



MEMORANDUM

DATE: July 24, 2018

TO: Joint Committee on Appropriations Members

FROM: Jason Hancock
LRC Director

RE: Lean Consulting & Training Update

At your meeting on March 26, the Joint Committee on Appropriations (JCA) approved two Letters of Intent requesting that Lean studies be conducted by state agencies – one to the Department of Corrections (DOC) and the other to the Bureau of Administration (BOA). The Executive Board followed up at its next meeting on April 23, directing the LRC to develop and issue two RFPs for Lean consulting services – one for each agency – with combined costs of the two contracts not to exceed \$250,000, and to report back its recommended vendor(s) and contract(s) at a special teleconference meeting of the Executive Board, to be held in the summer of 2018.

Using previous Lean consulting RFPs that it developed for the Bureau of Information & Telecommunications and the Department of Labor & Regulation as a starting template, and working with the DOC and BOA, LRC posted the two RFPs to the state's central bid exchange on May 11. You can find the two RFPs on the BOA central bid exchange under RFP #1375 (DOC) and RFP #1376 (BOA). Written questions from potential vendors were due by May 25, and LRC responses were made by May 30. Proposals were due on June 11.

Six vendors provided proposals for each of the two agencies. LRC assembled a review team to score and rank each of the two sets of responses. Each review team included an individual from the subject agency, one or two individuals with experience in Lean training and implementation with another state agency, and the assigned LRC Fiscal & Program Analyst.

For the Department of Corrections, the top ranked proposal was from ReEngine Consulting from Leander, TX (near Austin). ReEngine previously provided Lean consulting and training pursuant to a JCA Letter of Intent for the Bureau of Information & Telecommunications. For the Bureau of Administration, the top ranked proposal was from QPIC from Marlborough, CT. QPIC has been providing Lean consulting and training pursuant to a JCA Letter of Intent for the Department of Labor & Regulation.

After scoring was completed, LRC worked with the top-ranked vendors and the subject agencies to develop contract terms agreeable to all parties. These contracts and supporting materials were submitted for Executive Board review at a teleconference meeting held on July 2, at which time the Board authorized LRC to transfer up to \$204,255 from the Legislative Priority Program Contingency Fund, if the Legislature's regular appropriation is insufficient to pay the cost, for the purpose of contracting for Lean consulting and training for the DOC and BOA.

I subsequently signed the two contracts. The QPIC/BOA contract is for \$91,000, and will run through January 9, 2019. The ReEngine/DOC contract is for \$113,255, and will run through June 30, 2019. Please let me know if you have any questions.

cc: LRC Fiscal Staff