



Convenience Contracts Policy

April 4, 2024, Meeting Recording Transcript

Mroz, Zoe (DES) 0:15

Hello, welcome everybody. I'm just going to give a moment or two for a for folks to join in from the lobby. We'll get started at 10.

Mroz, Zoe (DES) 0:51

Welcome everyone. Thank you all for joining.

My name is Zoe Mroz. I'm the management analyst for the Enterprise Procurement Policy team and I'm leading the new Convenience Contracts policy project.

As you can see from today's busy agenda, we've already had two great sessions this morning: sole source policy refresh with Brooke Jensen and the PCB's policy refresh with David Jorgensen.

Mroz, Zoe (DES) 2:27

We also have one more session following this one, the 2024 Procurement Risk Assessment Workshop, which is going to cover updates on the new 2024 process. If you're registered for that one, great. If not, there's still time to register. I'll pop the link into the chat just so that everybody has a chance.

Today I'll be presenting on the new Convenience Contracts policy and then at the end of the presentation, my colleague Olu Agbaje will share some of our other policy projects that we've currently got underway.

OK, before we get into the topic, brief housekeeping, all participants are muted, and we ask that you use the chat to send us your questions and/or provide feedback throughout the presentation.

My colleague David Jorgensen will be monitoring the chat for me, and we will have time at the end of the presentation for some Q&A.

Also, all the sessions today are being recorded, so you can expect the recordings, transcript, slide deck, all of that great information to be posted to the DES website in about a week.

So, getting into it. Obvious question first, since this is a new policy, why are we creating this new convenience contracts policy?

Our team, the policy team, has received many requests over the last year for clarification and guidance around RCW 39.26.070, which is the convenience contracts statute.



Mroz, Zoe (DES) 4:11

Also, we did have legislation pass this year which changes the statute in some important ways, which I'll go over shortly.

Mroz, Zoe (DES) 4:20

And so the intent of the workshop is to give you that background, give you an overview of the policy, and then get some of your initial feedback.

Yeah. So with that, let's begin by looking at the statute.

So this snippet I'm sharing so that you can visually see the number of highlighted strikes and additions that indicate the changes to the statute due to that House bill passing.

Those changes will go into effect on June 5th, which is also our target date for the policy effective date.

Mroz, Zoe (DES) 4:54

Don't worry about reading this, all these details. This was just to visually kind of show you all the substantial changes we've gotten to work with and which will be incorporated so next slide.

Considering these changes, what is a convenience contract?

Mroz, Zoe (DES) 5:12

It's a contract for specific goods or services or both, that is solicited (i.e., the result of a competitive procurement, unless an exception applies), in accordance with procurement laws and rules, for use by a specified group of agencies.

Mroz, Zoe (DES) 5:29

To give you an example of what a convenience contract might look like, let's say we have agency X and they need to purchase certain widgets as part of its mission.

Mroz, Zoe (DES) 5:42

You happen to know as well that agency Y, who has a similar mission also needs to purchase these widgets. So, agency X and Y can choose to enter into a convenience contract together to join forces and leverage their buying power to purchase the widgets together and reduce transaction costs. So.

Mroz, Zoe (DES) 6:03

To summarize, a convenience contract might happen when there's a common need, where multiple, specific agencies are needing this for a discrete time, and for economic efficiency to save on those



transaction costs (i.e., only one of the agencies needs to do the competitive solicitation for both to benefit, or for three, or four, or five to benefit).

Mroz, Zoe (DES) 6:27

Alright, So what if agency X and Y decide, yes, we absolutely, we have this widget need we want to do this convenience contract.

So what are the requirements?

So by statute, with these changes, convenience contracts must be approved by DES to be able to enter into that contract, and convenience contracts are not intended to replace or supersede statewide, also known as master contracts.

Mroz, Zoe (DES) 7:06

If a statewide contract exists and meets the needs of the agency, it must use that statewide contract.

Mroz, Zoe (DES) 7:13

If the statewide that exists doesn't meet your needs, then you would justify why you would go off of the statewide contract to do the convenience contract.

So let's go next. Thank you.

So, agency X and Y, they have, they have come together, they've checked. There's no statewide contract that exists, and they're ready to request approval from DES.

Mroz, Zoe (DES) 7:37

So what do they need to do? So we've got a draft procedure document that outlines the step by step process of submitting a request to DES.

For those of you familiar with the process of requesting additional delegated authority, it's a similar process where you've got a list of questions that you'll have to address, and some might look familiar.

Like, what is the purpose and scope of the request and what's the projected dollar value?

But some of the questions are specific to convenience contracts like, tell us the list of specified agencies that will be using, and that confirmation that no statewide contract exists, or if one does, why it's not able to meet your needs.

Mroz, Zoe (DES) 8:23

We're currently working on a supplemental, optional template document to assist with the request letter process. So that's something that we're going to work on to help speed up that process for everyone.



Mroz, Zoe (DES) 8:38

So once you've got your letter drafted, once agency X and Y have their request letter drafted, it should be sent to the Director of the DES Contracts and Procurement Division.

Mroz, Zoe (DES) 8:49

We are asking agencies to send us those requests at least 10 days prior to the proposed contract start date. We're asking that because that will help us avoid any kind of start delays. We ask for at least 10 days lead time.

Obviously for more complex requests, we suggest that you engage the policy team directly and early in the planning process and/or seek consultation from our contracts liaisons team.

Next slide.

So, our agency X and Y have entered into their convenience contract with approval from DES, and it turns out that they're maybe needing to amend their contract.

Mroz, Zoe (DES) 9:37

Similar to what I mentioned in the last slide, if you are going to be amending the convenience contract, it's best to get into contact with DES policy or our contract liaisons team early in the process to determine if an additional approval is required.

In general, we're stating that amendments require approval if you're changing the scope or increasing the value of the contract with a note that substantial changes to scope or contract value may require a new contract.

And again, that's going to be case-by-case and why we're asking folks to get in touch with our DES folks early in the planning process to avoid delays and other issues that might come up. Compliance with the policy, like with all of our policies, will be reviewed during the agencies procurement risk assessment and may impact the agency's delegated authority.

Mroz, Zoe (DES) 10:36

Next slide, yes, so that is our, that is the overview. That's the gist of everything we've got with this new policy and procedure.

We're asking folks to submit feedback on these documents by April 25th. That's three weeks from now.

Let me pop into chat the link for that so you can have that bookmarked. So that is the specific feedback form for our convenience contracts.



Mroz, Zoe (DES) 11:09

Our next steps are to review all the feedback.

Again, this is a brand new policy, so we want to make sure we get it right.

The effective date for the policy the target is June 5th, which is the same day that the new law goes into effect (that new legislation I talked about). We're going to take all this feedback.

Revise our policy and come up with that template resource and any additional resources that it turns out that folks are wanting to help with this process.

Mroz, Zoe (DES) 11:48

Time for questions? So I think, David, you're monitoring the chat for us. So what have we got in?

Jorgensen, David (DES) 11:57

Yes. Thanks, Zoe.

So the first question that we have is, does this policy cover Higher Ed (colleges and universities)?

Mroz, Zoe (DES) 12:10

Ah, that is a good question. I believe yes, I believe the answer to that question is yes. [Institutions of Higher Education (IHEs) can choose to use DES' procurement policies. However, in accordance with RCW 28B.10.029, IHEs can also develop their own purchasing policies and procedures provided that the policies and procedures comply with RCW 39.26.]

Jorgensen, David (DES) 12:16

OK. And the second question we have is, is the lead time that you mentioned in days, is that business days or calendar days?

Mroz, Zoe (DES) 12:27

Great question. Yes. I'm sorry that I left that off. Yes, business days, 10 days, business days.

Jorgensen, David (DES) 12:32

Business days. OK.

And let's see what else that we have. So, another question is, if the request is made after the solicitation what happens if DES disapproves?



Mroz, Zoe (DES) 12:50

So, like with our additional delegated authority requests, we recommend that you reach out to DES with your request prior to the solicitation going out.

Mroz, Zoe (DES) 13:02

That will cause those types of issues to not happen. Again, involving us as early in the planning process as possible,

Mroz, Zoe (DES) 13:14

Even if you're not sending the letter directly to our Director of Contracts and Procurement, you can always reach out to any of us individually or our team mailbox to begin that conversation informally.

Yeah, hopefully that helps.

Jorgensen, David (DES) 13:34

OK. And let's see another question that we have is up. Let's see.

They're asking if you want to, it says 10 days prior to the contract start date is one question and then, "don't you want to see it before the agencies decide to do a convenience contract procurement"?

Mroz, Zoe (DES) 13:56

Yes. Umm yes. We want to see it early, as early as possible is best. You know, we put in the 10 days as a recommendation.

It's not a requirement, so there are timelines in our [other] policies that are like strict requirements.

The 10 business days was put in there as that's how much lead time we typically need for these types of requests. So, we want to, we want to just make sure that at a minimum we get that, yeah.

Jorgensen, David (DES) 14:32

OK.

And another question is, will the request for approval need to come directly from an agency director to the DES Director?

Mroz, Zoe (DES) 14:41

Great question. No, it does not need to be a formal director to director correspondence.



Mroz, Zoe (DES) 14:48

We have our point of contact is the Director of Contracts and Procurement, which currently acting is Rebecca Linville is our point of contact for those request letters.

On the agency side that could be sent by your procurement lead, your administrative lead, or your agency lead, we leave that up to your agency to determine who that letter should come from.

Jorgensen, David (DES) 15:20

And so, another question that we have is, is this process only for convenience contracts supporting multiple agencies? And what if it will only support one agency?

Mroz, Zoe (DES) 15:32

That's a great question.

So as part of the legislation that passed, that will be going into effect on June 5th, the part of the statute which talks about, you know, single agencies was removed. So, it is just applied to convenience contracts where multiple agencies are involved.

Mroz, Zoe (DES) 15:56

So hopefully that helps, but until June 5th, it's one agency or many agencies, but we're pretty close to June 5th, but yes.

Jorgensen, David (DES) 16:07

OK. And then finally, we received a question on average, how many requests from agencies does DES receive a year?

Mroz, Zoe (DES) 16:17

Oh, that's a good question. Hmm that is a good question.

Mroz, Zoe (DES) 16:22

I would say two or three. I mean, David, you've processed a few of those in the last year. Would you say we've had about two or three convenience contract requests?

Jorgensen, David (DES) 16:34

I would say probably closer to five, I think between the two of us who process those requests.



Mroz, Zoe (DES) 16:37

OK.

Jorgensen, David (DES) 16:41

So, something in that, something in that in that range. But looks like we're getting a couple other questions in as well.

Jorgensen, David (DES) 16:50

So let me go ahead and ask those questions.

Mroz, Zoe (DES) 16:50

OK.

Jorgensen, David (DES) 16:53

Are convenience contracts going to be posted somewhere so other agencies can see what is out there?

Mroz, Zoe (DES) 17:01

We certainly could explore that.

Right now, those are not something that's publicly facing, but if you are specifically interested in seeing like an example of a convenience contract request and response, we are always happy to provide those on an individual, like through email, or if that's a resource that might be helpful for the policy as like a supplemental document or resource showing an example of a convenience contract request and response.

I'm sure we could supply one as part of the policy resources if that would be helpful.

Yeah, absolutely.

Jorgensen, David (DES) 17:44

OK. Let's see. The next question is.

A little bit of a hypothetical, I think in a way, but let's I'll go ahead and ask it.

Mroz, Zoe (DES) 17:55

OK.



Jorgensen, David (DES) 17:56

Would this policy impact the creation of interagency agreements beyond the procurement stage?

Mroz, Zoe (DES) 18:05

So I guess first and foremost, the new policy is not going to supersede current contracts that are in place.

I just want to say that as a, that might answer some other questions that are out there, but the new policy will only be affecting convenience contracts created after June, June 5th or/and the effect of data, the policy and then for future or new renewals of long-standing contracts, agencies should follow the new procedure.

Mroz, Zoe (DES) 18:36

We are currently working on guidance and around the interpretation of interagency agreements, RCW 39.34, and how that plays with RCW 39.26 and convenience contracts.

So that's something we're currently working on, and we will define that.

Mroz, Zoe (DES) 19:01

At that, you know, once we figure that out and get our policy published, we'll have that.

Jorgensen, David (DES) 19:08

OK. And let's see.

Another one is what is the process for a convenience contract to support one agency now versus after June 5th?

Mroz, Zoe (DES) 19:20

Yeah. So, it's very similar to what we're proposing with this process, with this new policy and procedure. The only real difference is that you will no longer need to request permission from DES if you are a single agency after June 5th.

So, the current process, while it's not in policy, it's not in formal policy or procedure,

We have been advising agencies that you should request permission from DES for convenience contracts.

Mroz, Zoe (DES) 19:56

if you're a single agency doing a convenience contract, for more information on that, please reach out to our team and we're happy to provide you with that resource, those guidelines, prior to this policy going into effect. I would reach out to us on that case by case basis, so we can get more information.



Jorgensen, David (DES) 20:18

OK.

And we have a few more questions that came in, Zoe. So this is an interesting question.

Mroz, Zoe (DES) 20:22

OK.

Jorgensen, David (DES) 20:24

It says can agencies join a convenience contract after it's been put in place, or are they required to be involved in the initial solicitation?

Mroz, Zoe (DES) 20:35

Yes, they would be required to be included in the initial solicitation the statute states specified group of agencies. So we're interpreting that to mean a specific group of agencies would be included in that solicitation, yes.

Jorgensen, David (DES) 20:54

OK. And there's a couple related questions here.

Is it possible to provide an internal list of pending convenience contracts so that other agencies could consider if they want to join in?

Mroz, Zoe (DES) 21:10

Well, so you would not be able to join a convenience contract that's already in place.

Mroz, Zoe (DES) 21:18

So I guess that might not be helpful then.

Mroz, Zoe (DES) 21:27

However it is an interesting question because you may be wondering, you know, I don't know what other agencies are purchasing.

How do I know if a convenience contract makes sense for me or my agency?



So we can explore some options and ideas around that around how we could get more of that communication going, to see how that might be helpful.

Mroz, Zoe (DES) 21:51

But Drew, yeah, you've got something to add there, yeah.

Zavatsky, Drew (DES) 21:55

Yeah, one thing I want to point out is that most—actually, let me back up.

Convenience contracts are all competitively solicited, so one of the best resources that we already have available for finding out if somebody is thinking of or contemplating doing a convenience contract is to check webs, right?

Because that way you can contact the agency.

I mean you if you see that an agency is soliciting for a convenience contract and it's for this type of widget and you go oh my goodness, I want to be part of that too.

Zavatsky, Drew (DES) 22:28

Contact them immediately and it may be a matter of a simple matter of negotiation between you and the other agencies they say, Oh yeah, we'll withdraw this.

We'll figure out how to include you, new agency in this, and then we'll repost.

So it's, to me, it's not that big an issue.

At the same time, I totally appreciate the impulse to want to have a statewide resource for all types of solicitations and needs by agencies out there.

And I think it's one of the needs that OneWashington will eventually meet, but until then, WEBS is going to have to be a workaround.

One guy's opinion.

Jorgensen, David (DES) 23:11

OK.

Mroz, Zoe (DES) 23:11

Thank you, Drew.



Jorgensen, David (DES) 23:13

Thanks, Drew. OK. And some of these questions are a little bit similar.

So again, one question is asking if they heard correctly whether or not that agency can enter into a single convenience contract on their own. Do they have to be joined with at least one more agency to do so?

Mroz, Zoe (DES) 23:39

Nope.

So, right now, the law is that for single agency or a group of agencies, you must request to DES permission. So that's what the current the law currently states. And by June 5th, the "single agency" is being removed from the statute. So it will only apply it to multiple agencies, which will need a request permission from DES.

And actually, if you are a single agency, there is no more convenience contract. That's not part of the definition of a convenience contract going forward.

Hopefully that answers that question or clarifies, but if it doesn't, we'll go through your questions again after this workshop and provide written responses and make sure that everything's clear crystal clear.

Jorgensen, David (DES) 24:34

OK, OK.

And looks like one more question, Zoe, if there is a convenience contract out there and your agency wants to participate, what would that process look like look like, do you have to go through the process again?

Mroz, Zoe (DES) 24:52

Sorry, I missed the first part of that, David.

Jorgensen, David (DES) 24:53

OK, it says if there is a convenience contract out there and your agency wants to participate, what would that process look like look like?

Mroz, Zoe (DES) 25:03

If it has not yet been awarded, then you would contact the agency leading that effort to see if it's possible to join. If it's already been awarded, then there is no way to join that. Through this process, yeah.



Jorgensen, David (DES) 25:20

OK, OK.

Jorgensen, David (DES) 25:24

And it looks like we have a couple more that have come in.

Mroz, Zoe (DES) 25:29

I think we have time for maybe one more. It's looking like we're getting close to.

Jorgensen, David (DES) 25:33

OK.

It says Higher Ed has designated purchase authority, in the RCW's and already has a database of contracts that any of the colleges or universities can join.

Jorgensen, David (DES) 25:47

Does this have any impact on that?

Mroz, Zoe (DES) 25:55

That is a really great question and one that will have to look into to better understand the RCWs there and whether that has any impact. So thank you for asking the question.

These are the type of, this is the type of feedback we're looking for to see, you know, if we've missed anything in our development of the policy and if we need to clarify.

So thank you for your question. We will determine that. And thank you, David, so much for your assistance with Q&A.

Unfortunately, we are down to the wire here with timing and I need to pass it over to Olu Agbaje who's going to go over our other policy projects.

Mroz, Zoe (DES) 26:39

So thank you.

Agbaje, Olu (DES) 26:41

Thanks, Zoe and thanks to you too David.



Agbaje, Olu (DES) 26:47

Again, my name is Olu Agbaje. I am the enterprise procurement policy and protest administrator at the Department of Enterprise Services.

Agbaje, Olu (DES) 26:55

What I want to do in the next 5 minutes is to provide a quick update on the other policy projects we're working on this year.

Agbaje, Olu (DES) 27:06

Next slide please.

Agbaje, Olu (DES) 27:10

Supplier diversity policy handbook revision.

I want to talk about that one first.

Agbaje, Olu (DES) 27:16

DES has made over 50 changes to the handbook and also a change to the policy itself. The revisions reflect what we've learned since we implemented the policy to make fixes and to add clarity.

Agbaje, Olu (DES) 27:35

DES will present revisions to the Handbook and policy through a lunch and learn session and at the upcoming Supplier Diversity Community of Practice meeting, at a date to be determined. We will keep you posted. Our target completion date is April 2024.

Agbaje, Olu (DES) 27:53

Next slide.

Agbaje, Olu (DES) 28:02

Both the Washington grown food policy and Executive Order 18-03, the policy that supports workers right to effectively address workplace violations, need to be refreshed.

Agbaje, Olu (DES) 28:17

As a result, we sought feedback in March on both policies using a survey.



Agbaje, Olu (DES) 28:24

If you did not have a chance to complete the service before they closed, we encourage you to still provide your feedback through an email. We appreciate all the feedback we've received so far. Thank you for that.

Agbaje, Olu (DES) 28:39

Delegated Authority policy. We will refresh this policy to reflect the new procurement risk assessment and other required changes. We will make initial proposed revisions and share them with stakeholder for input.

Agbaje, Olu (DES) 29:02

Emergency purchase policy. We are also revising this policy this year to incorporate revisions from House Bill 1471 that passed this session. As the bill requires, the timeline has changed from 3 business days from the date of purchase to 10 days for agencies to file emergency contract with DES and to make the contracts available for public inspection.

The bill will come into force on June 5, 2024.

Agbaje, Olu (DES) 29:36

Direct Buy Purchases policy is another policy that we're working on later this year. We will be contacting you for input for all these policy, and other policies.

Agbaje, Olu (DES) 29:49

The last thing, I want to highlight on this slide is that every month, the enterprise procurement policy team provides a status report on all active and upcoming projects. This update can be found at the link being shown on this slide.

I encourage everyone to visit our policy webpage to read more about these upcoming policy projects and other policies that we have on our website, so let's go to the next slide please.

So this slide provides information about our teams have contact details.

Agbaje, Olu (DES) 30:38

Please contact any of us regarding what we've presented today or for other procurement policy related questions you may have.



Agbaje, Olu (DES) 30:47

We'll be more than happy to answer your questions.

Next slide please.

Agbaje, Olu (DES) 30:56

Indicated at the bottom of this slide is the enterprise procurement policy mailbox.

Agbaje, Olu (DES) 31:06

It's another way you can reach our team.

If you have any questions or you have any clarification regarding what we've presented today. You can also reach us through the mailbox indicated on this slide. In the middle is a quick response code. Please use this code to provide your feedback about workshop convenience contracts session.

Agbaje, Olu (DES) 31:32

Again, thank you for your time and feedback.

We truly appreciate your time, but before we wrap up this session, I want to let you know that next we have the procurement risk assessment session that is going to start at 10:45. That's in about roughly 15 minutes.

Agbaje, Olu (DES) 31:53

If you have not done so, you can still register for this session. We look forward to seeing you in 15 minutes.

Thank you again for your time. See you shortly.