

# 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.

### Department Services

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 that Contribute to Achieving the Mayor's Mission:



#### **Exemplary Municipal Operations – Improve the efficiency and effectiveness of Municipal operations to deliver services faster and better.**

- 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

	2021 Actuals	2022 Revised	2023 Approved	23 v 22 % Chg
<b>Direct Cost by Division</b>				
Purchasing	1,900,052	1,875,301	1,880,530	0.28%
<b>Direct Cost Total</b>	<b>1,900,052</b>	<b>1,875,301</b>	<b>1,880,530</b>	<b>0.28%</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(1,554,926)	(1,349,801)	(1,355,030)	0.39%
<b>Function Cost Total</b>	<b>345,127</b>	<b>525,500</b>	<b>525,500</b>	-
Program Generated Revenue	(345,127)	(525,500)	(525,500)	-
<b>Net Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost by Category</b>				
Salaries and Benefits	1,854,146	1,740,632	1,745,861	0.30%
Supplies	20,188	2,964	2,964	-
Travel	595	-	-	-
Contractual/Other Services	13,514	131,705	131,705	-
Debt Service	-	-	-	-
Equipment, Furnishings	11,608	-	-	-
<b>Direct Cost Total</b>	<b>1,900,052</b>	<b>1,875,301</b>	<b>1,880,530</b>	<b>0.28%</b>
<b>Position Summary as Budgeted</b>				
Full-Time	15	13	13	-
Part-Time	-	-	-	-
<b>Position Total</b>	<b>15</b>	<b>13</b>	<b>13</b>	<b>-</b>

## Purchasing Reconciliation from 2022 Revised Budget to 2023 Approved Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
<b>2022 Revised Budget</b>	1,875,301	13	-	-
<b>Changes in Existing Programs/Funding for 2023</b>				
- Salaries and benefits adjustments	5,229	-	-	-
<b>2023 Continuation Level</b>	<b>1,880,530</b>	<b>13</b>	<b>-</b>	<b>-</b>
<b>2023 Proposed Budget Changes</b>				
- None	-	-	-	-
<b>2023 Approved Budget</b>	<b>1,880,530</b>	<b>13</b>	<b>-</b>	<b>-</b>

**Purchasing**  
**Division Summary**  
**Purchasing**

(Fund Center # 138100, 138179)

	2021 Actuals	2022 Revised	2023 Approved	23 v 22 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	1,854,146	1,740,632	1,745,861	0.30%
Supplies	20,188	2,964	2,964	-
Travel	595	-	-	-
Contractual/Other Services	13,514	131,705	131,705	-
Equipment, Furnishings	11,608	-	-	-
<b>Manageable Direct Cost Total</b>	<b>1,900,052</b>	<b>1,875,301</b>	<b>1,880,530</b>	<b>0.28%</b>
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>1,900,052</b>	<b>1,875,301</b>	<b>1,880,530</b>	<b>-</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(1,554,926)	(1,349,801)	(1,355,030)	0.39%
<b>Function Cost Total</b>	<b>345,127</b>	<b>525,500</b>	<b>525,500</b>	<b>-</b>
<b>Program Generated Revenue by Fund</b>				
Fund 101000 - Areawide General	345,127	525,500	525,500	-
<b>Program Generated Revenue Total</b>	<b>345,127</b>	<b>525,500</b>	<b>525,500</b>	<b>-</b>
<b>Net Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Position Summary as Budgeted</b>				
Full-Time	15	13	13	-
<b>Position Total</b>	<b>15</b>	<b>13</b>	<b>13</b>	<b>-</b>

**Purchasing  
Division Detail  
Purchasing**

(Fund Center # 138100, 138179)

	2021 Actuals	2022 Revised	2023 Approved	23 v 22 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	1,854,146	1,740,632	1,745,861	0.30%
Supplies	20,188	2,964	2,964	-
Travel	595	-	-	-
Contractual/Other Services	13,514	131,705	131,705	-
Equipment, Furnishings	11,608	-	-	-
<b>Manageable Direct Cost Total</b>	<b>1,900,052</b>	<b>1,875,301</b>	<b>1,880,530</b>	<b>0.28%</b>
Debt Service	-	-	-	-
<b>Non-Manageable Direct Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Cost Total</b>	<b>1,900,052</b>	<b>1,875,301</b>	<b>1,880,530</b>	<b>0.28%</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(1,554,926)	(1,349,801)	(1,355,030)	0.39%
<b>Program Generated Revenue</b>				
406625 - Reimbursed Cost-NonGrant Funded	6,882	210,000	210,000	-
408380 - Prior Year Expense Recovery	5,392	-	-	-
408570 - Sale of Contractor Specifications	-	500	500	-
408580 - Miscellaneous Revenues	332,853	315,000	315,000	-
<b>Program Generated Revenue Total</b>	<b>345,127</b>	<b>525,500</b>	<b>525,500</b>	<b>-</b>
<b>Net Cost</b>				
Direct Cost Total	1,900,052	1,875,301	1,880,530	0.28%
Charges by/to Other Departments Total	(1,554,926)	(1,349,801)	(1,355,030)	0.39%
Program Generated Revenue Total	(345,127)	(525,500)	(525,500)	-
<b>Net Cost Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Position Detail as Budgeted**

	2021 Revised		2022 Revised		2023 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Administrative Coordinator	1	-	1	-	1	-
Administrative Officer	4	-	3	-	3	-
Deputy Director I	1	-	1	-	1	-
Deputy Officer	1	-	1	-	1	-
Junior Administrative Officer	2	-	2	-	2	-
Principal Administrative Officer	1	-	1	-	1	-
Purchasing Director	1	-	1	-	1	-
Senior Administrative Officer	3	-	2	-	2	-
Special Administrative Assistant II	1	-	1	-	1	-
<b>Position Detail as Budgeted Total</b>	<b>15</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>13</b>	<b>-</b>

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## Purchasing

*Anchorage: Performance. Value. Results.*

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### Mission

Responsible for the acquisition of supplies, services, and construction supporting the operations of the Municipality.

### Accomplishment 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.
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- Continue to work with and explore alternative procurement methods when contracting situations would benefit from their use.

### Performance Measures

Progress in achieving goals will be measured by:

<b>Measure #1: Cost to provide efficient purchasing services as a percent of total MOA purchases and compare to national benchmarks:</b>
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2019 -- 1%  
2020 -- .7%  
2021 -- .5%  
2022 – Q2 - .5%

Benchmark: Below 1%

<b>Measure #2: Number of formal protests sent to Bidding Review Board (BRB)</b>
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2019 -- 0  
2020 – 0  
2021 – 1 2021B073 Glenn Alps Snow Removal  
2022 – 0

Goal: 0

<b>Measure #3: Expenditures in the local area</b>
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2019 – 38% of \$183 Million, exclusive of P-cards  
2020 – 44% of \$285 Million, exclusive of P-cards  
2021 – 44% of \$190 Million, exclusive of P-cards  
2022 – Q2- 49% of \$161 Million, exclusive of P-cards

No formal Goal but matter of local interest

**PVR Measure WC: Managing Workers' Compensation Claims**

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices, we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.

