

Statewide Financial System (SFS) Program

# **SFS Common Procurement Meeting**

Friday, December 18, 2009

# SFS Common Procurement

## ➤ Agenda

- SFS Program Implementation Background
- Common Procurement Vehicle Elements
- Procurement Roles
- Discussion

# SFS Program Implementation

- SFS program implementing PeopleSoft in April 2011
  - Replacing current Central Accounting System and agency Financial Management Systems
- For systems not being retired/replaced by the new SFS, agencies must change current record layouts to successfully transmit files to and from the new SFS
  - Agencies will make updates using prescribed formats
    - Legacy (for systems targeted for retirement or replacement by SFS), or
    - PeopleSoft (systems targeted for continued operation post-SFS Implementation) formats

# Agency Level of Effort Assessment

- Impact/level of effort (LOE) analysis provided by agencies to SFS in October 2009
  - Included cost for system/application impacts from proposed modifications in support of SFS implementation
  - 22 agencies reported LOE cost estimates
  - Statistics from 22 agencies presented to State CIO in mid-November 2009
- Decision to explore the feasibility of a centralized procurement approach for agency integration services to the new SFS
  - One procurement vehicle with multiple vendors to meet multiple agency needs
  - Enhance efficiency, quality and cost controls for required statewide development efforts

# Common Procurement Vehicle Elements

- Provide agencies with option for required integration development in support for SFS implementation as defined in LOEs
- OGS backdrop contract to establish bidder pool
- Procurement conducted by lot groups based on agency platforms/services needed
- Bidders can bid on any number of lots as desired
- Evaluation team to pre-qualify and rank bidders based upon pre-established criteria
- Project team to work with OSC and OGS to develop:
  - Guidelines as to how agencies will work with pre-qualified vendors, and
  - Agency-specific statements of work

# Common Procurement Roles

- CIO/OFT to serve as contract holder
- SFS to serve as procurement manager
  - Standardized guidelines
  - Define bidders in support of agency requirements
  - Provide input transaction details/output specifications for contract
  - Define deliverable approval criteria
    - Include Agency Certification testing completion as final acceptance of deliverable
  - Review bid proposals against specific criteria, determine pre-qualified vendors for agency use

# Centralized Procurement Roles

## ➤ Agencies

- Indicate agency needs for consultants/services
- Write a statement of work defining specific service requirements
- Submit statement of work to vendors
- Manage and review vendor activities to ensure the deliverables meet agency's specific requirements
- Work with SFS team to meet the necessary Agency Certification requirements prior to SFS go-live

# Common Procurement Benefits

- Eliminate the need for individual agency procurement efforts
- Based on best value
- Allows for standard guidelines and testing procedures
- Potential for reduced implementation LOE costs for agencies
- Approach will address agencies' different support needs in a more cost-efficient manner

# Concerns

- Bidder lots must be defined precisely
- Well-defined vendor selection process
- Maintain open and fair competition

# Discussion

- In support of the SFS implementation, what systems or applications within your agency will require consultant support?
- What other elements should a common procurement vehicle contain?
- Would this approach help in managing your procurement?
- What issues might this approach create or solve?
- Would this approach help to reduce your level of effort assessment?

# Next Steps

- Review feedback to validate agency needs
- Follow-up on agency questions/concerns
- Common Procurement process proposal
- Communicate progress to agencies

Please provide any additional feedback to

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# Questions?

