

**CITY OF HOLLYWOOD, FLORIDA**

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**DIVISION OF PURCHASING & MATERIALS MANAGEMENT**

**BEST PRACTICES:**

**City of Hollywood's Electronic Procurement System**

In October, 2001, the City of Hollywood went live with an on-line vendor registration and bid response system developed in conjunction with the City's Director of Systems and Programming and her staff.

Formerly, Purchasing staff researched and compiled a lengthy list (as high as 300) of potential vendors, made copies of the solicitation for each vendor on the list and mailed the package to each potential vendor. Advertising in a local newspaper was also required.

Implementation of an on-line vendor registration and bid response system satisfied the following requirements at no cost to the City other than staff development time.

The following are the resulting requirements of the Purchasing and Materials Management Division:

- ❖ Provide electronic vendor registration for anyone in the country desiring to do business with the City of Hollywood.
- ❖ Provide the means for vendors to maintain their own contact information, phone number changes, etc.
- ❖ Reduce advertising costs by satisfying Public Notification requirements via online postings.
- ❖ Provide a comprehensive database of vendor data including license information, liability and worker's compensation insurance and expiration dates, minority certifications, and locations for billing and returning goods. Formerly, this data was kept on paper and was unable to be queried for analysis and tracking.
- ❖ Provide Purchasing staff with secure password protected functionality to view all vendor data, and add, change or delete as required.
- ❖ Provide the means for Purchasing staff to create an electronic bid form for each unique solicitation. The form had to be able to be downloaded from the website,

and provide the vendor the ability to fill out variable fields (their responses) while assuring that the bid requirements could not be altered. The vendor is able to fill in required information, store and return the completed form to the City of Hollywood electronically and without any printing.

- ❖ Provide Purchasing staff with the ability to send e-mail notification to all vendors at the same time whenever a new solicitation is available to bid on. Notifications must include a link to the specific solicitation.
- ❖ Allow for the secure electronic submission of bids by the vendor and assure that the bids would not be read until the closing date when they would be formally opened at the same time.
- ❖ Display open solicitations and bid winners on the website.

With over 540 vendors registered, the completed program has been a resounding success.

Annual Cost Savings:

Advertising	\$5,000
Purchasing staff time – 2 hrs per solicitation x 60 per yr x \$20 per hr	\$2,400
Paper – 15 pgs x 25 vendors x 60 per yr = 22,500 pgs @ \$.0153	\$ 344
Postage- mailings to 25 vendors @ \$1.50 ea x 60 per year	\$2,250
Copier – 15 pgs x 25 vendors x 60 per yr = 22,500 pgs @ \$.05	<u>\$1,125</u>
TOTAL ANNUAL SAVINGS	\$11,119

In addition to real cost savings, the City has become easier to do business with by assuring that anyone interested in doing business with us is informed of ALL available opportunities on a timely and reliable basis.