



Washington State Department of
Enterprise Services

FMAC Performance-Based Contract Training

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April 26, 2017



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What Is The Problem?

Concern that WA state agencies are not consistently managing deliverables and outcomes of performance-based contracts.

- Includes contract management, administration and monitoring to ensure performance.



And....

- Not knowing what the vendor is delivering, when, to whom, where by specification
- Not knowing my options if they do not delivery, or goods are defective
- Not knowing how the payment is calculated, what/when payments are made
- Not knowing how often the vendor invoices, does it match the contract price
- Not knowing about shipping charges, taxes, duties, surcharges
- Not knowing what to do if the vendor who sold us the goods is also servicing the goods, and it involves more \$\$
- Not knowing who is responsible



What Are The Impacts?

Lack of contract management can result in:

- **Paying** for goods/services state does **not receive**
- High risk for **cost over-runs**
- **Increased project timelines**
- Overall **poor stewardship** of implicit agreement with citizens of Washington State
- Audit Findings



Expectations

- Steward of Tax payer dollars
- Performance-based contracts
- Expectations
- Employees have the tools and support
- <https://youtu.be/VscBI80NIsc>



Solution

Develop a contract administration monitoring and relationship management training program for Washington State, with a strong emphasis on roles and responsibilities.



Due Diligence

What was available?

- Higher Education Programs
- National Associations training
- In-house (team of state contracting professionals)
- Competitive solicitation (included state agencies on the evaluation panel)



Confidence in the Solution

- Engaged an expert with national and international experience
- Up front involvement of customer state agencies with content tailored to meet their needs



Solution Process

- Complete needs analysis and assessment
 - 30 interviews, 1,000 surveyed
- Complete training pilots
- AGR, LNI, UW, DSHS, DOT, DOL, DEL, SAO, WSP, YVCC, DOR, OFM, Grays Harbor CC, Green River CC, Evergreen College, DRS, DOH, ECY, SBCTC, HCA, ESD, DNR
- Implementation begins in June



WA-State Contract Administration, Monitoring and Relationship Management

200-400 level.

- 102 Prerequisite
- 201 Basic Contract Management with Low-Risk Contracts
- 301 Intermediate Contract Management with Medium-Risk Contracts
- 401 Advanced Contract Management with High-Risk Contracts



Three Different Learners

CM 201 Low Risk	CM 301 Moderate Risk	CM 401 High Risk
Create or help create	Create or help create	Create
Administer	Administer	Negotiate on behalf of the agency
Monitor and manage	Monitor and manage	Administer/monitor
Low complexity - Risk	Medium complexity - Risk	High complexity - Risk
Risk introduction and tools	Project manager, program manager, manager	Contract professional, business leaders, contract manager
<ul style="list-style-type: none"> ✓ Invoice Payment ✓ Monitoring 	<ul style="list-style-type: none"> ✓ Contract Management ✓ When Issues Persists ✓ Lessons Learned 	<ul style="list-style-type: none"> ✓ Hybrid Contracts ✓ Performance Measures ✓ Governance ✓ Work with 201, 301



Change Management

- Sustainability:
 - Long term support via training manual and tools
- Works at the fundamentals
- Available – 24/7 online
- Keeping current:
 - Feedback from the contracting community will drive future change and updates



Accountability

- Training
 - Learning Management System (LMS) will provide training/student data
- Survey
 - Will provide feedback related to course applicability Risk Assessments Long term accountability:
- Risk Assessments
 - Will provide long term accountability

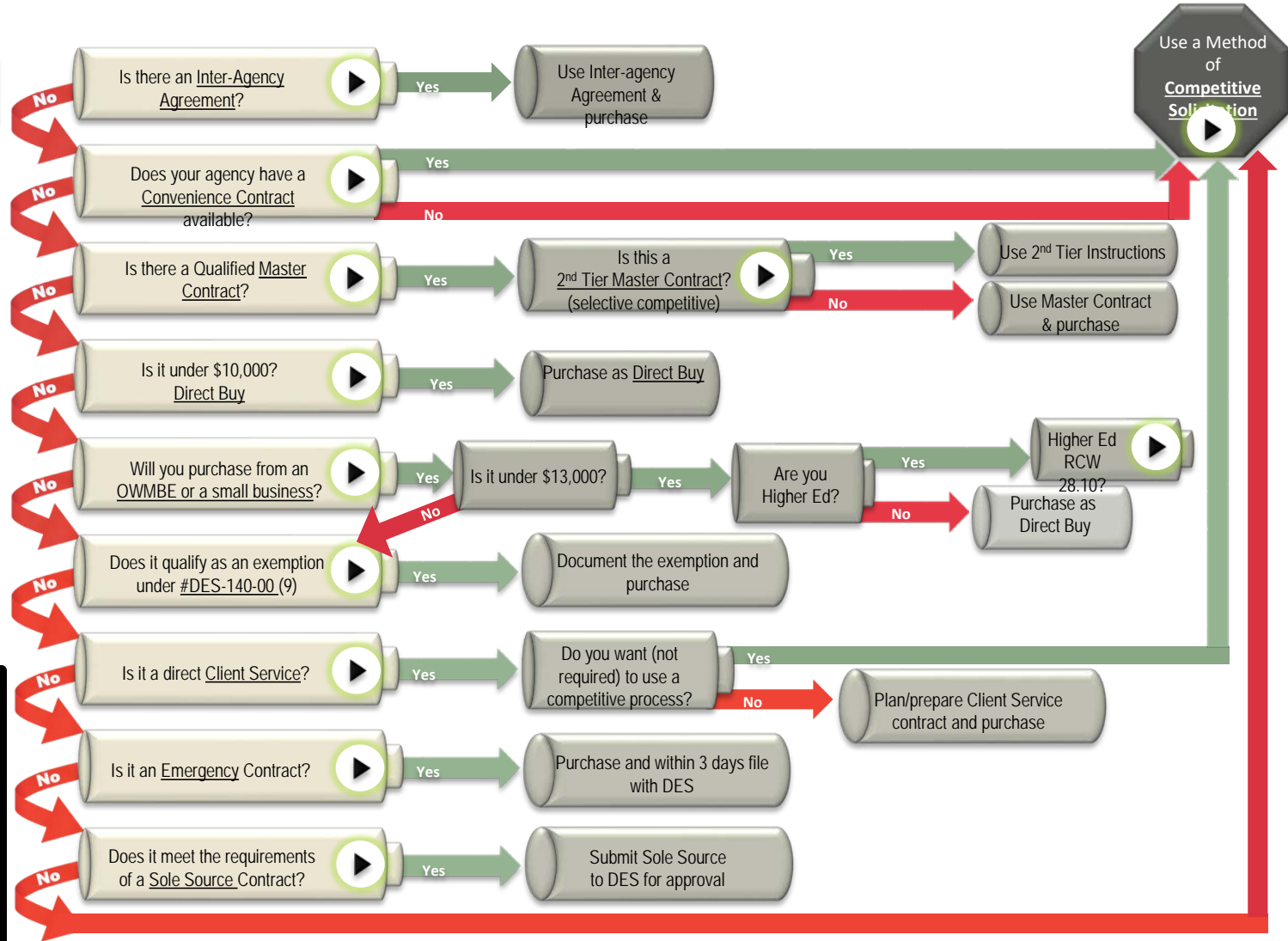


Future State

- Goal: Washington State Contract and Procurement Professional Certifications
- Building Blocks
 - Contract management (doing)
 - Building effective **performance** contracts (RFP, RFI, RFQ) (next)
 - Contract negotiation (next)
- Customer driven solutions



WASHINGTON STATE CONTRACTS AND PROCUREMENT LEARNING MAP



How to use this tool

- Start from the top left corner and follow the arrows, or jump in anywhere.
- Click on the play button when you want to learn more about the topic.
- Click on the underlined words to view sample documents and the online searchable desk aid.



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Thank you!

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