NYC Citywide Administrative Services

OCP

Inside CITYWIDE PROCUREMENT

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Issue 02

Language Services

DCAS Commissioner Edna Wells Handy

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New York is the most linguistically diverse city in the world, and it is believed that more than 800 languages are spoken within the five boroughs. Such diversity lends vibrancy to the City but can create hurdles to providing public services effectively. The Office of Citywide Purchasing's new Citywide Language Services Contract aids in the elimination of those hurdles, enhances public services, fulfills statutory obligations and achieves savings and efficiencies by consolidating agency buying power.

In accordance with Title IV of the Civil Rights Act of 1964, Federal Executive Order 13166, New York City Local Law 73 of 2003 and Mayoral Executive Order No. 120 of 2008, the City of New York requires all City agencies to provide language services to the public. Local Law 73 and Executive Order No. 120 specifically require agencies to ensure access to their services by developing and implementing agency-specific language assistance plans for individuals with limited English proficiency. City agencies currently provide assistance in 173 languages which are divided into Executive Order 120 group (6), common (72) and esoteric (95) languages. Executive Order 120 mandates but is not limited to services in the following six languages: Chinese (Cantonese/Mandarin/ Other); French Creole, Italian, Korean, Russian and Spanish.

Under the new contract City agencies will no longer have the administrative burden of developing and awarding multiple contracts, and the aggregation of language service demands will allow each agency to take advantage of the most competitive pricing available. Services are provided in six categories: telephonic interpretation; translations; in-person interpretation; transcription; sign language; and Computer Assisted Remote Translation (CART). In order to obtain the most beneficial pricing, a competitive task order process will be implemented after master agreements are registered for each of the language service categories.

Four of the six categories will have multiple awards (two vendors per category), and each of the remaining two categories (Transcription Services and CART Services), will be awarded to a different single vendor without undergoing the competitive task order process. Agencies will issue a service request to both vendors, and the request will include the estimated quantity of the services needed for the duration of the task order. The agency then awards a task order based on which vendor presents the lowest price. Agencies are allowed to generate multi-year task orders, and prices obtained from the vendor shall not exceed the prices set forth in the master agreements.

For more information on the Citywide Language Services Contract, please contact Liana Patsuria, Director of Services Purchasing, at lpatsuria@dcas.nyc.gov or call (212) 386-0467.

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Green Procurement

Green Procurement is an integral part of helping the City of New York 'go green' and is bringing about positive change to how the City purchases and uses products. The Office of Citywide Purchasing (OCP) has initiated an internal NYC Green Procurement strategic planning process. This initiative focuses on OCP's operations, but also challenges stakeholders throughout the City to take comprehensive action. The implementation of a NYC Green Procurement strategy incorporates scientific and technical elements, policy and political support, and a commitment from all City departments and agencies to place 'green' in the forefront of their purchasing practices.

As one example of recent efforts, OCP is working with the Mayor's Offices of Contract Services and Long Term Planning and Sustainability to develop guidelines for reduced packaging. In order to better understand current best practices, OCP conducted a vendor survey, the results of which identified over a dozen different ways that City of New York vendors can reduce packaging material. In another example, the pallet recycling pilot project demonstrates that the City can 'go green' and realize cost savings. The pilot project was designed and initiated to track and manage wooden pallets already at the Central Storehouse and to recover pallets that are directly shipped to agencies. Any agency with an excess of shipping pallets may either request that the Central Storehouse backhaul them for reuse, or contact DCAS's Office of Surplus Activities to resell them back to a pallet refurbishing and recycling company.

Current product offerings from our Minority and Women-Owned Business Enterprises (MWBE's) and New York State preferred source vendors such as the Industries for the Blind provide other new and innovative ways to rethink how the City uses materials, while also providing an opportunity to advance multiple goals at once. Going forward, OCP will continue to engage City agencies as well as other local, national and international procurement offices in the strategic planning process.

For more information on NYC Green Procurement, please contact Jeremy Block, City Research Scientist at jblock@dcas.nyc.gov or call (212) 386-0479.

eProcurement

DCAS, in conjunction with the Mayor's Offices of Contract Services (MOCS) and Operations, and the Financial Information Services Agency (FISA), are leading the City's eProcurement initiative, the goals of which are to better leverage technology to improve procurement practices and generate savings. These will be accomplished by streamlining and standardizing procurement processes, reducing cycle times, monitoring contract compliance and spending, simplifying vendor maintenance, and collecting more detailed data. Work currently underway consists primarily of four initiatives: Vendor Commodity Enrollment, Small Purchasing, Vendor 'Punch-Out,' and replacement of OCP's legacy purchasing system, CLIPS. The goals of this citywide multifaceted project are being achieved through better leveraging of the City's existing Financial Management System (FMS) platform.

The City's Vendor Commodity Enrollment initiative enables vendor self-enrollment and profile management directly in FMS through the Payee Information Portal (PIP). Active or prospective vendors may use this to update their contact information and to provide the City with their commodity code listing. Changes made in PIP will be reflected in FMS the next day. Allowing vendors to self-manage their commodities and contact information will lead to more accurate City bidders' lists, which will in turn improve procurement at all agencies. Vendors have been alerted to the new functionality via a strategic mailing campaign as well as by updated City websites.

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eProcurement (Continued)

The Small Purchasing initiative aims to standardize and streamline small purchasing (i.e., procurements under $100,000) throughout the City, and also to help improve management of the City's bidders' list data. Currently, departments utilize Vendor Source, a citywide list, to generate solicitation lists for small purchases. However, the remainder of the procurement process, including collection of vendor responses, is done independently by each department through its own internal process. The Small Purchasing initiative seeks to centralize the collection of solicitation responses and other elements of the process by creating vendor lists and recording response data, all in FMS.

Centrally recording the response data is a functionality currently lacking citywide; implementing this feature in FMS will improve the application of the City's procurement rules regarding firms who don't respond to solicitations. This process will eventually lead to less re-soliciting, as the list will be more likely to consist of firms who are interested and able to provide the commodity or service solicited. In addition to centralizing response data, the City will also be better informed about small purchase activity citywide. To date, 40 City agencies are using FMS to conduct small purchasing.

Through the 'Punch-Out' initiative, the City will begin integrating vendor ordering websites into FMS for its most used catalog requirement contracts. This will make shopping for these products more user friendly and allow the City to capture information about what sort of items are demanded citywide. Ordering from these contracts will be initiated through FMS as opposed to multiple platforms. This new procedure is comparable to an online shopping experience. After logging into FMS, the shopper selects the 'Punch-Out-enabled' contract and is directed to the vendor's site, where he or she builds a cart of items. Upon proceeding to checkout, the shopper is automatically redirected back into FMS. The shopping cart will then

'copy forward' into a purchase order which will be sent electronically to the vendor after required approvals.

This technology will allow for better leveraging of City spending as a result of product-specific spend data being captured directly in FMS. Punch-Out-enabled office supply ordering within FMS is currently in the testing phase and is expected to roll out with five selected pilot agencies in the spring and summer of 2013. Staples is the first requirement contract provider in the pilot program; most agencies will continue to use current processes (Direct Order System and Staples Advantage site) until the City evaluates the results of the pilot and decides whether to move forward with citywide implementation. If successful, the City hopes to create this functionality with more of its commonly used catalog requirement contracts.

City agencies will be contacted well in advance of their requested participation in the phased implementation of eProcurement. For those agencies involved in any of these initiatives, we welcome your feedback. We will work to ensure that these added functionalities improve both your ability to achieve your business goals and City procurement as a whole.

For more information on eProcurement, please contact Marissa Newman, Director of eProcurement at mnewman@dcas.nyc.gov or call (212) 386-0435.

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Enterprise Print Management (EPM)

In large organizations, like the City of New York, printing can often be a cost that is not efficiently managed or tracked. Currently, the City's printing costs exceed $30 million annually. Enterprise Print Management (EPM) is an action plan that achieves significant cost savings throughout the City's printing ecosystem by managing the enterprise-wide printing environment. This simplifies the supply and maintenance of print devices, which results in a reduction of operating costs and reduces the environmental impact of the organization's printing operations.

In late 2011, DCAS released a Request for Proposal (RFP) to find a partner to implement a citywide EPM solution. In May 2012, the City selected Xerox from a competitive pool of vendors. Currently, the City and Xerox are in the final stage of contract negotiations with the expectation that the contract will be signed and registered in fiscal year 2013.

Initially, Xerox will conduct a thorough assessment of the City's office spaces, which includes documenting their current device configurations and assessing their Total Cost of Ownership. Based on this assessment, Xerox will create a Current State Assessment to document its findings, and a Future State Document that proposes a streamlined configuration to meet the City's needs at a lower cost. In short, by analyzing the current printing production of each agency, Xerox will identify ways the City can reduce its printing cost.

In addition to cost savings, EPM will reduce the City's printing equipment footprint, moving away from owning many single function devices (printers, copiers, scanners and fax machines), and towards a streamlined inventory of multifunction devices that provide more features and are better for the environment.

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MWBE Update

Minority/Women-Owned Business Enterprises

The Office of Citywide Purchasing's (OCP) Minority and Women-Owned Business Enterprise (M/WBE) Program kicked off the New Year with a Doing Business with DCAS Workshop for the Women Presidents' Educational Organization (WPEO).

In preparation for the implementation of Local Law 1 of 2013, which is effective July 1, 2013 and sets aggressive targets for women-owned business enterprises, OCP jumpstarted its outreach efforts by partnering with a leading advocate of women-owned businesses and third party certifications.

Local Law 1 improves the M/WBE Program by eliminating the $1 million cap on contracts that are covered by the program, the goal of which is to increase participation in City contracting by minority- and women-owned businesses. The new local law will also enhance oversight and reporting requirements to ensure that the City is meeting its M/WBE program goals.

Local Law 1 also expands opportunities for women-owned businesses by setting high subcontracting requirements for women in construction. DCAS is partnering with M/WBE advocacy groups to inform them about contracting opportunities and to encourage them to bid on DCAS contracts.

For more information on doing business with DCAS, please contact Christine Norman, M/WBE Officer, at cnorman@dcas.nyc.gov or call (212) 386-0383.

Quality Assurance

The Office of Citywide Purchasing's Quality Assurance (QA) unit is responsible for the inspection of all items purchased through, or in cooperation with OCP. QA provides City agencies with technical advice, development of specifications, and detailed inspection of items delivered to all Mayoral agencies as well as some non-Mayoral agencies. QA's Technical Services Unit is adept at examining items, and testing and conducting quality assurance evaluations against purchase order and contract specifications. Section 330 of the New York City Charter mandates the inspection of goods purchased by DCAS/OCP. Inspection of items purchased through OCP contracts and capital purchases ensures that all purchases reflect fair market dollar value and certifies acceptance that received materials meet the requirements as specified in the contract.

Quality assurance inspectors are trained to handle the inspection and quality evaluation of a wide variety of items including food and forage, textiles, paper and printing, automotive equipment, metals, construction equipment, chemicals, fuels, laboratory equipment, and hospital equipment and supplies. QA's work also has significant audit and corruption-prevention benefits. The presence of a professional third party at the receiving site, whose primary responsibility is to review the quality of the material and equipment received, reduces opportunities for corruption.

QA inspectors will spot items that are poorly made or do not meet specifications, as well as identify when the delivery quantity does not match the amount ordered. Attention to detail can easily be missed by an untrained receiver whose review may be limited to confirming that the delivered items match the overall description on the purchase order. The inspection of products that directly relate to public health, such as food and fuel, can prevent serious public safety crises. Defective high-ticket items, such as vehicles and metals can also result in serious monetary repercussions for the City if defects are not identified before such items are put into service.

QA has developed a streamlined quality evaluation standard. This ensures that quality items are supplied to City agencies on a timely basis. These requirements are supported by clauses contained in City contracts with suppliers, and on individual purchase orders which require suppliers to conform to the contract requirements. Items that are purchased yet do not conform to the contract requirement may be subject to rejection. In the event of a rejection vendors/suppliers are required to replace the rejected materials. In the event that goods are delivered in usable condition yet don't match the specifications, an appropriate price reduction will be negotiated as means of avoiding the economic waste that comes with rejecting usable materials.

The QA unit ensures that the City of New York continues to receive quality materials that enable City agencies to fulfill their mission.

For more information on Quality Assurance, please contact Cliff Francis, Director of Quality Assurance at cfrancis@dcas.nyc.gov or call (212) 386-0405.

EPM Continued

EPM will also simplify the supply and maintenance of print devices because Xerox will monitor the City's supply usage, and send new supplies before the agency runs out. Xerox's monitoring will also prevent breakdowns before they happen. A citywide EPM implementation is projected to save over $25 million over the course of the five year contract.

For more information on Enterprise Print Management, please contact Aaron Roller, Director of Special Projects at aroller@dcas.nyc.gov or call (212) 386-0399.

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Staff Updates

As part of our ongoing efforts to provide first class service to our Client agencies, please note the staff updates below:

George Abraham received his B.A. from Queens College. He was with the United States Navy as a Logistics Specialist for four years, responsible for logistics operations, procurement, and quality management. George will have a dual responsibility: as a Quality Assurance Specialist in the Automotive unit; and working with Jeremy Block in the development of OCP's Green Procurement strategy, focusing on supply chain, logistics, and distribution. George's invaluable experience in logistics, inventory management, and distribution make him a natural liaison for Purchasing, QA, and the Storehouse.

Jeremy Bailey received both his B.S. and M.B.A. from Embry-Riddle Aeronautical University. He joins us from Boeing, where he served as Lead Procurement Finance Analyst reviewing RFPs, supervising buyers and implementing financial controls. Prior to Boeing, he was at Lockheed Martin, where he issued RFPs and purchased MRO supplies. Jeremy also has financial analysis experience from General Electric. He will be an integral part of the Services unit leveraging his procurement and financial experience.

Jeremy Block received both his Bachelors and Doctorate degrees from Duke University. He brings years of extensive research, analysis and publication history, in addition to public policy, ethics and regulatory experience. He also has experience working for the federal government at the Office of Management & Budget. As a City Research Scientist, Jeremy will be an integral part of the Environmental Group working with agencies and the vendor community to develop and support the City's environmental procurement and compliance efforts. He will also be working with client agencies to identify opportunities to design contract offerings that reflect and enhance emerging green policy initiatives.

Marisol Cintron received her B.A. from Hunter College. She joins us from FISA where she spent six years as a Senior Procurement Analyst. She administered highly complex bids and specialized IT procurements and brings extensive knowledge and experience in conducting RFP solicitations. Prior to FISA, Marisol worked as a Project Analyst in the Finance Department at Altria Corporate Services. She will be an integral part of the Services unit developing and managing our portfolio of shared service contracts.

Marissa Newman joins us from the City of San Antonio. She brings with her years of great technical and analytical ability and project management experience. She was successful in managing the implementation of an eProcurement system in San Antonio and will be instrumental in the City's efforts to leverage technology to improve City procurement processes. Marissa holds a Masters of Arts in Economics from the University of Texas at San Antonio.

Aaron Roller holds a Masters of Urban Planning from Harvard University Graduate School of Design and joins us from the Mayor's Office of Operations where he served as a Senior Policy Advisor. Aaron will spearhead the citywide Enterprise Print Management initiative aimed at streamlining agency operations and modernizing agency technology among other special projects.

Fa-Tai Shieh brings years of great analytical ability and management skills from private banking as well as from the public sector. At Citigroup, he was heavily involved in risk analysis, mathematical modeling, planning, and other types of analysis as part of the Global Market Analytics team; and served as a credit officer. He also has experience working for the World Bank as a financial accounts analyst and providing research and analytical support at the United Nations. Fa-Tai holds a Masters of Public Administration in Economic Policy from Columbia University, School of International and Public Affairs.