No Findings:
Helping Your Departments Purchase Compliantly and Competitively

Simple, implementable

TIPS & IDEAS
to help non-procurement specialists purchase
COMPLIANTLY &
COMPETITIVELY

Presenters

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- 23+ years of experience in:
  - District Purchasing Management
  - Purchasing Process
  - Administrative Services

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- New Brighton, Minnesota
- 17+ years of experience in:
  - Sales
  - Negotiations
  - Purchasing
Compliance
- Simplifying the rules
- Communicating the process
- Documentation, documentation, documentation

Competitiveness
- Setting purchase objectives
- Selecting a purchasing process
- Negotiation tips

So many rules... how do you manage?

1. Understand the ‘base three’ sets of rules
   - Federal
   - State
   - District

2. Build a profile for rules and process requirements based on:
   - Total purchase or contract value
   - Source of funding for the purchase

3. Develop a ‘cheat sheet’ to guide staff on:
   - Process options
   - Document requirements
So many buyers... how do educate our departments?

1. Assure the specific terms are understood:
   - What is a BID?
   - What is a Request for Proposal/Quote?
   - What are State and Joint Powers Agreements?

2. Build an online “Purchasing Toolbox” for your staff:
   - District Purchasing Policies
   - Process “Cheat Sheets”
   - Document Examples and Templates

3. Select a purchasing ‘contact’ guide in the Finance Office:
   - Questions and Answers
   - Document review and consolidation of documents

Communicating the Process

So many documents... how do we efficiently show compliance?
1. Digitize
   - Scan every document in the process including the original request, quotes, proof of advertisement, bid opening form, evaluations, etc.

2. Centralize
   - Consolidate these documents and store them in a secure, accessible location in the district office.

3. Track
   - Maintain reporting of renewal and expiration dates to assure a compliant sourcing schedule and plan for purchasing workload.

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Cheapest isn’t always best...
how do we source the right options?

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Setting Purchase Objectives

1. Size/Impact of the Purchase
   - How will this purchase impact the students, the staff, the community?
   - Can we afford to do anything short of perfect?

2. Commodity vs. Custom
   - How many vendors can successfully meet the need?
   - What are functions, services, purchases does this purchase affect?

3. Indirect costs
   - What other costs should we consider? (conversion, implementation, maintenance)
   - What are functions, services, purchases does this purchase affect?
Selecting a Purchasing Process

1. Understand your process options
   - This is dictated by the purchase type, amount, and funding source

2. How well defined is the purchase specifications
   - Bids can be effective in securing best price for commodity items
   - Request for Quote/Proposal can be helpful in gathering information and pricing - then negotiating towards a solution

3. How much time do you have?
   - Bids can secure lowest pricing but require the most amount of time and process steps
   - Joint Powers/State Agreements can simplify the sale and compliance but will NOT always offer you the best pricing.

The games we must play…
how can we negotiate better value?
Negotiation Tips

1. Fall in love with specifications NOT brands
   • If it’s “one-of-a-kind” and they know it – your leverage is gone

2. Do your homework
   • How does the vendor make money?
   • What do others (like me) pay?

3. Avoid sharing any budget, spend, price data
   • Find the true sales value – not values based on ROI or budget

4. Emotionally disconnect
   • Negotiations shouldn’t be personal
   • If helpful, have a peer, who has no interest in the decision, handle the final components of the negotiation

Questions

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