

Reverse Auction Overview

HB 1109 of the 2017 Regular Session, effective January 1st, 2018 has mandated reverse auctions to be the primary method to receive competitive bids within the State of Mississippi. A reverse auction is a real-time electronic procurement practice in which suppliers compete online to bid freely on specified items within an allotted timeframe. Prices will be entered into a secure web-based procurement portal in decrements. The vendor with lowest price, meeting bid specifications, in most cases will be awarded a contract. Reverse auctions will not be used for any public contracts for design or construction of public facilities, including buildings, roads and bridges.

The State of Mississippi requires vendors to register in MAGIC (Mississippi Accountability System for Government Innovation and Collaboration) to compete for bid opportunities published by State agencies conducted via reverse auction. **State of Mississippi Supplier Registration**. The registration is free of charge, and vendors receive the pleasantries of automatic email notifications of all Mississippi bid opportunities for selected product categories. Current vendors, who have completed registration prior to January 1st, 2018, will not have to re-register to participate.

In addition to the registration, all bidders will be required to confirm compliance with all administrative and technical requirements prior to the start date and time of the reverse auction. All reverse auctions conducted by State agencies will specify the time and date of when the auction will take place within the bid proposal. Proposals will contain item specifications, and the estimated time to enter pricing. Pricing decrements will be set and sellers compete to offer lower bids than their competitors. At the expiration of the auction, bids will rank from highest to lowest. The buyer may award the contract to the vendor with the **highest ranking bid (lowest price)** that meets specs.

Reverse Auction Benefits:

- Free of charge- The State of Mississippi does not charge any initial fees for MAGIC registration nor is a fee payable after the contract is awarded and executed via reverse auction.
- Automatic reverse auction bid opportunities notifications- vendors will receive emails of all reverse auction bid opportunities for product categories chosen at the time of registration.
- Real-time transparent view of competitor's pricing- all bidders will have access to prices entered by all companies competing for the award. The auction gives all potential awardees updates in seconds to determine how they rank and get insight on competitor's pricing intelligence.
- Real-time question and answering during bidding –bidders can chat messages that are visible to only the agency buyer
- Reduction of time to award contracts – awarding bids is almost instantaneously. Buyers and bidders are able to justify the winning bid. But offers must still be evaluated to ensure awardee is compliant with all bid requirements.

REVERSE AUCTION QUICK REFERENCE GUIDE

Is there a fee for using Reverse Auctions in MAGIC?

No. The State of Mississippi will not charge any additional fees for products or services purchased through Reverse Auctions in **MAGIC**.

How do I register as a Vendor in MAGIC?

Vendors who are new to MAGIC may visit the [Vendor Information page](#) on DFA's Web Site, or register online, [Vendor Registration](#).

To log into MAGIC, open the following URL: <https://portal.magic.ms.gov/irj/portal>

What are the Password Requirements?

Passwords must be at least 8 characters long.

Passwords must contain at least one uppercase letter.

Passwords must contain at least one number.

What are the technical requirements for using Reverse Auctions?

Acceptable Internet Browser(s) -

- Microsoft Internet Explorer (IE) version 11
- Google Chrome with a Chrome extension called "IE Tab Extension" installed/enabled

Note: Pop-up blocker must be turned off.

Java

Reverse Auction requires Java version 6.30 or higher. Java can be downloaded from following Web site: <https://www.java.com/en/download/>

How do I participate in a Reverse Auction?

Be registered in MAGIC

Ensure you meet the technical requirements.

Respond to the RFx (RFQF) and with a bid response that meets the bid qualifications. Instructions for creating a response to an RFx are available here, [RFx Response -Supplier Self Service](#).

Can anyone participate in a Reverse Auction?

Anyone can participate in the pre-qualifying RFQF. Only bidders who submit a qualifying response to the RFx (RFQF) are invited to participate in the Reverse Auction.

How do I find RFQF Bid opportunities?

Bid opportunities may be found on the MS Procurement Portal, [\(RFx\) Procurement Opportunities](#) or by searching in MAGIC.

Are all products or services required to use Reverse Auctions?

No. Only basic commodity procurements require Reverse Auctions (i.e. office supplies, furniture, vehicles). Information Technology products, construction contracts, and most service procurements do not require use Reverse Auctions.

If I submit an erroneous bid or need technical support, who do I contact?

- During the Reverse Auction – Send a message via the Chat feature to the Auction Monitor (Agency Buyer) who is monitoring the Reverse Auction. Chatting during the Reverse Auction should be limited to this such as erroneous bids or technical issues.
- Prior to the Reverse Auction - Contact the MAGIC Help Desk at mash@dfa.ms.gov.

Where can I find complete Reverse Auction instructions for the Bidder?

Complete step by step instructions for the Reverse Auction Bidder's Guide can be found on the Vendor Information page of DFA's Website.

Submitting Price:

Live Auction Cockpit

Name: 1130-18-R-RFQF-00005 Requester: 1130_SRGBOS2
 Number: 3300000099 Currency: US\$ Start Date: 10/04/2017 10:20:00 AM CDT
 Rule Profile: Reverse auction with broken lot, full quantity, anonymous bidding End Date: 10/04/2017 11:25:00 AM CDT
 Description: Time Remaining: 00:00:00 (Ended) ?

Item	Description	Quantity	Unit	Price Unit	Start Price	Decrement	Rank	My Bid	My Bid Value	Best Bid	Next Valid Bid	Bid Price
1	Test Material 01	10	each	1	10.00	1.00	1	1.00	10.00	1.00	0.00	
2	Test Material 02	12	each	1	9.50	1.00	3	9.00	108.00	1.50	0.50	
3	Test Material 03	15	each	1	6.00	1.00	2	5.50	82.50	1.00	0.00	
4	Test Material 04	20	each	1	18.00	1.00	3	17.00	340.00	5.00	4.00	
Total Value of My Bids									540.50	Total Bid Value:		<input type="button" value="Submit"/>

Item	Description	Quantity	Unit	Price Unit	Start Price	Decrement	Rank	My Bid	My Bid Value	Best Bid	Next Valid Bid	Bid Price
1	Test Material 01	10	each	1	10.00	1.00	1	1.00	10.00	1.00	0.00	
2	Test Material 02	12	each	1	9.50	1.00	3	9.00	108.00	1.50	0.50	
3	Test Material 03	15	each	1	6.00	1.00	2	5.50	82.50	1.00	0.00	
4	Test Material 04	20	each	1	18.00	1.00	3	17.00	340.00	5.00	4.00	

Definitions:

Start Price – starting bid price of the item (Bids higher than the start price will not be accepted.)

Bid Decrement – the minimum amount by which a Seller's total bid price must decrease when submitting a bid

Best Bid – the current best bid

Next Valid Bid - determined by the Best Bid minus the bid Decrement amount

How to respond to a RFX link: <http://uperform.magic.ms.gov/gm/folder-1.11.7512?originalContext=1.11.8507>

RFX procurement opportunities Link: https://www.ms.gov/dfa/contract_bid_search/Home/Sell

If you wish to make a response via person, We will have someone at Boswell to assist.