

COMMONWEALTH OF VIRGINIA
Department of General Services
Division of Purchases and Supply

MEMORANDUM OF AGREEMENT
For Local Government Use of eVA

This document constitutes an Agreement between _____, hereinafter referred to as “**Local Government**”, and the **Department of General Services, Division of Purchases and Supply**, Richmond, Virginia, hereinafter referred to as “**DPS**”, for the Local Government’s use of eVA, the Commonwealth’s electronic procurement system.

1.0 PURPOSE:

The purpose of this agreement is to extend eVA roll-out support to the Local Government identified above and to identify the specific responsibilities and duties of both parties to assure successful implementation and roll-out to accomplish the mission of DPS. The mission of DPS is leveraged buying power through statewide contracts to obtain the best prices for goods and services and to extend the efficiencies and value of eVA, electronic procurement, as broadly as possible. Use of eVA by local governments not only achieves this, but it also provides state-of-the-art procurement tools and support to local governments without the large investment typically required for systems of this nature. DPS will continue to extend the capabilities and features of eVA through sustained re-investment in the system through its contract with CGI-AMS, the Commonwealth’s electronic procurement service provider. Local Government will continue to benefit from the growing capabilities of the system while contributing to the funding by placing orders through the system that generate vendor transaction fees. Suppliers will benefit in multiple ways including the benefit of broader exposure to both state government and other local government purchasing offices. Efficiencies for all parties will continue to grow as the electronic procurement processes replace the traditional paper procurement processes.

2.0 BACKGROUND:

DPS has implemented a statewide electronic purchasing system called eVA for use by state and local government entities. This system was competitively procured as a Service Offering from CGI-AMS [formerly known as American Management Systems (AMS)].

Initial rollout of the system began March 2001 with emphasis on use by state agencies, including institutions of higher education. Late in 2001, DPS introduced the concept of eVA-Lite where basic eVA functionality was made available to any interested local government entity. From that point through December 2002, DPS focused limited resources on the eVA rollout to local government entities. Beginning in January 2003, DPS began a stronger effort to extend the offer of eVA use to local government entities by dedicating staff to support the rollout and by making the entire suite of comprehensive eVA functionality available. This includes:

- E-Mall Shopping With Accounting and On-Line Approvals
- Receiving With On-Line Approvals
- Standard Analytical Reporting
- Entity Specific Reports

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- Bidders' Lists
- Quick Quote
- Solicitation Posting
- Award Posting
- e-Procurement – Complex Electronic Procurements
- Data Interface To/From Entity Business or Enterprise Resource Planning Systems

The rollout model that DPS has employed with state agencies and institutions of higher education has included assigning a responsible DPS staff person to support the organization. This individual is responsible for mentoring the organization through all rollout issues. This role has proven to be a natural extension of the mission of DPS's Procurement Consulting and Review group.

With local government, DPS has determined that it is important to extend this rollout support beyond the traditional boundaries established for state agencies and institutions of higher education. However, given the limited resources that DPS has available, this offer of support must be managed carefully to ensure that all interested local governments get the opportunity to fully participate. Accordingly, DPS determined that it is important to lay out the specifics of this support commitment to each local government. Further, DPS needed to ensure that there was an equal commitment from the local government regarding participation, level of effort, and use of eVA through submitted orders to registered vendors. This need directly addresses the issue of maximizing DPS results from working with an agency, institution of higher education or local government entity, as well as ensuring the entity's direct contribution of orders processed within eVA which will, in turn, positively contribute to the funding of the system through the order transaction fees.

3.0 COSTS

The business model put in place to support the eVA system was established based on a self-funding approach. The system is funded through transaction fees based on the value of individual orders. While these fees are not generally assessed to and collected from local governments there are certain scenarios under which the Local Government may incur transaction fees. These fees can be avoided by the Local Government through its specific implementation decisions.

- When the Local Government processes an order to a vendor location not registered in eVA and the vendor fails to pay the transaction fee within the DGS transaction fee billing cycle, responsibility for paying the transaction fee will be reversed, by DGS, from the vendor to the Local Government. While the system is designed to allow for the creation of orders to non-registered vendor locations, the Local Government can avoid these orders and the resulting fees through policy, training, monitoring, and the eVA order approval (workflow) process.
- When the Local Government processes an eVA order for commodities identified as "exempt" in the DPS Agency Procurement and Surplus Property Manual, the eVA transaction fee will be invoiced to the Local Government. While the system is designed to allow for the creation of orders for exempt commodities, the Local

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Government can avoid these orders and the resulting fees through policy, training, monitoring, and the eVA order approval (workflow) process.

The Local Government will incur overhead costs associated with using the system. These overhead costs include the time and labor of the Local Government's staff in configuring, learning and using the system. The level of effort involved is directly driven by the level of complexity in business rules and workflow that the Local Government requires.

4.0 SCOPE OF WORK:

4.1 DPS

DPS has a Local Government Implementation Team that is responsible for the successful implementation and rollout of eVA functionality to interested Local Governments.

DPS will, within available resources, provide:

4.1.1 A DPS staff person responsible to coordinate and support the Local Government implementation and rollout activities.

4.1.2 Pre-Implementation support, including:

a. Mentoring and training:

- for the Local Government's Point of Contact (POC);
- to help the Local Government develop on-site expertise for support and security-roles, as mutually agreed;
- to help the Local Government setup and execute supplier recruitment strategies and activities, as mutually agreed; and
- to help the Local Government establish an onsite Train-the-Trainer program.

b. The following documentation:

- Master copies (paper and electronic) of user guides and training materials.
- User group documentation on functionality.
- New functionality documentation as introduced.
- Master copies of supplier adoption materials.

c. Use of the eVA logo and the guidelines for its usage.

4.1.3 Implementation and rollout support, including:

- a. Technical coordination for any mutually-agreed Local Government implementation of eVA/ERP integration or eVA-to-ERP export interface and facilitation of Local Government testing.
- b. Presentations/briefings, as mutually agreed, at client sponsored meetings and events.
- c. Configuration and setup of organization and user accounts.
- d. On-site consulting and training as mutually agreed.

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- e. Use of the Commonwealth's contract with CGI-AMS to purchase additional support (hourly rate has been established in the eVA contract), if desired.
- 4.1.4 Post implementation support, including:
- a. Consulting support as mutually agreed.
 - b. eVA training sessions as published in the eVA training schedule.
 - c. Customer care (help desk) support for all buyers and suppliers.
 - d. Participation in eVA User Group Meetings.
 - e. The opportunity to request enhancements and/or additional functionality.

4.2 Local Government

The Local Government will have an Implementation Team to work with the DPS team throughout all implementation activities. The Local Government will appoint a Point of Contact (POC) to coordinate all activities for the Local Government and become the Local Government's on-site 'eVA expert' as quickly as possible.

The **Local Government** will:

- 4.2.1 Appoint a Point of Contact (POC) to interface with DPS to:
- a. identify all Local Government users, approval flows and data;
 - b. coordinate/conduct Local Government site specific training; and
 - c. identify Local Government ERP/eVA interface or integration requirements.
- 4.2.2 Unless otherwise mutually agreed, appoint a person or persons to:
- a. Serve as Local Government's system administrator for user administration and data maintenance activities.
 - b. Coordinate supplier adoption, registration and marketing activities.
 - c. Serve as on-site expert to receive "Train the Trainer" instruction and provide ongoing end user support for the Local Government.
 - d. Serve as the Technical Coordinator to participate in the eVA interface/integration workgroup team if implementing eVA/ERP export interface or integration.
 - e. Serve as the Local Government Security Officer that meets eVA guidelines for delegation of user.
- 4.2.3 Develop a project implementation plan with timelines mutually agreed upon with DPS designated Team Lead.
- 4.2.4 As mutually agreed, establish a supplier recruitment program that includes:
- a. Supplier registration events, letters, and/or direct communications.
 - b. Support to suppliers through on-going marketing and registration activities.
- 4.2.5 Create eVA orders for awarded Quick Quote events conducted by the Local Government.
- 4.2.6 Comply with the eVA Security Manual, including but not limited to:

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- a. Signing the Acceptable Use Policy relating to eVA security.
 - b. Notifying DPS of departing employees.
- 4.2.7 Participate in eVA user group meetings whenever possible.
- 4.2.8 Use the eVA logo as mutually agreed and based on Guidelines provided by DPS.
- 4.2.9 Adhere to all confidentiality requirements for use of eVA and any other policies and procedures applicable to the use of eVA.
- 4.2.10 Agree to only use eVA supported browser software and configurations. This includes providing any necessary IT user support.
- 4.2.11 Require all authorized users to designate the required Purchase Order Category for eVA orders processed for excluded commodities listed in Section 14.9.b of the *DPS Agency Procurement and Surplus Property Manual* (APSPM).
- 4.2.12 Promptly pay:
- a. eVA invoices issued to the Local Government for non-registered vendor location order transaction fees not paid by the vendor within the DGS transaction fee billing cycle and;
 - b. eVA invoices issued to the Local Government for orders issued for exempt commodities as listed in the *DPS Agency Procurement and Surplus Property Manual*.

5.0 COMPENSATION:

The Local Government shall pay eVA transaction fees as set forth in Section 4.2.12 above. In addition, the Local Government shall bear its overhead costs associated with its implementation and use of eVA. This includes the time and labor of their staff in configuring, learning and using the system.

6.0 PERIOD OF THE AGREEMENT:

This Agreement will become effective when signed by all parties. This Agreement will remain in effect unless terminated by mutual agreement of both parties or by either party giving the other party thirty (30) days' prior written notice. Termination by either party of this Agreement shall not relieve the Local Government of its payment obligations as described in Section 4.2.12 and 5.0 above. Amendments to or modifications of this Agreement may be initiated by either party, but will not become effective or binding until agreed upon in writing by both parties.

7.0 SURVIVAL OF TERMS:

Upon termination of this Agreement, all provisions which by their nature extend beyond termination shall survive.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

[Local Government Name]

By: _____

Title: _____

Telephone Number: _____

eMail Address: _____

Date: _____

Division of Purchases and Supply

By: _____

Ron Bell, Director

Telephone Number: (804) 786-3846

eMail Address: ron.bell@dgs.virginia.gov

Date: _____