Hello IPPA Members,

The IPPA Spring Meeting and Training was held on May 13th and was attended by almost half of our membership. Thank you to the City of Iowa City for hosting this event at their Water Treatment Facility. The planning team of June Nasby, Kayleen Gardner and Carol Manternach did an excellent job – great speakers, delicious food and many fun door prizes! The day started with Iowa City Mayor Matthew Hayek welcoming us. Bill Davison, CPPO and NIGP Master Instructor from Stearns County, MN presented a session titled “Contract Administration in a Falling Market”. In the afternoon, Eric Goers, Assistant City Attorney of Iowa City presented a very informative session titled “Purchasing Issues and Legal Ramifications”. Rick Fosse, Public Works Director for Iowa City presented an interesting slide show on two recent disasters that hit Iowa City, the tornado and the flood. Eric and Rick both tossed some humor into their presentations which everyone enjoyed.

During the business meeting Luana Stoneking, CPPB and Pat Harmeyer, CPM were honored as the 2010 IPPA Managers of the Year. For the first time, a drawing was held to win free tuition for “World Class Procurement Practices” to be held on October 27, 2010 which is the day after our Fall meeting in Ames, Iowa. The lucky winners of the drawing are Luana Stoneking, CPPB (Ames, IA) and Debra Bunger (Black Hawk County).

Check out the new “Member Spotlight” segment of our newsletter. Lois Schmitz, CPM and Executive Officer III of the Iowa Department of Administrative Services is spotlighted in this issue. Lois is the unsung hero of IPPA. In the summer of 2008, Lois took the initiative to complete and submit all of the forms to NIGP for our chapter formation. Thank you Lois, for your dedication and support.

We are now 80 members strong which means that IPPA is now a mid-size chapter of NIGP. Volunteers are needed in 2011 to host a class, to host the Spring meeting and to be a board member. Please consider volunteering for one or more of these opportunities by emailing me at j Lehman@cedar-rapids.org or calling me at (319) 286-5022. Have a safe enjoyable summer!

Judy
Education Committee by Diane Rodenkirk, CPPB Chairperson

Due to membership request, the Education Committee has added an *Intro to Public Procurement* class July 20-22, 2010 in Des Moines. Other classes scheduled this year are listed to the left.

You can register for any of these classes at [www.nigp.org](http://www.nigp.org). Register at least 60 days prior to the start of the class to receive a discount.

The committee has also created a “How to Host a Class” brochure, which provides a step-by-step guide to assist you in hosting a class. If you have an interest in becoming a member of the Education Committee, or want more information on how to host a class, please contact me at (319) 286-5023 or [d.rodenkirk@cedar-rapids.org](mailto:d.rodenkirk@cedar-rapids.org).

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**Minnesota Chapter News**

The Minnesota Chapter is announcing an upcoming seminar

**October 27-29 – Developing and Managing RFP’s**

Being held at the Metropolitan Airports Commission near the Minneapolis Airport

[www.mnnigp.org/schedule.htm](http://www.mnnigp.org/schedule.htm)

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**IPPA Managers of the Year 2010**

During the IPPA Spring business meeting, two outstanding IPPA members were recognized for their dedication to excellence in public procurement. The 2010 IPPA Manager of the Year was awarded to Luana Stoneking, CPPB of the City of Ames, Iowa and to Pat Harmeyer, CPM, of the Iowa Department of Transportation. Luana and Pat have dedicated many long hours to the success of IPPA while at the same time providing excellent leadership to their staff. Congratulations Luana and Pat – well deserved!
Third Annual Meeting, by Luana Stoncking, CPPB

Announcing the Third Annual Meeting of the Iowa Public Procurement Association

It is almost hard to believe that IPPA will have its third official annual meeting in 2010. The meeting will be held in Ames, October 26-27, 2010, at the Quality Inn & Suites, 2601 East 13th Street. **Save the dates!** Your hosts will be IPPA members from Iowa State University, Iowa DOT, and city of Ames.

On October 26, 2010, there will be several short training presentations and the annual meeting. Training topics and instructors for this day are not yet finalized, but be sure to save the date because there will be something that pertains to everyone. Watch the IPPA website at [http://sites.google.com/site/ippamembers/](http://sites.google.com/site/ippamembers/) to stay current on this and other IPPA activities. More information on the 2010 Annual Meeting and Training will be available soon.

The one-day NIGP seminar *World Class Procurement Practices* will be presented on October 27, 2010. This workshop will address what is meant by “World Class” and what practices countless public agencies are adopting to achieve such status. Case studies shared in the class will illustrate many common practices of agencies and procurement professionals that are considered World Class. This course is targeted to all levels of professionals involved in the public procurement process; senior procurement staff and management will particularly benefit from this course.

Darin Mathews, CPPO, C.P.M. will be the instructor for *World Class Procurement Practices*. Darin is the chief procurement officer for Metro regional government in Portland, Oregon. He has nearly 20 years of purchasing and supply management, president of the Oregon Public Purchasing Association, and a former board member of NAPM – Willamette Valley. Darin speaks throughout the US and Canada on a variety of procurement topics. His writings have been featured in *Purchasing Today*, *Government Procurement*, *The Public Manager*, and *The Journal of Public Procurement*. The author of two supply management texts through Florida Atlantic University and NIGP, he has also been published by the Australian Institute of Purchasing and Materials Management.

Class Review on “Protests and Disputes” by Kristi Keller and Donna Villinis, CPPB

The NIGP Seminar “Protests and Disputes: What’s a Buyer to Do?” was held on May 12, 2010 in Iowa City, in conjunction with the IPPA 2010 Spring meeting. The class was taught by Bill Davison, CPPB, of Stearns County, Minnesota. There were thirteen participants in the class.

The purpose of the class was to train Buyers and Purchasing Agents on best practices to avoid disputes or formal protests concerning bids and bid awards. Class participants were given valuable information that can be used in future solicitations to reduce the possibility of a protest. Participants shared real life experiences and explained the outcomes of protests they have handled in the past.

Besides the lecture by Bill and networking of participants, the class reviewed handouts of case studies and discussed various ways that the cases could be handled. The class was well received. Thanks to Bill for the valuable lessons learned.
Class Review on “Contract Administration” by Cindy Baas

Buyer, Purchasing Agent, Purchasing Specialist or Procurement Specialist, it doesn’t matter what you call us, we are all in the same business—to procure goods and services for our clients at the best possible price. Today’s economy, more than any other in recent years, dictates a greater emphasis on the bottom line. To be of value to our clients is the most important thing we can do in any market, but most certainly in a falling market, such as the one we are experiencing today.

At the IPPA Spring Meeting in Iowa City, Bill Davison presented his thoughts on “Contract Administration in a Falling Market”. Bill spoke about what he called “Risk Management” and the prevention of problems vs. the reaction to problems. At Iowa State University, we have a Risk Management Department that deals mainly with insurance risk, but this isn’t what Bill was talking about. In my opinion, Bill meant we should focus on potential problems and risks involved in a purchase before we make that purchase.

As Buyers and Agents, we have the knowledge and opportunity to buy wisely, make good decisions when dealing with suppliers, and communicate thoroughly with our clients regarding their needs. Bill called this our “External and Internal Economics”. The “External Economics” means we need to adapt more readily to our ever changing markets. In an ever changing market, some suppliers are not able to keep as much stock on the shelves and in some instances, even keep the doors open. In these cases, we must be more efficient in our buying strategies while maintaining our integrity. Does this mean we take the first price quoted? No, of course not, we use every tool available to make the right decision.

“Internal Economics” deals with how we handle the factors that could affect making that purchase. In our case, lack of departmental funds, a reduction in staff, development of specifications for the bidding process and even how payment is made can all influence a purchase. At the University level, funding issues are always in the forefront. Departments are looking to us as Buyers to be good stewards of their money when making our decisions. Vendors and contractors need prompt payment in order to survive, and it is up to us to see to it that the process is followed.

I encourage each and every one of you to attend classes, seminars, and meetings devoted to our profession. IPPA is working hard to see that we stay on top of issues and have the opportunity to learn from our peers by planning several additional seminars and classes in the future.

Class Review on “Contract Administration” by Shellie Black

It's raining, we've been gone from home for a few days, tired, wanting to get through the second day of seminars to get home to our other responsibilities and OUR OWN BEDS...but here we are.

The first experience of the day was the mayor from Iowa City, Matt Hayek. Young, energetic, professional and very motivating...ok you have our attention. He is a leader who believes in doing the right thing and encouraged us to continue to do that for our organizations.

Second, presenter was Bill Davison from Sterns County, Minnesota, (don’t hold that against him). Bill’s topic was Contract Administration in a Falling Market. Can’t get much lower can it? Seems we face challenges everyday regarding the economy, quality of contractors, and money. It seemed to be a very complex topic and Bill did an outstanding job of teaching us what our roles are for our organizations. Bill encouraged us to promote our value to the team’s within our organizations as purchasing professionals.

We work in construction Services for Iowa State University, so from our perspective we are not typical purchasing agents...or are we?

This seminar is about our job and how we procure services and products for the public entities we work for and how we can help, not hinder this process. We are professionals with the proper training and knowledge to guide some of the less knowledgeable about the regulations of public procurement and to help us all achieve our goals with a little less stress, paperwork (maybe) and greater success!

Bill stresses that we need to view ourselves as helpers, not the NO people, or MONEY holders. We're not babysitters that make sure people don't do wrong, we should be providing guidance and promoting ourselves as professionals. Professionals who help others understand their roles and responsibilities of buying with other people’s money, more importantly, the taxpayers money. We have a responsibility to understand, implement, and share the knowledge of the regulations with those not as involved with the regulations, that’s what we get paid for.

We are the voices of risk management, front line prevention to something that could be much bigger if not understood or handled properly...public procurement. We need to educate and promote our profession as the leaders in innovative thinking, risk management, planned purchasing and successful procurement. We are our organizations proactive strategic partners...not buyers, purchasers, order placers or paper pushers. Thanks Bill for shedding that light on the mission, and it’s not impossible.

The network of learning and professionalism that was ignited today is just the beginning of the IPPA and its strong leadership and educational opportunities and we look forward to the many continued opportunities this organization will offer.
Class Review on “Legal Aspects” by Rebecca Johnson, CPPB & Casey Bassett, CPM

The IPPA hosted the NIGP seminar “The Legal Aspects of Public Purchasing” in Des Moines, May 3rd through 5th with sixteen in attendance from throughout the state of Iowa and Missouri. Many perspectives were represented in the class including two cities, a county, and university, and multiple state agencies including Public Health, Law Enforcement, Education and Administrative Services. The instructor for this class was Tony Reed, CPPO, who had many experiences to share from his background in public procurement with the State of Maryland, General Services Administration (GSA) and the City of Washington D.C.

Some of the many highlights of what we learned during this three day seminar:

**Intellectual Property Rights** – The class reviewed and discussed Intellectual Property Rights which protect the holder from unauthorized use of their patented, trademarked, or copyrighted items. In addition, the class discussed items that are marked proprietary or confidential. They key take-away is that we in procurement need to have a general awareness of the proper handling of items that contain any of these protections. It is also crucial that we raise awareness and educate our clients/end users on the proper handling of these items and the potential legal ramifications of any violations.

**Contracts** – The class reviewed and discussed contracts and their six critical elements. Those six critical elements are: 1) Offer and Acceptance, 2) Definiteness, 3) Consideration, 4) Mutuality of Obligation, 5) Capacity of the Parties and 6) Legality of Purpose. If any of these six elements are missing then there is not contract.

We learned that contracts do not always have to be in writing. They can simply be created based on the actions of the parties. For example, if you toss your keys to a valet, it is understood that the valet will provide the service of parking your car, and you will then follow through with payment to him for that service. In addition, the class reinforced what is and what is not a contract. Also discussed were conditions that lead to a voidable contract such as mistakes, misrepresentations, and restraint of trade contracts. Finally, the class learned about the Parol Evidence Rule. This rule essentially means that the contract is the final and complete agreement between the parties and also the complete expressions of all of the terms of the contract. This affects us in procurement in that something is missing or is not written down it is not part of the contract. The class was reminded of how important it is to document all communication with vendors.

**Law of Agency** – The class reviewed and discussed the three types of authority that can bind an organization. The three types are: 1) Express – authority explicitly given (e.g. job description), 2) Implied – authority permitted to carry out actions outlined in express authority, and 3) Apparent – this authority gives the appearance that an individual has the express authority to carry out actions when in actuality they do not. We learned that apparent authority can be risky for the organization. A good example of this in action is when an individual in maintenance (with no purchasing authority) authorizes an on-site contractor to go ahead and do work outside the original scope before purchasing can issue a change order, or in some instances Purchasing may not be aware of it until an invoice is received for the work. As Tony, our instructor, repeatedly stressed, “It’s apparent authority that will kill you”. We learned that a good way to prevent or minimize this from happening is through supervision of employees and providing conspicuous disclosure on who has express authority.

**Statute of Frauds** – There are six types of agreements that the Statute of Frauds mandates must be in writing. Tony Reed shared the acronym “MY LEGS” as his way of remembering these six types, which are: consideration of Marriage, contracts that are not to be performed within one Year from the time they are made, agreements for the sale of Land, a promise by the Executor of an estate to pay for debt of the deceased, contracts for the sale of Goods valued more than $500, and Surety, which is a promise made by one person to cover the debt of another. The key items on this list for us as procurement officials are the sale of land or interest in land, contracts that will not be performed within a year, and the sale of goods valued more than $500.

Additional topics discussed were Article 2 of the Uniform Commercial Code regarding the sale and purchase of goods, the legal ramifications of the formal solicitation process, the importance of ethics to maintaining credibility in our profession, and the legal considerations for software licensing. There were many great examples and case studies discussed to apply how each of us would handle various situations based on the information learned in this class. This was a very informative and enjoyable class that provided very useful knowledge that directly applies to the issues we encounter daily as public procurement professionals.
Member “Spotlight” - Lois Schmitz, CPM

Q: How many Years in Purchasing?
A: I started working for the State Training Bureau in the Iowa Department of Human Resources in 1999. In October 2004 I moved to Iowa Department of Administrative Services, Procurement Services. While in the Training Bureau, I conducted bids and entered into contracts with hundreds of training vendors.

Q: How did you get into Purchasing?
A: While in the State’s Training Bureau, I conducted bids, entered into contracts and interviewed hundreds of training vendors. When I moved to Administrative Services, Procurement Services I started as the procurement specialist for the I/3 Team. I/3 is the state’s electronic enterprise resource planning system which has finance, budgeting, accounting, payroll and procurement components. My job has evolved to include the functions of e-procurement, Iowa code, and Administrative rules specialist. I also learned to program documents, yes program as in writing if-else statements, this last year. It was very scary at first.

Q: What was your most unusual procurement?
A: While in the state’s training bureau I procured classes in partnership with the Iowa Department of Human Rights, Deaf Services for American Sign Language. These classes were attended by several hundred State of Iowa employees.

Q: Which procurement are you the most proud of?
A: While in the Training Bureau I developed the Certified Public Manager Program. I researched the national certification requirements, conducted and RFI, created the formal bid and entered into a contract with Drake University. I reviewed every instructor and material. Upon certification, graduates earn nine hours of graduate credit toward a Masters of Public Administration. From beginning to end the whole process took more than a year. I participated in the first class.

Q: Home town?
A: I was born in Jesup, Iowa. I have lived in four states and moved 16 times since I’ve been married

Q: What do you like to do outside of work?
A: I play golf, read and visit my children: son Mike, spouse Kate and two grandsons Wolf and Jack in Denver Colorado. Daughter Katherine and spouse Keir in Minneapolis, Minnesota.

Q: Favorite book, movie, dream vacation?
A: My favorite book is whatever I’m reading now which the series of very funny detective novels by Lisa Lutz. These books feature an odd family of detectives that can’t resist spying on one another.

My two favorite movies are Out of Africa and Lawrence of Arabia both for the music and landscapes.

My dream vacation: If I could really think about it without thinking of the cost--I’d go to the beach somewhere with my entire family. I wouldn’t pack a thing but buy what I need there. I’d get a massage and facial, go to the beach everyday with my grandsons to bask in the sun and build sand castles and play a little golf.

Goodbye to Dear Friends and Years of Experience!

The State of Iowa has many retirements ahead (some people have already left) due to the early retirement legislation package that has been offered.

There are five central procurement purchasing agents who will be retiring (or have retired) from the Iowa Department of Administrative Services (DAS) Central Procurement Office. The retirees at DAS (who are IPPA charter members) include Sharon Downey after 41 years, Jeanette Chupp after 25 years, Pam Dickey after 22.5 years, Nola Penland after 41 years and Doug Reed after 19 years.

The Department of Human Services also has a retiree, Betty Hauger of Glenwood Resource Center (Betty was also a charter member of the IPPA) after 34 years, as well as the Department of Corrections purchasing agent, Mary Lee Nickell after 50 (yes FIFTY, that’s not a typo!) of Fort Madison State Penitentiary.

We wish them much health and happiness in this new chapter of their lives.

They will be missed.