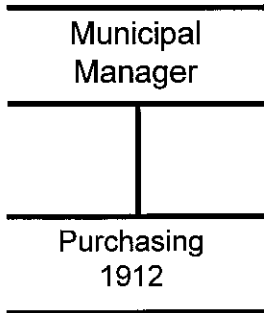


PURCHASING

PURCHASING





Purchasing Department

Our Mission: Support all Municipal agencies through effective and efficient purchasing and contract management services

Core Services

- Support all Municipal agencies by providing effective and efficient purchasing and contract management services to acquire needed supplies, services and construction services
- Insure compliance with Federal law, Alaska Statute, Municipal Code and other applicable regulatory provisions in the acquisition processes
- Develop and maintain a vendor database to insure information relating to potential and actual purchases is disseminated to interested parties, thereby obtaining best prices through competitive means
- Provide the means of disposal of outdated or surplus supplies and equipment through sales or auction processes

Direct Services

Direct Services Provided by Divisions

Focus Areas

- Reduce the average lead-time on purchases
- Reduce purchasing and accounts payable transactions through implementation of a purchasing card system

We will measure our success by:

- Percent change in total number of purchase orders issued. This measure is an indication of the effectiveness of the implementation of a credit card program in late 2001

Q1-2002	Q2-2002	Q3-2002	Q4-2002
(31%)			

- Percent of those surveyed that were satisfied overall with the purchasing card system. This survey will be conducted through an employee email

2002	2003	2004	2005
Data in Q3			

- Average lead-time for the purchasing process reported by major and small purchases (indicates how long it takes to issue a purchase order from receipt of a purchase requisition)

-	Q1-2002	Q2-2002	Q3-2002	Q4-2002
Major Items	Data in Q2			
Small Items	Data in Q2			

- Percent of dollars for goods and services the Municipality spends with local vendors

1998	1999	2000	2001	Q1-2002
85%	81%	87%	79%	59%

- Ask a Question about Purchasing Department
- Make a Comment about Purchasing Department

Investing for Results

- Explain more...
- Letter from the Mayor...
- Program Results...

Priorities

- Public Safety
- Economic Growth
- Quality of Life
- Individual & Family Development
- Spirit of Community

**Purchasing Department
Costs Allocated to Core Services**

Core Services	Purchasing
Support all Municipal Agencies by providing effective and efficient purchasing and contract management services to acquire needed supplies, services and construction services	\$537,100
Insure compliance with Federal Law, Alaska Statute, Municipal Code and other applicable regulatory provisions in the acquisition processes	\$278,350
Develop and maintain a vendor data base to insure information relating to potential and actual purchases are disseminated to interested parties, thereby obtaining best prices through competitive means	\$251,140
Provide the means of disposal of outdated or surplus supplies and equipment through sales or auction processes	\$154,200
Total Division Costs	\$1,220,790

2003 Resource Plan

Department: Purchasing

Division	Financial Summary		Personnel Summary							
	2002	2003	2002 Revised				2003 Proposed			
	Revised	Proposed	FT	PT	Temp	Total	FT	PT	Temp	Total
Purchasing Services	1,149,580	1,220,790	15			15	14			14
Operating Cost	1,149,580	1,220,790	15	0	0	15	14	0	0	14
Add Debt Service	0	0								
Direct Organization Cost	1,149,580	1,220,790								
Charges From/(To) Others	(1,032,050)	(1,052,710)								
Function Cost	117,530	168,080								
Less Program Revenues	(117,000)	(167,000)								
Net Program Cost	530	1,080								

2003 Resource Costs by Category

Division	Personal Services	Supplies	Other Services *	Capital Outlay	Total Direct Cost
Purchasing Services	1,036,920	14,400	169,470		1,220,790
Operating Cost	1,036,920	14,400	169,470	0	1,220,790
Add Debt Service					0
Total Direct Organization Cost	1,036,920	14,400	169,470	0	1,220,790

* Travel budgeted by this department within the Other Services category is \$47,850

2003 Budget Highlights

• Proposed 2003 investment level will maintain the same level of results for purchasing-related activity. Savings continue to be realized as a result of the implementation of the Procurement-card by which departments charge for small purchases, thereby reducing paperwork. When compared to the same period in 2001, there has been a 39% reduction in purchase order activity and a 47% reduction in requisition activity.

2003 P R O G R A M P L A N

DEPARTMENT: PURCHASING DIVISION: PURCHASING SERVICES
 PROGRAM: Procurement and Contracting Services

PURPOSE:

Provide a purchasing system that ensures maximum use of fair and open competition and receipt of the best value for funds available, consistent with applicable laws and regulations, good business practices and sound financial management practices.

2002 PERFORMANCES:

See Strategic Framework

2003 PERFORMANCE OBJECTIVES:

See Strategic Framework

RESOURCES:

	2001 REVISED			2002 REVISED			2003 BUDGET		
	FT	PT	T	FT	PT	T	FT	PT	T
PERSONNEL:	16	0	0	15	0	0	14	0	0
PERSONAL SERVICES	\$	943,540		\$	949,200		\$	1,036,920	
SUPPLIES		19,400			14,400			14,400	
OTHER SERVICES		184,140			185,980			169,470	
CAPITAL OUTLAY		2,500			0			0	
TOTAL DIRECT COST:	\$	1,149,580		\$	1,149,580		\$	1,220,790	
PROGRAM REVENUES:	\$	67,000		\$	117,000		\$	167,000	

WORK MEASURES:

See Strategic Framework 0 0 0

2 SERVICE LEVELS ARE FUNDED FOR THE DEPARTMENT. THIS PROGRAM HAS LEVELS:
 1, 2

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 09/24/02
 162315

MUNICIPALITY OF ANCHORAGE
 2003 DEPARTMENT RANKING

DEPT: 19 -PURCHASING

DEPT	BUDGET UNIT/	SL	SVC
RANK	PROGRAM	CODE	LVL

1 1912-PURCHASING SERVICES
 0079-Procurement and Contracti
 SOURCE OF FUNDS, THIS SVC LEVEL:

1 Provide for procurement of construction,
 OF supplies, and services for all agencies
 3 of the MOA as required by Title 7 of the
 Municipal Code.

IGC SUPPORT
 PROGRAM REVENUES 117,000

PERSONNEL			PERSONAL	SUPPLIES	OTHER	DEBT	CAPITAL	TOTAL
FT	PT	T	SERVICE		SERVICES	SERVICE	OUTLAY	
14	0	0	1,036,920	14,400	169,470	0	0	1,220,790

2 1912-PURCHASING SERVICES
 0079-Procurement and Contracti
 SOURCE OF FUNDS, THIS SVC LEVEL:

2 Revenues received from rebate incentives
 OF offered under the Procurement Card
 3 Program.

PROGRAM REVENUES 50,000

PERSONNEL			PERSONAL	SUPPLIES	OTHER	DEBT	CAPITAL	TOTAL
FT	PT	T	SERVICE		SERVICES	SERVICE	OUTLAY	
0	0	0	0	0	0	0	0	0

SUBTOTAL OF FUNDED SERVICE LEVELS, PURCHASING

PERSONNEL			PERSONAL	SUPPLIES	OTHER	DEBT	CAPITAL	TOTAL
FT	PT	T	SERVICE		SERVICES	SERVICE	OUTLAY	
14	0	0	1,036,920	14,400	169,470	0	0	1,220,790

DEPARTMENT OF PURCHASING

FUNDING LINE

1,220,790

3 1912-PURCHASING SERVICES
 0079-Procurement and Contracti
 SOURCE OF FUNDS, THIS SVC LEVEL:

3 Provides contract management,
 OF professional, and construction
 3 services for the Municipality.

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 09/24/02
 162315

M U N I C I P A L I T Y O F A N C H O R A G E
 2003 DEPARTMENT RANKING

DEPT: 19 -PURCHASING

DEPT	BUDGET UNIT/	SL	SVC
RANK	PROGRAM	CODE	LVL

PERSONNEL			PERSONAL		OTHER	DEBT	CAPITAL	
FT	PT	T	SERVICE	SUPPLIES	SERVICES	SERVICE	OUTLAY	TOTAL
1	0	0	84,570	0	0	0	0	84,570

TOTALS FOR DEPARTMENT OF PURCHASING

, FUNDED AND UNFUNDED

PERSONNEL			PERSONAL		OTHER	DEBT	CAPITAL	
FT	PT	T	SERVICE	SUPPLIES	SERVICES	SERVICE	OUTLAY	TOTAL
15	0	0	1,121,490	14,400	169,470	0	0	1,305,360