



V.A.L.U.E. IN LOCAL GOVERNMENT
Cooperative Purchasing Program
Of Southeastern Wisconsin

www.value4gov.org

V.A.L.U.E. OF THE MONTH

October 2010

How Procurement & Finance Can Collaborate

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By Charles Dominick, SPSM

<http://www.nextlevelpurchasing.com/>

Do You Collaborate With Finance In These 4 Ways?

1. Agreeing on Cost Savings Reporting

Standards. When procurement departments use the term "cost savings," they are often referring to price reductions. When CFO's hear the term "cost savings," they often expect to see a reduction of expenses from the previous year's income statement to the current years. Not every price reduction is reflected on the income statement like that and, as a result, some CFO's doubt Procurement's cost savings claims. By agreeing with Finance on standards and using the income statement to "keep score," Procurement's cost savings reporting will be more believable.

2. Considering The Downsides of Certain

Cash Flow Strategies. As credit became harder to get in recent years, organizations sought ways to hold onto cash longer. One-way was for CFO's to insist on extending supplier payment terms to 90 or more days. That improves cash flow, but Procurement sees consequences that Finance may not: supplier relationships being strained, suppliers raising prices to compensate for slower cash receipt, or even having fewer suppliers willing to do business with the organization. By collaborating, Procurement and Finance can construct a more balanced cash strategy.

3. Determining a Balanced Inventory

Approach. One line on a balance sheet that CFO's watch to evaluate performance is inventory. CFO's generally don't like high inventory. They feel that using cash to procure items that sit idly on the shelf is wasting the opportunity to invest that cash in activities that will provide a return on investment. However, Procurement knows the operational realities of inventory: many organizations need it to make sales and continue operating through

unexpected events like a spike in demand or an interruption in supply. Again, Procurement-Finance collaboration can help by identifying the inventory needed to balance operational continuity and working capital strategies.

4. Considering Supply Market Forces When Setting Financial Goals.

Finance sets expense goals. If these expenses involve commodity purchases, Finance may not have the same awareness that Procurement does with regard to how commodity prices fluctuate. By Procurement and Finance collaborating, the organization can avoid setting unrealistic financial goals that will harm them later.

Submitted by:
Robert Barwick, CPSM, CPPB
City of West Allis



LAW ENFORCEMENT VEHICLES

Here is the link to access the cover letter and commitment form for the Law Enforcement Vehicles. Commitment form is due back to Diane Knoll no later than October 21, 2010

<http://www.value4gov.org/2011.html>

RUBBERIZED CRACK SEALANT

This is the link to access the bid document, tabulation and award letter for Rubberized Crack Sealant for the period 10/1/10 through 1/30/11.

<http://www.value4gov.org/2010.html>



UPCOMING WEBINARS

Take advantage of NIGP's latest online learning experience. No travel is required and all you need is a computer and a phone. Save time and money.

Values & Guiding Principles of Public Procurement: What Does it Mean?

Pricing: \$75 Members / \$105 Non-Members
Date and Time: November 4, 2010, 12-1:30 PM
Presented by: Tina M. Borger, CPPO
Registration Deadline: November 1, 2010

Most professions have values and guiding principles. As part of its vision to help create a world in which public procurement practitioners are highly regarded members of a respected professional order, the NIGP has developed Values and Guiding Principles for Public Procurement.

We encourage you to join this session so that you can learn what the Values and Guiding Principles mean to you as a member of the purchasing profession.

At the end of this Webinar, students will be able to:

- Identify key values that represent enduring beliefs or ideals shared by public procurement and our stakeholders.
- Apply the Values and Guiding Principles in your day-to-day work environment.
- Cite the reasons why procurement professionals have to make the choices they do and why we are judged on our actions by the stakeholders.

Understanding Local Preference: The Pros and Cons

Pricing: \$75 Members / \$105 Non-Members
Date and Time: November 9, 2010, 12-1:30 PM
Presented by: Gregory Spearman, CPPO
Registration Deadline: November 4, 2010

Intermediate level. This popular San Antonio Forum workshop is being brought back in Webinar format! Are you being pressured by your agency's governing authority and their constituents to implement a local preference program? Are you afraid of the additional burden and workload a Local

Preference policy will add to ever increasing demands on a shrinking purchasing staff? This Webinar will provide insight into how one agency was able to successfully defeat Local Preference and how the local media, chamber and local businesses assisted.

At the end of this Webinar, students will be able to:

- Describe the different definitions of the term "local"
- Explain the pros and cons of a local preference program
- Evaluate a three-pronged approach to a local preference policy
- Identify ways the media can help in achieving local preference procurement
- Cite local preference policy alternatives

Debriefing Suppliers and Avoiding Protests

Pricing: \$75 Members / \$105 Non-Members
Date and Time: November 18, 2010, 12-1:30 PM
Presented by: Beth D. Fleming CPPO, C.P.M.
Registration Deadline: November 15, 2010

Intermediate Level. This popular San Antonio Forum workshop is being brought back in Webinar format! By taking the time to debrief your suppliers after complex procurements, you can minimize protests and maximize competition for your agency. Protest policies and procedures protect the interest of the agency and the right preparation prior to the debriefing session helps answer supplier's questions. Learn the tools that mitigate challenges so you can successfully handle a debriefing that results in better competition in the future.

At the end of this Webinar, students will be able to:

- Lists the benefits of procurement debriefings to both buyers and suppliers
- Apply an effective approach to debriefing suppliers
- Identify warning signs that a protest may be coming
- Describe ways to mitigate risk once a protest has been received
- Cite resolutions from presented example case studies

To register by fax (download registration form), otherwise register online by selecting registration button.



U.S. Communities Unveils New Online Marketplace & Offers FREE Webinar To Participating Agencies

New e-commerce capability makes purchasing convenient for participating agencies

U.S. Communities, the largest national local government cooperative, announced a new online system that enables participating public agencies to access and purchase goods and services from multiple U.S. Communities vendors at one time. The integrated, online marketplace is available to registered users on www.uscommunities.org.

Any public agency, including local and state government, school districts and non-profit organizations, can take advantage of the savings and quality products available through the program. The new online marketplace offers access to thousands of products from multiple suppliers with a single payment and order. Current products available through the marketplace include technology products, school and classroom supplies, lab ware, homeland security and safety supplies, electrical items, janitorial supplies, and maintenance equipment. These products are available through existing contracts between U.S. Communities' lead public agencies and suppliers such as HD Supply, Insight, Tech Depot, Graybar, Fisher Science Education, BSN/US Games, Hagemeyer and Zep. Offerings from additional U.S. Communities suppliers will be available through the online system in coming months.

"We are pleased to offer another new solution that delivers value and cost savings to public agencies," said Steve Hamill, General Manager of U.S. Communities. "Our new online marketplace is a convenient platform that simplifies the purchasing process and provides agencies with real-time access to the best overall government

pricing across our nationally recognized suppliers."

U.S. Communities is offering weekly webinars to educate participating agencies on the new portal. There is no additional cost to purchase online and no minimum purchase requirement for participating public agencies. To register to attend a webinar go to

<http://www.uscommunities.org/news-events/ecom-webinars.aspx>

About U.S. Communities

U.S. Communities Government Purchasing Alliance ("U.S. Communities") is a nonprofit entity that assists local and state government agencies, school districts (K-12), higher education, and nonprofits in reducing the cost of purchased goods by offering managed access to competitively solicited contracts between suppliers and lead public agencies. U.S. Communities was designed in cooperation with an Advisory Board of local and state government purchasing officials and is jointly sponsored by the Association of School Business Officials International (ASBO), the National Association of Counties (NACO), the National Institute of Governmental Purchasing (NIGP), the National League of Cities (NLC), and the United States Conference of Mayors (USCM) and over 70 state associations of city, county and school associations. Total aggregate purchases in 2009 exceeded \$1.4 billion, with \$214 million in estimated savings to public agencies that year alone.



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Monthly Planning Meeting

Wednesday, October 20, 2010

8:30 AM - 10:30 AM

West Allis City Hall

7525 W Greenfield Avenue - Room 128

Phone: 414-302-8300

(Refreshments & Meeting Minutes by Vicky Nash)

Agenda

I. Common Solutions/Open Forum Discussion

- A. Learn from your peers or bring an issue you'd like to discuss

II. Ongoing/Unfinished Business

- A. Update on Disaster Situations - Bill, Roy, Peggy, Karen & Dawn
 - 1. Status of vendor contact info and vendor commitments
- B. Ideas for 2011 Annual Meeting
 - 1. Location of Meeting/Meeting Dates: March 10 & 11, 2011
 - 2. Vendor Presentations
 - a. Office Supply Vendor
 - b. Auto Update
 - c. P-Card Vendor
 - d. Reverse Auction?
 - e. Other Green Topics (Green Team to advise)
 - 3. Disaster Planning Program (Roy & Diane)
 - 4. NIGP Speaker/Live Webinar? TBD
 - 5. Rough Draft of Meeting Agenda
- C. Strategic Planning
 - 1. Update on Implementation of Strategic Action Items
- D. Bid Calendar Routing

III. Bid Reports/Updates

- A. Review V.A.L.U.E. Contracts Listing for updates and discussion items
- B. New Bid Opportunities

IV. New Business

- A. Update on Resource Links for members (Laurie & Robert)

V. Adjournment

Future Meetings - Date/Location/Refreshments & Minutes

November 17, 2010
City of West Allis
Diane Kelly

December 15, 2010
City of West Allis
Winona Marshall

January 19, 2011
City of West Allis
Peggy Watson

February 16, 2011
City of West Allis
Karen Bollinger

March 10 & 11, 2011
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Annual Meeting