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MEMORANDUM

TO: Agency Commissioners

February 22, 2012

FROM: Howard Glaser *HG*
Robert L. Megna *RM*

**SUBJECT: Strategic Sourcing Procurement Project
Wave II and Assisted Buy Desk**

As announced in our June 2, 2011 Memorandum, the Division of the Budget in conjunction with the Office of General Services has been implementing a Strategic Sourcing initiative to reduce the cost of purchased goods and services and improve procurement efficiency across the State.

Wave I of this project included fifteen categories (See Table 1). We are pleased to announce that the Strategic Sourcing Team (SST) is beginning Wave II with eight additional categories (see Table 2). Accordingly, we are asking that all agencies suspend contract renewals, RFP development and purchasing for these Wave II categories, unless there is a health, safety, or critical program issue that requires prompt action.

Agency staff involvement has been and will continue to be crucial to the success of the Strategic Sourcing project. Our efforts to date have integrated over 200 agency staff in our Wave I extended teams ensuring alignment between agency goals and the Strategic Sourcing initiative. We expect a similar level of commitment from those agencies involved in Wave II.

Additionally, SST is implementing a "Buy Desk" to provide tactical assistance to agencies with purchasing needs under current contracts not yet addressed by the Strategic Sourcing initiative. To date, the efforts of the Buy Desk have saved agencies \$1.3 million. Please see the attached Assisted Buy Desk FAQs for more detail.

Questions can be directed to John Traylor, the Division of the Budget's Director of Enterprise Shared Services (John.Traylor@budget.ny.gov).

Attachments

cc: Barry Sample
RoAnn Destito
Ron Greenberg

**Table 1:
Strategic Sourcing Wave I Projects**

Sourcing Project	Status
1. Road Salt	Completed
2. IT Services (hourly-based)	Solicitation In the Market
3. Security Guards	Solicitation In the Market
4. Fleet Card	Solicitation In the Market
5. Payment Processing – EVT	Solicitation In the Market
6. Administrative Services	Solicitation In the Market
7. Hardware – PCs and Peripherals	Completed
Storage, Servers	Under Development
8. Auto	Solicitation – 4 th Qtr, SFY 11-12
9. Auto Parts and Services	Solicitation – 4 th Qtr, SFY 11-12
10. Office Equipment	Solicitation – 4 th Qtr, SFY 11-12
11. Office Supplies	Solicitation – 4 th Qtr, SFY 11-12
12. Software (OEM Specific)	Under Development
13. Food	Solicitation – 4 th Qtr, SFY 11-12
14. Building Management Services	Solicitation – 4 th Qtr, SFY 11-12
15. Telecommunications – Mobile	Under Development

**Table 2:
Strategic Sourcing Wave II Projects**

Sourcing Project
1. Software (OEM Specific)
2. Roadway Building Materials
3. Telecommunications
4. Medical and Laboratory Supplies
5. Laboratory Services
6. Health Services
7. Maintenance, Repair, and Operations Supplies
8. Pharmaceuticals

**NYS Procurement Transformation Project
Assisted Buy Desk
Frequently Asked Questions
January 2012**

What is the Assisted Buy Desk?

The Assisted Buy Desk is a centralized purchasing team established within the NYS Procurement Transformation Project. The team is focusing on tactical purchasing activities by State agencies in order to identify opportunities for savings, support agency negotiations, and improve pricing on individual transactions.

Why has the Assisted Buy Desk been established?

As part of the Procurement Transformation team's data collection efforts, the State identified numerous opportunities to secure additional savings on select purchases across agencies. The Assisted Buy Desk aims to capture that savings, particularly in areas not yet addressed through its Strategic Sourcing efforts or in high-value individual purchases.

Who will be managing the Assisted Buy Desk?

The Strategic Sourcing Team (SST), overseen by the Executive Chamber, the Division of the Budget and the Office of General Services, will be managing the Assisted Buy Desk.

How is the Assisted Buy Desk different from the Strategic Sourcing effort currently underway?

The Assisted Buy Desk is a supplemental capability to the Sourcing Projects being implemented by SST. It is guided by the same principles of leveraging the State's buying power and making procurement decisions based on factual market data and quantitative analysis. The Assisted Buy Desk differs from Strategic Sourcing in that it is focused on more tactical single-agency purchases and immediate savings opportunities.

How will the Assisted Buy Desk save my agency money?

The Assisted Buy Desk has purchasing visibility across agencies and can assist agencies with pricing negotiations under specific contracts or discretionary purchases where there may be an opportunity to aggregate spending across multiple agencies. The Desk can also inform agency staff about the timing of purchases vis-à-vis new or renewed centralized contracts, as well as specific strategic sourcing vendor negotiations.

What happens to funds that are saved through Assisted Buy Desk activities?

Buy desk activities will assist agencies in meeting SFY 11-12 and 12-13 spending targets. Agencies should work closely with their budget examiners to track savings.

Is my agency required to participate in Assisted Buy Desk activities?

Agencies should contact the Buy Desk and their budget examiners for any purchase that is within the scope of Waves I or II of the Strategic Sourcing Project (refer to attached list), regardless of amount. Agencies should also contact the Assisted Buy Desk for purchases requiring B-1184 approval. The Assisted Buy Desk will work with DOB and the agency to determine whether the agency should temporarily suspend the purchase until a strategic sourcing option is available, if the purchase is a candidate for Buy Desk assistance or if the agency can proceed on its own.

Will the Assisted Buy Desk increase the time it takes for my agency to conduct a procurement?

Buy Desk review of agency purchases should assist in expediting the B-1184 approval process. The intent of the Desk is to move quickly to assist agencies. Agencies should contact the Assisted Buy Desk for a determination regarding a specific purchase after all internal agency and external programmatic approvals have been received (e.g. Agency Head sign-off and PTP, if applicable).

Who will issue the final purchase order or contract after Buy Desk activities?

Agencies will still be responsible for processing individual purchase orders or contracts.

How does my agency contact the Assisted Buy Desk?

Email the Assisted Buy Desk at SST_AgencyBuyDesk@ogs.ny.gov.