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Nevada State Purchasing Division

Mission Statement

Nevada State Purchasing is charged by the State of Nevada to perform all functions related to Service Procurement and the purchasing, renting, or leasing of supplies, materials and equipment needed by state agencies. Its purpose is to timely obtain supplies, equipment and services; to secure best value, and to give all vendors an equal opportunity to do business with the State. The Purchasing Division maintains limited distribution centers in Reno and Las Vegas, delivers statewide, handles the reallocation and disposal of excess state property, maintains an inventory of state fixed assets, administers the Federal Surplus Property Program and distributes USDA food to all eligible recipients. Nevada State Purchasing is committed to providing superior customer service, externally and internally, while striving to exceed our customers expectations of us. We are continually improving upon and purifying our processes and performance in efforts to reduce and eliminate unnecessary work and waste within State Government while providing savings to our customers and the taxpayers of Nevada.

Vision Statement

The Nevada State Purchasing Division envisions a better, more efficient, and more cost effective tomorrow within State Government, by continually building upon our service and relationships, creating extraordinary value and opportunity for all of our customers, to meet and exceed their needs through a culture of continuous improvement.

ASSEMBLY WAYS AND MEANS

DATE: 2-17-03 ROOM: 2134 EXHIBIT E

SUBMITTED BY: Nev. State Purchasing

Purchasing Division Goals: (Revised 2-06-2002)

1. Measurably improve our customer's ability to obtain the goods and services necessary to accomplish their mission.
Objective: Increase by 20% the number of agency direct to vendor transactions by June 2002.
Strategy: Increase the communication with agencies through all agency memos, instructing and encouraging agencies to work directly with open term contractors through their websites to order goods and services.
Strategy: Work with the budget office and our customers to ensure a smooth transition to the \$1,000 direct purchase authority. This is necessary, because items over \$500 were budgeted as equipment items through this biennium and therefore must be approved by budget until such time this budget is approved for July 2003.
Objective: Increase by 15% the number of goods bought through best value considerations rather than lowest price, by June 2003.
Strategy: Increase the number of bids solicited with functional (what is it supposed to do) specifications.
Strategy: Develop additional non-price evaluation criteria for commodities such as repair history or delivery dates.
Measurement Method: *Central Purchasing Performance Indicators #1-#16. In addition, annual progress/status review of each Goal and related Objectives identified by Purchasing Division Management Staff.*

CENTRAL PURCHASING PERFORMANCE MEASURES
1. Number of Centralized Purchasing Customers Dissatisfied w/bid awards
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey
3. Acquisition Cost of Goods Purchased On Behalf of our Customers
4. Percentage of Average Savings to Our Customers on Items Purchased
5. Average Percent of Discount received by Our Customers on the Central Procurement of Services
6. Average Number of Days to Process an Order From Receipt in Purchasing to Issuance of a Purchase Order
7. Average Number of Days for Centralized Service Procurement from Project Assignment within Purchasing to the Bid Award
8. Number of Vendors in Commodity Vendor Pool
9. What Percentage of the Commodity Vendor Pool Are Minority Vendors
10. Number of Vendors in Services Vendor Pool
11. What Percentage of the Services Vendor Pool are Minority Vendors
12. Percentage of Vendors Rating the Purchasing Bid Process and Solicitation Document Good to Excellent on Vendor Surveys
13. Number of Vendors Appealing Bid Awards Per Year
14. Number of Transactions that Customers Purchased Direct with Purchasing Contract Vendors
15. Number of Customers Trained in the Public

Purchasing Process
16. Number of Informational Sharing Meetings held Per Year

2. Increase our customer's knowledge of and reasons for the public purchasing processes.
- Objective:** Increase by 25% the number of persons trained through contracting, commodity purchasing and fixed asset management classes, during each year of the biennium.
- Strategy:** Offer at least one additional class per quarter through the State Personnel training program in the above areas of emphasis.
- Strategy:** Advertise and encourage agencies to request our one-on-one training in all areas.
- Objective:** Move toward a certification program in contract management for agency purchasing personnel by July 2002.
- Strategy:** Develop and test a core curriculum in public purchasing principles in conjunction with our customers by July 2003.
- Strategy:** Will develop policies and procedures, with a change in the State Administrative Manual, for implementation by July 2002.
- Measurement Method:** *Central Purchasing Performance Indicators #2, #13-#16. In addition, annual progress/status review of each Goal and related Objectives identified by Purchasing Division Management Staff.*

CENTRAL PURCHASING PERFORMANCE MEASURES
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey
13. Number of Vendors Appealing Bid Awards Per Year
14. Number of Transactions that Customers Purchased Direct with Purchasing Contract Vendors
15. Number of Customers Trained in the Public Purchasing Process
16. Number of Informational Sharing Meetings held Per Year

3. Increase communication with our customers and vendors so the Purchasing Division can provide higher levels of service.
- Objective:** Increase by 50% general information meetings with our customers, by June 2003.
- Strategy:** Hold at least one meeting each quarter in Reno and in Las Vegas with our customers to discuss concerns and solutions to purchasing issues.
- Strategy:** Continue to refine the customer satisfaction surveys on our web site as well as the yearly mass mailed survey documents.
- Strategy:** Continue to grow and expand the resources (RFP, bid documents, purchasing information, etc.) available on the Purchasing Division web sites.
- Measurement Method:** *Central Purchasing Performance Indicators #1-#16. In addition, annual progress/status review of each Goal and related Objectives identified by Purchasing Division Management Staff.*

CENTRAL PURCHASING PERFORMANCE MEASURES
1. Number of Centralized Purchasing Customers Dissatisfied w/bid awards
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey
3. Acquisition Cost of Goods Purchased On Behalf of our Customers
4. Percentage of Average Savings to Our Customers on Items Purchased
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16. Number of Informational Sharing Meetings held Per Year

4. Expand our open term contracting program by continually seeking opportunities to "bid once/use lots" for commodities and services used by a variety of our customers.

Objective: Identify and successfully establish 10 additional open term contracts and 20 "permissive price agreements" during the next biennium.

Strategy: Be cognizant when a customer asks us to buy a good or service of any other agencies that might also be in the market for a similar products or services.

Strategy: Analyze past purchases and work with the Budget Division to identify open term contracting opportunities.

Strategy: Communicate with other states in an effort to identify possible open term contracts.

Objective: Identify and participate in at least 1 additional multi-state procurement by June 2003.

Strategy: Consult with other states about multi-state procurement opportunities.

Strategy: Identify commodity items sensitive to volume discounts, used by other states, universally serviceable and not transportation limiting as possible candidates for multi-state procurements.

Measurement Method: *Central Purchasing Performance Indicators #3, -#6, #12, #14. In addition, annual progress/status review and documentation of each Goal and related Objectives identified by Purchasing Division Management Staff.*

CENTRAL PURCHASING PERFORMANCE MEASURES
3. Acquisition Cost of Goods Purchased On Behalf of our Customers
4. Percentage of Average Savings to Our Customers on Items Purchased
5. Average Percent of Discount received by Our Customers on the Central Procurement of Services
6. Average Number of Days to Process an Order From Receipt in Purchasing to Issuance of a Purchase Order
12. Percentage of Vendors Rating the Purchasing Bid Process and Solicitation Document Good to Excellent on Vendor Surveys
14. Number of Transactions that Customers Purchased Direct with Purchasing Contract Vendors

5. Continue to create a more user friendly fixed asset management system and to refine the surplus property disposal process to better serve our customers.
- Objective:** Deploy electronic inventory management systems for direct access by our customers by June 2002.
- Strategy:** Implement Web enabled fixed asset inventory system by June 2002.
- Strategy:** Enable user agencies to utilize the Advantage Fixed Asset subsystem to track property not required to be tracked by the State Purchasing Division.
- Strategy:** Continue to develop new procedures and train the fixed asset management staff in the use of new electronic inventory systems that allows these agencies to complete certain maintenance items at their convenience.
- Objective:** To change existing and implement new surplus property disposal systems in efforts to continually improve the property disposal process.
- Strategy:** Continue to develop and utilize a system of reallocation of equipment from one State agency to another State agency without cost.
- Strategy:** To ensure user agency excess property is picked up within 15 days of initial disposal request in efforts to continually improve the process and to better utilize user agency office space.
- Strategy:** To make the disposal process more efficient and effective by hiring temporary help when required.

Measurement Method: *Personal Property Performance Indicators #1-#4. Central Purchasing Performance Indicators #13-#16. In addition, annual progress/status review and documentation of each Goal and related Objectives identified by Purchasing Division Management Staff.*

PERSONAL PROPERTY PERFORMANCE MEASURES
1. Number of Customers Rating Program Good to Excellent on Yearly Survey
2. Number of Items Deemed Excess with Reutilization Potential
3. Number of Items with Reutilization Potential that are Re-Allocated to other Gov't Agencies Statewide
4. Number of Vehicles and Heavy Equipment Deemed Excess that are Re-Allocated to other Gov't Agencies

CENTRAL PURCHASING PERFORMANCE MEASURES
13. Number of Vendors Appealing Bid Awards Per Year
14. Number of Transactions that Customers Purchased Direct with Purchasing Contract Vendors
15. Number of Customers Trained in the Public Purchasing Process
16. Number of Informational Sharing Meetings held Per Year

6. Improve the coordination of the acquisition and distribution of commodity foods and food products to all customers statewide.

Objective: Work with our customers to test and then add two new food products for use in the schools and other recipient agencies by June 2003.

Strategy: Request from our customers possible food products (made with commodity foods) to be included in future offerings.

Strategy: Develop and test the food with the assistance of our customers to determine acceptability for the program.

Strategy: Train the staffs at our recipient agencies on how to maximize the benefits of our programs.

Measurement Method: *Commodity Food Performance Indicators #1-#9. In addition, annual progress/status review and documentation of each Goal and related Objectives identified by Purchasing Division Management Staff.*

COMMODITY FOOD PERFORMANCE MEASURES
1. Number of Service Complaints from Customers of the Community Food Distribution Program
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey
3. Acquisition Cost of Goods Purchased On Behalf of our Customers
4. Percentage of Average Savings to Our Customers on Items Purchased
5. Total lbs. Of Food Distributed Statewide To: Schools, Sr. Centers, Eligible Day Care Centers, Food Banks & Rural Indian Needy Families
6. Number of New USDA Approved Food Products Introduced to Customer Agencies

7. Average Cost/Pound to Distribute USDA Food Statewide
8. Percentage of USDA Food Lost, Damaged or Spoiled at the State Warehouse
9. Percentage of USDA Food Lost, Damaged or Spoiled at the Local Level

7. Promote and sustain a work environment that encourages employee development, one that promotes and supports professional training of its employees, that fosters creative and innovative thinking and one that fuels the spirit of teamwork and positive "can-do" attitudes among its employees.

Objective: Support the professional training of staff to achieve the Certified Purchasing Manager credential from the National Association of Purchasing Managers and/or the Certified Professional Contracts Manager credential from the National Contract Management Association by June 2003.

Strategy: Reimburse employees for the cost of the testing modules successfully passed.

Strategy: Provide study materials and study time for those employees seeking the CPM credential.

Objective: Provide all staff with the training necessary to operate their computers each year.

Strategy: Provide for group training on all software when upgraded for all staff.

Strategy: Provide advanced training for staff using the software beyond the basics.

Measurement Method: *Central Purchasing Performance Indicators #2, #3, Personal Property Performance Indicators #1. Commodity Food Performance Indicators #1, #2. In addition, annual progress/status review and documentation of each Goal and related Objectives identified by Purchasing Division Management Staff.*

CENTRAL PURCHASING PERFORMANCE MEASURES
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey
3. Acquisition Cost of Goods Purchased On Behalf of our Customers

PERSONAL PROPERTY PERFORMANCE MEASURES
1. Number of Customers Rating Program Good to Excellent on Yearly Survey

COMMODITY FOOD PERFORMANCE MEASURES
1. Number of Service Complaints from Customers of the Community Food Distribution Program
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey

8. Continue to innovate and discover new ideas, new technologies, new processes and procedures within the Purchasing Division to ultimately minimize the overall cost of acquisition by improving the efficiency of operations and the levels of service to our customers.

Objective: Recognize and post on our bulletin board and our web site 10 innovative ideas from staff during each fiscal year.

Strategy: Encourage personnel to continually think of new ways of improving upon existing processes.

Strategy: Continue to foster an environment of recognition and appreciation for innovation, initiative and creative individuality within a team environment.

Strategy: Promote an open-door policy for personnel to speak freely and to share any and all ideas, comments and suggestions.

Measurement Method: *Central Purchasing Performance Indicators #1-7, #12-#16. In addition, annual progress/status review and documentation of each Goal and related Objectives identified by Purchasing Division Management Staff.*

CENTRAL PURCHASING PERFORMANCE MEASURES
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15. Number of Customers Trained in the Public Purchasing Process
16. Number of Informational Sharing Meetings held Per Year

DEPARTMENT: Administration
FUND & BUDGET ACCOUNT: 718, 1358

DIVISION: Purchasing
PROGRAM: Centralized Purchasing Program

PERFORMANCE MEASURES	July - Sept 2001		Oct - Dec 2001		Jan - Mar 2002		Apr - June 2002		Total FY 2002	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
1. Number of Centralized Purchasing Customers Dissatisfied w/bid awards	1	1	1	1	1	1	0	0	3	3
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Acquisition Cost of Goods Purchased On Behalf of our Customers	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
4. Percentage of Average Savings to Our Customers on Items Purchased	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%
5. Average Percent of Discount received by Our Customers on the Central Procurement of Services	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	100,000,000	100,000,000
6. Average Number of Days to Process an Order From Receipt in Purchasing to Issuance of a Purchase Order	17,352,889	24,944,791	24,944,791	24,944,791	12,502,754	12,502,754	13,939,878	13,939,878	89,116,990	89,116,990
7. Average Number of Days for Centralized Service Procurement from Project Assignment within Purchasing to the Bid Award	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%
8. Number of Vendors in Commodity Vendor Pool	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	23%	23%
9. What Percentage of the Commodity Vendor Pool Are Minority Vendors	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
10. Number of Vendors in Services Vendor Pool	66.85%	65.33%	65.33%	65.33%	56.5%	56.5%	44%	44%	58%	58%
11. What Percentage of the Services Vendor Pool are Minority Vendors	25	25	25	25	25	25	25	25	25	25
12. Percentage of Vendors Rating the Purchasing Bid Process and Solicitation Document Good to Excellent on Vendor Surveys	19	12	12	12	9	9	8	8	13	13
13. Number of Vendors Appealing Bid Awards Per Year	100	100	100	100	100	100	100	100	100	100
14. Number of Transactions that Customers Purchased Direct with Purchasing Contract Vendors	105	131	131	131	127	127	121	121	121	121
15. Number of Customers Trained in the Public Purchasing Process	New	New	New	New	New	New	New	New	New	New
16. Number of Informational Sharing Meetings held Per Year	2280	2300	2300	2300	2474	2474	2528	2528	2396	2396
	New	New	New	New	New	New	New	New	New	New
	2.3%	2.4%	2.4%	2.4%	3%	3%	3.5%	3.5%	2.8%	2.8%
	New	New	New	New	New	New	New	New	New	New
	2153	2193	2193	2193	2250	2250	2554	2554	2288	2288
	New	New	New	New	New	New	New	New	New	New
	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	5%	5%	4.6%	4.6%
	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
	100%	100%	100%	100%	91%	91%	100%	100%	100%	100%
	1	1	1	1	0	0	1	1	3	3
	0	0	0	0	0	0	1	1	2	2
	To be reviewed	To be reviewed	To be reviewed	To be reviewed	1,500	1,500	1,500	1,500	6,000	6,000
	26,472	26,941	26,941	26,941	29,266	29,266	28,187	28,187	110,866	110,866
	50	50	50	50	50	50	50	50	200	200
	40	119	119	119	109	109	145	145	413	413
	2	2	2	2	2	2	2	2	8	8
	0	4	4	4	3	3	4	4	11	11

Updated 2/11/03 1358 Centralized Purchasing Program-quarterly 01-02 new

E9811

2001-2002

PROGRAM DESCRIPTION

Performance Measures

DEPARTMENT: Administration

FUND & BUDGET ACCOUNT: 101, 1362

DIVISION: Purchasing

PROGRAM: Commodity Food Distribution Program

PERFORMANCE MEASURES	July-Sept 2001		Oct-Dec 2001		Jan-March 2002		Apr-June 2002		Total FY 2002	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
1. Number of Service Complaints from Customers of the Community Food Distribution Program	1	0	1	0	1	0	1	0	4	0
2. Percentage of Customers Rating Program Good to Excellent on Yearly Survey	95%	89%	95%	89%	95%	89%	95%	89%	95%	89%
3. Acquisition Cost of Goods Purchased On Behalf of our Customers	2,146	0	0	0	75,000	6,027	75,000	32,407	150,000	40,580
4. Percentage of Average Savings to Our Customers on Items Purchased	Not Measurable	N/A	Not Measurable	N/A	Not Measurable	N/A	Not Measurable	N/A	Not Measurable	N/A
5. Total lbs. Of Food Distributed Statewide To: Schools, Sr. Centers, Eligible Day Care Centers, Food Banks & Rural Indian Needy Families	3,485,355		4,722,228		4,492,643		2,098,763		14,798,989	
6. Number of New USDA Approved Food Products Introduced to Customer Agencies	4,836,510		6,210,414		6,405,294		3,353,784		20,806,002	
7. Average Cost/Pound to Distribute USDA Food Statewide	2	15	2	3	2	3	2	0	8	21
8. Percentage of USDA Food Lost, Damaged or Spoiled at the State Warehouse	.0485	.0779	.0502	.0339	.0664	.0590	.0556	.0379	.0552	.0465
9. Percentage of USDA Food Lost, Damaged or Spoiled at the Local Level	1%	.0002%	1%	.0004%	1%	.0003%	1%	.0003%	4%	.0003%
	1%	.0000%	1%	.0014%	1%	.0000%	1%	.0000%	4%	.0005%

Updated 2/11/03 1362 Commodity Food Dist. Program-quarterly-01-02

F10 by 11

2001-2002

PROGRAM DESCRIPTION
Performance Measures - NEW

DEPARTMENT: AdministrationFUND & BUDGET ACCOUNT: 718, 1358DIVISION: PurchasingPROGRAM: Personal Property Mgt. Program

PERFORMANCE MEASURES	July-Sept 2001		Oct-Dec 2001		Jan-Mar 2002		Apr-June 2002		Total FY 2002	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
1. Number of Items Deemed Excess and Re-Allocated to other Gov't Agencies Statewide	510		510		510		510		2040	
2. Number of Vehicles and Heavy Equipment Deemed Excess that are Re-Allocated to other Gov't Agencies	370		628		850		599		2447	
Updated 2/11/03 1358 Personal Property Mgt. Program-quarterly-01-02	30		30		30		30		120	
	27		30		57		28		142	

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