



# DEPARTMENT OF Management & Budget

## **Buy Michigan First: State Contracting 101**

*Part five of a five-part series that outlines the basics of State contracting. Series four discussed how to submit a competitive and complete bid response.*

This series has covered four topics to date: how to register as a vendor with the State of Michigan, how to prepare for and research State contract opportunities, how to find current solicitations to bid on, and how to submit competitive and complete bid responses.

A bit of background for those new to this series – the State of Michigan has taken dramatic steps to level the playing field in State contracting. Governor Granholm issued two Executive Directives that are significant to purchasing. Executive Directive 2005-3 prohibits sole source, no-bid contracts, which results in every solicitation being competitively bid. Executive Directive 2005-6, which amended 2004-3, gives a preference to Michigan firms that bid on State contracts. As a result of this Michigan business preference, 85% of what the State buys is purchased from Michigan firms.

According to Michigan Department of Management and Budget (DMB) Director Lisa Webb Sharpe, “Today’s contracting culture has increased opportunities for Michigan businesses, including small businesses, minority-owned businesses, women-owned businesses, and Detroit companies. Buy Michigan First creates jobs today, diversifies our economy to create jobs tomorrow, and invests in Michigan businesses and citizens.”

The State of Michigan is a “best value” state with a centralized procurement system. DMB handles purchasing on behalf of each State agency, managing a contract portfolio of more than 1,300 contracts that are valued at more than \$16 billion. As a general rule, DMB handles solicitations that are valued at \$25,000 or more, with each individual State agency having the authority to make their own purchases valued at less than \$25,000.

Companies new to State contracting should begin by registering as a vendor, which was discussed in part one of this five part series. The next step is preparation and research, which was discussed in part two of this five part series. The third and fourth steps are finding opportunities to bid on and submitting a competitive bid, covered in parts three and four of this series.

Michigan businesses that submit bid responses to DMB's competitively bid solicitations should request a debrief session with the buyer in order to find areas of improvement for their next solicitation response. Deputy Director Craig Orr, who heads procurement for the State of Michigan, recommends debrief session for both successful and unsuccessful bidders. "Debrief sessions cover the strengths of each proposal, and areas that could be improved. Michigan companies can benefit from these conversations, both for future State bid responses and for other government contract solicitations at the federal and local levels."

To request a debrief session, please take the following steps:

1. Call the Buyer associated with the bid and request a debrief session
2. Identify areas with the buyer to improve bid submission
3. Review other bid submissions with the buyer to understand your competition

Debrief sessions are voluntary and are held at the bidder's request. Michigan firms should visit the Buy Michigan First website frequently at [www.michigan.gov/BuyMichiganFirst](http://www.michigan.gov/BuyMichiganFirst). DMB recommends book-marking the site and making a visit part of a weekly routine to avoid missed bidding opportunities.

*For more information, email [BuyMichiganFirst@michigan.gov](mailto:BuyMichiganFirst@michigan.gov) or call (517) 335-0230.*