



There are three steps for state agencies to conduct a mini-bid using Master Price Agreement (MPA) #486: (i) pre-engagement activities; (ii) selected vendor documentation activities; and (iii) final engagement activities.

Pre-Engagement Activities:

Step 1: Identify the agency process that will be the focus of the Lean project and financial resources to contract with a vendor on the MPA. Agencies should review the MPA #486 vendor awards for cost details.

Step 2: Develop a scope of work for the mini-bid. (See the scope of work template.)

Step 3: Determine the types of Lean services needed.

Step 4: Establish buy-in and commitment from agency leadership and ownership of Lean work. The DEM and Purchases directors demonstrated their commitment by participating in several Lean sessions.

Step 5: Designate the Lean Team—identify team members (normally between five to eight) to ensure the group meets the needs of the Lean work. The team should have new and long-term employees, front line workers, and end users on the team – all of whom are willing to challenge the status quo and think creatively. The agency will also need to choose two or three facilitators for the process; they should be impartial and comfortable leading group discussions. All participants must be willing to dedicate significant time to the effort, as most sessions are half-day sessions and implementation of the recommendations will take months.

Step 6: Identify sufficient meeting space. Ideally, all Lean sessions should take place in the same room with sufficient wall space to post large process maps and other materials.

Lean Review Committee

Step 7: Send project proposal and scope of work to the Lean Review Committee for approval. Allow one to two weeks for review. The table to the right lists the members of the Lean Review Committee.

Brian Daniels	Office of Management and Budget
Abby Swinton	Office of Management and Budget
Allison Rogers	Department of Administration
2 Senior Staff from Agency Seeking Lean Services	

Step 8: Please adhere to Purchases’ MPA #486 Agency User Guide for quotations and scope of work instructions. (See the vendor quotation template and Purchases’ User Guide.)

Step 9: Summarize vendor responses into a one- to two-page memorandum and discuss them with the Lean Team. If the agency has follow up questions, make sure each vendor is asked the same questions. Similarly, if any vendor has questions on the scope of work, ensure all vendors are provided the responses.

Step 10: Update the memorandum to reflect the Lean Team’s recommended vendor and send it to the Lean Review Committee to validate the vendor recommendation. Allow one week for review and approval.

Selected Vendor Documentation Activities

Step 1: Draft a notification letter to the selected vendor that includes an agreement of the project scope and terms covering the project. (See the notification letter template.)

Note: The notification letter template has been pre-approved by Purchases; therefore, Purchases does not need to review the notification letter as long as there are no changes to the language as it appears in the template.

Step 2: Draft a vendor agreement of scope and terms for the selected vendor. (See the vendor agreement letter template.)

Note: The vendor agreement template has been pre-approved by Purchases and DOA Legal Services; therefore, both entities do not need to review the vendor agreement as long as there are no changes to the language as it appears in the template.

Step 3: Send the notification letter and vendor agreement of scope and terms to the selected vendor. Request that the vendor supply all required documentation (as outlined in the agreement) within ten calendar days.

Final Engagement Activities

Step 1: After all required information is received from the selected vendor, send all documentation to your agency chief financial officer (CFO) for submission to Purchases per the Purchases MPA Agency User Guide. This will initiate a zero dollar requisition.

Note: As with all contracts, the vendor must not provide any services until the PO is issued.

Step 2: After the PO is issued, the agency's CFO will verify that the agency will make payments for the vendor's services through a purchase release for the total amount of the contract. Releases should not be created upon receipt of vendor invoices.

Step 3: After the purchase release is approved, the agency may begin working with the Lean vendor.

Other Considerations

State agencies should keep the following points in mind as they begin this work:

- State agencies may not begin work with the Lean vendor until a Purchase Order has been issued. Once the PO is issued, the agency should initiate contact with the vendor and begin scheduling.
- If other vendors express interest in viewing the other vendors' quotations, they can contact Purchases and file a Public Access request for that information. The state agency should not distribute any information to any vendor outside of this process. To support Purchases' responses to vendors, the agency summary and recommendation memorandum should be clear as to the review process, particularly if the low bidder is not engaged.
- It is very important to have leadership and ownership at the top of this Lean process improvement project for it to be successful. Equally important is to foster an environment where employees are empowered to identify and solve problems and challenges within the agency during the Lean vendor engagement and well beyond.
- Lean is an ongoing process. Keeping the Lean Team on its timeline to implement improvements, checking in with Team members on the progress of moving from the current state map to the future state map, and continuing to lead and think outside of the box are necessary to ensure a successful Lean process improvement.
- Change is not easy in any institution, but celebrating the efforts of the Lean Team and the rest of the agency for implementing the improvements are important factors in a successful Lean process improvement project. After the Kaizen event, some agencies have used public "report out" meetings with employees and stakeholders to explain their Lean experiences and to describe the necessary steps for improvement going forward.