

Lawmakers look at ways to improve Idaho state contract rules

By REBECCA BOONE, Associated Press

BOISE, Idaho (AP) — A group of lawmakers looking for ways to improve Idaho's contract system has pulled together a long list of possibilities, including increased training for contract managers, the creation of new ethics policies and whether agencies should be able to opt out of statewide purchasing agreements.

"My experience tells me — and I think your experience may tell you too — that our purchasing process is not entirely broken," Department of Administration Director Bob Geddes told the interim legislative committee on Thursday. "In fact it may not be broken at all. But there are some things that may be improved."

The committee is examining the state's contracting system in the wake of several scandals, including an illegally awarded \$60 million school broadband contract that was voided by a judge earlier this year. They are tasked with making the system airtight against future scandals, while still keeping it accessible enough to attract the companies that provide paper, gasoline or other goods to state agencies.

The members have heard recommendations from several state officials, many of them focused more on management techniques than actual rule changes. Chief Deputy State Controller Dan Goicoechea told the group that bad contracts can be avoided with careful research, and that some recent state contract problems occurred because managers weren't following the rules that are already in place.

"You avoid contract problems by doing your spade work up front," Goicoechea said.

Purchasing Division Administrator Bill Burns recommended better training for state employees in charge of contracts. Idaho should create a certification process for contract managers because "training is key to procurement," Burns said.

Idaho also lacks an ethics commission or any set ethics policies surrounding the contracting process, Burns noted. Jeremy Chou, an attorney and lobbyist who represents several state contract holders and bidders, also urged lawmakers to adopt an ethics policy with guidelines on how to deal with conflicts of interest, the use of confidential information and kickbacks.

Rep. Neil Anderson, a Republican from Blackfoot who is co-chair of the committee, asked his colleagues to decide which options they wanted to consider first, and which would be better handled sometime in the future.

"Idaho preference or local preference — do we take a position on that?" Anderson asked his colleagues. "Do we deviate from blanket state contracts?"

Anderson listed several additional possibilities, including:

—whether to decentralize the purchasing process,

- whether to review and consolidate purchasing rules into one section of Idaho code,
- how to monitor contracts and keep records of the process,
- reviewing auditing requirements,
- how to handle the appeal process and whether to change the deadlines for appeals, and
- the creation of a purchasing oversight board.

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