



Spotlight:
Reverse Auctions Pay Off
Procurement Services sees savings for agencies

Submitted by Joan Graham, OPS

Recently the Office of Procurement Services (OPS) conducted two successful reverse auctions on behalf of the Cabinet for Health and Family Services and Kentucky Emergency Management.

What is a Reverse Auction?

A reverse auction is a procurement method in which the roles of the buyer and seller are reversed. In a forward auction, buyers compete to acquire a good or service by offering higher bids. In a reverse auction, sellers compete to supply a good or service by offering lower bids.

It is a multi-step competitive sealed process by which the Commonwealth invites suppliers to respond to a request to bid. First, bidders only provide technical offers without any pricing. These technical offers are evaluated to determine their acceptability to fulfill the purchase specifications and requirements. Those bidders with acceptable technical offers are then invited to submit a price bid.



This is when the real fun begins...online.

The Commonwealth has partnered with eBridge to manage its online reverse auctions. eBridge trains bidders on how to use the online system and notifies them of the date and time at which the auction will begin.

Once the auction begins, bidders set an initial price and then compete online in real time by entering their lower bids. The bidders do not see the data from competing bidders—only their own bid amount and where they rank as far as the lowest bid. The auction lasts 15 minutes but if a lower bid is placed within the last 3 minutes of bidding the clock resets for an additional 3 minutes.

Continued on Pg. 2



Dear Finance Cabinet Employees,

We wish you a wonderful Thanksgiving Holiday and hope you will have the opportunity to be with your friends and loved ones. We have so much to be thankful for. However, there are many who may not be as fortunate. If you have the chance to invite someone to share your dinner, help serve at a homeless shelter, take food to someone who is homebound, or something else...your act of kindness will impact those much more than you know.

We are thankful for all of you and the work you do to serve people throughout the Commonwealth of Kentucky each and every day. We continually made aware of the many wonderful talents and work that all of you bring to the Finance Cabinet.

With much thanks,
 Lori H. Flanery, Secretary
 Robin Kinney, Deputy Secretary
 Steve Rucker, Deputy Secretary

Take the Family to Southern Lights

Horse Park tradition a premier holiday event

What do you do after the turkey's gone? Lots of people will take in Black Friday shopping, but for those who want something a bit less hectic, the Southern Lights holiday festival at the Kentucky Horse Park may be just the perfect family outing.

With all the family-friendly activities offered, Southern Lights is a well-known Bluegrass



tradition that began 21 years ago. Kids of all ages delight in the holiday driving tour. Visitors take in the Christmas Village, "The Twelve Days of Christmas," Keeneland race track, show jumping, steeplechase and the spires of Churchill Downs - displays comprising thousands of twinkling lights.

Following the driving tour, families are encouraged to park their vehicles and visit Southern Lights' other attractions inside the park, featuring holiday craft merchants, the KHP Gift Shop - perfect for Christmas shopping - seasonal entertainment and activities for children, an exotic petting zoo, pony and camel rides, the Mini Train Express, model train and dollhouse displays, and photos with Santa. Guests may also enjoy an encounter with live reindeer.

Continued on Pg. 2

Shop Small. Shop Local.

SMALL BUSINESS SATURDAY



Small businesses are the economic engine in the United States. That's why Small Business Saturday started in 2010 as a way to encourage shoppers to support small, local businesses the Saturday after Thanksgiving. Basically this is the small business community's version of Black Friday, but with less hassle and a direct impact on your friends, neighbors and even co-workers who own businesses.

Let us know about your business. We will periodically feature Finance employees who have outside businesses.

Send information to Pamela Trautner at Pamela.trautner@ky.gov.

Southern Lights, cont'd from Pg. 1

Southern Lights runs through Dec. 31 and the driving route is open from 5:30-10 p.m. nightly. The other attractions inside the park will be open every night except Nov. 27 and Dec. 24-31. The cost is \$15 per passenger car Sunday through Thursday evenings and \$20 per passenger car on Friday and Saturday nights.

All proceeds support the Kentucky Horse Park Foundation Information on Southern Lights can be found at SouthernLightsKy.org or www.KyHorsePark.com

Auction, cont'd from Pg. 1

The reverse auction to buy Incident Response Signage Trailers went smoothly for Kentucky Emergency Management (KEM). Wayne Burd, Project Manager for KEM, was thrilled with the reverse auction format and had nothing but good things to say about it and the help from OPS.

"I want to thank you for your assistance with the Incident Response Trailer bid process. I sincerely appreciate your professionalism and diligence to ensure we had a competitive bid that met our requirements. I was impressed with the reverse auction process and know that we saved a considerable amount of money for the Commonwealth."

The next reverse auction on behalf of the Department of Corrections is for premeasured detergents and cleaners.

Make a big impact.

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PERSONNEL MOVES

Paul Gannoe is now the deputy commissioner of the Department for Facilities and Support Services. For the past 11 years Paul has worked for the State of Kentucky, serving in the Finance Cabinet as the executive director of the Office of Facility Development and Efficiency, director of the Division of Engineering and Contract Administration (DECA) and director of Historic Properties. Most recently as executive director of DECA, Paul built a strong relationship with many state agencies. He is a graduate of Tennessee Technological University and spent six years in the Navy's nuclear propulsion program. He replaces Charles Bush who left for a position with Fish and Wildlife.



Please join
Governor Steve Beshear,
First Lady Jane Beshear,
Lt. Governor Crit Luallen
and Mr. Lynn Luallen
for the

COMMONWEALTH'S CHRISTMAS TREE LIGHTING

Monday, December 1, 2014
6:30 p.m.

State Capitol Steps
Frankfort, Kentucky

Guests are encouraged to bring a non-perishable food item to benefit those in need.

Guests will have the opportunity to send Christmas greetings to active and deployed service men and women through the **Holiday Mail for Heroes** program, sponsored by the Franklin County Chapter of the American Red Cross.

There will be a photo opportunity with Santa Claus at the Governor's Mansion immediately following the tree-lighting ceremony. Bring your children to have their picture taken with Santa.

