



February 27, 2013

To: Roselyn Marcus, Assistant Director, Contracts and Legal Services Division  
From: Christine Warnock, Manager, Master Contracts & Consulting  
Subject: Western States Contracting Alliance – Information Paper

## **Background**

The Western States Contracting Alliance (WSCA) was formed in October 1993 by the state purchasing directors from fifteen National Association of State Procurement Officials (NASPO) western states. The primary purpose of creating WSCA was to establish the means by which participating states could join together in cooperative multi-state contracting. The directors agreed the role of public procurement was to obtain quality goods and services to support effective and efficient government ensuring the prudent use of public funds. Public procurement professionals add value to every government program by:

- Providing efficient delivery of products and services;
- Obtaining best value through competition;
- Offering fair and equitable competitive contracting opportunities for suppliers; and
- Maintaining public confidence through ethical and transparent procurement practices.

As contracting workloads increased, purchasing requirements were becoming more complex and budgets and resources declining, government procurement officials strained to continue to meet these objectives and sought new and innovative tools to deliver effective and efficient support. Cooperative Contracts were one such tool. WSCA membership consists of the central procurement official that heads the state central procurement organization (or a designee for that state), from Alaska, Arizona, California, Colorado, Hawaii, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming.

In 2007, WSCA and NASPO expanded the cooperative purchasing program beyond the WSCA region to include all other regions of the country with the goal of all states taking a larger role in establishing and leading national cooperative contracts. This means cities, counties, public schools and institutions of higher education in all states can also participate on the WSCA contracts; provided the state has chosen to participate or the state purchasing director approves local government use.

Washington is a charter member, participating under WSCA Contracts since inception of the organization. While Washington supports cooperative procurement and actively participates in NASPO and WSCA, participation under such contracts has been limited to those contracts determined to be necessary and in the State's best interest. Washington does not participate under all NASPO and WSCA Contracts. Department of Enterprise Services (DES) pursues best value in our contracts, whether it is via cooperative procurement opportunities like WSCA or competed directly in Washington.

### **WSCA/NASPO Contracts**

WSCA/NASPO Cooperative Contracts use a "lead state" model to ensure open, competitive contracts. The lead state's role is to develop, solicit, evaluate, award, and manage a specific contract. This is done under a set of procedures and with a set of terms and conditions established by WSCA, but must also be completely valid and proper under the lead state's procurement requirements. The remaining WSCA/NASPO states have statutory authority allowing participation in cooperatives. Washington uses RCW 39.34.030.

There are currently 59 WSCA/NASPO contracts, with Washington participating on 27 and is the lead state on 11 (Attachment 1). WSCA contracts are usually based on the common requirements of multiple states. The greatest potential value is:

- Lower prices by standardizing products and services and aggregating requirements; economies of scale of multiple organizations;
- By using specialized specification writers, procurement professionals and technical evaluation committee members WSCA contracts can sometimes result in a better product than a state working independently;
- The ability to share procurement professionals allows for reallocation of internal resources;
- Administrative efforts and costs are spread across multiple governments;
- Stronger contract terms and conditions by leveraging cooperative contracting;
- Superior maintenance/service. Large and small agencies receive the same excellent service;
- Provide local and small businesses with an opportunity to bid.

Some reasons the state may determine not to participate on a WSCA contract include:

- It is determined Washington can obtain better value contracting for its unique needs independently;
- Legal compliance such as Correctional industries, Services for the Blind;
- Supplier diversity goals and opportunity for small business that might not be able to handle the combined requirements of multiple governments;
- Doesn't meet Washington's competitive procurement requirements.

## **WSCA Funding**

1. WSCA Administration Fee: WSCA assesses an administration fee ranging from .10% to 1.5% (standard is .5%) of the value of purchases to pay for operating costs of the organization that includes: payment of an independent organization to run the daily operations; WSCA Directors Meetings; contract sourcing team meetings; conferences; and professional development training.
2. Lead State Administration Fee: On an annual basis, each lead state is required to submit a budget for the contracts that they lead. The budget should include any costs the lead state will incur in bid development, conferences related to the contract (where the state would be seeking WSCA reimbursement), and contract administration (provided the contract doesn't have a management fee incorporated). In the 18 months, DES has received \$316,058 in WSCA reimbursements for the lead contract expenditures. Attachment 2 is a summary of the WSCA budget for that period.
3. WSCA Events Travel: Washington State employees travelling on state business for WSCA/NASPO understand the responsibility and scrutiny under which this travel is conducted. Accommodations, though reimbursed to the state by WSCA/NASPO, are not exorbitant and travel is for business directly of benefit to the state. Attachment 3 is a summary of WSCA travel for 2012 with a summary of the purpose of the employees, location, duration and purpose of the travel.
4. Professional Development Fund: Each WSCA/NASPO state is allotted \$20,000 each year to use for professional development of procurement staff, which includes procurement related training, conferences, certification, education, etc. The state requests reimbursement from WSCA/NASPO for appropriate professional development activities. Attachment 3 includes some of the non-WSCA/NASPO related travel and conferences where the state used allotted professional development funds.

## **WSCA Future**

WSCA has been so successful as a region of the NASPO organization, the WSCA directors have worked with their counterparts in the other NASPO regions to restructure the organization to create a new separate legal entity (LLC), with NASPO as the sole member. The result is a single focused, enterprise program as originally intended (moving away from WSCA as a separate entity from NASPO). The new cooperative purchasing organization's title is "WSCA/NASPO Cooperative Purchasing Organization" (to evolve eventually to "NASPO Cooperative Purchasing Organization"). The restructuring was effective January 1, 2013.

Washington takes full advantage of the benefits of the WSCA/NASPO Cooperative Purchasing Organization, which includes significant savings documented over many years; professional development training opportunities for procurement staff throughout the state; research, guides, best practices, and benchmarking data to help make educated and knowledgeable contracting and business decisions; and using the NASPO listserv to survey counterparts in all 50 states on

emerging issues, etc. In addition, Washington serves as the organization's vice-chair, actively serves on a number of committees (i.e. Chair of Green Purchasing Committee, participating on Cooperative Purchasing Governance Workgroup, and the e-Procurement Steering Committee); and participates in a number of sourcing teams.

**Attachment 1 - WSCA/NASPO Contract Listing- Alphabetical**

WSCA/NASPO Contract	Contract #	Lead State	Washington Participating?
Automatic External Defibrillator/AED	N/A	Oklahoma	Yes
Auto Parts and Supplies	N/A	California	No
Background Screening Services	N/A	Utah	No
Best Value Contracting Process	N/A	Alaska	No
Body Armor	02711	Colorado	Yes
Breast Pumps and Accessories	01910	Washington	Yes
Computer Equipment, Peripherals & Related Services	DIS	Minnesota	Yes
Contract Compliance & Cost Recovery Services	N/A	Utah	No
Culinary Items, disposable	N/A	Nevada	No
Data Communications Equipment and Associated OEM Maintenance & Training	DIS	Utah	Yes
Dental Supplies	N/A	Oklahoma	No
Digital Print & Quick Copy	PRT	Utah	No
Drug Testing Kits	N/A	Arkansas	No
Electronic Monitoring Equipment and GPS Services	14600	Washington	Yes
eProcurement Solutions	N/A	Colorado	TBD
Facilities MRO	01711	Nevada	Yes
Fire Alarm Testing/Suppression Services	08008	Nevada	Yes
Fuel Cell Power Units, Components and Accessories	01605	Washington	Yes
Hazardous Incident Response Equip. (HIRE)	N/A	New York	No
HIV, Saliva, Alcohol, and Hepatitis C Testing Kits	N/A	Arkansas	No
Incontinent Briefs	N/A	Arkansas	No
Inmate Kiosks	N/A	Nevada	No
Janitorial Supplies and Industrial Paper	00307	Oregon	Yes
Laboratory Equipment and Supplies	03810	Idaho	Yes
Legal Subscription Services	N/A	Minnesota	No
Lottery Merchandise	00209	Washington	Yes
Mailing Equipment and Maintenance	N/A	Arizona	No
Managed Print Services	N/A	New Mexico	No
Multifunction Copiers & Related Software	N/A	Nevada	Yes
Multi-State Postage and Mail Processing Equipment	06907	Massachusetts	Yes
Nationwide Lodging	N/A	Oregon	Yes
Nationwide Vehicle Rental Services	03710	Oregon	Yes
Natural Gas Vehicles	N/A	Oklahoma	No
Office Furniture	N/A	Utah	No
Office Supplies	N/A	Oregon	No
Payment (Electronic) Acceptance Services - EPAY	N/A	California	No
Power Tools (Small Hand)	N/A	Oklahoma	No
Procurement Analysis Consulting Services	30205	Washington	Yes
Public Safety Radio Communication Equipment	02702	Washington	Yes
Public Cloud Hosting Services	N/A	Utah	Yes
Purchase (Charge) Card Services	03907	Washington	Yes
Satellite Phones	N/A	Utah	No
Small Package Delivery Service	07009	Utah	Yes
Software VAR	DIS	Arizona	No
Telephone Based Interpreter Services	03508	Washington	Yes

Tires, Tubes and Service	00108	Utah	Yes
Tires - Retread	N/A	Vermont	No
Toner Cartridges, Bio-based (Reman.)	N/A	South Dakota	No
Traffic Enforcement Radar/Lidar Equip.	01611	Washington	Yes
Vehicle Lifts and Related Garage Equipment	06405	Washington	Yes
Walk-In Building Supplies	N/A	Utah	No
WIC Baby Food	N/A	Maine	No
WIC Baby Food	N/A	Ohio	No
WIC Infant (Dry) Cereal	N/A	Ohio	No
WIC Infant Formula	06406	Washington	Yes
Wireless Communication and Equipment	DIS	Nevada	Yes
Wireless Management & Contract Compliance Services	N/A	Utah	No

**Attachment 2 – WSCA Contract Reimbursements**

<b>CONTRACTS</b>	<b>2011</b>	<b>2012 (Q1 &amp; Q2)</b>
Breast Pumps-WA	\$ 14,273	\$ 7,000
Electronic Monitoring-WA	\$ 40,255	\$ 14,750
Infant Formula-WA	\$ 18,000	\$ 65,400
Procurement Analysis Consulting-WA	\$ 2,970	\$ 1,250
Public Safety Radio Communications Equipment-WA	\$ 48,500	\$ 17,500
Telephone Based Interpreter Services-WA	\$ 10,890	\$ 5,000
Vehicle Lifts-WA	\$ 16,270	\$ 9,000
Radar/Lidar-WA	\$ 9,400	\$ 6,000
Purchasing Card	\$ 14,273	\$ 39,000
<b>TOTAL</b>	<b>\$ 151,158</b>	<b>\$ 164,900</b>

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**\$ 316,058**

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**Attachment 3 – Travel (for both WSCA/NASPO events and non-WSCA/NASPO events)**

<i>Month</i>	<i>Traveler</i>	<i>SubObj</i>	<i>Amount</i>	<i>Location</i>	<i>Description</i>
Apr 2012	Peckham, N	GC	61.20	Atlanta GA	National Association of Purchasing Card Professionals Conference (NAPCP) Commodity expertise training, current industry practices and program management networking in preparation for current WSCA (Western States Contracting Alliance) PCard rebid
Apr 2012	Peckham, N	GD	93.00	Atlanta GA	NAPCP
Apr 2012	Peckham, N	GF	971.16	Atlanta GA	NAPCP
			1125.36	<b>Atlanta GA Total</b>	
Apr 2012	Krueger, S	GA	226.32	Pasco WA	Purchasing Affairs Council (PAC) Meeting - WA State community and technical colleges purchasing association presentation on new procurement reform legislation/questions & answers
Apr 2012	Krueger, S	GC	144.63	Pasco WA	PAC Meeting
			370.95	<b>Pasco WA Total</b>	
Apr 2012	Moxley, C	GA	103.00	SeaTac WA	Pre-Bid for RFP# 00212 WSCA Electronic Monitoring Contract- Walk through of WSCA solicitation document, requirements and process with potential bidders prior to their submitting proposals/questions & answers
Apr 2012	Moxley, C	GC	51.00	SeaTac WA	Pre-Bid for RFP# 00212
Apr 2012	Moxley, C	GD	5.50	SeaTac WA	Pre-Bid for RFP# 00212
			159.50	<b>SeaTac WA Total</b>	

Aug 2012	Colbert, D	GC	44.37	Minneapolis MN	Association of Public-Safety Communications Officials (APCO) Conference - Commodity expertise training, current industry practices and program management networking in preparation for current WSCA Public Safety Radio rebid
Aug 2012	Colbert, D	GD	88.00	Minneapolis MN	APCO Conference
Aug 2012	Colbert, D	GF	1593.45	Minneapolis MN	APCO Conference
Aug 2012	Paulson, R	GC	31.11	Minneapolis MN	APCO International 78th Annual Conf & Expo
Aug 2012	Paulson, R	GD	90.00	Minneapolis MN	APCO International 78th Annual Conf & Expo
Aug 2012	Paulson, R	GF	1593.45	Minneapolis MN	APCO International 78th Annual Conf & Expo
			3440.38	<b>Minneapolis MN Total</b>	
Aug 2012	Bohl, H	GA	1405.80	Seattle WA	2012 National Institute of Government Purchasing (NIGP) Forum- Chair, host, volunteer, facilitation, participation in annual meeting, networking with and learning best practices from 1,400 public procurement professionals from across the state, country and globe including our customer agencies; education/training/vendor expo - to stay current with procurement and contracting trends
Aug 2012	Bohl, H	GC	62.22	Seattle WA	2012 NIGP Forum Seattle
Aug 2012	Bohl, H	GD	264.00	Seattle WA	2012 NIGP Forum Seattle
Aug 2012	Cooper, C	GD	15.00	Seattle WA	NIGP Conference - Sunday only
Aug 2012	Jones, C	GA	1620.60	Seattle WA	NIGP Forum - Seattle WA
Aug	Jones, C	GD	5.00	Seattle WA	NIGP Forum - Seattle WA

2012					
Aug 2012	Krueger, S	GA	1110.00	Seattle WA	NIGP Forum
Aug 2012	Krueger, S	GC	61.20	Seattle WA	NIGP Forum
Aug 2012	Krueger, S	GD	220.00	Seattle WA	NIGP Forum
Aug 2012	Moxley, C	GD	15.00	Seattle WA	Parking at NIGP Conference 8/20/2012
Aug 2012	Patlan, S	GA	2129.76	Seattle WA	NIGP Conference
Aug 2012	Patlan, S	GC	61.20	Seattle WA	NIGP Conference
Aug 2012	Patlan, S	GD	285.70	Seattle WA	NIGP Conference
Aug 2012	Shay, T	GA	1405.80	Seattle WA	NIGP 2012
Aug 2012	Warnock, C	GA	924.20	Seattle WA	NIGP Annual Forum-Seattle WA
Aug 2012	Warnock, C	GC	62.22	Seattle WA	NIGP Annual Forum-Seattle WA
Aug 2012	Warnock, C	GD	176.00	Seattle WA	NIGP Annual Forum-Seattle WA
			9823.70	<b>Seattle WA Total</b>	
Dec 2012	Jones, C	GC	61.20	San Diego CA	WSCA Annual Cooperative Development Conference/ Meeting - represent 11 contracts WA leads, attend stakeholder meetings with other states to market new contracts/answer questions, training, education, learn best practices for contract administration, extensions, and rebid prep
Dec 2012	Jones, C	GD	135.65	San Diego CA	WSCA Annual Cooperative Development Conference/ Meeting
Dec 2012	Jones, C	GF	156.00	San Diego CA	WSCA Annual Cooperative Development Conference/ Meeting
Dec 2012	Warnock, C	GC	115.26	San Diego CA	WSCA Annual Conference. As WSCA Vice Chair and WA representative, attended the annual Director meetings , where the contract budgets

					were presented and approved, development of new organization structure was discussed and approved, and the new org. budget was presented and approved, etc.)
Dec 2012	Warnock, C	GD	194.00	San Diego CA	WSCA Annual Conference
Dec 2012	Warnock, C	GF	220.00	San Diego CA	WSCA Annual Conference
			882.11	<b>San Diego CA Total</b>	
Feb 2012	Peckham, N	GC	49.98	Sacramento CA	WSCA Pcard Rebid Industry Meetings - Commodity expert leading stakeholder meetings with vendors to learn current industry practices in preparation for current rebid/preparation of up to date solicitation document/questions & answers
Feb 2012	Peckham, N	GD	87.00	Sacramento CA	WSCA Pcard Rebid Industry Meetings
Feb 2012	Peckham, N	GF	122.00	Sacramento CA	WSCA Pcard Rebid Industry Meetings
	Peckham, N		258.98	<b>Sacramento CA Total</b>	
Jun 2012	Peckham, N	GC	70.38	Alburque NM	WSCA Managed Print Evaluation - solicitation/contract stakeholder evaluation committee - as end-user commodity expert, performed evaluation of bidder proposals with stakeholders from other states to get to award
Jun 2012	Peckham, N	GD	40.00	Alburque NM	WSCA Managed Print Evaluation
Jun 2012	Peckham, N	GF	109.00	Alburque NM	WSCA Managed Print Evaluation
			219.38	<b>Alburque NM Total</b>	
Jun 2012	Harris, S	GA	205.31	Spokane WA	Eastside Vendor Show (DES) - Vendor outreach, education and training - including procurement reform

Jun 2012	Hattori, T	GD	82.39	Spokane WA	Eastern WA Vendor Show
Jun 2012	Krueger, S	GA	205.31	Spokane WA	Eastside Vendor Show
Jun 2012	Krueger, S	GC	139.52	Spokane WA	Eastside Vendor Show
Jun 2012	Krueger, S	GD	16.30	Spokane WA	Eastside Vendor Show
Jun 2012	Patlan, S	GA	175.40	Spokane WA	Vendor Training for Procurement Reform
Jun 2012	Shay, T	GA	205.31	Spokane WA	Eastside Vendor Show
June 2012	Ackerman, M	GA	205.31	Spokane WA	2012 Eastside Vendor Education Seminar
June 2012	Collins, K	GA	205.31	Spokane WA	2012 Eastside Vendor Show
May 2012	Krueger, S	GA	298.62	Spokane WA	PNPPA - Pacific NW Public Purchasing Assoc Meeting presentation on new procurement reform legislation/questions & answers
May 2012	Krueger, S	GC	164.48	Spokane WA	PNPPA Workshop
May 2012	Krueger, S	GD	32.60	Spokane WA	PNPPA Workshop
			1935.86	<b>Spokane WA Total</b>	
May 2012	Ackerman, M	GA	133.63	Yakima WA	WA Association of School Business Officials (WASBO) Conference - presentation on new procurement reform legislation/questions & answers
May 2012	Ackerman, M	GD	21.79	Yakima WA	WASBO Conference
May 2012	Patlan, S	GA	189.44	Yakima WA	WASBO Procurement Reform
Oct 2012	Shay, T	GA	335.78	Yakima WA	Pacific NW Public Purchasing Assoc Meeting - state contracting and procurement reform questions & answers

680.64 **Yakima WA Total**  
18896.86 **Grand Total**

Subobject Key

GA = Lodging & Meals - In State

GC = POV mileage

GC = Hybrid mileage

GD = Miscellaneous Expenses - Parking, Cab Fare, Fuel etc.,

GF = Lodging & Meals - Out of State