

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 guest is Sherry Neas from the state of North Dakota. Sherry is the division director of the Shared Services Division in the Office of Management and Budget. In a two-part series, we'll be discussing how to work with your state's legislature. Hi, Sherry. Welcome to Pulse.

Sherry Neas: 0:32

Hi, Julia. Thank you so much for having me.

Julia McIlroy: 0:34

I'm so glad you're here. To start, I'd love to hear about your professional background and what led you to public procurement.

Sherry Neas: 0:41

I thought I was going to be an English teacher and actually got an entry-level job at procurement during college and really fell in love. It's that perfect combination of writing, analysis, analytics. And so I started out as a federal contracting officer. And then when we moved to North Dakota, left federal government and was very fortunate to have a procurement manager position with the Department of Transportation. And when the chief procurement officer position was created, I was the first chief procurement officer and have been in that position since 2000. My position has changed over the years. I'm now a division director, so I have procurement and the whole supply chain. So procurement, state print and mail, state supply, central mail, and state surplus property.

Julia McIlroy: 1:39

That is a huge position. You're overseeing lots of different departments and divisions.

Sherry Neas: 1:44

It's our passion, right? Supply chain is our passion. So very fortunate to have this position.

Julia McIlroy: 1:52

So let's begin at the beginning, the pre-legislative session. You've heard the phrase, begin with the end in mind. How does that apply when you're preparing legislation that impacts procurement?

Sherry Neas: 2:05

Policy development is an ongoing process. You know, here in North Dakota, we finished the legislative session in early spring. We've already identified issues for next legislative session. So we have a regular rhythm of meetings with our stakeholders. We meet weekly actually with the university system to discuss procurement policy. We meet quarterly with all of the with our procurement advisory council, which is an open meeting where all agencies can attend. We meet monthly with all the state agencies. And we have an ongoing list of when something comes up and there's not a clear answer to it. If you can't flip to a manual or law or rule and find an answer, then you know that's something that we put on our policy to-do list. So one of our strategic goals is clear guidance, and that's a continuous process. So when preparing for legislation, though, um I think you have to know also like what you can put in in guidelines and what needs to be in legislation. You know, so um in state government we only have express authority. You know, in private sector, you can do anything that's not illegal. Um, in government sector, um, you can do what you have clear authority to do. And so um that's really what we do is um you know, well before legislative session, we've identified um topics. Um then it's a it's an important decision about whether or not you open up a law. Um when you open up a law, anything can happen. Um so you may have a very um specific thing that you want to change, and when you go to that hearing, um, there might be someone that comes to testify and introduces a whole new issue. So um when beginning with the end in mind, um you have very specifics, but it can change very rapidly.

Julia McIlroy: 4:02

That's a great point that preparation is key. As you said, the minute that you open up a law, almost anything can happen. And so trying to look at it from those different angles is crucial.

Sherry Neas: 4:18

Absolutely.

Julia McIlroy: 4:20

So, how do you bring all the different stakeholders to the table early so that no one feels surprised later?

Sherry Neas: 4:26

You really do have to know your customer agencies and um your industries. Um, for example, um in North Dakota we have special chapters of law on printing. So, you know, if we're doing something that's related to printing, you know, we'll communicate with those agencies, institutions, higher ed that are impacted by the law. So when you're looking at a

law, you know, what is the regulated entity? Um, what industry plays into that? Um, are there any legislators that you need to reach out to? Um have there been any studies on it? Um we reach out to the state auditors sometimes to just see what they've been finding. So how we bring um different stakeholders to the table early is um that having a regular rhythm with our stakeholders. As I mentioned, um we have different user groups, we have a we meet with higher ed procurement, we meet with the state agencies, and we have a procurement advisory council that's established in rule. Um and it is um it is a group and we we determine the makeup. So it's a it's made up of large and small agencies, boards, and commissions. We have a representative from the state auditor's office, um, we have representatives from higher ed, um, and we get those policy issues, and we have a really a standing agenda of certain policy issues. So we tell, you know, there's some that are still in the idea stage, some that are being implemented, um, and and that's what we do is just having that regular rhythm. And we also do fairly frequent, very short email articles to give them, to give um our agencies and higher ed um a heads up to things are that, and keeping in mind that everybody's busy, and so keeping those articles very brief. Um, the other thing that we also do is make sure that we inform upwards. So, you know, I meet regularly with our director. Um, we also inform the governor's office of any potential legislation, so we get that done early so we you know know that there's support for anything that we plan to introduce legislation for. Um the legislative deadline for us is in early December. Um, we also need to allow time for legal counsel. We have a very a wonderful relationship with our legal counsel, and so um our legal counsel and I you know team early and we get the drafts done early so we can get them out, get them circulated, get um feedback early, and try to um get the bills um in or the I guess the uh pre-filed legislation in North Dakota. An agency can pre-file legislation um with or without a legislative sponsor. So so that's it, just a regular schedule of engagement.

Julia McIlroy: 7:22

And what does that schedule look like? How often do these committees meet?

Sherry Neas: 7:29

Um monthly with state agencies, uh weekly with higher ed. Um the procurement advisory council meeting is quarterly or more frequently if we uh you know if we need to. Um those are open meetings, so those have to be um announced, um filed with our Secretary of State, and that's an is subject to the open meetings laws.

Julia McIlroy: 7:52

So it sounds like you're meeting often and you're meeting early, which is a nice segue into our next question, and that is testimony can make or break a bill. What are some tips for preparing early and making sure your message is clear?

Sherry Neas: 8:08

I do think that a lot of the same tips that I just talked about about drafting the legislation ties into um preparing testimony. It really needs to be a well-written document. Um one thing to remember is that while we are subject matter experts on procurement and procurement law, other people aren't, and other people might not have the same passion for it. So um I always remember my audience, um, you know, that the audience, um the legislators have so many bills to read. So I I go through the bill very thoroughly, you know, I provide the background, you know, why why is this legislation being brought forth, and then go through the bill section by section, explaining, providing examples, pausing so they can digest what was just said, you know, answer any questions, um, and then you know, end with that, that because it's a call to action, right? You're asking for support for this change. And so what's the reason for the change and why should they support the bill? And then if there's any other issues that that I think could come out or we think could come out, um the same thing when you draft the testimony, draft it early, we have it, our legal counsel review it, we have our communications person review it, we have our staff review it, um, you know, our leadership review it. Um, it also goes to our governor's office so that we make sure that you know our position is supported at all levels and that um you know it's it's a well-written testimony. Um the other thing ties really back into who's comfortable with public speaking. Um testifying is way different than giving a speech or a presentation because it's it's there's anything can happen. So I think um who is comfortable with public speaking and just preparing people for that kind of shotgun question-answer that can happen during a testimony. Um, so that's the other part is just to make sure that they're briefed. Um, you know, and um myself I've done a lot of testifying, you know. Of course, I was you know, I have a public speaking background also, so that helps. So that's really that's really one thing I do is you want somebody who wants to do it, feels comfortable on the podium.

Julia McIlroy: 10:29

And you're absolutely right. It's not just feeling comfortable with public speaking, but feeling comfortable in a legislative session. I remember I had the opportunity to tour the United Nations in New York City, and when I saw where the assembly was, it struck me how small that space is. It looks so large on television, and I could imagine what it must feel like being at the podium in that confined space with everyone looking at you. I'm sure it's nerve-racking, but I'm sure you're great at it.

Sherry Neas: 11:04

Well, uh, there's actually um, you know, in my career too, I've also taken media training. So um I'm also retired military, and uh my last military position was working disaster preparedness. And you know, not often, but once in a while we would, you know, actually, you know, be talking to reporters, and that happens in procurement too, right? You answer the phone and it's a reporter and they're asking about something. So um media training that is responding to reporters is actually fairly similar, right? To be mindful of um, you know, they're asking a question, but be mindful of what you want to say, you know, what answer it is. And sometimes, you know, you don't have the answer right then. And so then it, you know, I I don't know the answer to that. I'll get back to you. And so that same rule applies when you're giving testimony.

Julia McIlroy: 11:52

What a great idea to have media training. So I have to ask what branch were you in?

Sherry Neas: 11:56

Um Army Reserves, 23 years.

Julia McIlroy: 11:59

Wow, that's fantastic. And what was your MOS?

Sherry Neas: 12:02

Um, I started out in admin, and then I actually have a construction um in construction MOS also, and then uh finished in disaster emergency preparedness. So we were the uh the it's called an EPLO team, every state has one. It's the emergency preparedness liaison office. So um when there's a disaster and they need military assets, they uh bring in the EPLO team to do that coordination. Um, it actually worked out great because state procurement also has a role in emergency response in North Dakota. So, you know, when I was down in the emergency operations center, I was really wearing two hats. Um, you know, so because it's it's really very my military job was very similar to um what my state job was.

Julia McIlroy: 12:46

Wow, fantastic. Well, of course, thank you for your service. It's very much appreciated. For those of you listening who don't know what an MOS is, it's basically what your job is in the military. I happen to know MOS because my oldest son is active Army. And in fact, September of 25 is 20 years for him.

Sherry Neas: 13:08

Oh wonderful.

Julia McIlroy: 13:09

Yeah, he'll be in for a few more years. He's uh he is in Special Forces, he's a Green Beret. We're very proud of him and and the work he does. Anyhow, but thank you as well for serving our country. So let's transition to what happens during session. So bills drop like a hail storm during session. How do you keep track of which ones impact procurement?

Sherry Neas: 13:33

Great question, Julia. Um, one thing about preparing for session is that you do need to have a game plan for um getting the bills read and identifying. So usually there's pre-filed bills. So pre-filed bills, um, you've got time before session to read through those. Um, but your description that bills drop like a hailstone, that is exactly right. So, you know, every night bills drop, more bills drop, bills drop. So in our agency, we get together. So there's um five divisions in our agency. Um, we have um one or two people that are identified to establish a tracking system. Um, we actually used technology um the last year to um so technology may be a solution for you. We have a tracking system um where we track the bills, you know, when the hearings are. Um, we assign all the bills to someone. And if we're reading bills and and uh find one that might impact one, we might hey facilities, go look at this bill, or hey um fiscal, go look at this bill, risk management, go look at this bill, hey legal counsel. So that that liaison building, um, and and I always give my you know customer agencies a heads up too, or hey, higher ed. So I think if you are helpful to others, they're gonna be helpful to you because I get the same thing like, hey Sherry, have you seen blah blah blah? And um so team effort would be my hot tip. Have a system, um, make sure that you're doing assignments, watch out for your buddy, and they'll watch out for you. Um, and then check that. Um, because you know, schedules can change too. Check it. It should be, you know, the you know, don't wait till the morning to check it, check it the day before so you know when the hearings are, um, where the hearings are, there's lots of hearing rooms. Um, make sure that um you know what is when. So I think the other thing too is just to uh make time for it. So um if you are the person that's that's responsible for legislative session, hot tip, the disciplines of execution. Um you've always we all have day jobs, right? And normally you were your day job takes up your whole day. Um you need to offload your normal work or whoever's responsible for legislation, you need to offload their normal work. So their work is legislative session. Um bills, some years it might be light and it's not a full-time job, but there are years, or if you've got an important procurement bill, it might be almost a full-time job for you. So um free someone's time to focus on legislation and don't underestimate that time. Um, the other thing is that um sometimes it's kind of like college where um you've got

to have it done by morning because somebody else needs to see it in the morning. So it can impact you know your how you spend your evenings also.

Julia McIlroy: 16:34

So I appreciate the hot tips that you've given us so far. Knowing your audience, have a game plan, have a tracking system, and it's a team effort, and be prepared to maybe work all night to get what you need to get done, right?

Sherry Neas: 16:51

Absolutely.

Julia McIlroy: 16:52

So, Sherry, inside an agency, who really has the authority to decide your position on a bill? How do you navigate those internal approvals?

Sherry Neas: 17:01

Great question again. Um, so when we identify the bill, you know, you read it to make sure that you understand it, understand the issues. Um, if it if there's another stakeholder, make sure you're reaching out to engage them. So I think thoroughly explore a bill before you um develop a preliminary position. And in our age, in our agency, you know, the subject matter expert, like the division director or you know, whatever official is responsible for that chapter of law, um, comes up with the initial position. And then we I visit with my staff, um, I visit with our legal counsel, um, we talk to our director, and again, making sure that we are bringing the issues, right? Well, we can anticipate that this other entity would be opposed to this or this impacts this entity, we should reach out. Um, so that networking and that engagement happens immediately when you know who's impacted by the bill and also who are the sponsors. Um, and then in our agency, we also go up to the governor. So when our a when we decide our agency's position, we go to the governor's office too to confirm that that that is our position. Honestly, the internal the approval process has to be very timely too. Um just everybody everybody's busy during legislative session. So be prepared with to be uh provide a concise um explanation of the bill and the pros, the cons, the controversy, the workload, um, also the fiscal impact. Um, every you know, if there is a a fiscal note, that's important to also look at that fiscal note because sometimes that can help you gauge whether or not this is practicable. Like it's a great bill, or you know, the here's the reality of what this bill would cost, um, or um is it something that already exists? Um, and that's how we do that. It's that that whole brainstorming, like what's going on with this bill, and then deciding whether it's good from a policy perspective, but is it also doable from a fiscal and resources perspective?

Julia McIlroy: 19:17

It sounds like during session, especially, it's critical to be concise because folks are so busy, and so really understanding the who, what, why, how, and how much of the bill is invaluable.

Sherry Neas: 19:32

Absolutely. Um, you know, I really have found that everything takes more effort and time than you thought it would to implement, even simple things that you thought were simple.

Julia McIlroy: 19:43

Kind of like home home projects. I always think, oh, that won't take that long, and you know, 12 weeks later. Anyhow, so we've touched on this a bit, Sherry, that testifying is a big responsibility. So, how do you decide who should take the podium? And how do you prepare them for tough questions.

Sherry Neas: 20:02

You know, I've been alive for a while and I still have never been able to be two places at once. And so that's why it really is important to have more than one person prepared to testify, even if they're just learning how to testify, find an easy bill. So with us, it really gets back to the starting point is who wants to do it, who's comfortable with public speaking, who has that um, I'm gonna call it stage presence with with the legislators, um, and then give them the opportunity and and just give them that um familiarity. You know, and you don't have to start with testifying. It can be leading meetings. Um, if if you are, you know, if your agency is doing some kind of outreach activity, maybe it's not always you, the chief procurement officer, doing the speaking, maybe it's someone else doing the presentation, just to get them ready for that that type of public speaking. Um, how we prepare for tough questions is really just that. It's like a trial run. Um, read the testimony out loud with an audience, um, and then perhaps you have someone ask a question. You know, uh preparedness is huge. And um an important thing also is you know how to prepare them. Um, what I've taught my staff is when it's assigned to a committee, go look up that committee. Who's the chairman? Who's on the committee? Um, you know, is it the majority leader? Um, make sure you understand who's there. You know your bios. You know, if if this is a governor, government affairs committee, is it an industry committee? Um, you know, what are what's the intention of this committee? You know, if it's uh if it's a procurement something and it's going in front of an industry committee, you know that you know their job is to promote industry. So um again, understanding who's you're testifying to and make sure your staff knows that, um, even things like prepare pronouncing their name, you know, because and then Robert's rules of order. Not everybody has used Robert's rules

of order. So just so when we're preparing our internal staff is you know, this is how you address the chairman or chairperson, and if and this is how you answer a question, you know, Mr. Chairman, representative so-and-so, blah blah blah. Um, just so because it's not like a normal speaking engagement.

Julia McIlroy: 22:44

So that's a really great point. Doing your homework sounds like it's critical because it's not a normal speech speaking engagement, is it? So, Sherry, when multiple stakeholders have different positions on the same bill, how do you build alignment before you go in front of a committee?

Sherry Neas: 23:02

This is so important. Um, maybe the worst thing you can do is write a testimony and go up there and present your position if if your position is in opposition to a bill. Um, what I tell my staff, what I tell everybody is no one likes surprises. Don't surprise anyone. Um, don't surprise, you know, this bill was put forth by a sponsor. And this sponsor, or you know, a sponsor and other legislators that signed on to this bill, when we've developed our position on a bill, whether for or against, if we're gonna testify, I always reach out to the um the sponsor and let them know what OMB's position is. Now, even contacting a legislator can be very different during session, and you have to know how it works in your state. Is it okay to email a legislator? Um, can you go down to the chambers and arrange to speak with them? Um, when's the best time to catch them? Um, you have to be very strategic in trying to find time to connect with the legislator. So, like myself, I'll like, okay, this is a sponsor, and I look up what committees are on and what their schedule is, when is the most likely time to catch them? Um, and if I get them, I ask, you know, when's the best time to catch you? Are you at early, you know, is it early morning? Is it at lunch? Is it after work? Um, how do you catch them? So that's one hot tip is uh talk to the legislators. And then when you've analyzed the bill, like who else is impacted by this? Does this impact all state agencies? Does it impact certain state agencies? Um, always talk to your legal counsel, get that engagement, do that brainstorming. So um the other thing too is um if we're gonna testify against or if something's controversial, I may um contact the chairman once it's been assigned to a committee. I may, you know, connect with the chairman and catch them either, you know, not don't try to catch them like three minutes before a hearing starts, you know, catch them when they might have time when it's not in a rush to tell them what's going on with the bill. Uh and then sometimes it may be interesting too. You know, so there might be bills that were put forth by industry, um, so there may be other associations. I I don't want to um I wanna in North Dakota, we have, we state procurement have a strong relationship with our association of counties, our league of cities, the school board

association, uh the the township association. Um so when those I reach out to those legislative, either the executive directors or whoever's doing legislative for them, and I don't surprise them either. So if there's something that impacting all like big picture procurement in North Dakota, I make sure that I that we're you know aligning with everyone. Um, and that's why it goes back to you've got to clear your calendar because you you gotta work it, you gotta work a bill.

Julia McIlroy: 25:58

So let's segue into conference committees. Controversial bills often end up in conference committee. How can procurement professionals stay engaged at this critical stage?

Sherry Neas: 26:11

One thing that I want to remind everybody on this podcast, listening to this podcast, you are procurement officials. We excel at building consensus, we excel at analysis. Um, if you think about a conference committee where you've got opposing parties and a lot of issues, this would be similar to a complex RFP where you are analyzing different solutions. And so this is one thing I tell my staff, I tell everybody, right? That you look and you discuss and you get information until the right answer becomes clear. It's just like a procurement, right? You get information, you dig and dig and dig and dig until you know the right answer. Um, and so on a contrary on a conference committee, my hot tip is um in the absence of leadership, take charge. So usually I volunteer to uh work with the assigned legislator, because usually what happens is the committee chair will assign someone on the committee to lead the conference committee, and then they'll designate. And usually it's like some people testified for the bill, some people testified against the bill. Um, myself, if they testified on against, they're on the committee because I need to get inside their head, I need to understand their concerns. Um, their concerns might be something that we didn't think about, right? And so you need to understand everyone's perspective and listen before you speak, um, because you'll have an opportunity to share your side after you've listened to their side. And then um, I'm a middle child, right? And so that's where you know we get paid to find a happy medium a lot of times. And maybe there's not a happy medium, maybe maybe the side will be opposed, but it gets back to that. Like, what are the issues? Understand the issues, and brainstorm possible solutions. Um, and sometimes it's that's it, because you know, the purpose of a conference committee is to rework the bill in a way that is palatable to the entities, usually. Um, and so sometimes it's like, well, you know, this is draft one, this is draft two, and this is when I talked earlier about sometimes this happens after work. Sometimes this is, you know, we're brainstorming at night so that in the morning we can catch people, and again, finding time to catch people, um, and then not surprising. So, like, if if we're working on a conference committee, I'm gonna make sure that I am

reaching back to that legislator that was assigned to oversee it and let them know where we're at. This is where we're at, and be mindful about when things have to come out of committee because you've only got so much time before a bill has to get back to the committee to get voted. So work fast, and this is where you can't be, you know, you've got to have time on your calendar to work it because it's hot.

Julia McIlroy: 29:33

You know, Sherry, it's a day of hot tips. And here's another one that I'll reiterate from what you said. We're good at this stuff, it's in our wheelhouse, right? We excel at collaboration and consensus building. So I'm sure you tell your staff, we got this, right?

Sherry Neas: 29:54

You have to, yep, you have to. I think the other thing too is just um you can't give good customer service if you're speaking negatively or having negative thoughts about someone. You know, so even though you're on the opposite sides of an issue, watch what you're thinking and avoid judgment. Because you know, their their concerns are valid. And so that where to be respectful, even though it's a natural tendency to go on the defensive, train yourself not to.

Julia McIlroy: 30:28

That is an excellent point. So, what's the best way to build relationships with committee chairs and bill sponsors so that procurement concerns are taken seriously?

Sherry Neas: 30:40

Uh, great question. Um, communication number one. Um, be a straight shooter. You know, um remember the role of the committee chair and the role of the bill sponsors. A lot of times the bill sponsors ask to you know bring something forth and they may or may not understand the issues. So, and then don't surprise them on the podium. So, just like we said, the best way to build relationships is if you can work it out before the hearing. There's been a lot of times where there was a bill that was put forth, and you know, we decided that you know OMB would have, or OMB or State Procurement had concerns with the bill. We brought this to the attention of the bill sponsor well in advance, or even right before the hearing, so that the bill sponsor, when they go to introduce the bill, can say, Um, you know, I put forth this bill, concerns were brought to my attention, we're working on an amendment to address the concerns, and then it's a win-win. You know, they've um so that's that's one hot tip. You know, um, I can't emphasize that enough. Don't surprise a legislator, don't surprise the stakeholders. But to do that, you have to not be last minute. One other thing I was gonna say is that be helpful and be really helpful. So, you know, be helpful with

conference committees, be helpful in brainstorming amendments. Um, you're good at this, right? You're good at this. If you think about all the contracts you administer, all the RFPs you administer, you're used to working on amendments for stuff. And that's what this is. This is, you know, this is draft legislation. They took their best stab at it when they were drafting the legislation. Now you're working with stakeholders to tweak it. So, um, so when it's gone through this process, you know, the the introduction, the testimony in support, the testimony against, the testimony in neutral, a conference committee, you know, there's a vote. Um, one other you know hot tip is that when the vote is taken, the bill is assigned to a carrier. Now that carrier has a task of explaining that legislation on the floor, and they may or may not be a subject matter expert in procurement by the end of all this. So one thing that you can really do is help by offering to give the carrier talking points or even the bill sponsor. There's a lot of times that we'll say, you know, hey, bill sponsor, can we can we help you with some talking points?

Julia McIlroy: 33:08

So, Sherry, what I'm hearing is when you're going through this legislative process, it's important to be kind, be respectful, be non-judgmental, be opening to be open to listen to different points of view. And in the end, we all have the same goal, and that is creating legislation that enhances the citizens of our state.

Sherry Neas: 33:36

Absolutely.

Julia McIlroy: 33:38

So, Sherry, thanks for joining me today. I'm really looking forward to part two of our conversation where we'll cover after session planning and secession planning. And to our friends in public procurement, remember, we work in the sunshine. Bye for now.