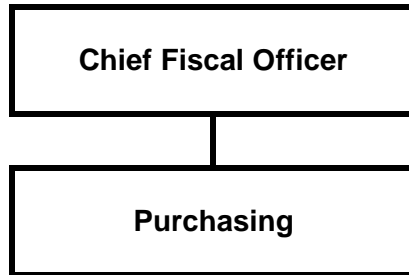


Purchasing



Purchasing

Description

The Purchasing Department is the office responsible for the acquisition of supplies, services, and construction supporting the operations of the Municipality. The Department is the entity within the Municipality authorized to issue Invitations to Bid and Requests for Proposals. The Department issues purchase orders, and contracts to acquire supplies and services. The Department also disposes of all municipal surplus property and equipment.

The Purchasing Department is conscious of its responsibility and accountability in the expenditure of public funds. Therefore, the Purchasing Department maintains a competitive bidding process in accordance with Federal and State laws, regulations, and Municipal ordinances. It is the Purchasing Department's policy to encourage the participation of qualified vendors in the bidding process, emphasizing opportunities for small businesses and disadvantaged and women owned businesses. Preference may be given to local bidders when not prohibited by the funding source.

Projects and requirements for the Municipality vary widely and as a result, rely heavily upon the local business and contractor community to meet its needs. We encourage the local contractor community to participate in the various solicitation processes offered. A local bidder's preference is applied for these local businesses & contractors residing within the corporate boundaries of the Municipality. The use of minority and women owned businesses is encouraged, and participation goals for sub-contracting may be required depending on the source of funding.

Department Goals

- Provide departments with the knowledge needed to successfully procure items/services at the best value for the City with minimal difficulty (standardize and streamline processes)
- Ensure that procurements are made in compliance with all laws and policies
- Provide contract administration training to departments
- Continually explore alternative procurement methods
- Minimize Appeals

Department Goals that Contribute to Achieving the Mayor's Mission:



Administration – Make city government more efficient, accessible, transparent, and responsive

- Provide departments with the knowledge needed to successfully procure items/services at the best value for the City with minimal difficulty (standardize and streamline processes).
- Ensure that procurements are made in compliance with all laws and policies
- Provide contract administration training to departments.
- Provide training to departments on the purchasing processes.
- Continue to work with and explore alternative procurement methods when contracting situations would benefit from their use.

Purchasing Department Summary

	2017 Actuals	2018 Revised	2019 Proposed	19 v 18 % Chg
Direct Cost by Division				
Purchasing	1,703,599	1,717,336	1,797,522	4.67%
Direct Cost Total	1,703,599	1,717,336	1,797,522	4.67%
Intragovernmental Charges				
Charges by/to Other Departments	(1,184,318)	(1,447,841)	(1,528,025)	5.54%
Function Cost Total	519,281	269,495	269,497	-
Program Generated Revenue	(579,942)	(269,500)	(269,500)	-
Net Cost Total	(60,661)	(5)	(3)	(33.73%)
Direct Cost by Category				
Salaries and Benefits	1,514,127	1,625,769	1,705,955	4.93%
Supplies	5,153	5,964	5,964	-
Travel	2,053	-	-	-
Contractual/Other Services	182,267	85,603	85,603	-
Debt Service	-	-	-	-
Direct Cost Total	1,703,599	1,717,336	1,797,522	4.67%
Position Summary as Budgeted				
Full-Time	15	13	13	-
Part-Time	-	-	-	-
Position Total	15	13	13	-

2017 Positions:
end-of-year count is
14 due to 1 FT
position being
eliminated July 1,
2017 due to SAP
go-live.

Purchasing
Reconciliation from 2018 Revised Budget to 2019 Proposed Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
2018 Revised Budget	1,717,336	13	-	-
Changes in Existing Programs/Funding for 2019				
- Salaries and benefits adjustments	40,186	-	-	-
2019 Continuation Level	1,757,522	13	-	-
2019 One-Time Requirements				
- Add funding for long-term employee retirement leave cash-out	40,000	-	-	-
2019 Proposed Budget	1,797,522	13	-	-

**Purchasing
Division Summary
Purchasing**

(Fund Center # 138100, 138179)

	2017 Actuals	2018 Revised	2019 Proposed	19 v 18 % Chg
Direct Cost by Category				
Salaries and Benefits	1,514,127	1,625,769	1,705,955	4.93%
Supplies	5,153	5,964	5,964	-
Travel	2,053	-	-	-
Contractual/Other Services	182,267	85,603	85,603	-
Manageable Direct Cost Total	1,703,599	1,717,336	1,797,522	4.67%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,703,599	1,717,336	1,797,522	-
Intragovernmental Charges				
Charges by/to Other Departments	(1,184,318)	(1,447,841)	(1,528,025)	5.54%
Function Cost Total	519,281	269,495	269,497	-
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	579,942	269,500	269,500	-
Program Generated Revenue Total	579,942	269,500	269,500	-
Net Cost Total	(60,661)	(5)	(3)	(33.73%)

Position Summary as Budgeted

Full-Time	15	13	13	-
Position Total	15	13	13	-

2017 Positions:
end-of-year count is
14 due to 1 FT
position being
eliminated July 1,
2017 due to SAP
go-live.

**Purchasing
Division Detail
Purchasing**

(Fund Center # 138100, 138179)

	2017 Actuals	2018 Revised	2019 Proposed	19 v 18 % Chg
Direct Cost by Category				
Salaries and Benefits	1,514,127	1,625,769	1,705,955	4.93%
Supplies	5,153	5,964	5,964	-
Travel	2,053	-	-	-
Contractual/Other Services	182,267	85,603	85,603	-
Manageable Direct Cost Total	1,703,599	1,717,336	1,797,522	4.67%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,703,599	1,717,336	1,797,522	4.67%
Intragovernmental Charges				
Charges by/to Other Departments	(1,184,318)	(1,447,841)	(1,528,025)	5.54%
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	333,907	105,000	105,000	-
408570 - Sale of Contractor Specifications	9,118	4,500	4,500	-
408580 - Miscellaneous Revenues	236,917	160,000	160,000	-
Program Generated Revenue Total	579,942	269,500	269,500	-
Net Cost				
Direct Cost Total	1,703,599	1,717,336	1,797,522	4.67%
Charges by/to Other Departments Total	(1,184,318)	(1,447,841)	(1,528,025)	5.54%
Program Generated Revenue Total	(579,942)	(269,500)	(269,500)	-
Net Cost Total	(60,661)	(5)	(3)	(33.73%)

Position Detail as Budgeted

	2017 Revised		2018 Revised		2019 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Administrative Coordinator	1	-	1	-	1	-
Administrative Officer	3	-	2	-	2	-
Deputy Officer	2	-	2	-	2	-
Director	1	-	1	-	-	-
Junior Administrative Officer	2	-	2	-	2	-
Office Associate	1	-	-	-	-	-
Principal Admin Officer	2	-	2	-	2	-
Purchasing Director	-	-	-	-	1	-
Senior Administrative Officer	2	-	2	-	2	-
Senior Office Associate	1	-	1	-	1	-
Position Detail as Budgeted Total	15	-	13	-	13	-

2017 Positions:
end-of-year count is 14
due to 1 FT position being
eliminated July 1, 2017
due to SAP go-live.

Anchorage: Performance. Value. Results

Purchasing Department

Anchorage: Performance. Value. Results

Measure #1: Cost to provide efficient purchasing services as a percent of total MOA purchases and compare to national benchmarks:

2015--.4%
2016--.1%
2017--.1%
2018--.2%

Benchmark: Below 1%

Measure #2: Number of formal protests sent to Bidding Review Board (BRB)

2015 - 1 (Solid Waste Service Garbage Trucks)
2016 - 1 - (Upper O'Malley LRSA)
2017 - 0
2018 - 1 (Asplund Wastewater Treatment Facility Process and Facility Improvements)

Goal: 0

Measure #3: Expenditures in the local area

2015 - 57% (this remains artificially low due to the ML&P power plant contract and other specialized contracts not available from in state sources. Without these actions, the instate % is 86%)
2016 - 41% (this remains artificially low due to the ML&P power plant contract and other specialized contracts not available from in state sources. Without these actions, the instate % is 79%)
2017 - 65% (this remains artificially low due to the ML&P power plant contract and other specialized contracts not available from in state sources. Without these actions, the instate % is 68%)
2018 - Waiting on SAP report to accurately disclose expenditure information

No formal Goal but matter of local interest