

# FORUM 2017: Creating Connections Together



## Best Practices for Contract Administration

Using SRM Principles



“It’s the next level of real-time vendor relations. But we’re still beta testing.”



# Contract Administration & SRM

Define Supplier Relationship Management (SRM)

The National Institute of Governmental Purchasing (NIGP) recognizes Supplier Relationship Management (SRM) as a **set of principles, processes and tools** that assist organizations in the management of supplier relationships to **maximize value and minimize risk** through the entire supplier relationship life cycle.



# Contract Administration & SRM

Define “Contract Administrator” APSPM 10.2

The administrator should be the end user of the contract or one who has a **vested interest** in the procurement who will be responsible for the proper adherence to all contract specifications by the contractor.



# Contract Administration & SRM

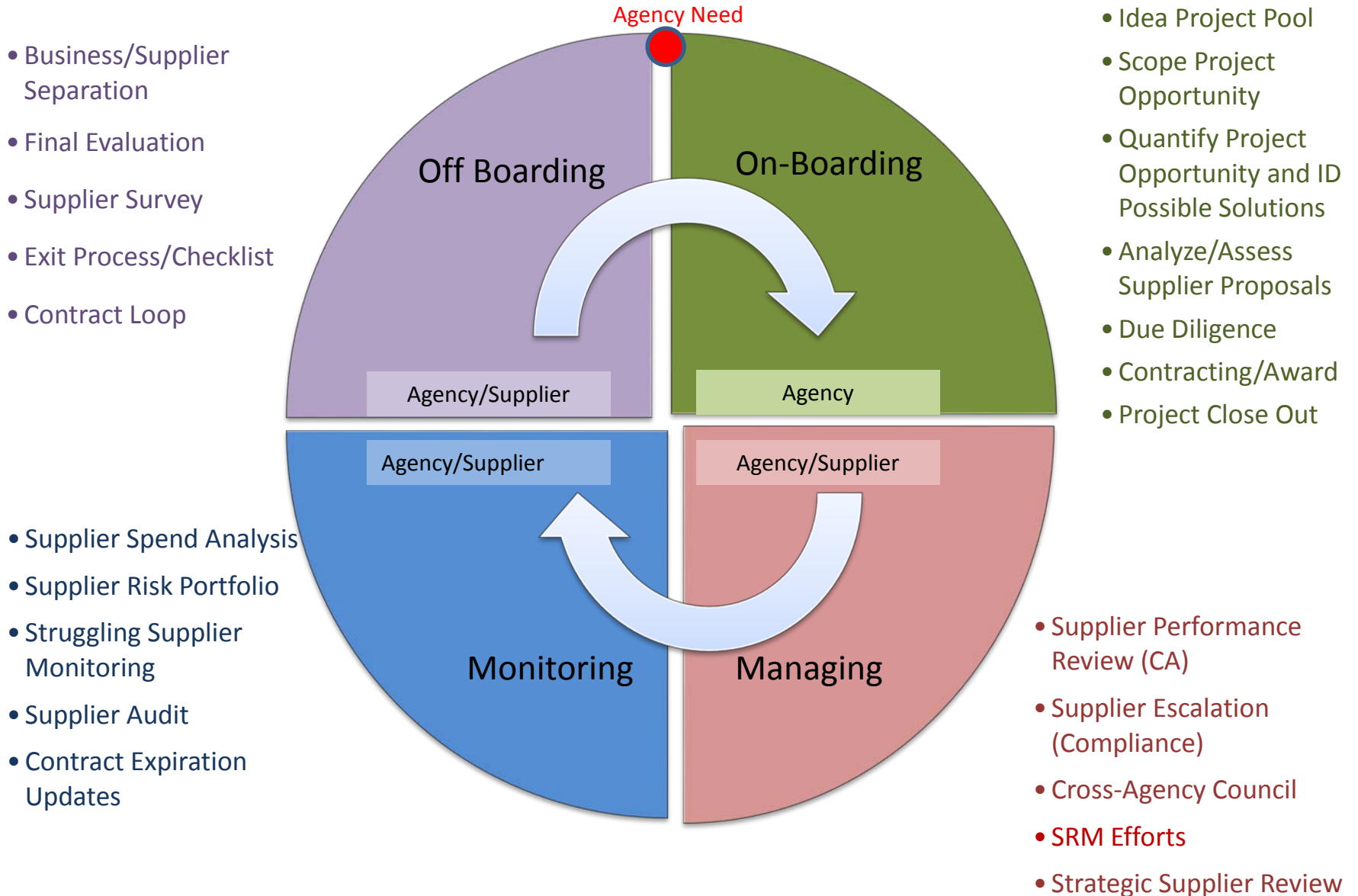
## Role of Contract Administrator (per APSPM)

Contract administration shall be:

- delegated in writing by the using agency
- designate a specific individual or position
- Highlight important aspects of the contract
- Specific tasks include
  - acceptance of goods or services
  - approval of invoices
  - scheduling and monitoring of project progress
  - coordination of the provision of agency or other resources when part of the contract
  - favorable or critical feedback to the contractor and buyer



# Four-Phase Supplier Lifecycle Management



# Contract Administration & SRM

- Contract Administrators are the face and voice of a contract
  - Frequent communication with supplier and CO
  - Review of operational expectations
  - Ensure transparency between supplier and CO
- What SRM Principles apply to this role?
  - Let's discuss the 6 principles



# Contract Administration & SRM

## SRM Principles

### 3C's:

- **C**ommunication
- **C**ollaboration
- **C**ommitment

### D.I.E.-ing to Get it Right:

- **D**ue Diligence
- **I**nnovation
- **E**ngagement





# Contract Administration & SRM

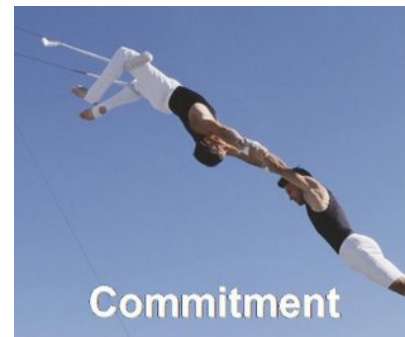
## ❖ Communication



## ❖ Collaboration



## ❖ Commitment



# Contract Administration & SRM

- **D – I – E- ing to get it right!**
- Final 3 SRM principles
  - **D**ue Diligence
    - As a CA, we can re-brand this to mean “performance surveys”
      - Make sure you provide these to the contract CO – they need your input!
  - **I**nnovation
    - Supply base gets it right through performance and innovation
    - Take new innovation ideas from suppliers to the CO
  - **E**ngagement
    - Work together to ensure we ALL get it right!



# Contract Administration & SRM

Applying what we've learned!

**Case Study 1**

**Case Study 2**

**Case Study 3**



# Contract Administration & SRM

New DGS Website: <https://portal.dgs.virginia.gov/procurement/>

Virginia.gov Agencies Governor Search Virginia.Gov

Virginia Department of General Services  
Serving Government. Serving Virginians.

DGS Engineering and Buildings Laboratory Services Procurement Real Estate Fleet Graphics Surplus Mail

I Want To... I'm Looking For... I Need to Contact...

Home » Purchases and Supply

## Division of Purchases and Supply

ABOUT DPS

- Statewide Procurement
- Policy, Consulting & Review
- Supplier Relationship Management
- eVA - Virginia's eProcurement Portal
- Resources
- Updates
- DPS JOBS
- Forms & Documents
- Contacts

Virginia Institute of Procurement  
FORUM 2017  
VDC Virginia Distribution Center

### PURCHASES AND SUPPLY

The Division of Purchases and Supply (DPS) provides services that make it easier and more convenient to do business with the Commonwealth and make it more simple and cost efficient for the government to do its business. The division's flexible and innovative approach to procurement creates cost savings and ensures transparency and accountability in the purchasing and contracting process.

DPS is responsible for the Commonwealth's procurement of nontechnology goods and services, including:

### BY THE NUMBERS

- \$30 million** in annual savings through eVA
- 7.6 million** orders in eVA since 2001 representing **\$64 billion** in spend
- Over **96,000** vendors registered in eVA, including over **13,000** small businesses
- 244** agencies and over **900** local bodies use eVA
- Over **90%** of state spend captured in eVA
- Over **300** statewide contracts managed by DPS
- More than **160** procurement professionals trained in FY15
- Over **1000** participants in 2016 Forum
- \$11.7** million cost savings at VDC in FY16, with **\$77.6** million savings over the past five years
- 12** consecutive National Achievement of Excellence in Procurement Awards



# Contract Administration & SRM

*New Procurement Complaint Form rolling out in 1Q18!*

If you would like to test drive the new electronic e-form before it hits Production, bring me a business card and we will be in touch!

