



Department of
Administrative Services

Customer Focused, Performance Driven

Sonny Perdue
GOVERNOR

Brad Douglas
COMMISSIONER

For many state agencies and suppliers of Georgia, the days of conventional mailing and faxing of small bids are long gone—thanks to a newly enhanced web-based procurement sourcing tool called **eQuote**. Since its introduction in October 2004 by the Department of Administrative Services (DOAS), user benefits and savings have increased substantially with the enhancement and re-launch of **eQuote Phase II** in March of 2008.

eQuote began as a simple tool used by state buyers to electronically solicit and receive small value bids (i.e., purchase requests between \$5,000 and \$9,999) and although there has been improvements throughout the years; the program's overwhelming use was for informal solicitations. However, using customer feedback, the program has matured into a robust electronic quote program, with enhanced functionality and options. eQuote Phase II is now used to solicit bids up to the agency or college's Delegated Purchasing Authority (DPA), as well as beyond their DPA, with State Purchasing approval, as indicated in the Georgia Procurement Manual.

The newly enhanced eQuote program provides a world of convenience to its many users that include all state agencies, departments, boards, bureaus, commissions, institutions, other state/local entities, and political subdivisions. Additionally, State Purchasing has seen an increase in supplier accessibility and usage of the eQuote II such that our original database of approximately 10,000 active vendors has increased to approximately 14,000 active vendor contacts since our March 2008 re-launch.

Because of increased usage and noticeable savings afforded to Georgia governmental entities, in November 2008 eQuote was identified as the required sourcing tool for all Request for Quotes. Since its inception eQuote has resulted in record setting efficiency, convenience and customer satisfaction.

"The recent upgrade has made eQuote very reliable and flexible. As a UPO, the system has streamlined the bid process and reduced my workload. I estimate a purchasing savings of over \$75,000.00 for the University through the use of eQuote in the past six months. The system allows me to include local vendors and gain additional vendors that were not on my radar. Overall the system has saved my university time and money," James Barnaby, Purchasing Director, North Georgia College and State University.

DOAS continues to offer classroom trainings to assist in acclimating needing agencies. Additionally, DOAS offers an online course and user guides for agencies and suppliers for their convenience. Classroom training schedules and resources are available on the State Purchasing website; www.statepurchasing.doas.ga.gov



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1. How long has the program been operational?

The eQuote system was first introduced by DOAS State Purchasing in October 2004, as a free web-based electronic sourcing tool. eQuote was offered for use to all state agencies, departments, boards, bureaus, commissions, institutions and other state entities as an alternative to the conventional paper sealed bids under \$10,000. With numerous enhancements since its inception the eQuote system has been an effective and efficient sourcing tool for 4 years and 4 months.

2. What was the program's start-up cost?

eQuote was created in-house by DOAS information technology staff members. Since the hardware already existed for other applications, staff labor cost was the only expense incurred. The total cost associated with the initial program development was \$41,000. eQuote Phase II developmental costs were \$137,572.

3. What are the program's operational costs?

The eQuote system continues to be maintained by existing DOAS staff. From July 2004 through February 2009, the operational costs totaled \$347,678, which amounts to \$80,233 annually. The hardware/network support totaled \$41,236 or \$9,516 annually.

4. How is the program funded?

The eQuote program is funded through DOAS' operational budget.

5. How do you calculate actual savings, i.e., short-term and/or long-term?

Short term savings are calculated after each event. While some of our governmental entities calculate cost avoidance by subtracting the winning quote from the budgeted amount, others use a more aggressive approach. That is, calculating the difference between the highest and lowest quotes received for the sourcing event. The dollar savings are tracked quarterly and then compiled at the end of the fiscal year.

6. How do you measure this program's success?

First and foremost, we measure the program's success by using periodic surveys and feedback from our customer agencies and suppliers. This information was instrumental in the development of eQuote Phase II. Through eQuote Phase II, DOAS has brought more than convenience to state entities and suppliers—ultimately, its use saves the State time and money. In little more than four months time, through the use of eQuote Phase II, DOAS has surpassed process improvement standards for the entire calendar year of 2007. More specifically, during the 2007 calendar year 399 eQuotes were awarded with contract amounts averaging just under \$12,500. This is in stark contrast to the 1268 eQuotes awarded between March and December of 2008, with an average contract amount of \$22,012. Similarly, while end-users enjoyed a cost avoidance of more than \$755K in 2007, March through December 09, 2008 has brought a cost avoidance of \$14.9M.

7. How has the program grown or changed since its implementation?



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Over the years, eQuote has matured from a very simple tool used for small value bids to a robust electronic quote program complete with many levels of functionality and options. The system has provided a consistent means for users to save time and money by posting bids to our public website known as the Georgia Procurement Register (GPR), electronically notifying vendors who are on our Vendor Registration System (VRS) based on NIGP codes and receiving bids electronically. With continuous feedback from our customers, we have developed and implemented several enhancements to further increase the benefits of the eQuote system.

eQuote Phase II offers the following benefits to its many users:

For purchasing agents:

- Greatly reduces open solicitation time by up to 50%, according to competitive solicitation rules
- Generates email notifications to vendors of solicitation changes, addenda, and notice of award information
- Saves time for recreating an eQuote by allowing a purchasing agent to copy a previous eQuote for a new eQuote solicitation
- Allows eQuote awards to be split and awarded to multiple vendors
- Allows the addition of an unlimited number and type of document attachments and the ability to make edits between eQuote posting and closing time, alleviating the need to cancel an eQuote because of the changes
- Generates invitations to selected non-registered vendors that include links to the vendors guide and VRS, to encourage registration
- Automatically tabulates the eQuote responses

For suppliers:

- Helps prevent simple arithmetic errors and eliminates the paper needed to respond to a bid solicitation
- Sends immediate confirmation after submitting the response, alleviating common concerns associated with paper bid responses
- Allows the opportunity to opt out (i.e., select "no bid") of portions of solicitations that include more than one item
- Allows the addition of an unlimited number and type of document attachments and affords the ability to make edits to their submitted bids between eQuote posting and closing time

8. Describe the program's applicability to other states/local/federal governments?

The eQuote application includes functionalities that allow usage by non-state regulated agencies such as counties, cities and locals. eQuote is a web based java application utilizing TOMCAT application Sever (freeware) running on Unix hardware. The State of Georgia would be willing to host this solution for an annual fee OR sale our solution as a customizable packaged application inclusive of the source code,



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database and documentation. Our solution includes vendor registration (VRS), a public posting site (GPR) and eQuote.