



NAPSM Buy *Liner*

A monthly publication of the Nevada Association of Purchasing and Supply Management, Inc.

September 2007

Upcoming Events September 2007

7—C.P.M. Review – Module 1 – Las Vegas Area

11 – NCMA Seminar “Application of Davis-Bacon Act and Service Contract Act”

12 – Dinner Meeting “ISM: Where We Are At, Where We Are Headed” and Meet the Board –Las Vegas Area

19 – Monthly Meeting “Delegation for Management” – Capital Area

27-28 - ISM Seminar Driving Down Cost Through Cost/Price Analysis – Las Vegas

October 2007

5—C.P.M. Review – Module 2 – Las Vegas Area

11 – Satellite Seminar “Global Sourcing: Where in the World Are Our Suppliers” – Capital Area

Check out the details for all events at:

www.napsm.org
www.napsm.org
www.napsm.org

Think Service
Think Value
Think NAPSM

President's Corner

By Jim Haining, C.P.M., A.P.P.

On August 18, 2007, the Board of Directors held their annual Board Retreat in Las Vegas. All 8 board members were in attendance along with Tim Matanane, Certification Chair.

It was a very productive session. Some of the items discussed and approved include:

- Revision of the Mission Statement of NAPSM
- Review of the Strategic Plan including a detailed SWOT analysis
- Review of the Marketing Plan
- Development and approval of the 2007/08 Fiscal Budget
- Developed our 2007/08 Goals and Objectives

In our discussions, it was decided that we needed to consider changing the name of our affiliate to bring it into alignment with the Institute for Supply Management of which we are affiliated. It was unanimously approved by the Board to change our name to **ISM-Nevada, Inc.** This will help our branding, marketing efforts, and name recognition with our membership and potential members.

However, in order to complete the name change, we need to have a vote of the membership with a majority of the members which cast a vote to vote in favor of the name change. In the near future, you will be receiving an electronic ballot for this important vote.

I hope that each of you exercise your vote and that you approve the name change to ISM-Nevada, Inc.

I look forward to a very successful year for our affiliate!

Jim Haining, C.P.M., A.P.P.
President & Executive Director

PROFESSIONAL DEVELOPMENT

Capital Area

MONTHLY MEETING:

Regular Meeting:

Wednesday, September 19, 2007 -- 7:00 a.m.
Gold 'N Silver Inn - Breakfast
790 West Fourth Street
Reno, Nevada 89502

Program:

“Delegation for Management” A Roundtable Discussion. Michael Burdett; Washoe County Purchasing Department



Las Vegas Area

MONTHLY MEETING:

Dinner Meeting:

Wednesday, September 12, 2007 5:30 pm - 7:30 pm
Brady Industries
7055 Lindell, Las Vegas, NV 89118
(Off of 215 and Decatur south)

Program:

"ISM: Where We Are At, Where We are Headed" and Meet the Board, Jan Miller, VP - Affiliate Support at ISM

RSVP by Monday, September 10, 2007 at 12 noon.

NCMA Seminar
Sothern Nevada Chapter
Presents:

Applications of the Davis-Bacon Act and Service Contract Act
Speaker: Mr. Jim Evans, U.S. Air Force as a "Regional Labor Advisor"

September 11, 2007 –
12:00 PM to 5:00 PM

Santa Fe Station - Centennial Room
Number C, 2nd Floor
RSVP on line today!



Driving Down Costs Through Cost/Price Analysis

Seminar #4507
September 27 - 28, 2007
Las Vegas, NV
Overview

Are you looking for effective techniques to manage costs and improve profit margins?

This seminar will help you understand the components of cost analysis, cost management and price analysis. Drive costs down using proven analysis strategies.

Membership Note...

Monte Rider

Welcome to all new members. In August we had "ten" new members join the NAPSM.

We would like to welcome you as the newest members of the Nevada Association of Purchasing and Supply Management (NAPSM). Our affiliate's entire purpose is to educate the purchasing and supply management professionals in Nevada and beyond. To accomplish this goal, we have several educational seminars, monthly meetings and a very successful C.P.M. certification program.

As a member, you will receive discounts at all of our functions. In particular, we discount the Certification classes and reimburse half of your testing fees for your C.P.M. certification. Since most companies now require their employees to be a certified professional, this is of great value!

Also, since everyone has various schedules, our affiliate offers alternating breakfast, lunch, and dinner meetings. This allows you to network with a different group of purchasing professionals.

As a member of NAPSM, you can participate in our satellite seminars, educational seminars, the annual Supplier Opportunity Faire (reverse trade fair), our annual golf tournament and various other events. You also receive all of the benefits from ISM, including Purchasing Today magazine, discounts to national seminars and access to the "Members Only" section of the ISM website at www.ism.ws.

To find out even more of what we have to offer, check out our website at www.napsm.org. If you have any questions about our affiliate, please contact me at 775-778-2014 or E-mail: mbrider@frontiernet.net

NAPSM MEMBERSHIP

August 31st, 2007

286

*Building a Powerful Profession:
One Member at a Time*

Member Type

Regular	242
Dual	3
Student	25
Lifetime	8
Academic	8
Total	286

C.P.M.'s	72
A.P.P.'s	28

**Articles for the August
newsletter
due
September 27, 2007**

Carol Poindexter
(Las Vegas Area)
cpoindexter@interact.ccsd.net

NAPSM C.P.M.

RSVP on-line at www.napsm.org

Instructors:

Robert C. Ashby, C.P.M., CPCM

Tim Matanane, C.P.M.

C.P.M. NEWS

By Tim Matanane, C.P.M.

The C.P.M. and CPSM are forms of Continuing Education. Continuing Education may be defined as instructional programs that bring participants up to date in a particular area of knowledge or skills. As with most certifications there is a typical recertification process. Why? So professionals like yourselves will work toward keeping up to date with the latest developments within your particular field of interest. Certification is a form of recognition not only for one's self but for one's peers and employers to recognize a distinguished achievement. It's not too late to get your C.P.M!! Study classes will be starting. First class will be held on September 7th and will be conducted at Clark County School District, 4212 Eucalyptus St., Las Vegas, NV 89121, from 12 noon to 6 pm

Don't wait, inquire today or register at www.napsm.org if you have any questions, contact Tim Matanane at 494-4037

CONGRADULATIONS

Newly Certified

Alison Itza, C.P.M. – Newmont Mining Corporation
Debra Carone, C.P.M.– Newmont Mining Corporation
Monty Kurtz, C.P.M. – Barrick Mining

Newly Re-Certified

Mark Demko, A.P.P. – IGT
Carl Stix, C.P.M.

C.P.M. Review Classes in Las Vegas

We are currently finalizing the dates for the C.P.M. Review Classes in Las Vegas.

Tentative dates are:

Module 1 - Friday, September 7 (12:00 - 6:00 pm) at Clark County School District

Module 2 - Friday, October 5 (12:00 - 6:00 pm) at Clark County School District

Module 3 - Friday, January 11 (12:00 - 6:00 pm) at Clark County School District

Module 4 - Friday, February 15 (12:00 - 6:00 pm) at Clark County School District

There will also be weekly 2 hr study sessions between these classes. At this time the schedule is tentative. Once the schedule has been confirmed, you can find the registration information on the NAPSM website www.napsm.org.

Scholarship Opportunity

Hello all!

Now that most children are back in school, it may be time for us to apply for an opportunity to complete professional education at no charge for a lucky scholarship recipient!

The next two Las Vegas events are as follows:

September 27-28 "Driving Down Costs Through Cost/Price Analysis" #4507

October 25-26 "Six Sigma: A Process Improvement Tool for Supply Management Professionals" #4595

Scholarship Opportunities for ISM National Seminars require the recipient to act as Onsite Coordinators.

Your duties as the Onsite Coordinator will be to check in all attendees, distribute materials, help the instructor as requested and be there to do anything else that needs to be done. For this you get to attend the seminar free of charge (Lodging, transportation not included). You will need to be there for the full day(s), so be sure to get your management's approval to attend before applying.

Remember: Deadline for applications is 2 weeks prior to the seminar!

To apply online, go to
<http://www.napsm.org/text/Scholarship.htm>

--- "Scacchitti, Renetta" rscacchitti@nevp.com

In each issue of the Buyliner you'll find a Calendar of Events, if you see a seminar that interests you apply for a scholarship. You can apply for a scholarship to any of the seminars – satellite, local or sponsored by ISM!

Remember: Deadline for applications is 2 weeks prior to the seminar!

Our Mission

The Purpose of Nevada Association and Supply Management is to educate, develop and advance the purchasing and supply management profession.

Purchasing Of Services In the Public Sector

John L. Balentine, C.P.M.

Purchasing and Contracts Administrator

Washoe County Purchasing, Reno, NV 89520, 702/328-2280

Abstract. Purchasing of services is perhaps the most demanding yet least understood aspect of Public Sector Purchasing. From the services of specialized physicians to janitors... from arts and crafts instructors to computer programmers... from "house arrest" monitoring of non-violent offenders to independent legal council... from the shoeing of horses to the rehabilitation of buildings... and everything in-between... Public entities are "contracting out" or purchasing more and more services from suppliers that are not part of the governmental structure.

Background. With budgets pretty much fixed or even declining and the citizens demanding that governments "do more with less," the response has typically been to contract with private sector supplier for services that once were performed by governmental employees. The nature of the contracted services runs the full gamut from physicians to janitors with everything in-between.

Perhaps the most common service purchased is that of consultants. However, many other services are being performed for governmental entities that formally were performed by employees. By way of example: janitorial services; warehousing and deliver of office supplies, janitorial supplier and health services supplies; travel services; printing services; food services; public relations services and security services... the list is almost endless.

How does a governmental entity purchase services while complying with bidding requirement and ensure that the service delivered will be up-to-standard and what is needed?

The Decision. When a cross roads is reached by a governmental entity to either continue using employees to perform the service or to purchase the service from the private sector, a thorough analysis of each option should be made. "Compare apples to apples" is the watch word. When analyzing the service(s) performed by employees versus an outside contractor, be sure the same functions are compared and rated as to cost, timeliness and risks. Volumes have been written on how to do these comparisons and on what factors to base a decision. This discussion takes up after the decision has been made to obtain the service from the private sector. Before leaving the topic of "the decision", please not that the analysis should have developed a detained "scope of work" of exactly what is involved in the service, and the standard of which it is to be performed.

To Bid Or Not To Bid. Professional's services are usually not bid, but where possible, competitively negotiated. Professionals are: Doctors, Lawyers, Architects and Engineers. Beyond these each governmental entity has a working definition of what is "a Professional" for the purpose of bidding or not bidding their services. Beyond those definitions lies a vast territory of other services which are very "biddable". Take full advantages of the marketplace for such services by bidding.

Bid Development. The Statement of Work is the key section in the bid or RFP document. It directly affects the entire procurement process. The statement of work tells the prospective bidder exactly what is expected and when. It also sets forth the measure of performance compliance. Statements of Work vary greatly and no two will be alike.

The K.I.S.S. ("Keep it Simple...") principle fully applies. A Statement of Work should not be anymore complex than necessary. All information must be clearly and completely stated. Do not assume that the potential suppliers know what is required. State it. However, do not include in the Statement of Work requirements that are covered elsewhere in the procurement documents. Reference them.

Write the Statement of work in a way that encourages competition, not limits it. Do not include language that would favor a specific supplier.

Use short sentences and simple language. Use mandatory language, "shall..." "will..." "must". Avoid ambiguous terms such as: "as necessary..." "to the extent necessary..." "should..." "as required..." "as applicable..." "and/or". Describe the extent of the requirements or the maximum/minimum acceptable. Be specific regarding the supplier's obligations.

In order to avoid confusion and misunderstandings use the same terminology through the Statement of Work and throughout the entire procurement document(s).

If there are diagrams, drawings, charts, tables or illustrations be sure they are referenced in the Statement of Work and included in the procurement document(s). The bid or RFP once developed, written and release is handled just like any other bid... It's received back, evaluated and awarded in the same manner and by the same rules, regulations and guidelines that your department customarily uses.

It Will Not Take Care Of Itself. Once a major project is in place the tendency is to let it take care of itself. IT WON'T! Pro-Active contract administration is absolutely necessary to ensure viable service over the long run.

Open, frank, two-way communications is the key to pro-active contract administration. The entire goal of contract administration is to prevent problems from developing in the first place. If problems do crop up (and they will!), they can be dealt with and corrected while small, before a crisis develops.

Pro-active contract administration also optimizes or at least improves a contractor's performance. Any marginally ethical contractors learn very early in the contract period that "corner cutting" and sub-optimal performance will not be tolerated. This actually results in a synergism during the contract that benefits all parties. Further, at the end of the contract there are not surprise and no disappointments.

The Bottom Line. The services market place is there, it's big and it's all inclusive. To take full advantage of the potential may initially seem daunting but it's not.

Thorough analysis of the advantages versus disadvantages of contracting will show the viability of contracting for the service.

A complete, concise and thorough "Statement of Work" will have been developed during the analysis which will become the centerpiece of the bid or proposal document. The bid or proposal is then handled just like any other through the award.

Then, pro-active contract administration ensures that there will be open communication and minimal problems throughout the life of the contract. There will be no surprises and/or disappointments at the end of term to deal with.

The public entity that contracts for services by applying these few procedures thoroughly, will indeed receive the services that it requires, at the quality level desired, over the duration actually needed, and at the price it can afford.