visually Impaired
Sections 3304.28 through 3304.33 of the Revised Code.
4. Department of Mental Health, Office of Support Services
Section 5119.16 of the Revised Code (institutional agencies only).
5. DAS Office of State Printing
Sections 125.31 through 125.76 of the Revised Code.
6. DAS Office of Procurement Services
Sections 125.01 through 125.11, 125.17 of the Revised Code.

Agencies may purchase from these sources without dollar limitation and purchases made from these sources are not counted against an agency's cumulative annual threshold. Waivers may be granted in certain cases. For more information on internal state sources, consult the [State of Ohio Procurement Handbook for Supplies and Services](#).

B. DAS Term Contracts

DAS, through the Office of Procurement Services (OPS) has established requirements term contracts for a variety of supplies, services and information technology needs. These contracts have been established under formal competitive processes set forth in law or by the Controlling Board. The purpose of these contracts is to enable agencies to procure their needs without any further delay resulting from the competitive processes the agency must follow when using direct purchase authority. Agencies may purchase from these contracts without dollar limitation at any time during the effective life of the contract. When making a purchase from a State Term Schedule (STS) contract, agencies are required to obtain a minimum of three quotes from various STS suppliers offering similar or like items. If the value of the purchase exceeds the Maximum Order Limit (MOL) listed in the contract, the agency is required to contact OPS for assistance in negotiating lower pricing from the supplier. Purchases made above the MOL, which have not been reviewed and approved by OPS, may be considered to be invalid. Unless

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otherwise stated in the contract, agencies are required to use STS contracts before using their direct purchase authority. Purchases made from DAS term contracts are not counted against an agency's cumulative annual threshold. Occasionally, if a contract supplier is unable to fulfill the needs of the agency, OPS may grant a special waiver to the agency to purchase the need from another source. The agency must not proceed with the purchase from another source until the waiver has been received. If the agency proceeds with the purchase prior to receiving the waiver and the waiver is denied, the person at the agency who authorized the purchase will be held personally liable for the purchase.

C. Delegated Purchase Authority

New legislation was passed in Fiscal Year 2008 that redefines the dollar limits for agency direct purchases. Prior to this change, agencies could make purchases of supplies up to \$33,500 and services up to \$67,000 (includes information technology supplies and services). Changes in the law now place the direct purchase limit at \$25,000 for both supplies and services. The revised law also permits DAS to increase the \$25,000 limit to \$50,000 and to delegate this authority to agencies that have certified procurement staff handling their purchasing processes. For more information on delegated purchasing authority and professional certification of staff consult the [State of Ohio Procurement Handbook for Supplies and Services](#).

D. Pre-Approvals, Release and Permits, Controlling Board

Certain types of items require review and pre-approval by DAS prior to making the purchase (e.g., computers, telecommunications equipment, printed goods, copiers and vehicles). When making purchases of this nature, and before issuing a purchase order and/or entering into any agreements with a supplier, contact the appropriate office at the following number:

Information Technology	(614) 644-4499
Telecommunications	(614) 466-6060
Printed Goods	(614) 644-6385
Vehicles	(614) 466-6607
Multi-Functional Print Devices (e.g. copiers, printers)	(614) 644-6365

When the purchase exceeds the direct purchase limit and OPS determines it is not practicable or advantageous to make the purchase, the agency will be granted a Release and Permit to make the purchase using their direct authority up to \$25,000 or delegated authority up to \$50,000. When the direct purchase does not exceed the \$50,000 cumulative annual threshold the agency will not be required to seek approval from the Controlling Board unless the funding source requires such approval (e.g. capital funds). If the purchase causes the agency to exceed the \$50,000 cumulative annual threshold for that supplier, the agency must seek approval from the



Controlling Board to proceed with the purchase. Agencies should allow a minimum of ten working days for processing of Pre-Approvals and Release and Permits. When seeking a Release and Permit, agencies should involve OPS in the initial stages of preparing their purchase request to allow OPS sufficient time to determine if the purchase can be made through OPS. Failure to do so could result in OPS denying the request causing a delay in filling the need.

Special Note: All requests seeking approval from the Controlling Board will require a Release and Permit from OPS.

III. PROCEDURES FOR MAKING DIRECT PURCHASES

A. Direct Purchases of \$500 or less

For purchases with a value of \$500 or less, the agency will obtain a minimum of two verbal quotations. The agency's seeking the quotes shall keep a log journalizing the suppliers contacted, the supplies or services sought, the person contacted and the price given. This log shall also include space to document reasons for not awarding to a lower priced bidder, when applicable. Agencies shall adopt a written policy for purchases under \$500 when it is not cost-effective or practicable to obtain two quotes. This policy should require written approval by a supervisor(s) prior to making the purchase. Agencies should periodically seek and/or review prices from other suppliers to ensure the best price is obtained and maximum competition is generated.

B. Direct Purchases Above \$500

For purchases above \$500, the agency will obtain a minimum of three written and will maintain a record of the suppliers contacted, the quoted price and the supplier selected. Where the supplier selected was not the supplier offering the lowest quote, the agency shall note the reason for its selection of the higher priced supplier. Agencies should periodically seek prices from other suppliers to ensure that the best price is obtained and that maximum competition is generated.

When an agency determines that it is not possible or not advantageous to the State to select a supplier based upon lowest cost, the agency may select a supplier using a Request for Proposal (RFP) or similar process. To properly use the RFP process, consult sections 125.07 and 125.071 of the Revised Code and Administrative Rule 123:5-1-08. For additional information, please refer to the [State of Ohio Procurement Handbook for Supplies and Services](#).

Special Note: An agreement for the sale of supplies or services for an amount of \$500 or more is not enforceable in Ohio or the USA unless the agreement is reduced to writing. The agreement must be written to contain an identification of the supplies or services, the price, the parties to the agreement and the signature of the party against whom enforcement is sought.



C. Minority Business Enterprise (MBE) Set Aside Competition

When using direct purchasing authority, state agencies are required to select a number of purchases, the aggregate value of which equals approximately 15% percent of their total purchases of supplies and services for the fiscal year, for competition by MBEs only. When exercising direct purchasing authority, remember to definitively mark all purchasing documents to show only MBE vendors were contacted for price quotes. Also, monitor set asides quarterly and adjust your projections and selections as necessary. Agency purchases from DAS term contracts that have been set aside may be considered in their 15% percent goal.

It is important to evaluate the impact of your set aside selections. For each contract to be set aside, consider the following:

1. All product/service categories may not have certified MBEs available to compete for the need. Check the listing of certified MBEs maintained by the DAS Equal Opportunity Division (EOD) prior to selecting the item for set aside.
2. Do not repeatedly select an entire product category for set aside (e.g., all of the contracts for the purchase of shoes, etc.). Consider various categories of products/services and then alternate setting them aside.
3. Do consider contract incumbency or longevity (e.g., who has held the contract for the last 10 years) and its impact on both minority and majority firms.
4. Consider dividing contracts or purchases into smaller contracts or multiple contracts in order to allow small businesses to compete.

D. EDGE Purchases

Agencies are required to participate in a contract assistance program called the Encouraging Diversity, Growth, and Equity Program (EDGE). EDGE establishes procurement goals by comparing contractor availability to contractor utilization and eligible expenditures. The initial goal is to award 5% percent of all contracts for supplies, services, information technology, and construction to EDGE participants.

EDGE further requires every cabinet-level state agency, within the constraints of statutory authority and as otherwise provided by law, to:

1. Take appropriate steps to foster, support and encourage the participation of underutilized businesses and encourage such businesses to compete for construction contracts and the procurement of goods and services by including a participation goal for construction contracts and requests for proposals when subcontractors or sub-consultants are used.



2. Review its projected annual procurements to determine, based on EDGE program participant availability, which procurements will be designated as eligible for EDGE. Once participation goals are established, monitor and report program compliance to DAS.
3. Examine its internal agency procurement policies, procedures and practices and remove those elements that adversely impact small and minority-owned or women-owned businesses.
4. Examine and eliminate all unnecessary barriers to equitable participation, including, but not limited to, the following items: bonding and licensing requirements, excessive experience requirements, massive procurements (unbundling contracts when practicable), use of proprietary specifications and other procurement-related requirements.
5. Set a goal that approximately 5% percent of eligible direct expenditures in the areas of construction, architecture/engineering, professional services, goods and services, and information technology services is awarded to EDGE program participants.
6. Provide the DAS Equal Opportunity Division with quarterly reports and annual projections on EDGE utilization.

For more information, visit the EDGE web site at <http://www.edge.oh.gov/>.

E. Payment Card Purchases

Agencies should refer to the State of Ohio Financials Process Manual when making purchases using their payment card. This manual may be located at www.obm.ohio.gov. The payment card may also be used to make purchases from selected DAS term contracts and state term schedules up to \$2,500. Agencies should authorize payment for supplies and services only when delivered and received by the agency. Agencies should not authorize full payment for partial shipments until all supplies or services have been received.

F. Emergency Purchases

Law defines an emergency situation as one which creates a threat to public health, welfare, safety or other such reasons as proclaimed by the Governor. Examples of these types of emergencies in Ohio could include, but are not limited to: floods, ice/snow storms, tornado damage, radiation leaks, pandemics or acts of terrorism. When these events occur in Ohio and damage is far-reaching and severe, they are usually followed by an emergency declaration by the Governor and/or President of the United States. Special provisions are set forth in section 125.023 of the Revised Code to permit agencies to make emergency purchases to resolve situations that have impacted the agency. The Ohio Emergency Management Agency (OEMA) is responsible for coordinating emergency response activities during a declared emergency. The agency should follow the processes for seeking quotations as set forth in this Directive to make necessary purchases. When a formal declaration is issued, the repairs may be eligible for reimbursement by the Federal Emergency Management Agency (FEMA). FEMA does require that purchases be competed and that accurate and detailed records be maintained to qualify for

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reimbursement. More information about FEMA reimbursement is available from Ohio Emergency Management website at: <http://www.ema.ohio.gov/grantsdiv.asp>

A second type of emergency may be due to a situation that has developed at the agency and that can cause disruption of their daily activities. For example; breakdown of a boiler, HVAC system or security system, localized fire or weather damage, etc. The agency should follow the processes for seeking quotations as set forth in this Directive to make the purchase. When the amount of the emergency purchase exceeds direct purchase limitations, the agency must obtain a release and permit from the Office of Procurement Services (OPS). When the amount of the purchase exceeds the cumulative purchase threshold, the agency must obtain approval from the Controlling Board. Release and Permits and/or approvals from the Controlling Board must be obtained prior to making the purchase. However, when the emergency need occurs during non-business hours and the agency has exhausted all efforts to contact the Controlling Board or OPS, the agency may proceed with the purchase and then forward documentation to OPS and the Controlling Board on the next regular day of business.

G. In State and Domestic Preferences

Agencies must give preference to supplies and services produced or manufactured in the United States and/or in Ohio. When obtaining quotations, the agency should request information as to the point of manufacture and location of the supplier. Application of the preferences should be in accordance with current Office of Procurement Services policy (PUR-003) as published in the [State of Ohio Procurement Handbook for Supplies and Services](#).

IV. MISCELLANEOUS

A. Disclosure of Location of Services and Data

On contracts for services, state agencies must require contractors to disclose:

1. The location(s) where all services will be performed; and
2. The location(s) where any state data applicable to the contract will be maintained or made available; and
3. The principal location of business for the contractor and all subcontractors.

During the performance of the contract, the contractor must not change the location(s) of the country where services are performed or change the location(s) of the country where the data are maintained or made available without prior written approval of the state agency.

Disclosure is not required for site-specific service contracts in which there are no state data (i.e., laundry service, pest control, and food service).



B. Unresolved Findings for Recovery Verification

State agencies are prohibited from awarding a contract to any company against whom the Auditor of State has issued a finding for recovery if the finding for recovery is “unresolved” at the time of the award. This prohibition applies to competitively awarded contracts exceeding \$25,000, and to those contracts for which the selected company received at least \$50,000 in compensation the previous fiscal year.

Agencies may check the potential awardee’s name by visiting the Auditor’s web site at www.auditor.state.oh.us. Agencies are also required to check the Auditor’s database when renewing contracts under direct authority.

Once the database is checked and a contract is successfully awarded, the agency does not have to check the database before processing transactions against the contract. This includes transactions made by purchase order, credit card, and debit card, or any purchases from DAS term contracts.

This prohibition does not apply to:

- employment contracts;
- bonding companies;
- Medicaid provider agreements;
- Contracts where federal law dictates that a person is eligible for the contract.

Other exceptions may apply. For more information regarding the findings for recovery database, visit the Auditor’s web site or call 1-800-282-0370. For legal questions, consult Attorney General Opinion 2004-014, available on the web at: <http://www.ag.state.oh.us/sections/opinions/2004/2004-014.pdf>.

C. Suspensions and Debarments

State agencies are prohibited from awarding a contract for supplies or services, funded in whole or in part with federal and/or state funds, to a person who appears on any debarment list. Agencies may view the Federal List of Excluded Parties Listing System, located at <http://epls.arnet.gov/>, the Ohio Department of Transportation debarred list at <http://www.dot.state.oh.us/CONTRACT/Notice/Debarment.pdf> or DAS debarment list located on the DAS website at www.ohio.gov/procure. State agencies are required to check these systems before awarding a contract involving state and/or federal funds.

D. Declaration of Material Assistance (DMA)

All suppliers doing business with the state of Ohio are required to complete the Declaration of Material Assistance form before they may be awarded a contract with a value greater than \$100,000. Agencies should either obtain this certification from the supplier directly or may review the central log maintained by OBM. This log may be viewed at www.obm.ohio.gov. Click on DMA Pre-Certification verification.

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- E. Quotes should be F.O.B. Destination, Freight Prepaid. F.O.B. Destination places the cost and risk of loss during transportation on the supplier. Freight prepaid requires the supplier to include freight in the cost of the product.
- F. Purchases of like items are not to be split to avoid competitive selection the Office of Procurement Services or waiver of competitive selection by the Controlling Board.
- G. The definition of "Purchase" includes rental, lease and lease purchase agreements. Agencies should be very cautious when asked to sign procurement related documents by a supplier, as these documents may contain terms and conditions that are not in the best interest of the state of Ohio. At no time shall an agency sign additional procurement documents on a purchase made from a DAS contract unless DAS expressly approves the additional documents, in writing.
- H. Agencies shall follow processes set forth by OBM and DAS when entering purchase requisitions, orders, invoices and related documents into the state's central procurement and accounting system.
- I. All suppliers are required to complete an affirmative action plan prior to being award a contract. There are no exceptions to this requirement. Suppliers should be directed to the EOD website at: <http://www.das.ohio.gov/Eod/AEEO.htm>

J. Ohio Ethics.

Any employee of the agency involved with making a procurement and any supplier actively doing business with or seeking to do business with the agency are responsible for reviewing and complying with all relevant provisions of Ohio Revised Code Sections 102.01 to 102.09 and with Governor Strickland's Executive Order 2007-01S for Ethics. When using direct purchase authority, it is the responsibility of the agency to make the supplier aware of these laws and Executive Order. It is recommended that agencies consider the following certification for all purchases:

"In accordance with Executive Order 2007-01S, supplier, by acceptance of the purchase order, certifies (1) it has reviewed and understands Executive Order 2007-01S and (2) has reviewed and understands Ohio ethics and conflict of interest laws, and (3) will take no action inconsistent with those laws and this order. The supplier understands that failure to comply with Executive Order 2007-01S is, in itself, grounds for termination of the contract and may result in the loss of other contracts with the state of Ohio up to and including debarment.

Supplier certifies that it is currently in compliance and will continue to adhere to the requirements of Ohio ethics laws."

Executive Order 2007-01S is available at www.governor.ohio.gov. Click on Governor's Office and then on Executive Orders.

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When an agency is purchasing supplies and services that amount to \$500 or more, the agency must require the vendor to certify that it is in compliance with the requirements of Ohio ethics and campaign contribution laws. The agency should refer to the Office of Budget & Management procedures which are located at: www.obm.ohio.gov. Click on manuals, policies, publications & rules.

This directive supersedes any previously issued directive or policy and will remain effective until canceled or superseded.

ADDITIONAL AUTHORITY & REFERENCES

ORC 9.312
ORC 123.011
ORC 125.01 to 125.11, 125.17, 125.60 to 125.6012
OAC 123:5-1-01 to 123:5-1-12
ORC 125.111
ORC 127.16
ORC 102.04
ORC 102.01 – 102.09
ORC 9.24
Executive Order 2008-12S

UPPCC Handbook



2008 Official Candidate Handbook: Computer-Based Exams

**CERTIFIED PUBLIC PURCHASING OFFICER®
(CPPO)®**

**CERTIFIED PROFESSIONAL PUBLIC BUYER®
(CPPB)®**

*This Handbook is valid for the following
2008 computer-based testing dates only:*

TESTING

October 20 – 25, 2008

APPLICATION DEADLINE

July 21, 2008



CERTIFIED PUBLIC PURCHASING OFFICER, CPPO, CERTIFIED PROFESSIONAL PUBLIC BUYER and CPPB are certification marks of Universal Public Purchasing Certification Council (UPPCC). Universal Public Purchasing Certification Council and UPPCC are service marks registered at the U.S. Patent and Trademark Office.

CHAIRMAN'S WELCOME

On behalf of the Universal Public Purchasing Certification Council (UPPCC), I appreciate your interest in learning about the value of professional certification in public procurement.

As the public procurement function transforms from a regulatory agency to a strategic player with greater credibility and recognition, professionals who serve in governmental procurement have expressed an increased interest in achieving certification. Some will do so in order to demonstrate that they offer their governmental employers and taxpayers a heightened understanding of the body of knowledge required to be successful in this discipline. Others will seek certification in order to increase their opportunities for promotion – particularly since many governmental agencies require professional certification as a prerequisite for employment. Whatever your motivation is, I trust that this experience is both challenging and rewarding.

The certification examinations offered by the UPPCC are rigorous. We do not anticipate that all candidates will successfully pass the examination – but for those who do, their professional designation as a Certified Professional Public Buyer (CPPB) or as a Certified Public Purchasing Officer (CPPO) admirably reflects their understanding of a complex procurement function and an ability to apply this knowledge to the workplace in service to taxpayers. I wish you the very best as you strive to achieve your certification.

Sincerely,



Rick Berry, CPPO
2008 – 2010 Chairman
UPPCC Governing Board

2008 UPPCC GOVERNING BOARD

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UNIVERSAL PUBLIC PURCHASING CERTIFICATION COUNCIL (UPPCC)

Vision:

The vision of the Universal Public Purchasing Certification Council (UPPCC) is to create a global recognition and acceptance of the Certified Public Purchasing Officer (CPPO) and the Certified Professional Public Buyer (CPPB) credentials as being representative of public procurement excellence.

Mission:

The mission of the UPPCC is to establish and monitor the professional standards required for success in the public purchasing profession.

I. INTRODUCTION

A. ABOUT THE ORGANIZATION

In 1964, the National Institute of Governmental Purchasing (NIGP) introduced the Certified Public Purchasing Officer (CPPO) program. The CPPO program of NIGP was, at the time of its initiation, the only professional certification offered by a national professional purchasing association in North America.

The concept underlying the development of the CPPO program was to establish a standard by which qualifications of any public procurement official could be evaluated for a managerial or supervisory level position in public procurement. Public purchasers and personnel specialists informed NIGP that such a standard was needed.

In order to more effectively promote and elevate professionalism and ethical conduct in public sector procurement, NIGP and the National Association of State Procurement Officials (NASPO), jointly established the Universal Public Purchasing Certification Council in 1978 as an independent not-for-profit entity to administer the CPPO certification program to the public purchasing profession. The functions of the UPPCC are as follows:

- to establish, monitor, and if needed, revise requirements for certification;
- to continue research efforts relating to the certification of public purchasers;
- to coordinate with other NIGP and NASPO programs in order to further the certification of public procurement officers; and
- to do all things necessary and proper to promote and elevate professionalism in public procurement

Soon after the UPPCC was established, the need for a second certification program designed for non-managers became apparent to its leadership. In 1979, the UPPCC joined forces with the Education and Professional Development Committee of NIGP and developed the Professional Public Buyer (PPB) certificate. The PPB certificate was expanded into a certification program and renamed the Certified Professional Public Buyer (CPPB) in 1991.

The CPPO and CPPB certification programs are wholly owned and governed by the Universal Public Purchasing Certification Council. While the National Institute of Governmental Purchasing (NIGP) and the National Association of State Procurement Officials (NASPO) elect representatives to serve on the UPPCC Governing Board and the Board of Examiners, the certification programs are governed exclusively by the UPPCC. The CPPO and CPPB certification programs are neither NIGP's nor NASPO's certification programs; nor do their respective Boards of Directors have the authority to effect policy issues or certification decisions.

The UPPCC consists of two volunteer boards; the Governing Board and the Board of Examiners. The seven voting members of the UPPCC Governing Board are responsible for the overall governance of the UPPCC and establish and monitor policy relating to the certification programs; including eligibility requirements, fee structures, recertification requirements, examination structure, organizational budget, and appoint individuals to serve on the Board of Examiners (BOE). The BOE is comprised of representatives from NIGP, NASPO, NPI, FAPPO, CAPPO, and NAEP. The eighteen members of the BOE are responsible for continuously developing, revising and monitoring the CPPO and CPPB certification examinations. The BOE's development efforts are supported by an unlimited number of UPPCC certified volunteers from across the profession who contribute their time, professional knowledge and expertise by participating on the Item Writing and Item Review Committees.

PROMETRIC

In 2007, the UPPCC contracted with third-party testing vendor, Prometric to provide for enhanced test development and expanded test administration services for its professional certification programs. Prometric is a global leader in technology-enabled testing and assessment services for academic, professional, government, corporate and information technology markets. Prometric delivers standardized tests for over 300 clients, in 26 languages, over the Web and through a global network of testing centers in 134 countries.

Effective for fall 2008, Prometric will facilitate the development of all UPPCC certification exams, handle all registrations for and administer all certification examinations via computer at over 400 testing centers in their North American network. Prometric will allow for streamlining of the certification processes, expanded testing access, enhanced test security and more informative score reporting for candidates.

B. BENEFITS OF CERTIFICATION

Certification, unlike licensure, is a voluntary action taken by a group of professionals to establish a system to grant recognition to certain individuals who have met an established level of knowledge, training and practical experience. These professional groups or certification bodies typically grant recognition to successful participants via a certificate. The certificate authorizes the individual holder the right to publicize their achievement and their certified status through the use of specific acronyms (CPA, CPPO, CPPB, etc.).

Those individuals who earn recognition are set apart from their non-credentialed peers. Some claim to have garnered increased respect from superiors, increase confidence in one's abilities, and gained a broader knowledge base as a result of exam preparation efforts. Others claim to have received increased professional opportunities and career advancements as a result.

CPPO and CPPB have been offering recognition to those working in governmental purchasing for decades. CPPO and CPPB reflects established standards and competencies for those engaged in governmental purchasing and attests to the purchaser's ability to obtain maximum value for the taxpayer's dollar. This designation communicates to the taxpayer that the public employee who manages tax dollars has reached a specific level of education and experience and is knowledgeable about government purchasing. CPPO and CPPB certifications:

- Communicate a specific level of knowledge, experience, and education equated with competency in governmental procurement
- Attest to the purchaser's ability to obtain maximum value for the taxpayers dollar
- Garner well-deserved respect and credibility from professional peers throughout the world
- Leverage the purchaser's importance and status to his/her employer
- Enhance professional development and personal marketability
- Demonstrates the purchaser's commitment to the profession
- May increase the purchaser's earning potential and opportunities for professional advancement
- Broadens the purchaser's knowledge base allowing for greater efficiencies of operations and better communications which could lead to increased cost savings for the agency

In the United States, many local and state governments formally recognize the CPPO and CPPB designations as meaningful standards for employment and advancement of public procurement personnel. The U.S. Office of Personnel Management's revised standards for the Contracting Officers Warrant Program (COWP) recognizes the CPPO certification awarded by the UPPCC.

In Canada, the CPPO and CPPB designations are highly regarded by all levels of government, and in some locations have been integrated as prerequisites into their promotion systems.

In addition to the US and Canada, UPPCC certificants can be found throughout the world including Africa, Ireland and the Caribbean. The International Federation of Purchasing and Supply Management (IFPSM), composed of 42 national member associations spread over six continents representing more than 200,000 purchasing and materials management professionals, has accredited the CPPO and CPPB programs.

The UPPCC is currently seeking accreditation of the CPPO and CPPB certification programs under ISO by the American National Standards Institute (ANSI). ANSI Accreditation assures that programs are conducted under strict standards of independence, openness, fairness and integrity. UPPCC is a member of ANSI as well as the National Organization for

Competency Assurance (NOCA) and follows the NOCA guidelines for credentialing.

C. CERTIFICATION OFFERINGS

The Universal Public Purchasing Certification Council program is applicable to all public purchasing personnel in federal, state and local governmental organizations and agencies. Two distinctly different credentials are offered by the UPPCC, the Certified Public Purchasing Officer (CPPO) and the Certified Professional Public Buyer (CPPB).

CPPB PROGRAM

The CPPB level applies to individuals who have demonstrated prescribed levels of professional competency as a buyer in public and governmental purchasing. The CPPB certification does not include a requirement for supervisory and/or managerial experience as does the CPPO.

CPPO PROGRAM

The CPPO level applies to individuals holding supervisory and/or managerial positions within a public agency. These individuals may or may not be performing the purchasing for the governmental entity, but do either supervise a staff of buyers, the purchasing department, the agency, etc. or manage a minimum of one essential function of the procurement cycle (i.e. contracting).

D. HOW TO BECOME CERTIFIED

The UPPCC certification programs are two-part processes in which the applicant must first demonstrate eligibility via an application and then successfully complete an examination covering the essential knowledge and functions performed in public procurement.

UPPCC certification examinations are administered twice per year (May & October) via computer at approximately 400 professional testing centers located throughout the United States and in Canada.

To become certified by the UPPCC, you must complete the following steps:

- Review the eligibility criteria and determine which certification program and eligibility schedule best aligns with your personal qualifications.
- Complete the application and return it along with required documentation and certification payment to the UPPCC by published application deadline that corresponds with your desired testing window.
- Allow 4-6 weeks for the UPPCC to review the application. All applicants are notified via their preferred method of communication (see Section I, Part D of the application form).
- If approved, register for the appropriate examination directly with Prometric.
- Complete the appropriate examination.
- Allow 6-8 weeks following the end of the testing window for examination scoring and notification of results.

- Upon successful completion of the certification examination, a certificate and certification lapel pin will be forwarded to you.
- Recertify every five (5) years to maintain certification.

II. APPLYING FOR CERTIFICATION

A. ELIGIBILITY REQUIREMENTS

The UPPCC programs are designed specifically for public procurement professionals. Only those individuals who have full-time public purchasing experience are eligible. The applicant's eligibility is determined by evaluating the candidate in 3 areas:

- Work experience
- Coursework in procurement; and
- Formal education

Unlike most purchasing-related certification programs, the UPPCC requires substantial work experience in purchasing of which must include a minimum of two (2) years in a public setting. The work experience must be complemented by procurement coursework and/or training specifically in procurement.

ELIGIBILITY SCHEDULES

To determine the appropriate combination of requisites for each certification based on the applicant's formal education level, the UPPCC established a series of eligibility schedules. To determine the appropriate schedule, the applicant must first choose the certification program for which he/she will apply and then select the appropriate Schedule (A, B, C or D) that matches his/her personal educational background. The coursework and experience requirements listed in the selected schedule are the requirements that the applicant must demonstrate via the application process. Applicants must meet all requirements at the time of application.

Please note that the UPPCC reserves the right to modify these schedules periodically in order to reflect the changing requirements of the profession.

FORMAL EDUCATION

Formal education is one factor used in determining eligibility, but college coursework or the completion of a formal degree program is not a requirement to become certified as a CPPB or a CPPO. Applicants that do not currently hold a formal degree will be required to demonstrate more hours of coursework and more years of purchasing experience than their degreed counterparts in order to qualify. Non-degreed applicants for the CPPO must first earn the CPPB certification under Schedule A.

Experience and coursework requirements decrease as the applicant's level of formal education increases. For example, an applicant for CPPB certification with only a high-school education is required to meet 5 years of purchasing experience and 96 hours of coursework compared to a Bachelors degreed applicant that requires only two (2) years of experience and 48 hours of coursework.

Applicants who hold a degree must provide an official transcript sealed by the university along with the application in order to document a conferred degree. Applicants may also be able to earn credit for college level coursework towards meeting the UPPCC coursework requirement (please refer to the Coursework / Training Section for details).

There is currently no time limitation on how long ago the course was taken or the degree was earned in order to qualify towards meeting the eligibility requirements. The applicant must however be able to supply documentation as proof of satisfactory completion and all documentation must be submitted in English. If the applicant's documentation is in a language other than English, he/she may seek translation services of the original documents. The official document translation must accompany the original documentation.

Certified Professional Public Buyer (CPPB)

Schedule A

- *Formal Education:* High School Diploma or GED
- *Coursework Hours:* 96 contact hours
- *Experience:* a minimum of 5 total years; 3 in public sector

Schedule B

- *Formal Education:* Associates degree
- *Coursework Hours:* 96 contact hours
- *Experience:* a minimum of 4 total years; 3 in public sector

Schedule C

- *Formal Education:* Bachelors degree
- *Coursework Hours:* 48 contact hours
- *Experience:* a minimum of 2 years in public sector

Schedule D

- *Formal Education:* Masters or Doctorate degree
- *Coursework Hours:* 24 contact hours
- *Experience:* a minimum of 2 years in public sector

Certified Public Purchasing Officer (CPPO)

Schedule A

- *Formal Education:* CPPB Certified in Good Standing
- *Coursework Hours:* 144 contact hours
- *Experience:* a minimum of 8 total years; 6 in public sector; 3 in a public sector management function

Schedule B

- *Formal Education:* Bachelors degree
- *Coursework Hours:* 48 contact hours
- *Experience:* a minimum of 3 total years; 2 in public sector; 2 in a public sector management function

Schedule C

- *Formal Education:* Masters or Doctorate degree
- *Coursework Hours:* 24 contact hours
- *Experience:* a minimum of 3 total years; 2 in public sector; 2 in a public sector management function

Formal educational degrees earned from an accredited college or university in any field related or not related to procurement is applicable as long as the degree can be documented. UPPCC does not accept degree equivalents of

the specific degrees described in the eligibility schedules unless certified as equivalent by a reputable educational research firm.

COURSEWORK/TRAINING

Higher Education Level: Applicants may apply formal coursework completed at the higher education level, either in conjunction or not in conjunction with an earned degree, toward meeting the coursework requirement. There is no time limitation for the completion of coursework. Applicants may go back as far as needed to meet the coursework requirements as long as the coursework can be properly documented and successfully completed by the applicant. Unlike other coursework and training (provided by procurement organizations such as NIGP) taken that must be on a specific procurement topic in order to qualify, the UPPCC allows credit for college/university level courses that are related to purchasing in addition to purchasing specific courses.

To earn credit for any courses taken at the higher education level, the applicant is required to provide an official transcript sealed by the college/university. Additionally, the applicant must have earned a passing mark in the course in order for the course to qualify for credit toward certification.

The following is a listing of college/university level courses that have been pre-approved by the UPPCC Board of Examiners (BOE) as fulfilling the purchasing-related coursework requirements:

- Accounting Courses: General accounting, cost accounting, managerial accounting
- Contracting Courses: Contract administration, negotiations and/or management, cost/price analysis
- Economics Courses: Managerial, macro, micro
- Ethics Courses: Business or professional ethics
- Finance Courses: Business or governmental
- Legal Courses: Business law, contract law, government contract law, legal environment of business
- Management Courses: Organizational theory and behavior, public administration, project management
- Personnel Courses: Personnel management, performance appraisal, employee development
- Purchasing and Materials Management Courses: purchasing, materials, inventory control
- Transportation Courses: Physical distribution, traffic management, logistics

Other Educational Providers: The UPPCC shares an alliance with NIGP, NASPO, CAPPO, FAPPO, IFPSM, ISM, NAEP, NCMA, NPI, PMAC as collegial associations serving the procurement community and is familiar with the education and training products that these organizations provide. The UPPCC accepts procurement training sponsored and/or delivered by these organizations. For more information on these organizations and to explore educational opportunities offered by these organizations, please see Appendix D of this Handbook.

Acceptable coursework and training is not limited to that which is offered exclusively by these organizations. The UPPCC accepts hours for all coursework and training offered regardless of the organization, providing the course/training covers a purchasing topic.

The UPPCC provides information on organizations that offer education in purchasing, but provides this information only as a resource and is not meant as a specific endorsement of any particular educational product or provider. The candidate should perform his/her own research and should exercise discretion when selecting education. Ensure that when selecting coursework that the course addresses a specific personal professional development need and is aligned with the 2008 UPPCC Body of Knowledge (refer to Appendix B of this Handbook).

EMPLOYMENT EXPERIENCE

Qualifying Purchasing Experience

(Public or Private Sector):

Any employment experiences submitted by the applicant for consideration towards meeting the experience requirement must be full-time paid experience. Positions requiring less than thirty (30) work hours per week are considered part-time and are not acceptable towards meeting the experience requirement. Internships and volunteer work are also not acceptable towards meeting the experience requirement. Current employment at the time of application is not required.

Purchasing Experience is defined as the length of time employed in a position where the applicant has the responsibility to perform essential functions within the purchasing cycle. The purchasing cycle is defined as the sequence of activities carried out by a purchasing department in the acquisition and disposition of supplies and services; which includes the following:

- the process of determining customer requirements
- reviewing specifications or requirements
- developing and issuing RFPs
- evaluating offers and selecting the vendor
- negotiating fair and reasonable price and terms
- preparing the contract and/or purchase order
- maintaining vendor relations
- ensuring timely and accurate delivery of good/services
- contract administration provisions

Personnel involved in one or more facets of the purchasing cycle are also eligible: managers of contracts; warehouse personnel including storekeepers, stocking personnel, and property accountability personnel; contract oversight personnel such as engineers; and MBE/WBE outreach personnel. Additionally, training personnel who teach purchasing related courses are also eligible.

Although many potential applicants will find that they have purchasing responsibilities as part of their positions, only those positions where the time spent performing purchasing functions constitute 50% or more of the total job responsibilities are applicable towards meeting the purchasing experience requirement for UPPCC certifications.

Certain job functions, although auxiliary to the purchasing function do not qualify as purchasing functions. Those job functions are:

- Budget accountability
- Financial management and accountability including budget allocation and verification and payment of purchase orders

- Expediting activities
- Administrative, secretarial, office management, and clerical activities
- Data input positions involved with the purchasing cycle, but not directly with purchasing

There are instances in smaller organizations, where only one employee bears the sole responsibility of purchasing for the entity. In such cases where a single employee is responsible for all the various functions of the purchasing cycle, the UPPCC considers that experience to be applicable regardless of the amount of time dedicated to the purchasing function.

Additionally, if the delegation of purchasing activities has been transferred from the centralized purchasing department to outlying locations with responsibilities similar or equal to those performed within a centralized purchasing function, these delegated authorities also qualify as meeting the purchasing experience requisites.

Public Purchasing Experience Required - (All Applicants):

If the applicant is applying under an eligibility schedule that includes a requirement for "total" purchasing experience, the experience can be met via public or private positions. However, all eligibility schedules include a minimum of two years of purchasing experience that must be specifically gained through employment in the public sector.

"Public Purchasing" refers to qualifying purchasing positions held with a public entity. Public entities include states and provinces, cities, counties, municipalities, public educational enterprises, authorities such as parks, water and utilities, military, and federal governments. Public entities, unlike private companies, are not profit based and are funded by taxpayers.

Applicants employed by the private sector and assigned to the public sector on a full-time basis may have the portion of time assigned to the public considered as public purchasing experience. In order for the experience to qualify, the applicant must demonstrate that he/she acted as an agent of and possessed the independent authority to act on behalf of a government entity on a full-time basis. Government contractors that provide goods and services to government and interact with government do not meet the public purchasing experience requirement as the work of these individuals is typically managed by procurement personnel at the government agency with whom the ability to bind the government resides.

Public Purchasing Management Function - CPPO Applicants ONLY):

The CPPO certification schedules include an additional requirement for years of experience in a public sector management or supervisory role. Public purchasing manager functions must include responsibility for overall purchasing/material management activities in a specific governmental entity to include the supervision of purchasing/buying personnel and/or the display of executive abilities involving economic/financial, technical, statistical, legal and administrative attributes.

Management positions may be totally dedicated to the purchasing function, or shared with other responsibilities. The percentage of time managing the purchasing function

must be 50% or more of the candidates total job responsibility unless the candidate has total responsibility for purchasing in their entity.

Purchasing management-related functions include:

- management of contracts either within a centralized purchasing function or in a decentralized function.
- management of user requirements, without direct supervision of purchasing personnel, such as buyers.
- management of warehouse, inventory or stores function.
- management of a training program, which includes purchasing within the curriculum.
- management of contracts, overseeing contracts to benefit using agencies, diversity outreach programs, purchasing training programs, and budget oversight of contracts.
- supervision of a minimum of one (1) or more individuals who are defined as purchasing personnel. Supervision of clerical, secretarial and other non-buying personnel within the purchasing function does not satisfy the eligibility criteria.

B. TESTING WINDOWS AND DEADLINES

The UPPCC offers examinations two (2) times annually; for six (6) days in October and again for six (6) days in May. The table below outlines the two 6-day testing windows and the application and exam registration deadlines for each. Advanced application is required in order to establish eligibility for each potential candidate.

CPPO and CPPB Examinations are offered on a continuous basis during the October and May testing windows throughout North America in approximately 400 professional testing centers.

Testing Window	App Deadline	*Late Deadline	Exam Reg Deadline
Oct 20-25, 2008	Jul 21, 2008	Aug 4, 2008	Sept 15, 2008
May 4-9, 2009	Feb 2, 2009	Feb 16, 2009	Mar 30, 2009

Due to the length of application packages and documentation requirements, the UPPCC will not accept submissions via facsimile or email. Applicants are strongly encouraged to make a personal copy of all pages of the application and documents submitted and to utilize a reputable courier service with the ability to track delivery of the application and guarantee delivery on or before the published application deadline date. The published deadline dates are not postmark dates, but received by dates.

*LATE APPLICATIONS

The UPPCC will accept late applications during a two-week period following the published deadline. Applications that arrive during this two-week period must include a late fee of \$50 USD. Applications received during the late filing period that do not include the required late filing fee *and*

applications received *after* the late filing period will not be considered for the current testing window.

C. APPLICATION PROCESS

OVERVIEW

The purpose of the application is to allow applicants the opportunity to demonstrate that he/she meets UPPCC eligibility requirements. Only individuals who successfully demonstrate their qualifications via the application process are eligible to register for the examination.

Due to the volume of applications received, the UPPCC does not perform pre-reviews of applications. Detailed information to assist applicants in determining qualifying experience and coursework is available in the UPPCC Handbook for Certification.

Applicants must consider all the information he/she submits to the UPPCC objectively. Consider what the UPPCC is looking to verify about the applicants education, coursework and experience and review the documentation with those specific points of verification in mind. It is important to note that the UPPCC can only verify qualification of the applicant based on the documentation provided by the applicant.

Applying for CPPO as a CPPB

A separate application is required for the CPPO. Applicants may apply formal education, contact hours and experience (including previously submitted supporting documentation) towards meeting the requirements for CPPO certification. It is not necessary to provide the information a second time if it is already contained in the applicant's CPPB file. The applicant should only submit new information and any additional supporting documents to demonstrate that the applicant has met the additional eligibility requirements for CPPO certification.

APPLICANT INFORMATION

Applicants Name and Contact Information

Applicants must complete the information in Part A – C of the certification application so that the UPPCC can maintain contact with the applicant throughout the certification process. Please print the information in this section completely and legibly.

G.I. Bill Reimbursement

The UPPCC certification program is fully approved for reimbursement by the United States Department of Veterans Services. Please check the appropriate box on the application form if you are applying for reimbursement through the G.I. Bill. Details for filing can be found at www.gibill.va.gov under the Education Benefit Programs Section.

Communication Preference

Applicants indicate how they would prefer to be communicated with regarding their status in the certification program. The UPPCC will utilize this information to communicate application results, examination scores, updates, etc.

Applicant Demographics

The UPPCC collects certain demographic information about applicants. This information is shared with the UPPCC

Governing Board as a means of monitoring the composition of the certified population and ensuring that all the various groups are adequately represented. Demographics also allow the UPPCC to monitor application trends to plan for continuous enhancement of the certification programs.

ENROLLMENT INFORMATION

Certification Program

Applicants must select which certification program (CPPO or CPPB) for which he/she is applying in this section of the application.

Eligibility Schedule

Applicant must select the appropriate schedule for which they intend to apply. Applications are evaluated based on the criteria outlined in the selected schedule. Please refer to Section II. A. of this Handbook to view the Eligibility Schedules.

Special Exam Day Accommodation Requests

The UPPCC complies with the Americans with Disabilities Act (ADA) and the American Civil Rights Act to allow for special accommodations for candidates with special needs. Any individual who has a physical or cognitive impairment or limitation that prevents him/her from taking the examination under standard testing conditions may request special testing arrangements. The types of accommodations that may be provided include large print screen display, extended testing time, separate testing room, etc. Applicants who know that they will need to make arrangements for special needs must advise the UPPCC in advance at the time of application. To indicate that special accommodations will be required, check the "Yes" box in Section II. D. of the application.

Applicants will be afforded special exam day accommodations at the testing center without incurring any additional fees if appropriate documentation is received. Documentation from a physician or appropriate authority (i.e., psychologist, vocational specialist, etc.) is required to confirm a candidate's special needs and testing adaptation request. Please see Appendix E of this Handbook for Testing Adaptation Request forms. Completed form must be received by the UPPCC within ten (10) calendar days of receiving your application for certification. UPPCC will not be obligated to accommodate your request if documentation is not received in a timely manner.

CANDIDATE CONFIDENTIALITY

It is the policy of the UPPCC to maintain all candidate information in confidential files. Information submitted by candidates is viewed by UPPCC volunteers and staff for the purpose of determining eligibility, qualifications for initial certification and/or recertification and for maintaining historical records. All database records are permanently archived by the UPPCC. Active certificants may be contacted from time to time to participate in special UPPCC projects and other volunteer opportunities.

The UPPCC does not sell applicant, candidate or certificant information to any third party.

The UPPCC will not release any information regarding the status of an applicant or candidate enrolled in the certification program unless the Permission for Release of

Confidential Information form has been signed by the candidate and is on file with the UPPCC. However, once the certification is conferred, the status of the individuals' certification is available as a public record. Public information is limited to the certificants name, award date, expiration date and certificate number.

AFFIRMATION STATEMENT

All applicants are required to sign the Applicant Affirmation Statement prior to submitting the application. The affirmation statement is the agreement made by the applicant to abide by the UPPCC Code of Ethics (Appendix A). Any applicant, candidate or certificant found to be in violation of the Code of Ethics may have their application, exam or certification revoked and may be prohibited from future participation in the UPPCC certification programs.

Through the agreement to abide by the Code of Ethics, the applicant also affirms that the information provided in the application is accurate and truthful and that he/she has read and understands the policies and procedures as outlined in the current edition of the UPPCC Official Candidate Handbook for Certification. Applications presented without a signature will delay the processing or will be returned to the applicant.

D. REQUIRED DOCUMENTATION

Applicants are required to submit documentation as proof of meeting all eligibility requirements. This section of the Handbook will describe what forms of documentation are acceptable and what forms are not. All information and documentation must be provided to the UPPCC in English. If the documentation is not available in English, the applicant must provide a notarized translation into the English language at his/her own expense to supplement the original.

FORMAL EDUCATION

An official sealed transcript is required to document formal degrees earned at the college or university level. The transcript must remain sealed and must accompany the completed application in order to support the selected eligibility schedule. Student transcripts and copies of the college diploma document are not acceptable forms of documentation.

It is not necessary for the applicant to submit documentation for all degrees earned. As the eligibility schedule is determined by the highest degree earned by the applicant, it is only necessary to submit documentation for the highest level earned.

Applicants are advised to place transcript orders with the appropriate institutions well in advance of the application deadline. Applications received without proper documentation for the selected schedule will be evaluated under Schedule A.

COURSEWORK/TRAINING

Higher Education Level:

There is no time limitation in which coursework must be completed by the applicant in order to qualify. Applicants may go back as far as needed as long as appropriate documentation can be provided. Coursework taken at the higher education level must be either on a specific

procurement topic or be procurement-related as specified in the "Pre-Approved Coursework" listing (See Section II of this Handbook).

In order to receive credit for coursework at the formal education level, applicants must provide the UPPCC with an official sealed transcript that must be submitted at the time of application. The applicant must have completed the course and received a passing mark in order to receive credit for the course.

Applicants may utilize coursework taken in conjunction with a formal degree as long as the coursework can be documented with an official sealed transcript and meets the procurement-related coursework requirement. Applicants should reference in the coursework section of the application form if he/she will be using the same official transcript to document coursework as is being used to document formal education.

To convert credit hours for college/university level courses into contact hours, the applicant must multiply total credit hours for each course by 8. The average college level course earns 3 credit hours which is equivalent to 24 contact hours (3 credit hours X 8 = 24 contact hours).

Other Educational Providers:

Copies of certificates of attendance, participation, completion, etc. are the best form of documentation for coursework and/or training not taken at the higher education level. National members of NIGP may submit a copy of the member profile in place of certificates for NIGP National education attended. Applicants should contact NIGP National Headquarters directly to obtain instructions on how to access the member profile or to obtain a NIGP transcript of courses completed. All coursework documentation must include the specific procurement topic addressed, the date of the course or training, the duration of the training, the location of the training and the total number of hours. The UPPCC awards one contact hour for each classroom hour of education or training. Each full day of classroom training is calculated as eight contact hours.

Major procurement industry events such as international/national/regional conferences and meetings are also recognized by the UPPCC and are eligible for coursework credit. Specifically applicants may receive 24 total contact hours for full attendance to the NIGP National Forum & Products Exposition and 16 total contact hours for attending the NASPO Annual Conference and other international/national conferences. Chapter and regional meetings are also eligible for coursework credit, however, applicants may not include chapter business meetings, social luncheons, vendor presentations, and chapter entertainment events as these types of events are not considered to be educational in content.

Applicants may also earn credit for on-line and web-based education and training. On-line training and Web-based trainings also earn one (1) contact hour for each hour, however, if the on-line training requires self-study and reading assignments in addition to on-line instruction those additional hours may not be included in the total contact hours earned for the on-line training.

Inter-agency training is also applicable for credit as long as the training is on a purchasing topic and can be properly

documented via an agency transcript or completion certificate.

EMPLOYMENT EXPERIENCE

Position descriptions are used to set the "generic" description of the types of duties performed by positions in specific classes of employment. An Official Position Description includes a class title; a definition of the kind of work performed in that class; distinguishing characteristics of the class; illustrative duties; knowledge, skills and abilities required to perform the work; employment standards for incumbents of positions in that class; required licenses and certificates; and necessary special requirements (if any) which must be met. The UPPCC requires Official Position Descriptions as a means of documenting experience and determining whether the applicant performs essential purchasing and/or management functions; particularly in those cases where the official title of the position does not accurately reflect the work that is performed. As the UPPCC does not make decisions on applicable experiences based on position title alone, experience cannot be considered without the benefit of a Position Description.

Often times the Official Position Description is so generic that it does not provide a true picture of the position being performed. In such cases, the UPPCC will accept a "Working" Position Description developed by the employee's immediate supervisor and validated by an official in the Human Resources department in addition to the Official Description. Under no circumstances are applicants to develop and submit their own "Working" Position Descriptions, nor should a "Working" Position Description be submitted without the Official Position Description.

Alternate personnel documents issued by the Human Resources Department of the governmental entity or business may be accepted as a variation of the Official Position Description if an Official Position Description is not available. At a minimum, this documentation must be on government or business letterhead and authenticated by the Human Resources Director to the fullest extent possible.

Under no circumstances are resumes acceptable as an alternate form for documenting work experience.

Applicants may have difficulty locating suitable documentation of duties performed for an organization that is no longer in business; however it is not an impossibility to locate appropriate alternatives for defunct organizations.

As a rule, corporations must keep personnel records for a number of years. The state archivist should be able to provide applicants with the statute of retention and where to apply for past records.

In addition, the applicant may also have maintained the required information and documents in his/her private records. Past official position descriptions, performance evaluations or other documentation that can be used to document past experience with defunct organizations. Furthermore, letters from previous co-workers or former supervisors describing your duties in the position may also be acceptable.

E. FEES AND REFUND POLICY

The following UPPCC certification fees are bundled, representing the total cost of the certification; application fee, examination fee, administrative fees, etc. These fees are to be made payable to the UPPCC at the time of application. The certification fee does not cover cost of textbooks or any re-testing fees that may be required.

The certification fee is non-refundable regardless of the outcome of the application and whether or not the candidate ultimately takes the certification examination.

	CPPO	CPPB	Re-Testing Fee
Members ¹	\$450	\$350	\$200
Non-Members	\$650	\$450	\$250

¹ The member rate applies to individuals that currently hold a valid membership with NIGP National or NASPO.

WITHDRAWING FROM THE PROGRAM

Applicants/Candidates may feel that it is in their best interest to cancel from the program for a variety of reasons. Whether they have left the profession, changed agencies, etc. the UPPCC allows candidates to withdraw from the certification program under the following conditions:

- the request for withdrawal is made in writing less than twelve (12) months after the application is received AND
- the applicant has never tested.

A refund in the amount of \$100 will be refunded to the member applicant and \$200 to the non-member applicant following receipt of the request. No refund considerations will be made for individuals attempting to withdraw more than twelve (12) months following the receipt of the application.

SUBMITTING THE APPLICATION

Applicants should organize the application packet as instructed in the last section of the application form. Applications should ensure that all the requested information and supporting documentation is included and is mailed² with the appropriate fees to the UPPCC at the following address so that it arrives on or before the application submission deadline:

UPPCC
ATTN: APPLICATION DEPARTMENT
151 Spring Street
Herndon, VA 20170 USA
Phone: (703) 736-8900

² Due to the amount of documentation and the requirement for original transcript documentation, **applications must be submitted by mail only**. Applications sent via facsimile and/or email will not be accepted.

F. APPLICATION REVIEW

THE REVIEW PROCESS

Once the application is received at the UPPCC Office it is spot checked for completeness. Only complete applications are processed and any incomplete applications are set aside for contact to be made to the applicant or are returned to the applicant.

The UPPCC notifies all applicants within 4-6 weeks following the application submission deadline as to the outcome of the review. Approved applicants are sent letters of Authorization To Test (ATT) from the UPPCC. The ATT letter gives the candidate instructions on how to register for the examination. Individuals are not permitted to test until eligibility is determined and the ATT letter is received.

Applicants who are not successful have the opportunity to appeal the decision by providing additional information and/or documentation. Please see Application Appeals section of this Handbook. If the applicant is still unsuccessful in receiving application approval or elects not to appeal, the application will remain on file with the UPPCC for 2 years. This additional time allows the applicant sufficient time to complete additional procurement courses or to earn additional work experience so that he/she may reapply without incurring additional application fees.

Limitation for Eligibility

All CPPB and CPPO applications remain in an active status for a period of two years. During that time approved candidates must successfully complete the testing requirement. If testing is not completed within the two (2) year period, the application and all supplemental documentation will be destroyed. The applicant must apply anew for additional eligibility and submit all required documentation and fees. Two (2) years entitles candidates to four (4) opportunities to test.

G. APPLICATION APPEALS PROCESS

All certification applicants have the right to appeal the decision made on their certification eligibility. All appeals should be directed to the attention of the appropriate individual or group at the UPPCC Headquarters address in Herndon, Virginia.

The first line of appeal is to the UPPCC Program Administrator. Letters of Appeal to the Program Administrator must be submitted and received in writing within fourteen (14) calendar days of the application denial notification letter. The Letter of Appeal must contain the following information:

- the applicant's name, address, telephone number
- a clear statement of the reason for appeal; and
- supporting exhibits, evidence, new documentation, if any, in support of the appeal

Upon receipt, the UPPCC Program Administrator will review the appeal and render a written decision. Applicants should allow fourteen (14) calendar days for receipt of application appeal decisions.

The second and final level of appeal is to the UPPCC Board of Examiners (BOE). Letters of Appeal to the UPPCC Board of Examiners (BOE) must be submitted and received in writing within fourteen (14) calendar days of the denial notification letter from the Program Administrator. The Letter of Appeal must contain the following information:

- the applicant's name, address, telephone number
- a copy of the first appeal decision of the Program Administrator and all supporting documentation provided by the applicant; and
- the factual basis for the appeal specifying any NEW information not considered in previous decisions.

The BOE will render a decision within thirty (30) calendar days of the receipt of the Letter of Appeal. The decision of the BOE is final.

III. EXAM REGISTRATION

Candidates may schedule examination appointments within the upcoming testing window only by using the information provided in the ATT letter he/she received from the UPPCC. Upon receipt of the ATT letter, candidates should verify that the name printed on the ATT letter matches the name exactly as it appears on the unexpired, government issued photo identification. Candidates must present both the ATT letter and photo identification to the test center administrator for check in on the day of the exam. The two documents must match in order to be seated for testing. If your ATT letter does not match the name on your identification, contact the UPPCC immediately to have a revised ATT letter sent to you.

Following receipt of the ATT letter from the UPPCC, candidates must contact Prometric to schedule their examination at one of approximately 400 professional testing centers across North America. Candidates must schedule his/her individual testing appointment on or before the published exam registration deadline. As the UPPCC shares the Prometric testing center network with other testing programs, it is advisable for candidates to register early, preferably as soon as the candidate receives the ATT letter. Early registration allows candidates the widest selection of testing centers, dates and times.

Candidates may schedule their examinations with Prometric via the internet or with a registration agent by phone. Contact information for Prometric Test Center Registration is provided in the candidate's ATT letter.

Before scheduling, the candidate should visit the Prometric Website at www.prometric.com to view the latest testing center information. Candidates should have at least two potential testing centers in mind prior to scheduling the examination. Upon completion of the exam scheduling process with Prometric, the candidate will receive an email confirming the exam and specific instructions.

IV. PREPARING FOR THE EXAMINATION

In order for candidates to begin to formulate a preparation/study plan for testing, it is essential that the

candidate first understand how the exams themselves are developed and how individual test questions will appear on the exam.

A. EXAMINATIONS

There is only one (1) examination required for each certification. Both examinations consist of 175 multiple-choice questions covering the ten (10) domain areas identified in the UPPCC Body of Knowledge (see APPENDIX B). Each test question presents the candidate with four (4) options of which only one option is correct. Candidates are permitted a total of 3.5 hours in which to complete the examination.

The first step in any preparation process is to review the Body of Knowledge and assess personal areas of strength and weakness. As the Body of Knowledge dictates the content of the certification exam the document will also serve as an excellent guidance document for choosing education.

Candidates should keep in mind that the certification examinations are based on a broad body of knowledge in the field of public procurement, representing a variety of positions within the profession. The candidate may be an expert in their specific job, but should consider all the other positions that are part of the profession when preparing for testing.

Individual exam questions are developed by UPPCC certified members of the profession. These individuals are members of the UPPCC Item Writing Committee. Item Writing Committee members receive professional training on how to construct quality test questions for the certification exams. The test questions that are generated are reviewed by a second group of professionals. The members of this second group, the Item Review Committee, receive professional training on how to review test questions. Only questions approved by the Item Review Committee are eligible for selection for an actual examination. The members of the Board of Examiners develop the examinations from a bank of approved questions.

The Board of Examiners builds each examination selecting the appropriate number of questions from each of the ten (10) content areas of the Body of Knowledge (see Appendix B).

Questions generated for the CPPB exam are designed to test candidates on the Body of Knowledge as it relates to the role of a buyer. Conversely, the CPPO exams are designed to test candidates on the Body of Knowledge as it relates to the role of a manager and/or supervisor.

The exams consist primarily of situational, process-oriented questions. Situation questions require a candidate to be able to apply knowledge to responding appropriately to real world situations and problems.

UPPCC provides a few samples of situational questions and test taking tips for candidates in Appendix C of the Certification Handbook.

B. SUGGESTED STUDY RESOURCES

Authoritative literature which addresses the 2008 Body of Knowledge is available from a variety of sources. The listing below represents suggestions for resources that may be helpful to candidates preparing for the UPPCC exams and are looking for resources to help reinforce their understanding of the Body of Knowledge.

CPPO & CPPB

- Introduction to Public Procurement - Khi V. Thai, Ph.D., 2004, NIGP, ISBN 1-932315-00-4
- Legal Aspects of Public Procurement - Kirk W. Buffington, C.P.M. & Michael Flynn, Esq., 2004, NIGP, ISBN 1-932315-01-2
- Planning, Scheduling and Requirement Analysis - Connie Hinson, CPPO, CPPB & Clifford P. McCue, Ph.D., 2004, NIGP, ISBN 1-932315-02-0
- Sourcing in the Public Sector - Ken S. Babich, BCom., CPPO & Carole Pettijohn, Ph.D., 2004, NIGP, ISBN 1-932315-03-9
- Developing and Managing RFP's in the Public Sector - Khi V. Thai, Ph.D., 2004, NIGP, ISBN 1-932315-04-7
- Contract Administration - William D. Davison, CPPO & Elisabeth Wright, Ph.D., CPCM, 2004, NIGP, ISBN 1-932315-05-5
- CPPB Prep Guide – Editor: Carol Ann Ivory, (Available July 2008), NIGP

CPPO ONLY *(in addition to the list above)*

- Fundamentals of Leadership and Management in Public Procurement - Clifford McCue, Ph.D. and Jack T. Pitzer, Ph.D., CPPO, C.P.M., 2005, NIGP, ISBN 1-932315-06-3
- CPPO Prep Guide – Editor: Carol Ann Ivory, (Available July 2008), NIGP

NIGP publications are available through the NIGP Bookstore and can be ordered on-line from the NIGP Web Site, www.nigp.org. Both CPPO and CPPB candidates may benefit from participating in a certification preparation program sponsored either by a NIGP Chapter or a program available as a NIGP seminar. Preparation programs are not designed to stand alone or replace other preparatory activities.

V. EXAMINATION DAY

A. EXAM DAY OVERVIEW

On the day of the examination, candidate should plan to arrive at the scheduled testing center early. Candidates who arrive more than fifteen (15) minutes after the scheduled appointment time will be turned away and will be considered a no-show for the examination. Candidates should allow 4.5 hours for the examination, which includes the 3.5 hours for the examination, plus an extra hour for check in and check out procedures as well as time to view the pre-test tutorial and time to complete the post-survey questionnaire following the exam.

Candidates will not be permitted to bring personal belongings or study materials into the testing center. Secure storage is provided, however, space is limited. Prometric

testing centers assume no responsibility for personal belongings and candidates should plan accordingly.

Upon arrival at the testing center, the test center administrator will ask that candidates present the ATT letter and one piece of valid government issued photo identification that matches the information on the ATT letter. Acceptable forms of ID include:

- current drivers license
- government issue photo identification card; or
- valid passport.

If the administrator cannot make a positive identification, the candidate will not be permitted to test.

Following check-in, the candidate will be escorted to a computer work station and logged into the UPPCC examination. The examination will not begin until a 10-15 minute navigational tutorial is played and the candidate enters the examination. Only the actual examination portion is timed.

Examination questions will be presented one at a time on the computer screen. Candidates may choose to answer the question which will prompt the next test question to appear or skip the question and come back to it later.

Candidates will be given an opportunity to submit brief comments on individual questions that he/she felt were flawed. Candidates are urged to comment on any item he/she perceives to be flawed as comments will be evaluated by the Board of Examiners during the scoring process. Extra time has been built into the time allotment for the exam to allow for candidate commentary.

Also on the computer screen will be a clock that will count down continuously from 3.5 hours, so that the candidate is always aware of how much testing time is remaining. Also available to candidates during the exam is a small, dry-erase board for use as scratch paper and an on-screen calculator.

Candidate will be permitted to take breaks during the examination, but any break that the candidate takes will not stop the exam clock. Any breaks will be counted as testing time. Candidates who leave the testing center for breaks or any other reason will be asked to sign a log book and present his/her identification to re-check into the center.

Candidates will receive a printed confirmation of testing at the test center upon completion of the examination. Results will be sent in 6-8 weeks following the close of the testing window.

B. EXAMINATION SECURITY AND CANDIDATE CONDUCT AGREEMENT

In order to maintain the integrity of the examinations all examinations are proctored by direct observation by the test center supervisor and also under video and audio surveillance.

At the beginning of the examination, you will be required to confirm that you have read and that you agree with the following confidentiality and conduct agreement.

"The contents of this test are copyrighted, proprietary, and confidential. Any efforts to disclose or reproduce any portion of the test, its content or items therein in any part to any individual or entity for any purpose whatsoever is prohibited. Should such an activity be uncovered, test score invalidation for an individual or group as well as civil and/or criminal prosecution may occur.

I can be disqualified from taking or continuing to sit for an examination, or from receiving examination results, or my scores might be canceled if there is reason to believe through proctor observations, statistical analysis, and/or other evidence that my score may not be valid or that I was engaged in collaborative, disruptive, or other unacceptable behavior during the administration of this examination."

C. EXAM RESCHEDULE / CANCELLATION POLICY

Once the candidate has scheduled an examination appointment with Prometric, any reschedules or cancellations must also be made through Prometric. Associated fees that the applicant will be expected to make payment for at the time of the reschedule or cancellation is dependent upon the amount of advanced notice given to Prometric and are provided below.

Candidates may cancel a scheduled examination and reschedule for another date, time or testing center only within the current testing window. Candidates will not be permitted to cancel from one testing window and reschedule for a subsequent testing window even if the testing window is within the two (2) year life of the certification application he/she submitted. Examination may be scheduled, rescheduled, cancelled and otherwise altered for the current testing window only.

Candidates should note that although rescheduling an examination is permitted, seats fill up quickly and space may be limited or even unavailable as the desired testing date draws near. As such, it is advisable for candidates if needed to reschedule an examination as soon as possible.

To reschedule or cancel an examination, candidates should contact Prometric via the web or by phone.

Exam Reschedule/Cancellation Fees	
Thirty (30) or more calendars days prior to the scheduled examination	\$0
Between twenty-nine (29) and five (5) calendar days prior	\$50
Less than five (5) calendar days notice prior	\$100
No-shows, including no-shows caused as a result of late arrivals	*\$100

*No shows or no shows that result from late arrivals on the day of the scheduled examination will be invoiced by UPPCC after the fact. Reschedule/Cancellation fees billed to the

candidate following a testing window must be paid in full in order to schedule appointments for subsequent exams within the Prometric Testing Network.

EXCEPTIONS TO THE CANCELLATION POLICY

The UPPCC recognizes that serious issues may arise that could prevent a candidate from canceling their registration within the prescribed timeframe. There are acceptable instances in which thirty or more calendar days notification is not possible. Such acceptable instances include:

- Serious illness – either the candidate or an immediate family member (spouse, child, parent, etc.)
- Death in the immediate family
- Disabling traffic accident
- Court appearance or jury duty
- Unexpected military duty call-up

Late cancellations or no-shows on the day of the examination due to one of the reasons listed above must be submitted in writing to the UPPCC as soon as possible, but no later than five (5) business days following the incident and must be accompanied by meaningful documentation. For injuries and illnesses to be considered acceptable, documentation must prove that the onset of the injury and/or condition occurred AFTER the candidate registered to take the exam OR that the injury and/or condition worsened AFTER the date of registration. Upon review of the written request and accompanying documentation, the cancellation fee will not be billed to candidates whose requests were approved.

D. INCLEMENT WEATHER AND LOCAL AND NATIONAL EMERGENCIES POLICY

In the event of inclement weather or a local and/or national emergency on the day of the examination, candidates should phone the local Prometric Testing Center for which he/she has scheduled an appointment. If the testing center is closed and as a result an appointment is cancelled UPPCC will arrange for the examination to be rescheduled. Candidates are not penalized if the examination is cancelled due to inclement weather or if a local or national emergency occurs.

VI. AFTER THE EXAMINATION

A. SCORING THE EXAMINATION

The Board of Examiners convenes soon following the close of the testing window for examination scoring. The BOE will participate in a meeting facilitated by test developers from Prometric to review any statistical flags or candidate comments submitted by exam candidates during testing prior to making final scoring decisions. This gives the BOE the opportunity to review feedback from candidates and make decisions prior to releasing final scores to candidates.

This post administration process, in addition to scoring of the exams, is a quality assurance technique that benefits both the exam candidate and the UPPCC as an organization. It allows the BOE to review feedback from test takers and item-by-item performance statistics as a group and if

warranted, make adjustments before final scores are released to candidates. For example, based on feedback and statistical information captured on a specific exam question, the members of the BOE will take a closer look at the question. After discussing the issue, the group may potentially decide to score more than one response as correct or delete the question from the scoring process completely.

Candidates benefit from this process by having any potential concerns regarding examination questions known to the individuals making scoring decisions. The organization benefits by building in a process to continuously monitor, develop, and update the test content.

This process can cause the examination to consist of less than 175 questions if the BOE elects to delete questions from the scoring process. An exam difficulty rating for the exam is determined on the resulting sampling of questions. The difficulty rating is then equated back to the difficulty rating for the first exam under the 2008 Body of Knowledge when the Pass/Fail Cut-Score Study was performed and the passing score established. The passing score for the October 2008 exams will be established in November 2008. All subsequent exams will be based on this established passing score. The process of equating exams insures that each candidate is held to a consistent standard of competency when exam form difficulty and total number of scored questions is inconsistent.

B. PASS/FAIL CUT-SCORE

The UPPCC will convene a diverse committee of subject matter experts in November 2008 to review and update the passing score for UPPCC examinations. The process by which the passing score is determined is referred to as a Pass/Fail Cut-Score Study and is traditionally performed as a final step in the Job Analysis process. This process ensures that the score separating passing candidates from failing candidates is scientific and is truly linked to mastery of the subject matter tested in order to earn the certification and not an arbitrary selection.

In order to perform the 2008 study, the committee will require testing data to complete the study. Data from the October 2008 exams will be examined for the study. Passing points for subsequent examinations under the 2008 Body of Knowledge will be based on the 2008 study. A new study will be performed again when the Body of Knowledge is updated.

C. SCORE REPORTING

Candidates should expect to receive notification of the results by letter from the UPPCC to the candidate's home address within 4-6 weeks following the exam administration.

Successful candidates for the written CPPO and CPPB examinations will receive a passing notification that they passed the examination, but no numeric scores are reported. Unsuccessful candidates for the written CPPO and CPPB examinations will receive an indication by letter that they were not successful on the examination. The individual score, as well as a diagnostic report of his/her individual performance by topic area of the examination will also be

included. This information is designed to assist candidates in preparation for future testing attempts.

Candidates are provided an opportunity to advise the UPPCC of an agency representative to notify of your success. In addition, the UPPCC provides you with a press release to promote your accomplishment in a local chapter newsletter or newspaper and posts your achievement on the UPPCC website.

D. RETESTING

Unsuccessful candidates who still have eligibility remaining on their application will be sent an invoice for the retesting fee. The retesting fee must be paid in full prior to the application registration deadline for the next testing window.

E. DUPLICATE AND REPLACEMENT CERTIFICATES

A written request for replacement can be made to the UPPCC. Replacement certificates cost \$20.00 (USD). Request forms are available on the Web Site at www.uppcc.org.

VII. RECERTIFICATION

A. OVERVIEW

Recertification is required in order to maintain certification. Certificates are valid for a period of five (5) years from the effective date of the certificate. The purpose of the recertification process is to ensure that the certificant remains active in the profession through continuous professional development and contributions to the profession. Certificants must document applicable types of activities through an application form. No examination is required for on-time recertification.

An application for recertification can be submitted at any time during the five (5) year period once the minimum number of activity points has been attained. The certificant must recertify no later than the expiration date printed on the current certificate. Certificants who fail to recertify by the expiration of his/her current certificate will lose all rights to the certification and must discontinue use of the designation(s) following the expiration date. Although the UPPCC makes several attempts to remind certificants of the requirement to recertify and his/her specific expiration date, the responsibility to recertify lies with the individual certificant. Certificants should notify the UPPCC of any mailing address and/or email address changes to insure receipt of recertification reminders and any other pertinent information regarding UPPCC certification.

B. RECERTIFICATION REQUIREMENTS

Certificants are eligible to recertify if employed or unemployed in the public or private sector. Current employment is not a current recertification requirement. Recertification fees are outlined in the Recertification

Application which is available on the UPPCC Website for download at any time, www.uppcc.org/current_certificants/recertification.aspx.

All certificants, regardless of the UPPCC certification(s) earned, complete the same recertification application. CPPBs are required to earn a minimum of ten (10) points in a minimum of two (2) out of three (3) categories over a five-year period to be recertified. CPPOs are required to earn a minimum of fifteen (15) points in a minimum of two (2) out of three (3) categories.

Each potential activity has a point value associated with it. Specific recertification point values are listed within the recertification application form.

EARLY SUBMISSIONS

Applicants for recertification may file an application at any time during the five (5) year certification period once the minimum number of activity points has been attained.

Applicants should be aware that early submissions will not change the certification period and subsequent recertification dates. The five (5) year certification/recertification cycle is based on the original certification date, not on the candidate's recertification date. For example, if an application is submitted in December 2007 for a certification due to expire in July 2010, the certification period will remain unchanged and will represent the period of July 2010 through June 2015. Points earned towards recertification must be earned during the current period of certification. Early submission does not change the period when recertification activities must occur. Applicants may find convenience in an early submission, but should understand that any potential recertification activities completed during the time that the applicant recertifies and the current certification period ends are not eligible for the next recertification cycle which would begin the day following the expiration date printed on the current certificate.

CONTINUING EDUCATION

Maintaining a file of professional development activities is recommended. When a course or seminar is attended and/or successfully completed, the certificant should file a copy of the documentation in his/her recertification folder. When the time comes to recertify, all the required information is at their fingertips. It is also a great way to track points earned to date and to identify points yet to be achieved well before the expiration date of the current certificate. NIGP National members may print a copy of their NIGP on-line member profile or request a copy of the NIGP transcript and include it as documentation for the activities indicated in the on-line profile and include it with the recertification application.

Continuing education activities for recertification are very similar to coursework requirements for initial certification (see Section II: Applying for Certification). Applicants for recertification may also earn points for developing general business/professional skills not specifically related to the procurement profession. Qualifying educational activities include: computer courses, personnel management courses, etc. All areas of the recertification application include values for the individual activity as well as values for maximum points that are allowed for a specific activity over the five (5) year period. Maximum point values are included to

encourage well-rounded professional development and discourage applicants from earning points in one specific area only.

CONTRIBUTIONS TO THE PROFESSION

Certificants are encouraged to become involved in, or maintain involvement in, the profession. Leadership roles in procurement organizations at the national and chapter level earn points towards recertification as do contributions to the UPPCC in the form of Governing Board membership and membership on the Board of Examiners. Publishing articles, receiving awards, and volunteering and/or mentoring activities also earn points. Applicants should refer to the recertification application form for specific point values.

PROFESSIONAL MEMBERSHIPS

Applicants who maintain memberships with professional procurement organizations earn points toward UPPCC Recertification. Professional memberships expose an individual to a variety of benefits and resources that enable the certificant to grow and achieve. For each year of a given five (5) year certification cycle, the certificant can earn point(s) for either a national or chapter membership, but not both. A membership with a national procurement organization earns one (1) point, while a chapter or regional membership with procurement organizations earns .75 points per year.

C. DUAL RECERTIFICATION

Certificants who have earned both the CPPO and CPPB certifications and have maintained both may opt to combine the recertification requirements for both certifications into one. Recertifying under "Dual Recertification Status" will change one of the two certification expiration dates to coincide with the other certification expiration date. The closer of the two dates to the time the application for dual recertification is filed will serve as the new, revised expiration date for both certifications.

Applicants for Dual Recertification are to use the Application for Recertification form and indicate Dual Recertification as the type of recertification. Applicants are required to document a total of fifteen (15) recertification points in a minimum of two (2) out of three (3) categories. A new certificate will be issued for each certification to include the new, revised expiration date upon successful recertification.

D. LIFETIME CERTIFICATION

CPPO or CPPB certificants in good standing who have retired after fifteen (15) or more years of purchasing experience may apply for Lifetime Certification upon retirement or at age sixty-two (62). Individuals who allow their certification(s) to lapse or expire are not eligible for Lifetime Certification. Once Lifetime Certification is earned, subsequent recertifications are no longer required. The certificant will receive a new certificate with "Lifetime" printed in the expiration date area.

Lifetime Certification candidates are not required to earn or document recertification points in order to file an application for Lifetime Certification. The certificant submits the Recertification Application form and on the form selects Lifetime Certification. The applicant is required to submit

documentation that supports one (1) of the following lifetime recertification requirements:

- Official retirement after fifteen or more years in public section procurement; **OR**
- 62 years of age.

Official retirement may be documented by submitting official retirement paperwork from the government agency which

states years of service and official retirement date.

Age must be documented via a copy of government issued identification (i.e. valid driver's license, passport, birth certificate, etc.).

E. EXPIRED CERTIFICATION

Individuals who fail to maintain his/her certification through recertification will cause his/her certification(s) to expire. Based on the amount of time that has elapsed since the expiration date one of three penalty phases will apply.

In all cases, the individual must discontinue use of the certification until at which time the expired certification is recertified or reinstated. The continued use of the CPPO or CPPB designation, after it has expired is misrepresentation and may carry legal implications of such action.

LAPSED STATUS

Within One Year of the Expiration Date

Within one (1) year of the expiration date of the certification: CPPB candidates must earn twelve (12) points for recertification within two (2) of the three (3) categories. CPPO candidates must earn eighteen (18) points for CPPO recertification within two (2) of the three (3) categories. Additional points must be earned between the expiration of the current certification period and the date that the lapsed application is submitted. The individual must submit a completed Recertification Application with required documentation and fee. Recertifying under lapsed status requires additional points and an additional fee.

Within One to Five Years of the Expiration Date

Within one (1) to five (5) years of the expiration date lapsed certificants are required to complete and submit the Request for Certification Reinstatement form and successfully complete the current examination in order to regain legal use of the certification. While the individual is not required to re-apply for certification additional fees apply for reinstating an expired certification. The individual is permitted two (2) years in which to complete the examination requirement from the date that the Request for Reinstatement form and the payment is received. If the examination requirement is not completed within this timeframe, the individual will be required to apply as a new applicant. A new certification number and new valid

certification dates will be issued upon successful completion of the examination.

More than Five Years of the Expiration Date

After five (5) years of the expiration date of the certification candidates will be required to re-apply as a new applicant for certification and submit the current fees for initial certification. Expired records are not maintained by the UPPCC beyond the fifth year following the expiration date. The original certification record, files and documentation are destroyed.

F. IMPROPER USE OF CERTIFICATION

Individuals must discontinue use of the UPPCC designation on the first day following the expiration date of the certification. The continued use of UPPCC designations after the designation(s) have expired is misrepresentation and may carry legal implications. Black's Law Dictionary defines misrepresentation as: "Any manifestation by words or other conduct by one person to another that, under the circumstance amounts to an assertion not in accordance with the facts."

Upon receiving information that an individual is continuing to use the designation after expiration or if the designations were never earned, the UPPCC will notify the individual by certified mail of the violation and request the individual to immediately cease its use. The procedures to follow for lapsed recertification or certification reinstatement will be outlined to the individual. The individual is responsible for correcting the situation. UPPCC Certification status in a matter of public record and includes the individuals name, original certification date, current certificate expiration date and certificate number.

G. REVOCATION OF CERTIFICATION

The UPPCC Board of Examiners may revoke a CPPO or CPPB Certificate for demonstrated violations of the UPPCC Code of Ethics.

A petition signed by at least five (5) current CPPOs must be presented to the UPPCC Board of Examiners (BOE) recommending revocation of the CPPO or CPPB designation of the individual in question. The petition must fully document its allegations of violations of the UPPCC Code of Ethics.

After full review of the facts and after the accused has had the opportunity to present any arguments on his/her behalf, a decision to revoke certification may be made by the Board of Examiners. Any ruling of the BOE regarding revocation of certification may be appealed to the Universal Public Purchasing Certification Council, whose decision will be final.

APPENDIX A

UPPCC CODE OF ETHICS

All applicants for UPPCC certification must subscribe to the following ethical principles. Breaching this Code of Ethics will be just reason for revocation of UPPCC certification.

- I will seek or accept a position of employment only when fully in accord with the ***professional principles*** applicable thereto, and when confident of possessing the qualifications to serve under those principles to the advantage of my employer.
- I believe in the dignity and worth of the services rendered by my employment and the ***societal responsibilities*** assumed as a trusted public servant.
- I shall be governed by the highest ideals of ***honor and integrity*** in all public and personal relationships in order to merit the respect and inspire the confidence of my employer and the public served.
- I believe that personal aggrandizement or personal profit obtained through misuse of ***public or personal relationships*** is dishonest and intolerable.
- I will identify and eliminate participation of any individual in operational situations where a ***conflict of interest*** may be involved.
- I believe that individuals that ***possess UPPCC certification*** should at no time or under any circumstances accept directly or indirectly, gifts, gratuities or other things of value from suppliers, which might influence or appear to influence purchasing decisions.
- I will keep my governmental organization informed, through appropriate channels, on problems and progress of applicable operations by ***emphasizing the importance of the facts***.
- I will handle all personnel matters on a ***merit*** basis. Politics, religion, ethnicity, gender and age carry no weight in personnel administration in the agency being directed or served.
- I ***shall not seek or dispense personal favors*** that are in conflict with my profession.
- I will handle each administrative problem objectively and empathetically ***without discrimination***.
- ***I subscribe to and support the professional aims and objectives of the Universal Public Purchasing Certification Council.***

APPENDIX B

2008 UPPCC BODY OF KNOWLEDGE

Periodically the UPPCC performs a Job Analysis study to ensure that the certification exams are aligned with the skills, knowledge and abilities needed for successful job performance in the public purchasing profession. The Body of Knowledge is the end result of the Job Analysis Study. A Job Analysis consists of several activities: the development of a survey tool, survey dissemination, compilation of survey results, and finally, the development of the Body of Knowledge.

The Body of Knowledge below is based on input of nearly 2,000 active public purchasing professionals from the most recent Job Analysis Study conducted in 2007. The new Body of Knowledge consists of 92 total tasks and 108 total knowledge statements representing common skills, knowledge and abilities of the public purchasing profession.

There is only one comprehensive Body of Knowledge for UPPCC Certifications; however there are certain tasks and/or knowledge statements that apply to only one program. Those program specific tasks and knowledge statements are identified within the Body of Knowledge by the words "CPPO ONLY" or "CPPB ONLY" immediately following the task and/or knowledge statement. If there is no indication for a specific program, the task and/or knowledge apply to both the CPPO and CPPB. Both examinations will cover all ten domain areas listed below, but the percentage allocated to each exam varies. For example, 15% of the CPPO Exam will cover "Domain I – Administration Aspects of Purchasing" compared to 19% for the CPPB Exam.

DOMAIN I. ADMINISTRATION ASPECTS OF PURCHASING

CPPO: 15%

CPPB: 19%

Knowledge of:

- A. procurement department goals and objectives
- B. procurement department measurement criteria
- C. organizational policies and standard procedures
- D. automated purchasing systems
- E. contract, solicitation, agreement, and lease file content
- F. cooperative purchasing program development
- G. cost-reduction or cost avoidance techniques (e.g., value analysis; total cost of ownership)
- H. criteria for evaluating purchasing department's performance
- I. department audits and review processes
- J. electronic commerce programs **[CPPO ONLY]**
- K. small, disadvantaged, minority, women-owned and socio-economic business programs
- L. product/service specifications, descriptions, and prices (e.g., order history)
- M. purchasing policies and procedures
- N. departmental operating budgets (e.g., budget cycle; budget preparation)
- O. budgeting techniques (e.g., performance based budgeting; zero based budgeting; line item) **[CPPO ONLY]**
- P. operational forms (e.g., board certification; checklists; purchase orders)
- Q. operational form design (e.g., board certification; checklists; purchase orders)
- R. procurement card programs
- S. benchmarking techniques and processes
- T. process improvement programs (e.g., value added verses non-value added)
- U. standardization programs
- V. effective oral and written communication
- W. procurement trends and information resources
- X. management philosophies and techniques (e.g., Maslow's Hierarchy of Needs; McGregor's Theory X/Theory Y) **[CPPO ONLY]**
- Y. code of ethics and professional values
- Z. problem-solving processes

Associated Tasks/Responsibilities:

- 1. Develop and promote the mission statement, vision, and operating values of the procurement department (e.g., ethics; diversity; professionalism; accountability)
- 2. Design operational forms (e.g., board certification; checklists; purchase orders)
- 3. Maintain operational forms (e.g., board certification; checklists; purchase orders)
- 4. Implement an automated purchasing system (e.g., integrate business processes; interfaces)
- 5. Utilize an automated purchasing system
- 6. Develop a procurement card program **[CPPO ONLY]**
- 7. Administer a procurement card program **[CPPO ONLY]**
- 8. Utilize a procurement card program
- 9. Develop an electronic commerce program **[CPPO ONLY]**
- 10. Administer an electronic commerce program **[CPPO ONLY]**
- 11. Utilize an electronic commerce program **[CPPO ONLY]**
- 12. Develop and implement a cost-reduction or cost-avoidance program (e.g., value analysis; total cost of ownership) **[CPPO ONLY]**
- 13. Ensure compliance with a minority/women/small business/socio-economic and disadvantaged supplier policy

14. Develop and implement a standardization process (e.g., materials; procedures; specifications)
15. Develop goals, objectives, and measurement criteria for purchasing department
16. Implement goals, objectives, and measurement criteria for purchasing department
17. Develop operating work policies, guidelines, and procedures for the control of the department's work flow
18. Implement operating work policies, guidelines, and procedures for the control of the department's work flow
19. Develop cooperative purchasing programs with other public/private agencies
20. Ensure the maintenance of files [e.g., product/service specifications; descriptions; prices; order history; Material Safety Data Sheet (MSDS)]
21. Ensure compliance with an environmentally preferred purchasing program (e.g., buy-recycled programs; green; sustainable) **[CPPO ONLY]**
22. Prepare and deliver reports for management
23. Prepare departmental operating budget **[CPPO ONLY]**
24. Prepare and update purchasing policies and procedures [e.g., vendor brochures; training manuals; Code of Ethics; Standard Operating Procedures (SOP)]
25. Serve on teams that perform department compliance audits and reviews **[CPPO ONLY]**
26. Monitor professional and legislative trends and laws (e.g., rules; regulations; executive orders)
27. Perform process improvement programs (e.g., value added versus non-value added tasks)
28. Manage non-compliance in the procurement process (e.g., ratification process; confirming orders; illegal purchases; unauthorized commitment)

DOMAIN II. PROCUREMENT REQUESTS

CPPO: 8%

CPPB: 17%

Knowledge of:

- A. acquisition methods and techniques
- B. supply and demand concepts
- C. total cost of ownership concepts, including disposal, residual value, and environmental concerns
- D. make, lease, or buy concepts
- E. market research to ascertain use/availability of commercial items and services
- F. roles and responsibilities of common service providers, departments, and clients
- G. various methods of supply (e.g., controlled goods; hazardous materials; material and inventory management; re-use and recycling)
- H. requisition approval process (e.g., adequacy of available funds; appropriate authorizations)
- I. established laws, policies, and procedures
- J. specification components and process (e.g., adequacy; completeness)

Associated Tasks/Responsibilities:

1. Review purchase requisitions to determine appropriateness to requirements, adequacy, and completeness of specifications
2. Review procurement requests to determine compliance with established laws, policies, and procedures
3. Review purchase requisitions to insure adequacy of available funds and appropriate approvals
4. Conduct market research to ascertain the use/availability of commercial items and services
5. Consult on decisions regarding making, leasing, or buying equipment
6. Obtain historical information and forecast estimated demand
7. Review economic conditions that affect specific procurements

DOMAIN III. SOLICITATION AND EVALUATION OF BIDS/PROPOSALS

CPPO: 10%

CPPB: 20%

Knowledge of:

- A. appropriate contract types (e.g., blanket order; term contracts)
- B. appropriate contractual terms and conditions
- C. methods of procurement
 1. small purchases (e.g., telephone quotes; fax quotes; e-mail; procurement cards)
 2. competitive sealed bids and proposals
 3. competitive negotiations
 4. preference purchasing
 5. noncompetitive (e.g., sole-source; single available source)
 6. emergency
 7. cooperative purchasing (e.g., joint solicitation; piggyback)
 8. incentive contracting **[CPPO ONLY]**
- D. construction and construction related services contracting **[CPPO ONLY]**
- E. pre-bid conferences and minutes preparation
- F. solicitation process (e.g., issuing solicitation; addenda; solicitation openings)
- G. evaluation techniques (e.g., responsiveness; responsibility; price analysis; cost analysis)
- H. product solicitation and service specifications, requirements, terms/conditions, and pricing schedules
- I. sources of services or supplies
- J. various methods of payment and basis of payment options
- K. fair and open competition concepts
- L. protest processes and procedures
- M. hearing processes and procedures

Associated Tasks/Responsibilities:

1. Identify, select, and educate sources of services or supplies
2. Develop and review product and service specifications, requirements, terms/conditions, and pricing schedules
3. Determine appropriate methods of procurement (e.g., small purchases; procurement card; competitive sealed bids; competitive proposals; cooperative purchasing)
4. Determine appropriate contract type (e.g., blanket order; term contracts)
5. Solicit quotes for small purchases (e.g., telephone quotes; fax quotes; e-mail) **[CPPB ONLY]**
6. Solicit competitive sealed bids
7. Solicit competitive sealed proposals
8. Monitor the solicitation process (e.g., fair, full, and open competition; transparency)
9. Conduct pre-bid or pre-proposal conferences and prepare minutes
10. Prepare addenda
11. Evaluate all solicitation responses
12. Review final recommendation for award
13. Respond to solicitation protests
14. Conduct hearings (e.g., protest; responsibility; debarment)
15. Determine payment methods and options

DOMAIN IV. SUPPLIER ANALYSIS

CPPO: 7%

CPPB: 8%

Knowledge of:

- A. techniques to ensure supplier compliance to specifications
- B. supplier requirements (e.g., space; delivery; industry standards)
- C. techniques to evaluate supplier performance
- D. purpose for supplier visits (e.g., site reviews and observations)
- E. interviewing techniques
- F. evaluation methods of supplier samples and demonstrations

Associated Tasks/Responsibilities:

1. Conduct supplier visits and evaluations **[CPPB ONLY]**
2. Review supplier samples and/or demonstrations with the buying organization management and/or customer departments **[CPPB ONLY]**
3. Evaluate supplier performance
4. Monitor supplier compliance
5. Monitor supplier responsibility (e.g., financial; legal; certification; licensure)

DOMAIN V. NEGOTIATION PROCESS

CPPO: 8%

CPPB: 3%

Knowledge of:

- A. negotiations strategies and techniques
- B. problem-solving and decision-making techniques and processes
- C. negotiation process and documentation requirements **[CPPO ONLY]**

Associated Tasks/Responsibilities:

1. Select negotiation team members **[CPPO ONLY]**
2. Prepare and review negotiations strategies
3. Approve negotiations strategies
4. Conduct contract and potential supplier negotiations
5. Document and record negotiation process **[CPPO ONLY]**

DOMAIN VI. CONTRACT AWARD AND ADMINISTRATION

CPPO: 10%

CPPB: 18%

Knowledge of:

- A. elements of a contract
- B. contractual document preparation
- C. award recommendation process
- D. contractual approval process (e.g., legal; risk management; health and safety)
- E. contract management (e.g., performance; ongoing risk)
- F. contractual problems and resolutions (e.g., notice to cure; liquidated damages)
- G. follow-up procedures and expediting
- H. supplier claims and appeals process
- I. contract modifications (e.g., change orders; amendments)
- J. contract termination

Associated Tasks/Responsibilities:

1. Route for review and obtain approval of contracts when required (e.g., legal; risk management; health and safety)
2. Prepare and issue contractual documents
3. Administer contracts and purchase orders from award to completion
4. Conduct follow-up procedures and expedite deliveries when necessary
5. Modify contractual obligations
6. Seek appropriate resolution for contractor non-compliance

7. Manage supplier and departmental concerns and inquiries regarding processes and practices
8. Manage supplier protests, claims, and appeals
9. Terminate contractual obligations

DOMAIN VII. EXTERNAL/INTERNAL RELATIONSHIPS	CPPO: 15%	CPPB: 9%
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Knowledge of:

- A. organizational structure
- B. organizational culture (e.g., management style; tradition; history; political)
- C. basics of interpersonal relationships
- D. conflict resolution techniques
- E. technologies for communication (e.g., videoconferencing; e-mail; internet, intranet, extranet; teleconferencing)
- F. training needs and methods of delivery for external customers (e.g., How to Do Business; Ethics)
- G. training needs and methods of delivery for internal customers (e.g., Ethics; Specification Writing; Automated System Usage)
- H. effective training techniques (e.g., lecture; textbook)
- I. types of presentations and appropriate use (e.g., formal/informal; oral/written)
- J. team dynamics

Associated Tasks/Responsibilities:

1. Develop and manage effective relationships with external customers (e.g., suppliers; contractors; public; media)
2. Develop and manage effective relationships with internal customers (e.g., clients; boards; departments)
3. Develop and maintain effective relationships with management
4. Conduct training classes for external and internal customers
5. Participate in cross-functional and/or multifunctional teams (e.g., project management; process improvement)

DOMAIN VIII. MATERIELS MANAGEMENT	CPPO: 3%	CPPB: 2%
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Knowledge of:

- A. inventory management techniques and principles [e.g., Just In Time (JIT); min/max levels; Last In First Out (LIFO); First In First Out (FIFO)] **[CPPO ONLY]**
- B. ordering process (e.g., route; expedite; follow-up) **[CPPB ONLY]**
- C. obsolete and surplus equipment and materials management **[CPPO ONLY]**

Associated Tasks/Responsibilities:

1. Follow-up and expedite orders **[CPPB ONLY]**
2. Resolve delivery and receiving problems
3. Determine proper method for disposal of obsolete and surplus equipment and materials **[CPPO ONLY]**
4. Manage and dispose of obsolete and surplus equipment and materials **[CPPO ONLY]**

DOMAIN IX. HUMAN RESOURCES/PERSONNEL	CPPO: 14%	CPPB: 2%
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Knowledge of:

- A. purchasing department personnel processes
 1. staffing levels **[CPPO ONLY]**
 2. hiring **[CPPO ONLY]**
 3. training
 4. evaluation **[CPPO ONLY]**
 5. counseling **[CPPO ONLY]**
 6. disciplining **[CPPO ONLY]**
 7. termination **[CPPO ONLY]**
- B. staff professional development needs
- C. succession planning techniques **[CPPO ONLY]**
- D. knowledge documentation (e.g., knowledge mapping; process documentation; detailed job task)

Associated Tasks/Responsibilities:

1. Manage purchasing department personnel (e.g., right-sizing; hire; train; evaluate; counsel; discipline) **[CPPO ONLY]**
2. Facilitate professional development of staff
3. Develop knowledge documentation (e.g., knowledge mapping; process documentation; detailed job task) **[CPPO ONLY]**
4. Develop staff succession plan **[CPPO ONLY]**
5. Promote staff cohesiveness (e.g., team building)
6. Ensure compliance with the values of the organization (e.g., ethics; integrity; accountability)

DOMAIN X. FORECASTING AND STRATEGIES	CPPO: 10%	CPPB: 2%
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Knowledge of:

- A. analytical and research techniques and models **[CPPO ONLY]**
- B. departmental strategic, operational, and business plans and priorities
- C. forecasting techniques and strategies **[CPPO ONLY]**
- D. purchasing strategies based on forecast data, market factors, and economic trends **[CPPO ONLY]**
- E. strategic planning **[CPPO ONLY]**
- F. material and service needs of customer agencies and management
- G. cost/benefit analyses on planned acquisitions **[CPPO ONLY]**
- H. continuity of operations plan (e.g., disaster preparedness) **[CPPO ONLY]**

Associated Tasks/Responsibilities:

1. Conduct business analyses (e.g., make-or-buy; outsourcing; privatization; partnering) **[CPPO ONLY]**
2. Review economic trends and conditions that affect procurement **[CPPO ONLY]**
3. Perform cost/benefit analyses on planned acquisitions **[CPPO ONLY]**
4. Plan and implement purchasing strategies and objectives based on forecast data, market factors, and economic trends **[CPPO ONLY]**
5. Provide suppliers with service requirements based on forecasted usage levels (e.g., solicitation; existing contractors) **[CPPO ONLY]**
6. Plan short-term material and service needs with customer agencies and management **[CPPO ONLY]**
7. Plan long-term material and service needs with customer agencies and management **[CPPO ONLY]**
8. Formulate a continuity of operations plan (e.g., disaster preparedness) **[CPPO ONLY]**

APPENDIX C

CANDIDATE TIPS AND SAMPLE QUESTIONS

- RELAX! Have confidence in yourself and your abilities.
- Remember... you have met eligibility requirements, now demonstrate your knowledge.
- Maintain a positive attitude.
- Get a good night's sleep and have a nourishing protein-filled breakfast.
- Arrive early at the test site.
- Immediately identify any inappropriate conditions to the test center administrator.
- Read all exam questions carefully.
- Identify and answer all easier and understandable questions first.
- Do not spend too much time on any one specific difficult question.
- Skip questions that are unclear or are ones that you are unsure of and return to them later.
- Eliminate any incorrect answer choices from the potential options.
- Translate words and substitute terms to simplify the questions.
- Apply practical reasoning to determine the correct answers.
- Divide the question into manageable and understandable parts.
- Keep the intent of the question and basic subject matter in mind.
- If two choices seem correct, choose the BEST or MOST correct answer.
- Don't second-guess yourself — your first instinct is usually correct.
- Don't read too much into questions and over-anticipate the answers.
- Answer what is asked for and not what you feel should be asked.
- Estimate time required to answer remaining questions.
- Return to previously marked difficult questions to select an option.
- Plan time effectively. If you comment on a question, get to the point quickly.

SAMPLE QUESTIONS

Sample Question #1:

A recently rebuilt pump at a public entity's water reclamation facility has failed due to a valve that was not part of the written service warranty in the agency's contract with PumtUp Engineering, Inc. The entity's facility manager has stated that the service representative told him that they would "take care of it at no charge." PumtUp management will not agree to this oral term from the service representative and plans to invoice for the repair. The oral statement made by the vendor with regard to the repair of the valve which is not stated in the written service warranty is an example of:

- a. Implied Warranty
- b. Express Warranty
- c. Parol Evidence
- d. Breach of Contract

Sample Question #2:

As the purchasing agency, you have set up an agreement for new software. It is important that the agency be able to continue using the software for a specific period of time. Which of the following should be added to the licensing agreement term to ensure coverage of this need?

- a. Transferable
- b. Service
- c. Perpetual
- d. Subsidiary

Answer Key: #1) c; #2) c

APPENDIX D

EDUCATIONAL RESOURCES

The National Institute of Governmental Purchasing (NIGP) is recognized by the UPPCC as a provider of quality education for public procurement professionals. UPPCC recommends many of the NIGP Textbooks as recommended text for exam preparation. NIGP also offers intensive 3-day courses for many of their textbooks which includes the UPPCC suggested study resources. Although NIGP coursework is not required to achieve certification, it is one opportunity to reinforce your individual understanding of the Body of Knowledge. NIGP also offers webinars, on-line education and certification preparation courses.

In addition to NIGP, the UPPCC recognizes the following industry organizations as suppliers of quality procurement education. It is important to use the Body of Knowledge when choosing education for your exam preparation needs. You should choose educational products that work to reinforce the topic found in the Body of Knowledge for the program that you are pursuing. As the exam questions are secured at all times and not shared with any organization, private entity or individual, use caution when selecting programs that claim to address actual CPPB and/or CPPO test questions.

National Institute for Governmental Procurement, Inc. (NIGP)

151 Spring Street
Herndon, Virginia 20170 USA
Phone: +703-736-8900
www.nigp.org

Staff Officer: Rick Grimm, CPPO, CPPB
President: Ed Grant, CPPO

National Association of State Procurement Officials (NASPO)

201 East Main Street
Lexington, Kentucky 40507 USA
Phone: +859-514-9159
www.naspo.org

Staff Officer: Jack Gallt
President: Jeff Holden

National Association of Educational Procurement (NAEP)

5523 Research Park Drive, Suite 340
Baltimore, Maryland 21228 USA
Phone: +443-543-5540
www.naepnet.org

Staff Officer: Doreen Murner
President: Lorelei Meeker, C.P.M.

California Association of Public Purchasing Officers, Inc. (CAPPO)

P.O. Box Y
Yuba City, California 95992 USA
Phone: +800-592-1970
www.cappo.org

Staff Officer: Hugh Smith, C.P.M.
President: Glenn Kaye, C.P.M.

Florida Association of Public Purchasing Officers, Inc. (FAPPO)

Phone: +407-665-7119
www.fappo.org

President: Cheri Alexander, CPPB, C.P.M.

Institute of Supply Management (ISM)

P.O. Box 22160
Tempe, Arizona 85285 USA
Phone: +800-888-6276
www.ism.ws

Staff Officer: Paul Novak, C.P.M., A.P.P.
President: Lisa Martin, C.P.M.

National Contract Management Association (NCMA)

21740 Beaumeade Circle, Suite 125
Ashburn, Virginia 20147 USA
Phone: +571-382-0082
www.ncmahq.org

Staff Officer: Neal J. Couture, CPCCM
President: Ronald L. Smith, CPCCM

National Procurement Institute (NPI)

PO Box 370192
Las Vegas, Nevada 89137 USA
Phone: +702-989-8095
www.npicconnection.org

Staff Officer: Craig Rowley
President: David Seward, C.P.M.

Purchasing Management Association of Canada (PMAC)

P.O. Box 112
Toronto, Ontario M5G 2C8 CANADA
Phone: +416-977-7111
www.pmac.ca

Staff Officer: Robert W. Dye
President: LouAnn Birkett, C.P.P.

APPENDIX E

The UPPCC will work with Prometric to provide for reasonable testing center adaptations to accommodate exam candidates with disabilities and other special needs as defined by the Americans with Disabilities Act. Candidates must complete Section A (Request) and have the appropriate licensed physician, therapist, or other healthcare worker complete Section B (Documentation) and submit the completed form to the UPPCC within ten (10) calendar days of receiving the individuals application for certification.

SECTION A: CANDIDATE REQUEST FOR SPECIAL TESTING ACCOMODATIONS

Applicants Name

Full Name: _____

Address: _____

City: _____ State/Province: _____

Zip/Postal Code & Country: _____ Phone: _____

Special Testing Accommodations Requested

Please check all that apply:

- Additional Testing Time. Specify extra time needed here: _____
- Separate Testing Room
- Special Seating
- Wheelchair access
- Other accommodations (please specify): _____

SECTION B: DOCUMENTATION OF DISABILITY/SPECIAL NEEDS REQUEST FOR TESTING

The candidate must have a licensed healthcare provider, therapist, etc. complete Section B. The provider must describe the disability, how the disability was diagnosed and a description of past accommodations made for the disability. Section B must adequately support the request for special accommodations made by the candidate in Section A.

PROFESSIONAL DOCUMENTATION

I have known _____ since _____
(Name of Applicant) (Date)

in my capacity as a(n) _____
(Professional Title)

The applicant discussed with me the nature of the test to be administered. It is in my professional opinion that, because of this applicant's disability/special need as described below, he/she should be accommodated by providing the special arrangements listed in Section A of this Form.

Comments: _____

Signature: _____ Date: _____

License #: _____

Please mail, fax or email the completed form to: **Universal Public Purchasing Certification Council (UPPCC)**
ATTN: TESTING REQUESTS
151 Spring Street
Herndon, Virginia 20170 USA
Facsimile: +1-703-796-9611
E-mail: certification@uppcc.org