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Nancy Dunkel, *Dyersville*
Zackery Leist, *Clarion*
Jim Lindenmayer, PhD, *Ottumwa*

Mark J. Braun, Executive Director

October 28, 2019

Mr. Charlie Smithson
Secretary of the Senate
State Capitol Building
Des Moines IA 50319

Ms. Meghan Nelson
Chief Clerk of the House
State Capitol Building
Des Moines IA 50319

Glen Dickinson, Director
Legislative Services Agency
State Capitol Building
Des Moines IA 50319

Re: Interagency Cooperative Purchasing Plan Annual Report

Dear Members of the Iowa General Assembly:

Pursuant to Iowa Code 262.9B.5, enclosed is the Interagency Cooperative Purchasing Plan Annual Report for the fiscal year ended June 30, 2019.

If you have any questions or need more information, please don't hesitate to contact this office.

Sincerely,

A handwritten signature in blue ink, appearing to read "MJB".

Mark J. Braun

\\Box Sync\Board of Regents Shared\BF\Legislative\2020\Reports\

Attachments

cc: Robin Madison
Legislative Liaisons
Legislative Log

Contact: Andrea Anania

INTERAGENCY COOPERATIVE PURCHASING PLAN ANNUAL REPORT

Actions Requested: Receive the report and ratify its submission to the Iowa General Assembly and the Governor in accordance with Iowa Code §262.9B(5).

Executive Summary: This annual report contains cooperative purchasing accomplishments for the fiscal year ended June 30, 2019.

Procurement personnel meet regularly with state and other entities as described on page 2. Current joint purchasing contracts resulted in savings of nearly \$40.5 million; specific cost savings are shown on pages 3-6. Additional information on the Board's Transparent, Inclusive Efficiency Review Initiative (TIER) project and technology efforts may be found on page 7.

Purchasing personnel continually strive to reduce costs by strategizing and implementing best practices while meeting Board and statutory objectives.

Background:

Iowa Code 262.9B directs the Board of Regents and its institutions to:

- ▶ Coordinate interagency cooperation with state agencies to annually increase the amount of joint purchasing with the DAS, the Chief Information Officer of the State, and other state agencies authorized to purchase goods and services;
- ▶ Pursue mutually beneficial activities relating to purchasing items and acquiring information technology as well as explore ways to leverage resources, identify cost savings, implement efficiencies, and improve effectiveness without compromising the mission of the Board and its institutions; and
- ▶ On or before November 1st, submit a report to the General Assembly and the Governor providing information on the cooperative purchasing plan, results of quarterly interagency meetings, and any specific cost savings or efficiency gains that resulted.

Board Policy Manual §2.2(6)(B) outlines the organization for purchasing. §2.2(6)(C) includes policies and procedures on competitive bid thresholds, equipment procurement, purchases exempt from competition, evaluation and award process, withdrawal of bids, bid security, Iowa Prison Industries, Iowa products, targeted small business, professional service contracts, qualified vendors of goods and services, vendor appeal procedures, cooperative purchasing, and reporting.

Iowa Administrative Code §681.8 contains additional information on procurement policies.

Analysis:

Quarterly interagency meetings are held with Regent institutional representatives, Board Office staff, Iowa Department of Administrative Services (DAS), Iowa Department of Transportation (DOT), and Iowa Prison Industries (IPI).

These meetings allow procurement professionals to pursue coordinated purchasing efforts with the goal of increasing joint purchasing and efficiencies. Attendees review and discuss current contracts, efficiencies, best practices, trends, and other purchasing issues. Participating state agencies follow the guiding principles as described below:

- ▶ Collaboration efforts must maintain or improve the quality and effectiveness of each participant.
- ▶ Collaborations should not introduce complexities or risks to infrastructure, business processes or end-user experiences.
- ▶ No participant should pay more for a service or product than could be obtained on their own.
- ▶ Collaborations should occur where they make sense. Given differing missions of the participants, some projects may not involve all institutions or state agencies.

Procurement representatives also meet quarterly with suppliers to: (1) increase efficiencies wherever possible; (2) discuss status of current contracts; and (3) investigate new opportunities. In most cases, Regent-wide contracts are set up in each university's e-procurement system making the entire procure-to-pay process more efficient.

Procurement representatives also participate in biannual Iowa Public Procurement Association meetings to discuss procurement issues that affect government purchasing, including state agencies, cities, counties, and school districts. Wherever possible, Regent procurement staff seek to work with other state agencies and/or make contracts available to other municipalities.

The following meetings were held this past year:

Interagency Meetings

October 16, 2018
February 19, 2019
May 1, 2019
August 23, 2019

Supplier Meetings

August 29, 2018
November 13, 2018
March 6, 2019
May 15, 2019

Joint Purchasing Contracts

Contract Commodity	Lead Agency	Other Participants	Awarded Vendors/Description	Savings
eWaste	ISU	SUI, UNI, DAS, DOT	A-Tec & Midwest Electronic	SUI..... \$6,127 ISU..... \$11,000 UNI..... \$252
Communications & Supplies	ISU	SUI, UNI	Anixter & Graybar	SUI..... \$408,200 ISU..... \$313,746 UNI..... \$22,800
CISCO Equipment	ISU	SUI, UNI, DAS, DOT	Forsythe (now Sirius)	SUI..... \$7,165,100 ISU..... \$7,430,000 UNI..... \$49,257
Travel	SUI	ISU, UNI, DAS, DOT	SUI - Meacham's & Destinations Unlimited; ISU - CTP and Key Travel; UNI - Shorts & Humble; DAS - Shorts	SUI..... \$20,600 ISU..... \$13,180 UNI..... \$4,801
Charter Air	SUI	UNI	Jet Air and Air Planning	SUI..... \$15,400 UNI..... No Spend
Disaster Recovery	SUI	ISU, UNI, DAS, DOT	ServiceMaster & Serv Pro	SUI..... \$141,500 ISU..... \$16,645 UNI..... No Spend
Confidential Shredding	ISU	UNI	The Shredder, Green Resource Management	ISU..... \$8,743 UNI..... \$8,875
Lab Furniture	SUI	ISU, UNI, IBA	Wynn O Jones	SUI..... \$2,000 ISU..... \$118,350 UNI..... \$1,479
Library Digital Asset Management System	SUI	ISU, UNI	Discovery Garden	Award based on service ability; no monetary savings.
Insurance Broker Services	SUI	ISU, UNI	SUI-AON ISU-Gallagher UNI-LMC	SUI..... \$1,320 ISU..... \$23,000 UNI..... \$375
Book Binding	SUI	ISU, UNI	Current Supplier is the HF Group. Current status is that a Big Ten Bid Underway	SUI..... \$17,000 ISU..... No savings UNI..... No savings
Actuarial Services	SUI	ISU, UNI	Select Actuarial Services	SUI..... \$4,000 ISU..... \$4,500 UNI..... No spend
Hazardous Waste	ISU	SUI, UNI, DAS, DOT, DNR	Tradebe	SUI..... \$47,400 ISU..... \$35,302 UNI..... \$6,484

Contract Commodity	Lead Agency	Other Participants	Awarded Vendors/Description	Savings
Large Scale Server Storage	SUI	ISU, UNI	Matrix & Silicon	SUI \$225,000 ISU \$47,000 UNI No spend
Large Scale Server Storage	SUI	ISU, UNI	Atipa, Koi, Aspen, Silicon, & Pier	New - Savings captured in FY 2020.
Audio Visual Equipment-Partial FY 2019 & Current	SUI	ISU, UNI	Conference Technologies & Midwest Computer Products	SUI \$25,200 ISU \$33,000 UNI \$2,133
Audio Visual Equipment-Partial FY 2019 & Past	SUI	ISU, UNI	Midwest Computer Products & SKC	SUI \$330,000 UNI Data not available
Ware washing FY 2019 Agreement	SUI	UNI	Ecolab	SUI \$45,000 UNI \$4,289
Ware Washing FY 2020	SUI	UNI	Ecolab	New - Savings captured in FY 2020.
Copier Purchase Partial FY 2019	SUI	UNI, DAS	Marco & Laser Resources for Regents. Ricoh for DAS	SUI \$71,500 UNI No savings
Copier Purchase Partial FY 2019 & Current	SUI	UNI	Access Systems	SUI \$10,400 ISU No data reported UNI \$36,679
Computer	SUI	ISU, UNI	Dell	SUI \$4,900,000 ISU \$3,700,000 UNI \$333,306
MRO	ISU	SUI,UNI	Grainger	SUI \$206,100 ISU \$578,486 UNI \$10,219
Janitorial Supplies	UNI	ISU, SUI	Supply Works	SUI \$185,500 ISU \$315,375 UNI \$21,385
Fleet Overflow	DAS	SUI, ISU, UNI, DOT, DNR		SUI \$40,000 ISU No savings UNI \$12,036
New Vehicles	DAS	SUI, ISU, UNI, DOT, DNR	Multiple Awards to Car Dealerships	SUI Not available ISU \$102,369 UNI Not available
Mattresses	SUI	ISU, UNI	MidWest Sleep Mattress	SUI \$8,638 ISU \$18,471 UNI No spend

Contract Commodity	Lead Agency	Other Participants	Awarded Vendors/Description	Savings
Office Supplies	SUI	ISU, UNI	Office Depot	SUI \$941,000 ISU \$290,484 UNI \$79,064
EMC Equipment	ISU	SUI, UNI	Sirius	SUI \$1,000,000 ISU \$985,923 UNI \$67,906
Online Harassment & Discrimination Training Software	SUI	ISU, UNI	EverFi	SUI 25% of annual spend payment not made due to testing delays. ISU No savings UNI Award based on service
Penetration Testing Services	SUI	ISU, UNI	BreakPoint Labs LLC	SUI \$8,200 ISU No spend UNI \$1,624
Computer Peripherals and Supplies	ISU	ISU, UNI, SUI	CDWG	SUI \$607,920 ISU \$1,704,270 UNI \$14,087
Food Products	ISU	ISU, UNI, SUI	Prime Food Vendor	SUI \$195,490 ISU \$155,673 UNI \$83,985
C-Store Product	UNI	ISU, UNI, SUI	C-Store Product	SUI Unavailable ISU \$20,000 UNI Unavailable
Biosafety Cabinets	ISU	ISU, UNI, SUI	NuAire	SUI \$7,460 ISU \$19,330 UNI No spend
HVAC Filters	ISU	ISU, UNI, SUI	Tri-Dim Filters	SUI \$6,200 ISU \$76,078 UNI No spend
Power Plant Chemicals	ISU	SUI, UNI	Nalco	SUI \$46,000 ISU \$44,000 UNI \$8,085
Software - Casper Suite	SUI	ISU, UNI	Jamf	SUI \$35,000 ISU \$19,124 UNI No spend

Contract Commodity	Lead Agency	Other Participants	Awarded Vendors/Description	Savings
Software - Mathematica	SUI	ISU, UNI	Wolfram Research Inc.	SUI \$2,000 ISU No savings UNI \$1,226
Temporary Staffing - Merit	SUI	UNI	Remedy & Express Employment Professionals	SUI \$5,600 UNI \$1,611
Adobe	SUI	ISU, UNI	Adobe	SUI \$88,800 ISU No savings UNI No savings
Event Security	SUI	UNI	Contemporary Services Corporation	SUI \$29,400 UNI \$1,200
Plumbing Supplies	ISU	SUI, UNI	PSC	SUI \$133,000 ISU \$79,089 UNI No spend
Scientific Supplies - Primary	SUI	ISU, UNI	Fisher Scientific	SUI \$1,200,000 ISU \$3,800,000 UNI \$4,595
Scientific Supplies - Secondary	SUI	ISU, UNI	VWR	SUI \$305,100 ISU \$303,031 UNI \$8,974
Service Agreements	DAS	SUI, ISU, UNI, DAS	Remi & Specialty Underwriters	SUI \$198,000 ISU \$40,000 UNI No spend
Copier Lease/Cost Per Copy	SUI	UNI	Marco & Laser Resources	SUI \$4,000 UNI No Spend
Cell Phones	ISU	SUI, UNI, DAS, DOT	Verizon & US Cellular	SUI \$58,000 ISU \$188,854 UNI \$1,715
Interdepartmental Moving Services	SUI	SUI, UNI	Hawkeye Moving and Storage, Maher Moving, Lint Van Lines, Adamantine Spine Moving	SUI \$65,000 UNI No spend
Electrical Supplies	ISU	SUI, UNI	Crescent Electric	SUI \$153,000 ISU \$37,827 UNI \$2,144
Milk Products	ISU	SUI, UNI	Anderson Erickson	SUI \$104,000 ISU \$39,772 UNI \$26,281

Additional Information:

TIER (Transparent, Inclusive Efficiency Review) Initiative –

The Board of Regents continues to achieve savings and efficiencies through the TIER project. A major component of the project was Sourcing and Procurement as the universities transform operations. This has fostered increased partnerships with other state agencies, higher education consortia, and other entities. The Board of Regents universities originally negotiated and/or bid seven major areas of spend: Office Supplies, Prime Food Vendor, Computers, Computer Peripheral Devices, Scientific Supplies, MRO and Janitorial Supplies. Many of these contracts involve and/or are available to other state agencies including Office and Scientific Supplies, which are also available to the Iowa Biotechnology Association.

University purchasing departments worked closely on many joint purchasing projects even before the TIER initiative. These efforts included and continue to include other state agencies as shown in the tables on pages 3 - 6.

Purchasing Efforts –

Developing Best Practices – Have created common contract language and terms to utilize on joint efforts. These terms are used on contracts that stemmed from the TIER initiative and should be used on future Regent collaborations. Universities are also working with the state and Iowa's Office of the Attorney General to develop a set of terms for use when DAS and DOT are part of the bid process.

Procurement Council – Regents procurement staff meet to review progress and identify areas for further collaboration. The Council has worked to set up Regents Quarterly Supplier Meetings. A group of suppliers are invited to campus (location rotates) on a single day. Purchasing staff from Regents institutions and other agencies involved in a contract are able to meet with suppliers to identify issues and collaborate to find additional savings. By combining a number of meetings into one day, travel is minimized.

Procurement Card Program – The consortium contract was developed in 2011 through a joint Regents effort. SUI subsequently worked with US Bank to amend the original contract so the program could be extended to DAS and others. The program continues to grow in membership. Over 35 state agencies now utilize this contract, which has been extended through 2024.

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Cooperative Technology Efforts –

Cyber Security – A joint Regents/DAS group meets on a monthly basis to discuss security-related standards, best practices, potential threats, lessons learned, and opportunities for collaboration. The universities have successfully awarded a service contract to Breakpoint Labs for Penetration Testing Services designed to improve security.

Regents Chief Information Officer (CIO) Council – The CIOs of the universities meet weekly to share information and enhance collaboration on software licensing agreements, technology decisions, projects and initiatives, procurement and common applications.

Regents Database – Designed by SUI, a database was developed for use by SUI, ISU, UNI and the Board Office to track legislative requests for information, legislative studies and bills in a timely and effective manner. Modifications are made annually.