

Revised 1/25/12



# Procurement Process Update

January 30, 2012

Procurement and Business Planning



# Discussion Objective

Update the Authority's Board  
on the  
Contracting Process:  
Modifications and Enhancements



# Analysis: Approach and Participants

- Approach
  - Understand Procurement's objectives as the process owner
  - Identify experienced contract owners from all divisions
  - Schedule 30 minute interviews:
    - Discuss RFP/RFQ and RFB responsibility matrices
    - Solicit input on their experience with the process
  - Compare responses to Procurement's proposed responsibility matrix
  
- Interview participants:
  - IT
  - Airport Planning
  - Marketing
  - FMD
  - Corporate Services
  - Real Estate
  - FDD



# Current Contracting Process: Strengths and Weaknesses

- **Strengths:**
  - Board approved and endorsed by General Counsel– imposes controls; manages liability
  - Able to deliver contracts in highly regulated and competitive environment
  - Able to withstand public scrutiny – externally perceived as transparent and fair
  - Procurement’s staff bring professional knowledge and skills
    - Policy knowledge
    - Contractual experience
    - Impartial facilitation
    - Industry best practices
- **Weaknesses:**
  - Process is not consistently executed
    - Roles and responsibilities are unclear (Procurement, Contract Owner)
  - Variances exists in departments’ understanding and level of participation
- **Organizational Impact:**
  - Extended timelines – duplicate efforts
  - Variation in customer experience and results (internal and external)



# Responsibility Charting (RACI)

- Responsibility charting is a technique for identifying ambiguities in roles and responsibilities, bringing the differences out in the open and resolving them.
- Responsibility charting ensures accountability is placed with the person who really can be accountable for the specific work.
- Responsibility charting enables managers to work together in a focused and systematic way on the actions required to deliver a successful end product or service.

[Role & Responsibility Charting \(RACI\) - Project Management Forum](#)

Michael L Smith and James Erwin  
Project Management Institute



# Recommendations

- Approve and implement responsibilities as reflected in the 3 RACI charts. *(reference Attachment A)*
- In partnership with General Counsel, establish a new template for Public Construction Projects.
- Place all contract templates under Procurement's stewardship to manage and ensure consistent use across all contract solicitations.
- Establish best practice around evaluation panels.



# Evaluation Panels

Establish best practice around Evaluation Panels:

- Require selection approvals:
  - Over \$1mil – Vice President
  - Over \$10mil – CEO
    - VP representation on highly visible panels
- Promote greater transparency:
  - Review current orientation checklist for coaching panelists
  - Introduce managed evaluation matrix (automated)
    - Preserve individual scoring while maintaining confidentiality
    - Avoid appearance of participants influencing outcome



# Organizational Benefits

## Organizational Benefits:

- Establishes clear roles and responsibilities
- Incorporates best practices
- Leverages Procurement's knowledge and expertise
- Eliminates duplicate efforts – compresses timelines
  
- Provides consistent customer experience and results (internal and external)
- Better manages organizational liability and exposure
- Improves ability to implement enhancements in response to industry or organizational needs

## Alignment to our Strategies:

- Operational (Efficiencies)
- Customer (Internal and External Customer Satisfaction)



Attachment A:

Contracting  
Responsibility Matrices



# RFP/RFQ Responsibilities Proposed

R – Responsible (the doer); A – Approver; C – Consulted (as needed); I – Informed	Procurement Analyst	General Counsel	Contract Owner	Evaluation Panel (if applicable)
Solicitation General Terms and Conditions	R	A		
Special Conditions (i.e. Funding Agency Requirements)	C	A	R	
Written Instructions incl. in the solicitation	R	A		
Evaluation Criteria (RFQ & RFP)	C		R	
Scope of Work (defined or undefined)	C		R/A	
Selection of the Evaluation Panel (RFQ & RFP)	I		R/A	
Timeline				
• Prior to Scope	C		R	I
• Subsequent to Scope	R		C	
Advertising/Posting Solicitation	R/A		I	
Vendor Questions/Answers				
• Manage Process	R/A		C	
• Provide Technical Responses	I		R	
Addendums				
• Manage Process	R/A		C	
• Provide Technical Responses	I		R	
Distribution of Information to Vendors	R/A			
Evaluation Scoring	C		I	R
Recording Evaluation Summary and Matrix	R		I	A
Award/Recommendation for Board Approval	C		R	
Negotiations (Top Ranked/Recommended Respondent ) <i>*dependent on required expertise (i.e. policy, legal, technical)</i>	R*	R*	R*	
Contract Terms and Conditions	R	A	C	
Contract Scope of Work and Compensation	C	C	R/A	
Contract Execution	R	A	I	
Contract Administration	C	C	R/A	



# RFB Responsibilities Proposed

<b>R – Responsible (the doer); A – Approver; C – Consulted (as needed); I – Informed</b>	<b>Procurement Analyst</b>	<b>General Counsel</b>	<b>Contract Owner</b>	
Solicitation General Terms and Conditions	R	A		
Special Conditions (i.e. Funding Agency Requirements)	C	A	R	
Written Instructions incl. in the solicitation	R	A		
Minimum Qualifications	I		R/A	
Specifications	C		R/A	
Timeline				
• Prior to Scope	C		R	
• Subsequent to Scope	R		C	
Advertising/Posting Solicitation	R/A		I	
Vendor Questions/Answers				
• Manage Process	R/A		C	
• Provide Technical Responses	I		R	
Addendums				
• Manage Process	R/A		C	
• Provide Technical Responses	I		R	
Public Opening	R/A		C	
Verification of Low Bid	A		R	
Award/ Recommendation for Board Approval	C		R	
Contract Execution	R	A	I	
Contract Administration	C	C	R/A	



# RFB – Public Construction Projects Responsibilities Proposed

<b>R – Responsible (the doer); A – Approver; C – Consulted (as needed); I – Informed</b>	<b>Procurement Analyst</b>	<b>General Counsel</b>	<b>Contract Owner</b>	
Solicitation General Terms and Conditions	R	A		
Special Conditions (e.g. Funding Agency Requirements) (1D)	C	A	R	
Written Instructions incl. in the solicitation	R	A	C	
Minimum Qualifications	C		R	
Technical Specifications	I	-	R	
Timeline				
• Prior to Scope	C		R	
• Subsequent to Scope	R		C	
Advertising/Posting Solicitation	R	-	I	
Vendor Questions/Answers				
• Manage Process	R/A		C	
• Provide Technical Responses	I		R	
Addendums				
• Manage Process	R/A		C	
• Provide Technical Responses	I		R	
Public Bid Opening	R	-	I	
Verification of Low Bid (Bid Tabulation)	C	C*	R	
* In support of exceptions/exclusions				
Award/Recommendation for Board Approval (Staff Report)	I	A	R	
Contract Preparation (Original/Duplicate Original)	I	A	R	
Contract Execution	I	A	R	
Contract Administration	C	C	R/A	