

This newsletter is published on a monthly basis to provide relevant information to government purchasing and contracting professionals regarding public procurement and contracting topics. Hope you enjoy!

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2018 Class Schedule

2018

The 2018 Government Procurement Services (GPS) class schedule is coming soon. Next month's newsletter will include the new class line up.

As usual, we try to hold each GPS class in the Austin, Houston and DFW areas.

Don't forget, we do **on-site training** too. If you have more than eight staff in need of training, it is more cost effective to have GPS come to you at your location and on your schedule.

Spend Management/Analysis

Now that we are beginning a new fiscal year, it is a good time to consider what we spent money on last fiscal year and how can we manage that spend more efficiently this fiscal year.



Spend Management is managing how to spend your agency's money effectively and efficiently. How you manage your future spend includes knowing what you spent money on in the past.

Training Schedule



2017 Workshop

Prices:

\$300 (1-day)

\$515 (2-day)

Group Discounts
Available

Fundamentals of Public Purchasing

Dec. 12-13, 2017

Austin

Negotiation Skills

November 14, 2017

DFW

Purchasing 101 for Everyone

November 9, 2017

Houston

Schedule Management in Projects & Contracts

Spend Analysis is a process for analyzing the historical purchasing spend data of an agency to provide answers to questions concerning spend visibility, compliance and control. This information gives you insight into:

- What do we buy repetitively?
- What are my "big ticket" purchases?
- Who is spending and on what?
- Which vendors supply multiple departments?
- Which departments buy the same or similar goods and services?
- What items would benefit from a blanket or indefinite quantity contract?
- What items can/should be standardized?

Common procurement metrics include:

- Total spend by the Procurement Department
- Total spend by delegated departments
- Percentage of spend under blanket orders
- Percentage of spend by supplier
- Total procurement card spend
- Procurement card spend by department
- Total procurement card spend as a % of total spend

Some people get intimidated by a spend analysis because there is so much data. The first spend analysis I did was a bit time consuming. However, the information I found was very interesting and allowed our agency to plan a strategy for improved procurements.

There are three (3) steps to conducting a spend analysis:

1. Collect the data

- Clean up the data so you can trust it.
- Eliminate errors and discrepancies.
- Add any missing information.
- Classify it - most governmental entities use the NIGP commodity codes for classification purposes.

2. Analyze the data

- Look for patterns and outliers.
- Sort and manipulate the data in different ways. Each different sort will provide new and interesting information.

November 17, 2017
DFW

**Scope
Management in
Projects &
Contracts**

November 16, 2017
DFW

**Specification
Writing**

November 8, 2017
Houston

**Using Request for
Proposals**

Nov. 14-15, 2017
Austin

3. Develop a strategic plan

- Make a plan based on the results.
- Identify "low hanging fruit" - things you can do quickly and easily to better manage your spend, e.g. establish blanket orders for frequently used items.
- Develop a strategic sourcing strategy to ensure a more efficient and effective process, e.g. consolidate similar purchases.

When done correctly, a spend analysis allows the entity to identify opportunities to leverage buying power, reduce costs, improve operational performance and provide better management and oversight of suppliers.

Warning - This is not a "one time and your done" analysis. A spend analysis should be conducted on a continual basis to support decisions on strategic sourcing and procurement management for the organization.

Question of the Month

QUESTION:

Our county was impacted by Hurricane Harvey - as I am sure many local governments in Texas were. Does anyone have experience in the paperwork required for Federal Emergency Management Agency (FEMA) reimbursement?



ANSWER:

My experience is rather limited and was quite some time ago, so I will defer this question to others who have this experience.

I did find some current resources on the [FEMA website](#). There are quite a few links, including one to a [Public Assistance and Policy Guide](#).

If anyone has any resources you would like to share, please send them to me at info@gpstraining.biz and I will publish them in the next newsletter.

