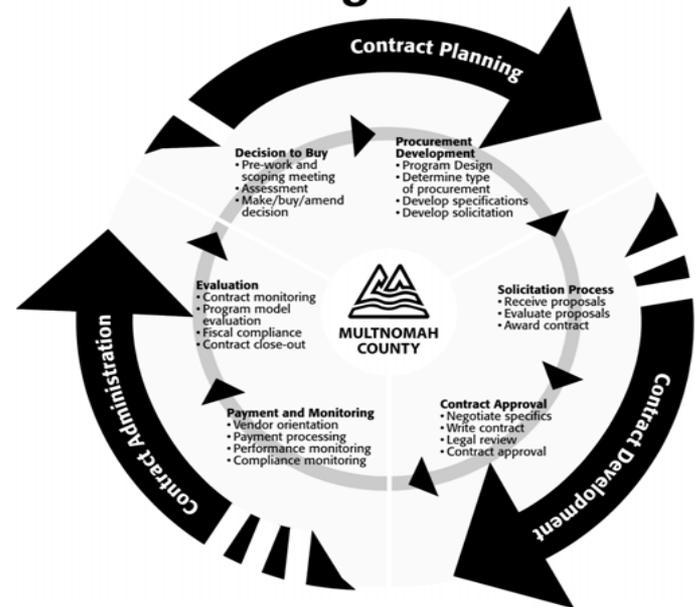




Multnomah County Contract System Redesign Project Summary

Contracting Framework



Brief History of Human Services Contracting in Multnomah County



1984 - 2008

- By 1984, most direct services contracted out
- In 1993, first Auditor's report with concerns on large human services contracting
 - Similar reports in '95, '99, '01, '03
- In 2008, Auditor's report Management of Large Contracts cited continuing issues and Cascadia occurred – Board sanctioned a high level review
 - Resolution No. 08-112 created a cross-departmental team to recommend appropriate processes
 - The team eventually became the Contract Action Team (CAT)

Brief History of Human Services Contracting in Multnomah County



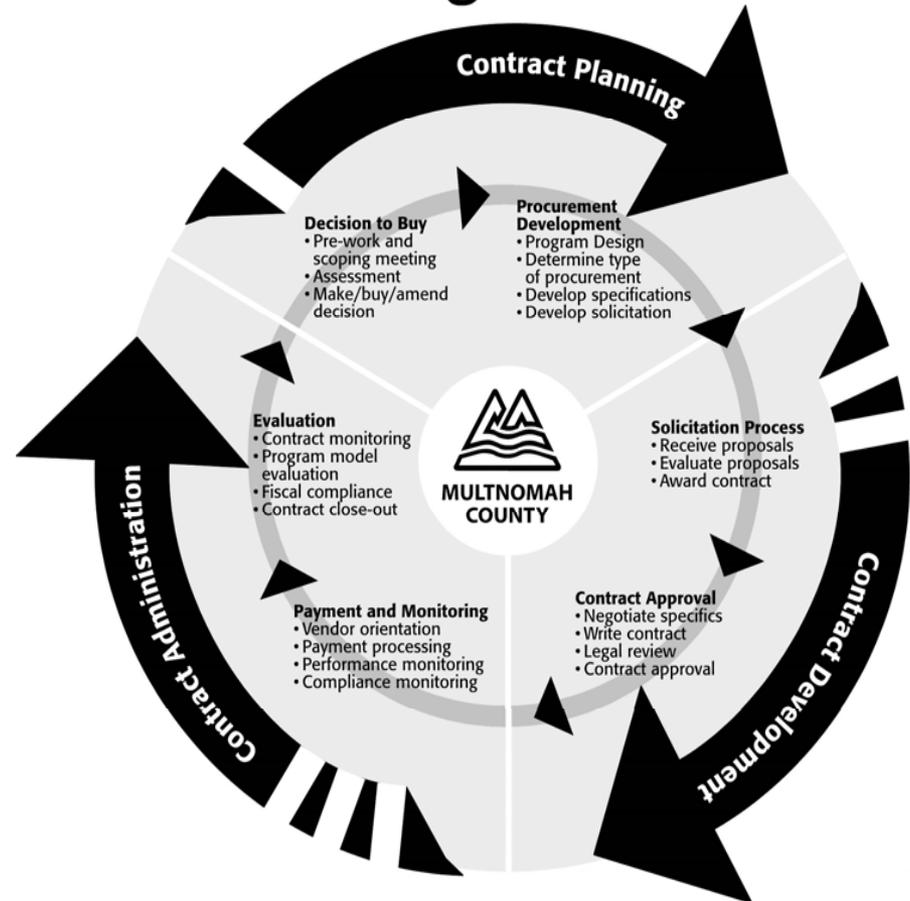
2009 - Today

- January of 2009 Board accepted the CAT Report as the charter for the Contract System Redesign (CSR) Project to implement the findings
 - The CAT Team and resulting report primarily focused on Human Services contracts to deliver the best cost/benefit value as well as address the Auditor's findings
 - Input solicited from External team of knowledgeable private and public citizens prior to formation of the plan
- November 2011, CSR Project has been developed and training started [except SAP]; next phase is on-going use

The County's Contract System

- \$245M annually in Human Services Contracts
- Most new focus is on Human Services in the Planning and Administration phases
- 160 deliverables and boundaries
- Target Audience: ~ 280 people
- 3 Phases
 - Planning
 - Development
 - Administration
- Auditor check-ins

Contracting Framework



Key Project Deliverables



- 1. A clear County-wide contract process structure**
- 2. A scalable method to assess risk based on contract amount and type of service**
- 3. Focusing of resources where they add the greatest value**
- 4. A training program focused on specific roles**
- 5. A single, organization-wide, data system that covers the entire life cycle of procurement and contracting activities and supports the new framework.**
- 6. Improvements in the vendor experience**

Key Project Deliverables



1. A clear County-wide contract process structure

- Procurement and Contract Procedure Manual
- Training: Basic Contract Business Practice
- Emphasizes planning and administration

2. A scalable method to assess risk based on contract amount and type of service

- Human Services Contract Risk Manual and Tool Set
- Integrates consideration of Risk into each phase of the contract framework
- Training: Pilot completed in October

Key Project Deliverables



3. Focusing of resources where they add the greatest value

- All of the work is done by one of four roles
 - Program Management Decision Maker
 - Program Representative
 - Procurement Representative
 - Contract Representative
- Roles are mapped to the work that needs to get done, not a job classification

4. A training program focused on specific roles

- Ongoing and intensive training, offered in multiple formats
 - Establishing Performance Measures in Contracts
 - Contract Monitoring
 - Contract Sanctions
 - Writing a Contract Statement of Work (via State of Oregon)
 - Project Management for Procurement Professionals (ESI)
- Delivered 610 staff hours of training to date; additional 140 hrs in December
- Estimated 1900 staff hours in CY 2012 to include SAP

Key Project Deliverables



5. A single, organization-wide, data system that covers the entire life cycle of procurement and contracting activities and supports the new framework.

- New Supplier Relationship Management (SRM) module for SAP
- Training for staff starts in December and continues beyond
- Go-live scheduled for February, 2012

6. Improvements in the vendor experience

- Greater consistency in sanctions policy
- Working on consolidation of multiple contracts with the same vendor
- Greater consistency in contract format and language
- Electronic contract processing
- Key vendor review

Moving Forward



- Developing Key Vendor Review for strategic top 6 to 8 vendors, pilot in January
- SAP training starts in late November and SRM roll-out in the first quarter of CY 2012
- On-going mentoring with Departments to guide them through the planning stage on new and renewal large human services contracts
- On-going training as roles change, new people fill existing roles, and we address the continuing challenge of increasing workloads.

Cross-departmental Approach



- Established cross - departmental teams to guide and develop processes:
 - Advisory Team
 - 3 different Working Teams
 - Process
 - Program
 - Contract Administration
 - Modified and used existing best practices internally and externally where we could

Introductions



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Contract System Redesign



Questions?