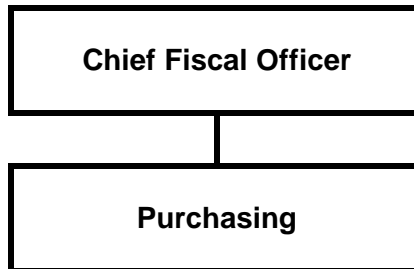


Purchasing



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

	2016 Actuals	2017 Revised	2018 Proposed	18 v 17 % Chg
Direct Cost by Division				
Purchasing	1,713,315	1,795,065	1,717,336	(4.33%)
Direct Cost Total	1,713,315	1,795,065	1,717,336	(4.33%)
Intragovernmental Charges				
Charges by/to Other Departments	(1,441,563)	(1,525,565)	(1,447,839)	(5.09%)
Function Cost Total	271,751	269,500	269,497	-
Program Generated Revenue	(268,664)	(269,500)	(269,500)	-
Net Cost Total	3,087	-	(3)	(2484.26%)
Direct Cost by Category				
Salaries and Benefits	1,634,727	1,703,498	1,625,769	(4.56%)
Supplies	6,123	5,964	5,964	-
Travel	912	-	-	-
Contractual/Other Services	71,552	85,603	85,603	-
Debt Service	-	-	-	-
Direct Cost Total	1,713,315	1,795,065	1,717,336	(4.33%)
Position Summary as Budgeted				
Full-Time	15	15	13	(13.33%)
Part-Time	-	-	-	-
Position Total	15	15	13	(13.33%)

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 2017 Revised Budget to 2018 Proposed Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
2017 Revised Budget	1,795,065	14	-	-
Changes in Existing Programs/Funding for 2018				
- Salary and benefits adjustments including reduction of labor due to elimination of one (1) SAP project position mid-2017 (count included in 2017 Revised)	6,728	-	-	-
2018 Continuation Level	1,801,793	14	-	-
2018 Proposed Budget Changes				
- Pause cost-of-living increase for Executive employees	(2,411)	-	-	-
- Eliminate one (1) full-time Office Associate position	(82,046)	(1)	-	-
2018 Proposed Budget	1,717,336	13	-	-

**Purchasing
Division Summary
Purchasing**

(Fund Center # 138100, 138179)

	2016 Actuals	2017 Revised	2018 Proposed	18 v 17 % Chg
Direct Cost by Category				
Salaries and Benefits	1,634,727	1,703,498	1,625,769	(4.56%)
Supplies	6,123	5,964	5,964	-
Travel	912	-	-	-
Contractual/Other Services	71,552	85,603	85,603	-
Manageable Direct Cost Total	1,713,315	1,795,065	1,717,336	(4.33%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,713,315	1,795,065	1,717,336	-
Intragovernmental Charges				
Charges by/to Other Departments	(1,441,563)	(1,525,565)	(1,447,839)	(5.09%)
Function Cost Total	271,751	269,500	269,497	-
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	268,664	269,500	269,500	-
Program Generated Revenue Total	268,664	269,500	269,500	-
Net Cost Total	3,087	-	(3)	(2484.26%)

Position Summary as Budgeted

Full-Time	15	15	13	(13.33%)
Position Total	15	15	13	(13.33%)

2017 Positions:
end-of-year count
is 14 due to 1 FT
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**Purchasing
Division Detail
Purchasing**

(Fund Center # 138100, 138179)

	2016 Actuals	2017 Revised	2018 Proposed	18 v 17 % Chg
Direct Cost by Category				
Salaries and Benefits	1,634,727	1,703,498	1,625,769	(4.56%)
Supplies	6,123	5,964	5,964	-
Travel	912	-	-	-
Contractual/Other Services	71,552	85,603	85,603	-
Manageable Direct Cost Total	1,713,315	1,795,065	1,717,336	(4.33%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,713,315	1,795,065	1,717,336	(4.33%)
Intragovernmental Charges				
Charges by/to Other Departments	(1,441,563)	(1,525,565)	(1,447,839)	(5.09%)
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	78,602	105,000	105,000	-
408570 - Sale of Contractor Specifications	445	4,500	4,500	-
408580 - Miscellaneous Revenues	189,617	160,000	160,000	-
Program Generated Revenue Total	268,664	269,500	269,500	-
Net Cost				
Direct Cost Total	1,713,315	1,795,065	1,717,336	(4.33%)
Charges by/to Other Departments Total	(1,441,563)	(1,525,565)	(1,447,839)	(5.09%)
Program Generated Revenue Total	(268,664)	(269,500)	(269,500)	-
Net Cost Total	3,087	-	(3)	(2484.26%)

Position Detail as Budgeted

	2016 Revised		2017 Revised		2018 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Administrative Officer	4	-	4	-	3	-
Deputy Purchasing Officer	2	-	2	-	2	-
Director	1	-	1	-	1	-
Junior Admin Officer	2	-	2	-	2	-
Office Associate	2	-	1	-	-	-
Principal Admin Officer	2	-	2	-	2	-
Senior Admin Officer	2	-	2	-	2	-
Senior Office Associate	-	-	1	-	1	-
Position Detail as Budgeted Total	15	-	15	-	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.

Performance Measures

Progress in achieving goals will be measured by:

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

2014	2015	2016	2017
.3%	.4%	.1	.2

Benchmark below 1%

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

2014	2015	2016	2017
3	1	1	0

Goal: 0

2014 (POA, AWWU Asplun Wastewater Treatment Facility, Harry J. McDonald Ice Rink)

2015 (Solid Waste Services Garbage Trucks)

2016 (Upper O'Malley LRSA)

Measure #3: Expenditures in the local area

2014	2015	2016	2017
43%	57%	41%	65%

2014 (this remains artificially low due to the Quanta Power Systems , GE turbine contract, and other specialized contracts not available from in state sources. Without these actions, the instate % is 82%)

2015 (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 (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 (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 70%)

No formal Goal but matter of local interest