

## SCOPE OF SERVICES

### 2.1 Background Information

Miami-Dade County (the “County”) is one of the largest county governments in the United States. The County has 25 departments with a budget of over \$6 Billion. The County is seeking a consultant for a spend analysis engagement to include gathering data regarding procurement operations, assessing the information and comparing against standard metrics and industry trends, and making recommendations for improved spend management. Such recommendations may include preparing an implementation plan for the County to use spend analytics as an ongoing organizational tool.

The County has a centralized model for its purchasing functions. The Internal Services Department, Procurement Management Services (PMS) Division is responsible for establishing contracts for the provision of goods and services for use by all departments as well as other County agencies or affiliates. Each department is responsible for making its own purchases from the established contracts. PMS also handles design, construction, and construction management services, but these areas are not a part of the services requested herein.

### 2.2 Project Overview

The objective of this project is to determine opportunities to improve the procurement function and reduce costs. The results of the analysis will be used to develop a strategy to focus resources, aggregate spend, implement efficiencies, manage inefficient spend, consolidate contracts, and prioritize purchases.

The project will have three phases as described below. After each phase, the County will determine whether to proceed to the next phase.

- Phase 1 - Data Gathering
- Phase 2 - Data Analysis and Recommendations
- Phase 3 – Spend Management Implementation

### 2.3 Preferred Requirements

The selected Proposer should have experience within the last three years in conducting similar services for governments or private entities with an annual spend comparable to the County’s.

### 2.4 Phase 1 - Data Gathering

#### **Task 1: Initial Meeting with County**

The selected Proposer shall, upon award, schedule an initial meeting with the County Project Manager to review timelines, provide key contact staff information, delegate tasks, and determine how project updates will be provided (i.e., weekly, as needed, etc.).

#### **Task 2: Plan of Action**

The selected Proposer shall prepare a Plan of Action for data collection. The Plan of Action, at a minimum, shall include but not be limited to:

- a. Method of data collection;
- b. Timeframe with targeted dates of completion for stated activities;
- c. Data collection activities;
- d. County staff involvement (which should be kept to a minimum); and
- e. Proposed dates and meeting times to discuss project’s progress.

**Deliverable:** Provide a hardcopy of Plan of Action to the County Project Manager. The County Project Manager will review and approve or request changes to the Plan.

**Task 3: Data Collection**

Upon approval of the Plan of Action, the selected Proposer shall:

- a. Meet with assigned County staff, as provided for in the Plan and approved by the County;
- b. Collect data on current contracts and spend such as commodity, spend history, main areas of spend, supplier sourcing by the PMS Division, etc.;
- c. Cleanse and organize data by classifications, vendors, value, departments, etc.; and
- d. Collect data on staffing levels and structure, contract organization, etc. within the PMS Division.

**Task 4: Report**

The selected Proposer shall prepare a report summarizing the phase, the quality of the data available, key findings regarding available data, and a recommendation regarding additional data required to move to the next phase.

**Deliverable:** The selected Proposer shall provide one hardcopy of the report to the County Project Manager in accordance with the approved Plan of Action. The report shall be accompanied by an electronic file of the data in an approved format with the data organized in various ways as stated in Task 3, Data Collection. The selected Proposer shall meet with the County to discuss the report, data, and recommendations.

**2.5 Phase 2 - Data Analysis and Recommendations**

**Task 1: Data Analysis**

The selected Proposer shall:

- a. Perform an analysis of the data with regard to spending practices such as suppliers the County spends the most with, spend with non-contracted suppliers, departments using the same supplier, rates by department with the same supplier, items procured most frequently, etc., and
- b. Compare data against standard metrics and industry trends.

**Task 2: Recommendations**

The selected Proposer shall:

- a. Recommend where and how spend management improvements can be made;
- b. Recommend which purchases should be shifted from a commodity based approach to a vendor based approach;
- c. Recommend ways bid evaluations can be expedited such as formulating a method to determine contract award based on a subset of line items that have the highest price impact (i.e., determining which infrequently used, low dollar value line items should not be considered);
- d. Assess available procurement tools to achieve spend management efficiencies and savings, including the benefits of each and recommend which tools bring the most value; and
- e. Prepare an implementation plan for the recommendations.

**Task 3: Report**

The selected Proposer shall prepare a draft report summarizing the phase, key findings, recommendations for improvement, and an implementation plan. The recommendations

shall be supported by the data collected, including graphic representations of the data in 3charts, graphs or tables.

**Deliverable:** The selected Proposer shall provide an electronic copy of the draft report to the County Project Manager for review and comment. The County Project Manager will review the draft report and provide the selected Proposer with feedback. The selected Proposer shall consider the feedback and prepare a Final Report. The selected Proposer shall provide three color-bound hard copies, and a CD in a format approved by the County, of the Final Report, to the County Project Manager.

**2.6 Phase 3 – Spend Management Implementation**

The County may require the services of the selected Proposer during the implementation of recommended improvements. The services to be performed will be determined by the County and may be negotiated.

**2.7 Timeline and Completion**

The following is the anticipated timeline for completion of each phase. The final timeline is negotiable.

<b>Phase</b>	<b>Tasks</b>	<b>Due Dates</b>
1	Initial meeting	To be scheduled upon award
	Plan of Action	Within 3 days after meeting
	Data Collection	Per approved Plan of Action
	Report	No later than 30 days after completion of data collection
2	Data Analysis and Recommendations	Per approved Plan of Action
	Draft Report	No later than 30 days after completion of data analysis
3	Implementation	TBD

Notes:

- i. Due dates can be amended if approved by the County Project Manager.
- ii. Teleconferencing or other electronic communication between the selected Proposer and the County may occur periodically for updates, or as requested by the County Project Manager.

**G. Payment**

Payment will be made upon completion of each phase, or as negotiated. Completion of a phase is defined as the performance of all tasks and acceptance by the County of the deliverables.