

**“Forgive me Legal
for I have Soul Sourced”**

Contracting Kaizen Event Report Out

By: Team Confessors
December 3 - 7, 2007

Team Members

Sherry Arntzen

- Marsha Peterson – DNR, Budget & Finance
- Ed Tormey – DNR, Legal Services
- Tammie Krausman – DNR, Environmental Services
- Tom Anderson - DNR, Energy & Waste
- Christina Iiams - DNR, Air Quality
- Kelly Smith – DNR, Wildlife
- Mary Pat Heitman – DNR, Geological Survey
- Kelley Myers, DNR, Legal Services
- Ann Preziosi, DNR, Legal Services
- Sherry Arntzen, DNR, Parks
- Dawn Connet - DNR, IT
- Thierry Amice – DNR, Construction Engineering
- Lori McDaniel – DNR, Water Quality
- Julie Tack/Julie Sparks – DNR, Communications
- Kim Rasler – DNR, Conservation & Recreation
- Facilitator : Tom Morin, TBM; Paul Vander Kley, Lennox Mfg.

Contracting Kaizen Team



Background

Lori McDaniel

- Multiple Undefined Processes
- Lack of Understanding
- Commission Concerns
- Just in Time Contracting (Not in Time Contracting)
- Not Getting What We are Paying For

Objectives

Anne Preziosi

- Define what constitutes a contract.
- Define the roles of all individuals involved in a contract, including management.
- Ensure standard resources are readily available to all staff.
- Develop a plan for standardized systematic contract training for DNR staff.
- Recommend changes to the Director's contracting rules for both commissions.
- Department wide inventory of all RFPs and contracts including work in progress.
- Ensure accountability at all stages of the contract process.

Goals

Thierry Amice

- Create a single contract process for the department
- Reduce the number of steps in the contract process by 50%
- Reduce the amount of time legal staff is involved in each contract by 75%.

Contract Defined

Anne Preziosi

Black's Law Dictionary Definition for contract

An agreement between two or more persons which creates an obligation to do or not do something. Its essentials are competent parties, subject matter, a legal consideration, mutuality of agreement, and mutuality of obligation

The writing which contains the agreement of parties, with terms and conditions, which serves as proof of the obligation.

A Contract is legal & Binding Agreement Between 2 or more parties where consideration is given for products, services, and/or benefits.

New Contracting Process

Kelley Myers

- Services Over \$5,000 including Routine Services
- Services Under \$5,000
- Cooperative Agreements a.k.a.
Letter of Agreement ; MOU; 28E
- Grants and Loans

I Have an Idea

Tammie Krausman

- Contract Management Form
- Identification of Funding
- Decision Matrix
- Bureau/Management Approval

New RFP Process

Marsha Peterson

- One Process for all Service Contracts Over \$5,000**
- Expedited Process for Under \$5,000**
- Templates**

New Cooperative Agreement Process

Christina Iiams

- **Process Formerly Known as 28E, Letter of Agreement, MOU, etc.**
- **Early Legal Involvement**
- **Template**

Grants and Loans

Christina Iiams

This Site is Under Construction

The Process is Driven by Rules

**Check Back for Updates and New
Templates**

And the Winner Is . . .

Ed Tormey

- Final Legal and Management Review
- Commission Approval
- Signature Policy

Who is RACI?

Paul Vander Kley

For every step in the newly defined process a role has been assigned for each participant:

Responsible- Individual(s) who do the work

Accountable- Their neck is on the line

Consulted- Two way communication, feedback or input is required

Informed – One way communication

Who is RACI?

Paul Vander Kley

| Task Role --> | Director / Deputy Director | Bureau Chief | Contract Mgt. | Review Committee | Legal | PA3 | Webmaster |
|---------------------------------|-------------------------------|--------------|---------------|---------------------|-------|-----|-----------|
| Identify need for RFP | | A/R | R | | | | |
| Develop Statement of Need | | | A/R | | | | |
| Identify funding needs | | | A/R | | | | |
| Legal Meeting/discussion | | I | A/R | | C | | |

Training Plan

Lori McDaniel

February through April

3-4 Hours Training including:

- * Why the process must be used
- * Overview of Templates
- * Exercise Writing Scope of Work
- * Exercise Working Through the Decision Matrix

Communication Plan

Julie Sparks

- **People Involved**
- **Tools**
- **Timeframe**

Homework

Tom Anderson

| Item | Item Description | Person Responsible | Due Date |
|------|---|-----------------------------------|-------------|
| 1 | Contract Inventory | Tammie/Marsha/ Anne | February 14 |
| 2 | DNR Grant Program Inventory | Marsha/Kelley | February 14 |
| 3 | RFP Template (including Scope of Work) | Anne/Kelley/Dawn | January 17 |
| 4 | Decision Matrix | Lori/Kelley/Linda M./Christine | January 17 |
| 5 | RFP checklist/routing form | Lori/Tom | January 17 |
| 6 | Funding & code Authority List | Tammie/Marsha | February 14 |
| 7 | Revisions to 56IAC Chapter 8 (eliminate newspaper notice for web notice) | Kelley | March |
| 8 | Legal Notice Template | Marsha | January 17 |

Homework

Mary Guillaume

| Item | Item Description | Person Responsible | Due Date |
|------|--|--------------------|------------|
| 9 | TSB Notice Template | Marsha | January 17 |
| 10 | Selection Memo Template | Kelley | January 17 |
| 11 | Successful/Unsuccessful Bidder Letters | Kelley | January 17 |
| 12 | PreContract Questionnaire Template | Marsha | January 17 |
| 13 | Agenda Brief Template | Marsha | January 17 |
| 14 | Contract Templates: Regular; Short Form; IT (including invoice requirements) | Marsha/Anne/Kelley | January 17 |
| 15 | Cooperative Agreement Template | Kelley | January 17 |
| 16 | Standard Grant Template | Kelley | March |

Homework

Tom Anderson

| Item | Item Description | Person Responsible | Due Date |
|------|---|--------------------|-------------|
| 17 | Amendment Template | Marsha/Kelley/Anne | January 17 |
| 18 | Training | Kelley | January 17 |
| 19 | Intranet Site for Templates | Julie | January 17 |
| 20 | Investigate HotDocs Solution | Dawn | January 17 |
| 21 | Gap Analysis of Engineering & Realty Project Management Application | Dawn | February 14 |
| 22 | | | |
| 23 | | | |
| 24 | | | |

Parking Lot

Dawn Connet

- Annual Contract Planning
- Revisions to 56IAC Chapter 8

Team Member's Experience

Kelly Smith

Kim Rasler

We welcome your
questions and comments!



Destination Excellence
Continuous Improvement