

Julia McIlroy: 0:05

Hi everyone and welcome to NASPO's Pulse, the podcast that focuses on current topics in public procurement. I'm your host, Julia McIlroy. Today's guests are Stacy Adams and Delbert Singleton from the great state of South Carolina. Delbert is the Director of the Division of Procurement Services and Stacy is the Deputy Chief Procurement Officer and Director of Statewide Sourcing. We'll be discussing two interesting topics today updating state procurement codes and South Carolina's competitive negotiations. Hi, Delbert and Stacy, welcome to Pulse.

Delbert Singleton: 0:40

Good afternoon Julia. How are you? Great thanks.

Stacy Adams: 0:44

Hi, Julia, good to be here.

Julia McIlroy: 0:47

I'm so glad you're both here. So, to start, I'd love to hear about your backgrounds and what led you to public procurement. Stacy, let's start with you.

Stacy Adams: 0:56

Wow. So, like many in public procurement, I tripped and fell in it. I had no idea what I was doing when I started, but I got the bug and fell in love. So I just began at the county level and started my career there in procurement and then went from there to the Medical University of South Carolina, where I took just a couple of short years there. So being at a state agency if you will, quasi agency there and being at the higher ed it's a unique beast. But then I got my dream job, being here at the central procurement office, and I have just fallen in love with that and I've been here.

Stacy Adams: 1:35

I don't want to date myself, but you know since I guess it was 2011, 2010, I believe. So I'm super excited though, but I think having that diversity of perspective starting at the county, going to a state agency and then central procurement really gives a unique perspective from a variety of angles. So when we go forward with contracts, you kind of think about how you might use it, depending on which seat you're sitting in. So it's kind of neat to have that perspective.

Julia McIlroy: 2:08

Thanks, Stacy, it sounds interesting. You've had a varied career, all in procurement, but still different areas.

Stacy Adams: 2:15

Yes, so it definitely didn't start out in procurement, but I was certainly thankful when I landed there, so that's wonderful.

Julia McIlroy: 2:22

Great Delbert.

Delbert Singleton: 2:24

Well, Julia, kind of like Stacy, I happened into procurement. My training, my professional training I'm a lawyer by training and so I got my teeth cut doing criminal law for the attorney general's office in the state of South Carolina, did that for about six and a half years. When I was asked by my mentor at that time to come and join him at what was then called the South Carolina Budget and Control Board and he said I've got a procurement job. But when I said procurement, who? So that's kind of how I happened into it. My wife had already started working at another agency and she was doing some procurement. So I had a little bit of background but no practical knowledge of application.

Delbert Singleton: 3:05

And for three and a half years or so I served as the lawyer for the division back at that time. And criminal law and procurement law cannot be more polar opposites than they are. But, as they told me, you don't really need to know procurement. We'll teach you procurement. We just need you to be one who can step in and do the legal aspect for us. And sure enough they did. They taught me procurement, learning the code and the ins and outs of it, and really what it was all about.

Julia McIlroy: 3:41

That sounds like an amazing career and we don't want criminal law and procurement law to ever cross over. If possible, correct?

Delbert Singleton: 3:49

That's a different story. That's a different story. It involves jumpsuits and things like that that don't look good on anybody.

Julia McIlroy: 3:57

Exactly, orange looks good on no one, even though I live in Stillwater, Oklahoma, and their color is orange. So they would disagree, but not that shade of orange. So how did South Carolina successfully update its procurement code, and what are lessons other states can learn from that effort?

Delbert Singleton: 4:14

Well, I think each time that we set out to update our procurement code, we took a sort of practical view in doing that, and that was to look at some of the lessons learned. You know that that we have come across in dealing with various types of solicitations, and once we started looking at those various things, we thought about how could we go about changing the code to help eliminate those things, particularly those things that stood out as challenges for us efficiency and helping agencies to really meet their mission in a much more timely manner than sometimes they may have experienced.

Stacy Adams: 5:13

Yeah, and if I can piggyback on that too, Delbert, you know I think it's important that if somebody is considering a change, if a state or an agency are looking to advocate change, it's important first that you understand where your pain points are. To Delbert's point changing for change's sake isn't necessarily why you want to do that. But what are your pain points and do you have any way at all to get around those pain points within the confines that you have? And if yes, maybe you continue with that. But if the answer is no, then you may decide this could be worth us looking at and exploring. Are there other ways or other things that we could do that maybe helps us do this better? So if you think about, if I have to pull and tug or fudge things to make this work, that's not what you want. That's not the land we want to live in.

Stacy Adams: 6:06

In procurement right, we want to be able to do things clean and in accordance with the law. So what are those pain points and can we work within our confines? And if we cannot, that's the time you really want to look at. Should we advocate for a change and then keeping that balance of? Is that change that we think we need? Is that going to be the intended outcome once we actually start putting it in practice and looking at it whole picture, not just today? But how? Do we want to look at it holistically, because we are still charged with the public's trust and the public funds and we don't want to abuse that trust. So we want to be able to minimize red tape, if you will, but not at the expense of those other things. So, really, looking at it from a holistic picture on the effects and the outcome, and will it have the intended outcome we want?

Delbert Singleton: 7:03

And Julia. I've been involved in four code changes since 1994. And each time that we set about changing the code, we didn't do it in a vacuum. We talked with our agency partners, we talked with vendors, we talked with staff. Of course, we talked among ourselves. I can tell you, from time to time, when we go through these code changes, we literally get in a room and for days on end we'll go through and we'll hash through the language we've come up with.

Delbert Singleton: 7:39

We do a whole lot of research. What are other states doing? What's being done at the federal level? What have we done that we need to undo as well too. So we took a holistic approach to it, and it can consume a couple of years for us to get to where we want to get to. By the time we think that we've got something solid, we may need to go back and tweak it. But we do those things, as Stacy said, to make sure that we are not being a hindrance in putting out a revamped procurement code, but actually improving the process. We're actually enhancing the experience, if you will, of working with South Carolina's procurement code.

Julia McIlroy: 8:31

That's a valuable point, that taking a holistic approach on who is this impacting? Are we making it better? We don't want to just change for change sake, but instead looking at the pain points and asking yourself what problem are we trying to solve? And then going from there, because anytime a change is going to occur, there is capital that's going to be expensed right At the capital. So you really have to think that process through and say is it worth all of the resources, time, energy, you know, goodwill, et cetera, to make this change? And Delbert, four changes, four code changes that's that's a lot.

Delbert Singleton: 9:17

Yeah, it has been. It has been a lot, but the frequency of it has not been been a lot. Remember, I've been in the game since 1994. And so that's what gosh, 31 years ago now. And so, if you do sort of the math, we've been averaging about every six or seven years. We have been revamping the code, and to varying degrees. I think the 2019 code changes were probably the most wholesale changes that we've made since the one we made back in like 19, perhaps 1997. These were very extensive changes that totally modernized what we do and how we do here in South Carolina and, if we're on track, we probably be looking at doing an update, if you will, to the code here in South Carolina in probably another two, three years or so.

Julia McIlroy: 10:18

And your retirement date is two years from now. I'm joking.

Delbert Singleton: 10:24

Nobody knows that's right.

Julia McIlroy: 10:26

So many years ago, when I was just a buyer at the University of Idaho, I had a member of the staff who was she had been there for about 30 years at the time and people would ask her oh, when are you going to retire? And I said, when people ask you that say you're going to retire in five to seven years, it's nice and vague. People can't figure out your age. It seems like a long time off. And then when you're ready to go, you tell them I'm retiring in two months. There we go. That's the strategy. So I'm curious for both of you, what has been your most memorable change, like that one change over that course? Dilbert, you had said 30 years, 31 years. What has been a change that really sticks out for both of you?

Delbert Singleton: 11:10

I think for me, probably the change that sticks out the most has really not necessarily code related, but the different people who come and who go through this process. And why is that important? Because with those people they bring fresh ideas, if you will, and, for example, one of those persons will be Dixon Robertson. Dixon was very instrumental, for example, in helping us to do a lot of our code changes. He, he, he does a lot of research in in procurement and because of him being involved with what we do, we were able to make those changes to the code that we, that we, that we have done. And so, from that standpoint, you know the people who come and go and have those kind of ideas, like Dixon does, and that's very impactful, if you will, to what we've been able to do here in South Carolina.

Stacy Adams: 12:19

That's a good shout out to Dixon, because you're right. You know, if you're considering this type of change, it's very important that you have the right people involved and that you're all in lockstep with one another, because if you have, you don't have that support, if you don't have that buy-in, if you don't, if nobody sees why are we even doing this to begin with, you're not going to be successful or you're not going to have the outcome you're looking for. So that's a good point, delbert, with that and I would say this last 2019, when we did this last update, for me those were things that stood out the most where we truly I felt like we were very strategic and intentional on some of the things that we included. So one example that we had during that change was we incorporated the things about organizational conflicts of interest. We really didn't have a rule that was in place that could potentially

prevent someone. Someone could come in, help us draft specs and then turn around and respond to that very solicitation they helped draft, in effect, and then be awarded a contract.

Stacy Adams: 13:34

Well, I think it makes sense that that's probably not a good idea, but we truly didn't have a process memorialized that says no, you don't do that. You know, hire all the consultants you want to help that complicated IT solicitation, if you will, but then you can't turn around and respond to that same solicitation. So that was a huge shift. To memorialize that, if you will, might have been a best practice, but to actually codify it and memorialize it in that way I think was a huge gain. The introduction of competitive negotiations as a new source selection method for the state to consider, also known as intent to negotiate in some other places, I think for us to adopt that, that just revolutionized how we did some of our more complex procurements. It's not something you do for the small ones, but those seriously complex where that's just truly the best and only fit. We were able to bring that forward. So I think we made huge, not just typo type changes, if you want to think of them that way. It truly revolutionized procurement. With this last update I just feel that way.

Julia McIlroy: 14:48

Great point on memorializing it so that it's not just, oh, a best practice, and we do it because it makes sense, but instead because it's part of the code. I used to say to my staff when they'd have a question concerning conflict of interest and they would say how do you think this would play out in the newspaper? Just think about that for a moment, like that description, Stacy, that you just gave of a supplier helping with specs, then bidding on something and being awarded a contract. How would that play out? Not so great, right.

Stacy Adams: 15:21

Yeah, for sure. And the other thing that I wanted to shout out that we did as a part of that was talking about memorializing it. We all know that it's best practice to really conduct acquisition planning and market research. That makes good sense. Every good procurement professional knows you should do that. It's instrumental in the success of a procurement. But we literally had folks in the state that would say, well, the code doesn't say I have to do that. And, as horrifying as that sounds to even say out loud right now, it was equally as horrifying to hear because honestly, it just makes good sense that you would. But to help put some framework around that, we did actually include the importance of that acquisition planning and market research and those pre-solicitation activities. We actually included that as part of the update as well. So people would have some guidance

and the expectation would be set that it's not just a best practice of the industry. You're going to do it in South Carolina, so one of those things.

Julia McIlroy: 16:28

Oh, great point.

Delbert Singleton: 16:30

Yeah, and that was a good. That was a real good ad, by the way, Stacy as well too. I taught acquisition planning at a local university here for a number of years and we really weren't doing it in South Carolina to a great extent and, oddly enough, some agencies kicked and screamed against it. And it's kind of like agencies kicked and screamed against it and it's kind of like, okay, would you really go out and purchase a car off the street without making sure you knew what kind of car you needed? Did you have the funds for that particular car, what's the use going to be for that car, and just things like that? No, we wouldn't do that.

Delbert Singleton: 17:18

You know, we spend tons of time researching those things. It's not. That's not. Buying a car is not one of those impulse buys that you make, and we don't make impulse buys like that. Then. Then why are we doing sort of impulse buying for the state if you will, sort of impulse buying for the state if you will? And so it just made sense to add that as a written down process, if you will, that needs to be followed, and so that was a real good add.

Julia McIlroy: 17:48

Great point, you would not purchase a convertible. If you want to haul tree limbs, right, you're probably going to buy a truck instead.

Delbert Singleton: 17:57

Yep.

Julia McIlroy: 18:01

What you just said works for me. So why do so many state procurement codes still reflect outdated processes and what are the biggest barriers to modernizing them?

Delbert Singleton: 18:09

It's time consuming. It is time consuming, but it has to be done. You've got to be prepared to devote a lot of time to to overhauling your, your procurement code. A complete overhaul of one's procurement code. That's a Herculean task, Even just for some minor changes that could come about, even just for some minor changes that could come about. That's

daunting, and the one thing that we're always concerned about, or we plan for, rather, is what's going to be the reaction to these changes, and we never know what we're going to get. We know what we plan for, but we never know what we're going to get when we open up that box. Is it going to turn out to be a Pandora's box for us, or is it going to be something that folk are going to react to very favorably and not try to either kill it or put enhancements to it? In their view, that will help them to do things, in their view, more expedient, more efficiently.

Delbert Singleton: 19:31

Probably some states have not undertaken to redrafting their code because they don't know really what changes they may really need to make.

Delbert Singleton: 19:40

But we, again, we begin by using some of that think tank process in our agency.

Delbert Singleton: 19:44

You know, we get together and we pull in, like we said earlier, you know what things have been challenges for us, what things have been obstacles for us, what have we heard the agencies talking about and what have we heard vendors talking about, and so you've got to make sure that you incorporate all of those into anything that you're doing in terms of trying to modernize your code.

Delbert Singleton: 20:07

And probably the biggest thing in terms of modernizing it is making sure that you maintain the integrity of your code in doing so. That's paramount, that is utmost in whatever you do, and sometimes it's difficult to weigh the balances of competing needs, if you will, and maintaining that fairness that we're supposed to be about. Making sure that it's flexible, making sure that what you do is workable, making sure that it is workable, and probably one of the biggest challenges is developing a workable code that works, spans the spectrum of use, if you will, for USC or the Division of Motor Vehicles. You know their missions, their needs are very diverse, but you need truly a one size that can fit all, with some leeway for exceptions.

Julia McIlroy: 21:21

And who participates in the think tank.

Delbert Singleton: 21:24

Oh, our staff. It begins in-house Our managers, our legal team. That's where we begin. We begin to mine gold mine, if you will. The experiences that we've had since the last time that we went underwent a code change and we, we, we begin there Again if you have a person like Dixon on your staff. Dixon is always perusing all things procurement throughout the country. Quite frankly, that's how we got into competitive negotiations I think it was a brainchild of Dixon's as well as the organizational conflict of interest, those things you do by having an adequate amount of research or not just staying siloed, if you will, within your own agency or within your own state. And so those are just some of the things that you have to think about that routinely we should be doing anyway, seeing what's happening in the world of procurement.

Stacy Adams: 22:31

And Delbert, to that point too, you also, once we start internally, then we branch out to our stakeholders and then we have a period where we let them give feedback and we introduce it to them and they provide things. We rework it and try it again. So having that buy-in and that input from them really gives us perspective outside of our own, because we may think, oh, this is the answer, and they'll go no, it's not at all. You really need to try that again. So we start internal. But if you think you can do that and then not have that next layer of getting their buy-in, oh, no, no, no.

Delbert Singleton: 23:13

Yeah, you can forget that. And another thing that's important as well, too, is you've got to find yourself a legislative sponsor for this, for whatever bill you put forward.

Delbert Singleton: 23:24

You need a champion. Yes, you need that champion. Without that champion, you will not be successful in getting those changes done, and certainly not the kinds of changes that you want. And not only finding that champion. You've got to find cheerleaders as well outside of the legislative process as well too. Because if you've got to find cheerleaders as well outside of the legislative process as well too Because if you've got an agency or agencies who are impacted or will be impacted by those changes and they see it in the negative, they can tend to find sponsors that will kill the bill.

Julia McIlroy: 23:55

Yeah, no, that's a valuable point. In higher ed, where I worked for many, many years, I would always say that the university president needs to have a champion, the first person that's pushing that boulder up the hill. But then you need all of the minions, all the other folks, because not one person could push a boulder up a hill, and without that you really can't

accomplish much, even with a great presidency. So two quick points One, dixon, if you're listening, you're hired. And second, I need you on the podcast. I'll call you later, okay. So what are some best practices states should consider when rewriting or updating their procurement codes to better reflect today's needs?

Stacy Adams: 24:48

First, I would say do your homework and look at what other people are doing, and I am a big component of don't just copy and paste and think that's your answer, without having the conversation with the person that's living with it today to find out am I copy and pasting their success or am I copy and pasting their train wreck? So always ask for those lessons learned and what's working well and what's not. So if I'm deciding whether or not to pick this up or incorporating myself, I'm starting at their very best, not recreating and going through their lessons learned the hard way. So I think for a state that's considering this step, first and foremost is what is everyone else doing? We don't have to have reinvent the wheel. Let's learn from one another. That's one thing I love about procurement. We're not hoarders of information. We do tend to like to share with one another and we like to tell our stories of what worked well and what didn't.

Stacy Adams: 25:46

So doing your homework is first. Two, having a clear understanding of what problems you're trying to solve and having different options for the way that you may get there. Because what happens if you present one option and it fails miserably? You want to have a backup plan. So you want to consider it from multiple angles and from different perspectives so that when somebody comes with or challenges that way of thinking, you have a different fallback plan or another option that may also work. So you kind of approach it much like you would if you were going to the negotiations table. If you will, you know you want to look at it from everybody's perspective, whether it's the central procurement's office, the city, the higher education, the supplier, you know the citizen and what are the impacts to each of those. And considering that before you ever even really do a red line, you know I think is super important.

Delbert Singleton: 26:49

I'll just simply say your first draft is never your last.

Julia McIlroy: 26:53

Yeah, that pretty much holds true for life, right.

Stacy Adams: 26:56

I was talking to Keith this morning, and even your final copy is sometimes not your final. We have a running joke. We're working on a rather complex and large solicitation right now and we have versions that are like the final and the final final and the final, final, final, and so it's like an ongoing joke of how many finals do we have before we finally get this the way that we want it? And I think that's especially true when you're dealing with the code. It's going to evolve. It is a living, breathing thing and you know you're not.

Stacy Adams: 27:30

I would encourage you not to just look forward to what you may want to do. New and different Innovation is wonderful, but again, learn from other people. But also look at what do you have in there that maybe didn't work the way you thought it was going to, or what might we need to tweak? Sometimes it's not always an overhaul. It's more of just a little facelift or a little tuck here and a little, you know, a little tweak, um, just to get it to work a little bit better or to negate some of those unintended consequences of your last effort.

Julia McIlroy: 28:04

You know that's a really important point that it's a living document that is constantly being reviewed and, as you said, sometimes it's a major remodel and sometimes it's a minor tweak to make it better. So that's a really good point.

Delbert Singleton: 28:21

And sometimes you have to consider if there's just a minor tweak that needs to be done, do you open up that process for a minor tweak or do you figure out a different way to handle that without opening up that legislative process? Because, as I said earlier, at the end of the day you really don't know what you're going to get when you open up that process. Because if you've got somewhat I'll say it this way an activist, if you will, who's looking to truly just overhaul the code altogether, that's an open entree to that. And it's not that we're opposed to the code being amended. We do know, and we do have the experience level to know, that bad legislation can end up into that process.

Delbert Singleton: 29:21

Someone looking at a very specific kind of situation that may have no impact on anyone else, but one particular agency or one particular event. And there you are stuck with a part of the code. Now, what do we do with it? How do we carry it out? And so, to that end, if you don't understand the change or if you don't know how to work the change, why is it going into the rewrite?

Julia McIlroy: 29:58

No valuable point. As we discussed earlier, you have to be prepared to expend resources and it's not just time, it's goodwill and it is everything that goes into even attempting to make the change and so you do have to do kind of a cost benefit analysis. Does it make sense to do it and to do it now? So it sounds like the advice for our colleagues is do your homework, be prepared to spend a significant amount of time and make sure you have a champion and cheerleaders and make sure that it's the right thing to do at the right time.

Stacy Adams: 30:40

Well said, Julia.

Julia McIlroy: 30:41

Exactly. Thank you.

Delbert Singleton: 30:45

You were listening.

Julia McIlroy: 30:47

Well, my husband might disagree, but I do sometimes listen. So I want to thank my guests Stacy and Delbert from the state of South Carolina. We just completed part one of our podcast. Stay tuned for part two. And to our friends in public procurement, remember we work in the sunshine. Bye for now.