

# NEWS RELEASE

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## Office of Performance Evaluations Idaho Legislature

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### Strengthening Contract Management in Idaho

Full report and one-page highlights are available on the OPE website:  
<http://www.legislature.idaho.gov/ope/>

(BOISE) — Yesterday, the nonpartisan Office of Performance Evaluations (OPE) released a follow-up report to the Joint Legislative Oversight Committee. The report outlines efforts of Idaho's Division of Purchasing to strengthen contract management. Evaluators concluded the Division of Purchasing is making progress in addressing legislative concerns.

The Division of Purchasing within the Department of Administration has conducted an internal analysis of contract planning and management practices and formulated a plan to improve the state's contracting process. The division's plan focuses on high-dollar service contracts with a value of \$5 million or more. Of the total 831 active contracts under the purview of the division, only 45 contracts meet the threshold of \$5 million or more. However, these 45 contracts account for \$2.6 billion or more than 80 percent of the total value of all 831 contracts.

Under changes to administrative code proposed by the division, these contracts will be subject to enhanced planning and monitoring requirements. Evaluators consider the proposed changes to be an adequate and practical framework for contract monitoring.

The Office of Performance Evaluations conducted the follow-up review to assess what progress the division had made in implementing recommendations of the 2013 evaluation. In that evaluation, evaluators had recommended that the Division of Purchasing:

- Develop a best practices checklist for all agencies, including those exempt from following Division of Purchasing requirements
- Formalize its contract monitoring role and create dedicated positions responsible for performing contract monitoring
- Provide training to contract management staff working in various state agencies

In that same evaluation, evaluators had asked the Legislature to consider amending Idaho Code to require all state agencies, including exempt agencies, to be subject to statewide monitoring for high-risk or high-dollar contracts. Although the Legislature did not amend Idaho Code, it took two specific actions in response:

- Passed House Concurrent Resolution 18 in 2013 to direct the Department of Administration to develop a plan to address findings in the evaluation report
- Included intent language in the Department of Administration's fiscal year 2015 appropriations bill (HB 647) requiring the department to develop a best practices checklist and a statewide monitoring system

The 2013 evaluation addressed concerns that management practices at the time left state contracts awarded in the future vulnerable to cost and performance issues. The evaluation request came after problems with several large contracts were reported in the press. These problems highlighted the need for a consistently applied contract monitoring framework.

The Office of Performance Evaluations (OPE) is a nonpartisan, independent office that evaluates whether state government programs and agencies are operating efficiently and cost-effectively, and are achieving intended results. OPE conducts all reviews in response to direction from an equally bipartisan committee of the Legislature, the Joint Legislative Oversight Committee (JLOC). OPE's reviews are used by the Legislature to make policy and budget decisions, and by agencies to improve performance.