PAD 5935 (special topic) **Dr. Kl**ay
MANAGING PUBLIC PROCUREMENT **Spring 2008**

A. COURSE DESCRIPTION

Managing the acquisition of goods and services by governments from businesses, nonprofits, and other governments; determining requirements, make vs. buy decisions, solicitation and selection of vendors, preparation and award of contracts, and contract administration through termination.

B. COURSE OBJECTIVES

The course will explore a number of different issues pertaining to the procurement of goods and services by. Specific course objectives include the following:

1. To assure that students are well aware of current issues and practices pertaining to determining whether governments should purchase goods and services or have these made by government employees (the "privatization" decision);

2. To become better acquainted with options for organizing the procurement function;

3. To develop an understanding of the special problems related to specifying what is to be purchased and learning how to get help in deciding this;

4. To develop an understanding of options for solicitation and selection of vendors;

5. To develop an understanding of contract development as well as sound practices for managing contracts;

6. To learn the challenges and recommended practices in the purchasing of Information Technology as well as the use of IT, the Internet especially, in the procurement function.

C. COURSE EVALUATION

Attendance & Participation	10%
Mid-term exam	20%
Paper	30%
Final Exam	40%

D. TEXTS TO PURCHASE … NONE!

There are readings aplenty for this course but all readings are available electronically, either on the course Blackboard site or via a web site. The textbook cost to students is *zero*.

E. ACCOMMODATION FOR A DISABILITY

If you need accommodation for a disability please speak with the instructor by the end of the first class.

F. HONOR CODE

The Academic Honor System of the University is based on the premise that each student has the responsibility (1) to uphold the highest standards of academic honesty in his/her own work (2) to refuse to tolerate academic dishonesty in the University community, and (3) to foster a high sense of honor and social responsibility on the part of students. Any work submitted that is not the student's own original work, plagiarized in other words, will be graded as a zero grade, likely resulting in a failure in the course.

G. STUDENT NETWORKING WITH PROCUREMENT PROFESSION

Students are encouraged to become members of the National Institute of Government Purchasing. The NIGP offers *free* membership to students. Students who are members can access research and other information at the NIGP website. If you are a full time student (six [6] or more hours for graduate students) in public administration you qualify. Students can apply online and fax the requested documentation, a letter from the Askew School (from your instructor) verifying the applicant's status as a student. The national web site is: http://www.nigp.org/

The Tallahassee Area Chapter of the NIGP invites students to attend its monthly meetings as well as training sessions and other events: http://www.tallynigp.org/

The Florida Association of Public Purchasing Officers: http://www.fappo.org/

H. TERM PAPERS

Papers should study contemporary problems in public procurement. Solid reviews of relevant literature are a fundamental requirement. Students are also welcome to interview practitioners or gather other kinds of information, depending on topics chosen. Students should especially review articles in relevant procurement journals such as those from which the articles assigned below are selected. All topics must be approved by the instructor by the end of the 4th week in the term. The instructor will provide an ungraded review with suggestions for improvement of the paper *if submitted by March 27th*. Papers should generally be about 15 pages.

Examples of topics:

- Facilitating inputs by Procurement Officials to Strategic Decisions
- Supply Chain approaches for government agencies
- Innovations in training and developing procurement personnel
- Best practices in procurement: information technology, advanced infrastructure, 'make vs. buy' decision-making, contract administration, measuring contractor performance, needs/requirements forecasting, advancing social or environmental goals, obstacles to forming effective procurement teams, design-build-operate experiences, overcoming 'ignorance' in framing requirements/specifications, e-procurement and 'reverse' auctions, intergovernmental contracting innovations, etc.

I. OUTLINE

(Note: Unless otherwise indicated, each reading is posted to the Blackboard site)

<u>1. INTRODUCTION: THE SCOPE & MANAGING OF PUBLIC PROCUREMENT</u>

(weeks 1 & 2 … Jan 10 & 17)

Buffington, "Our Changing Role: Procurement as a Strategic Partner," *Source* (NIGP), Winter 2007

Sandy Keeney, "The Foundations of Government Contracting," (a brief history), *J of Contract Management*, Summer 2007

GAO Forum, *Federal Acquisition Challenges and Opportunities in the 21st Century*, 2006

Kenneth Barden, "Strategies Support Procurement Reform" (elements of good procurement systems), *Government Procurement*, October 2006

Report of the Acquisition Advisory Panel to the Office of Federal Procurement Policy, 2007

Scott Shane and Ron Nixon, "In Washington, Contractors Take On Biggest Role Ever," *NY Times*, 2007

Vicky W. Knerly, "Contracting with the US Government: A Small Business Perspective" *Journal of Contract Management*, Summer 2007

Bill Harry, et. al. "Contracting Out Procurement Functions: An Overview," *Contract Management*; Oct 2006

FLORIDA:
Florida IG, Roadmap to Excellence in Contracting, 2003

OPPAGA, Steps Have Been Taken to Enhance State Acquisition Management, But Further Improvement Is Needed, 2006

CAREER CONSIDERATIONS:
Federal Acquisition Institute, "Report on Competencies for the Federal Acquisition Workforce," 2003 http://www.fai.gov/pdfs/CompRept-ExecSum01-08-04FINAL.pdf

Burris DeBenning, "The Beginning of a Beautiful Relationship: A New Career in Public Purchasing," *Source* (NIGP), Spring 2006, 5-8.

City of Miami, Job Description for "Procurement Supervisor"

Cases for Discussion:
Mark Twain, *The Facts in the Case of the Great Beef Contract*

Sandra Emerson, "Promises and pitfalls of contracting for public services: The LAWA Case (Los Angeles airports)," *Journal of Public Budgeting & Financial Management*, Summer 2000

Gansler Commission, "Urgent Reform Required: Army Expeditionary Contracting," Report of the Commission on Army Acquisition and Program Management in Expeditionary Operations, October 31, 2007 (read for major findings; see presentation slides at end, and executive summary, to start) [also see 'accounts of misbehavior" in following ethics section]

Required articles for Doctoral students:
Thomas Sinclair, "Governmental purchasing in the public policy process: Orienting theory and practice," *Journal of Public Budgeting & Financial Management*, Summer 2000

Keith F Snider, "Procurement Leadership: From Means to Ends," *Journal of Public Procurement*;6:3, 2006

Reference Source:
Texas Comptroller, *Model Purchasing Manual for Texas Cities and Counties*, 2003

2. ETHICS, POLITICS, AND THE LEGAL FRAMEWORK

(week 3 … Jan 24)

NIGP Code of Ethics, at:
http://www.nigp.org/genlinfo/2001CodeofEthics.pdf

US Office of Government Ethics, "Ethics and Procurement Integrity," brochure 2007

Suzanne M. Dallimore, "The Ten Commandments of Ethical Government Purchasing," *Government Procurement;* April 2006

Ruben Berrios, "Government Contracts and Contractor Behavior," *Journal of Business Ethics*, January 2006

USDOD, IG, *Handbook on Fraud Indicators for Contract Auditors*, 1993

Accounts of Misbehavior:

Paul Snell, "Top US government purchaser guilty of 'lying'," *Supply Management:* London, July 2006

Ginger Thompson & Eric Schmitt, "Graft in Military Contracts Spreads from Base," *NY Times*, Sept. 24, 2007 (case of Army major and family)

Eric Schmitt & James Glanz, "US Says Company Bribed Officers in Iraq," *NY Times*, Aug. 31, 2007 (case of company bribing contracting officers)

US DOD, Inspector General, "Alleged Conflict of Interest," Report of Investigation (US Navy retired Admiral), 2006

Cases for Discussion:
Kristin Atwater, "Whistle Blowers Enforce Procurement Ethics," *Government Procurement*, Oct. 2006 (2 Florida cases show need for job tenure protections)

Wisconsin Travel Contract Case, *NY Times & Milwaukee Sentinel*, 2006 & 2007 (politically motivated prosecution, jailing & exoneration of procurement official)

"Interview with Al Zuck," Electronic Hallway Case on political interference

3. ACQUISITIONS PLANNING: Make vs. Buy
(week 4 … Jan 31 ; also topic 4 this week)

Brent Steel and Carolyn Long, "The Use of Agency Forces vs. Contracting Out," *PAQ*, Summer 1998

Lawrence Martin, "How to Compare Costs Between In-House and Contracted Services" Reason Foundation, How To Guide, 1993

Florida Tax Watch, "A Report of the Florida TaxWatch Outsourcing Task Force," March 2007

Ruth DeHoog, "Human Services Contracting," *Administration & Society*, February 1985;

Case Studies for discussion:

OPPAGA, "Review of the Potential for Privatizing Student Transportation," 1998

OPPAGA, "Feasibility of Outsourcing Florida's Statewide Retirement Systems," 2001

Eileen Morton and Thomas Weeks, "Labor Intensive Politics," Electronic Hallway case

David Kennedy and Robert Leone, "Cornwall County School District,"
Electronic Hallway case on contracting for custodian services

4. ACQUISITIONS PLANNING: Supply Chain Management Perspective
(week 4 … Jan 31)

National Association of State Procurement Officials (NASPO), "State Procurement: Strategic Positioning for the 21st Century," 1999

Joanie F. Newhart, "Strategic Sourcing: What's All the Buzz About?" *Contract Management;* Jan 2006

Case Study for discussion:

Dagmara Scalise, "Building an Efficient Supply Chain," *hospitalconnect.com*, (hospital supply chain management), 2007

5. ACQUISITIONS PLANNING: Specifications/Scope of Work
(week 5 … Feb 7)

John Rehfuss, *Designing an Effective Bidding and Monitoring System*, Reason Foundation, 'How To' Guide

Beau Grant**, "**Who Should Write the 'Specs'?" *Government Procurement;* Feb 2006;

Queensland (Australia) Department of Public Works, "Developing Specifications for Purchasing," Better Purchasing Guide, 2000
http://www.qgm.qld.gov.au/00_downloads/bpg_devel.pdf

Gregory A Garrett, "Performance-Based Contracting," *Contract Management;* Jan 2007

Case Studies for discussion:
Sandy Springs, GA, RFQ to get vendor assistance in planning for E911 services

Defense Standardization Program Case Study, "Navy Self-Contained Breathing Apparatus: Market Research Yields Significant Results,"
http://assistdocs.com/search/document_details.cfm?ident_number=216315&StartRow=1&PaginatorPageNumber=1&doc_id=DSP-CS&search_method=BASIC

6. PROCUREMENT METHODS: Solicitation of Bids/Proposals
(week 6 … Feb 14)

Wendell C. Lawther**,** "Flexible Procurement Approaches that Facilitate Relationship Change and Negotiation: The Use of the Invitation to Negotiate (ITN)," *Journal of Public Procurement;* 7:2, 2007

Richard D. Lieberman**, "**10 Big Mistakes in Government Contract Bidding," *Contract Management;* Jan 2007

Pasco District Schools, "Doing Business with Pasco County Schools," web site:
(an award winning purchasing organization; notice their organizational structure as well as the information they provide to prospective vendors)
http://purchasing.pasco.k12.fl.us/Pages/business.html

Pasco School Board, Request for Qualifications (RFQ) for construction managers

Case Studies for discussion:

FSU Request for Proposals (RFP) for Lobbyist Services, 2006
Proposals submitted in response
FSU Invitation to Negotiate (ITN) for Lobbyist Services, 2007
Pre-negotiation Proposals submitted in response
Post-negotiation "Final and Best Offer" Proposals

Invitation to Bid (ITB) for Cakes and Pastries (How to not get any bids)

7. PROCUREMENT METHODS: Evaluation of Bids/Proposals
(week 6 … Feb 14)

Queensland (Australia) Department of Public Works, "Evaluating Offers in Purchasing," Better Purchasing Guide, 2000
http://www.qgm.qld.gov.au/00_downloads/bpg_evaluate.pdf

Queensland (Australia) Department of Public Works, "Value for Money," (includes life-cycle/whole-of-life costing) Better Purchasing Guide, 2000
http://www.qgm.qld.gov.au/00_downloads/bpg_value.pdf

West Palm Beach, RFP Evaluation Committee Instruction Video
http://www.cityofwpb.com/Purchasing/rfp_selection_committee_training_dvd.php

Case Study for discussion:
FSU Evaluation Committee Instructions
FSU Evaluation Committee "Sunshine" Instructions and Certification
FSU ITN for Lobbyist Services Score Sheet, 2007

NEGOTIATIONS
(week 7 … Feb 21 … expect mid-term this week)

Queensland (Australia) Department of Public Works, "Negotiation in Purchasing," Better Purchasing Guide, 2000 http://www.qgm.qld.gov.au/00_downloads/bpg_negoti.pdf

Vincent Gooden, Contracting and Negotiation: Effective Practices of Successful Human Service Contract Managers, *Public Administration Review*, Nov/Dec, 1998

Quo and Wilson, "The Scientific Art of Contract Negotiations," Educause Quarterly, No. 1, 2001, 32-38 http://www.educause.edu/ir/library/pdf/EQM0114.pdf

8. CONTRACTING BASICS
(week 8 … Feb 28)

Steven Schooner, Objectives for a System of Government Contract Law, *Public Procurement Law Review*, 2002

Frederick Marks, "True Competition," (protecting against 'less-than-qualified' vendors) *Government Procurement*, Oct. 2006

Reason Foundation, *Performance-Based Contracting: How-To Guide*

Randall C. Burleson & Lynn Wilson, "Incentive Contracts," *Contract Management;* Sept. 2007

Queensland (Australia) Department of Public Works, "Intellectual Property in Purchasing," Better Purchasing Guide, 2000
http://www.qgm.qld.gov.au/00_downloads/bpg_intellprop.pdf

Case Study to Discuss: (follow classroom instructor's guidance, not instructions in case study)
Eugene Bardach, Mental Health Contract Case, Electronic Hallway

9. CONTRACT ADMINISTRATION
(week 9 … March 6) … SPRING BREAK March 13th

Office of Federal Procurement Policy, *A Guide to Best Practices for Contract Administration*, 1994

Richard D Lieberman, "10 Big Mistakes in Government Contract Administration," *Contract Management;* Dec 2006

National Legislative Program Evaluation Society, contracting for performance auditing services (note the monitoring strategies)

John Dobriansky, "Contract Management: What Happens After the Contract Award?" *Contract Management;* Apr 2006

Case Studies for discussion:
Steven Schooner, "Contractor Atrocities at Abu Ghraib: Compromised Accountability in a Streamlined, Outsourced Government," 16 *STAN. L. & POL'Y REV*. 549 (2005)

Jonas Prager & John Flynt, "Contract Management in Contract City: The Case of Weston, Florida," *PM. Public Management*. Oct 2007

Amy Keller, "A New Mindset," (contracting South Florida State [mental] Hospital) *Florida Trend*, December 2007 to be added when posted electronically

Rick Roussos, "Mulberry, Florida's Fire Hydrant Crisis," *Lakeland Ledger*, 2007

10. PROTESTS, DISPUTES. LITIGATION, AND TERMINATIONS
(week 10 … March 20)

Cynthia Barnett, "Road Racket." *Florida Trend*, August 2000

Robin Pogrebin and Katie Zezima, MIT Sues Contractor, *NY Times*, Nov 7, 2007

Karen Walker, "A Different Point of View: Bid Protests from the Vendor's Perspective," Holland & Knight, PowerPoint presentation

International City Management Association (ICMA). "Strategies for Dealing with an Angry Contractor Who Loses a Re-Bid," 2007

Ginger Thompson & Eric Schmitt, "Life Was Lost in Maelstrom of Suspicion," NY Times, Dec. 4, 2007 (suicide, USAF's conduct, and resulting bid protest)

Case Study for discussion:

Gerado, "Organizational Ethics Case Study: The Bon Secours Richmond Contract Renewal."
http://www.chausa.org/Pub/MainNav/News/HP/Archive/2001/09SeptOct/Articles/SpecialSection/HP0109.htm

GAO, Decision on Bid Protest for Language Training Contract, Oct. 12, 2007

11. CONTRACTING FOR IT AND "INTELLIGENT" INFRASTRUCTURE
(week 11 … March 27)

Philip J Tarnoff, "Principles of Procurement for High-Technology Systems," *Institute of Transportation Engineers. ITE Journal;* Jan 2007

GAO, "Information Technology: Leading Commercial Practices for Acquiring Information Technology Services," GAO-02-214, 2001

NASCIO and NASPO, "Getting What You Need on the Way to the Win-Win! Leveraging the RFP in State Technology Procurements," Research Brief, 2005

W. Earle Klay and Margaret Bowden, "Contracting for 21st Century Infrastructure," *Public Budgeting & Finance*, Fall 1996

Carole Pettijohn & Yuhua Qiao, "Procuring technology: Issues faced by public organizations," *J of Public Budgeting, Accounting, and Financial Management*, Fall 2000

Case Studies for Discussion:
Tod Newcombe, "Big Project Woes Halt Child Support System (California)," *Government Technology*, Feb. 1, 1998

Seattle, WA, Tolt River water facility construction, (a successful example of Design-Build-Operate Procurement at its best)

12. PROJECT MANAGEMENT FOR PROCUREMENT

(week 12 … April 3: also following topic #13)

Ed Rinkavage; Patricia Bennis; Chuck Gault, "Project Management: Partnering With Procurement," *Government Procurement;* Apr 2006

Joseph Phillips, "ABC: An Introduction to Project Management," *CIO Magazine* tutorial

Project Management Basics (from Wiki sources) including tools and software

13. E-PROCUREMENT

(week 12 … April 3)

Geoffrey Segal & Mathew Taylor, "Electronic Procurement: How Technology Is Changing Government Procurement," Reason Foundation briefing, 2001

Mahendra Gupta & Richard Palmer, "Purchase Card Use by the U.S. Government," *J of Government Financial Management*, Summer 2007

Eric Prier & Clifford McCue, "E-Procurement Adoption in Local Governments of the United States," *Source* (NIGP), Winter 2007, 10-14.

Recommendations of the Texas State Auditor, "Use "Reverse Auctions" to Reduce Procurement Costs," 2001
http://www.window.state.tx.us/etexas2001/recommend/ch02/cg05.html

Case Studies for Discussion:
John Moore, "E-Procurement Pays Its Own Way" *FCW.com*, April 2, 2007 . DeKalb County, GA case http://www.fcw.com/print/13_10/news/98118-1.html

Anthony Cormier, "Bradenton's Plastic Perks: City spends tax dollars freely using credit cards," *HeraldTribune.com*, Oct. 14, 2007

14. INTERGOVERNMENTAL CONTRACTING FOR SERVICES

(week 13 … April 10)

John Donlevy, Intergovernmental Contracting for Public Services

St. Petersburg Times, articles on Crystal River, FL Abolishing Police Department, *St Petersburg Times*, 2006-7

Case Study for Discussion:
Citrus County Sheriff's Office, Contract for Police Services with City of Inverness

Michael Hattery, "Town of Esperance Contract with Schoharie County for Highway Services," Cornell University, Cooperative Highway Services Case Study Report, December, 1996

15. PROCUREMENT FOR CRISES/EMERGENCIES

(week 14 … April 17)

David Drabkin & Khi Thai, "Emergency Contracting in the Federal Government," *Journal of Public Procurement;* 7:1, 2007

Allen Friar, "Federal Contracting in Emergencies: A Critical Skill," *Contract Management;* Mar 2006;

Cases for discussion:
NIGP Editorial Staff, "A Failure of Initiative: The Hurricane Katrina Report,"
Mary Howe, "Emergency Preparedness: City of Punta Gorda FL,"
Keith Glatz, "Emergency Preparedness: City of Tamarac, FL,"
Cheryl Shanaberger, "Florida Hurricane Response Effort: Visa Purchasing Card Case Study,"

All four of the above in: *Source* (NIGP), Summer 2006

Glendale, AZ, Application for NIGP Innovation Award for Emergency Procurement

See Also:
FEMA, National Incident Management System (NIMS) Intrastate Mutual Aid Agreement on-line course
http://emilms.fema.gov/IS706/index.htm

16. PROCUREMENT TO ACHIEVE SOCIAL &ECOLOGICAL POLICY GOALS
(week 15 … April 17)

Scot Case, "Responsible Sourcing – The Social Component," *Source* (NIGP), Winter 2006, 20-23.

NIGP, "Responsible Purchasing – It's Not Easy Being Green" Symposium including: Scot Case, " Responsible Sourcing Goes Mainstream," *Source* (NIGP), Spring 2006

Case Studies for Discussion:
Travis County (Austin), TX. Historically Underutilized Business (HUB) Program. NIGP award winning program. Read all information on this web site and watch video: http://www.co.travis.tx.us/purchasing/hub.asp

Stacey Foreman, "City of Portland Takes on Environmentally Preferable Purchasing," *The Source* (NIGP), Spring 2006 (see above NIGP symposium)

Commonwealth of Massachusetts, Environmentally Preferable Products Procurement Program, web site:
http://www.mass.gov/?pageID=osdtopic&L=3&sid=Aosd&L0=Home&L1=Buy+from+a+Contract&L2=Environmentally+Preferable+Products+(EPP)+Procurement+Program