

# Procurement Standards Oversight Committee

## PROBLEM STATEMENT

1. **Title/Subject:** Procurement Planning  
Standards/recommended practices for the development of a plan for a procurement from initiation to close-out, including specifying necessary steps in the process and appropriate timelines. This effort will include the development of planning guidelines for IFB, RFP and other common procurement methodologies, and will include definitions of terms as appropriate and provide a framework for selecting and implementing procurement methods.
2. **Benefits and impacts to the transit industry, including cost savings that would contribute to a return on investment:** Good procurement planning can save transit agencies considerable time and money, and effective planning is critical for major agency procurements such as revenue vehicles, technology or large construction projects. It also helps to effectively establish the agency's expectations, ensures that all of the relevant agency departments are involved appropriately, and that there is sufficient time to think through complex issues.

Similarly, suppliers obtain significant benefits from procurements that are well planned and coordinated, saving money and staff time when they have a clear picture of what the process will be and what the customer really wants. In addition, suppliers will benefit from reductions in unrecoverable proposal costs resulting from fewer cancelled or revised procurements.

More effective and standardized procurement planning will facilitate the way transit agencies conduct procurements and could lead to more accurate estimates for time required for the process, a streamlining of procurement activities, better agency and vendor resource allocation, improved estimating of project costs due to transparency of the process, and increased vendor participation. Smaller properties especially could benefit from availability of necessary guideposts for efficient Procurements.

3. **Potential parties that might be impacted by the standard:**
  - All transit properties
  - All manufacturers that sell to the transit industry
  - All suppliers that sell to the transit industry
  - All Consultants that sell to the transit industry
4. **Known research or information that might contribute to the standard development:**

Existing Best Practices documents from FTA and APTA, however this standard activity is beyond the scope of the existing technical assistance guides (like BPPM) as it goes to a business model that is not governed by federal law or regulation. Also related is TCRP project G-08 which provides a framework for selecting a project delivery method.