

Purchasing



Purchasing
MUNICIPALITY OF ANCHORAGE



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

| | 2022 Actuals Unaudited | 2023 Revised | 2024 Proposed | 24 v 23 % Chg |
|-------------------------------------|------------------------------|------------------|------------------|------------------|
| Direct Cost by Division | | | | |
| Purchasing | 1,639,043 | 1,843,844 | 1,901,625 | 3.13% |
| Direct Cost Total | 1,639,043 | 1,843,844 | 1,901,625 | 3.13% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | (1,164,576) | (1,318,344) | (1,376,125) | 4.38% |
| Function Cost Total | 474,467 | 525,500 | 525,500 | - |
| Program Generated Revenue | (474,467) | (525,500) | (525,500) | - |
| Net Cost Total | - | - | - | - |
| Direct Cost by Category | | | | |
| Salaries and Benefits | 1,481,379 | 1,709,175 | 1,802,956 | 5.49% |
| Supplies | 18,070 | 2,964 | 2,964 | - |
| Travel | 2,223 | - | - | - |
| Contractual/Other Services | 137,371 | 131,705 | 95,705 | (27.33%) |
| Debt Service | - | - | - | - |
| Direct Cost Total | 1,639,043 | 1,843,844 | 1,901,625 | 3.13% |
| Position Summary as Budgeted | | | | |
| Full-Time | 13 | 13 | 13 | - |
| Part-Time | - | - | - | - |
| Position Total | 13 | 13 | 13 | - |

Purchasing Reconciliation from 2023 Revised Budget to 2024 Proposed Budget

| | Direct Costs | Positions | | |
|--|------------------|-----------|----------|----------|
| | | FT | PT | Seas/T |
| 2023 Revised Budget | 1,843,844 | 13 | - | - |
| Changes in Existing Programs/Funding for 2024 | | | | |
| - Salaries and benefits adjustments | 93,781 | - | - | - |
| 2024 Continuation Level | 1,937,625 | 13 | - | - |
| 2024 Proposed Budget Changes | | | | |
| - Reduction to non-labor | (36,000) | - | - | - |
| 2024 Proposed Budget | 1,901,625 | 13 | - | - |

**Purchasing
Division Summary
Purchasing**

(Fund Center # 138100, 138179)

| | 2022 Actuals Unaudited | 2023 Revised | 2024 Proposed | 24 v 23 % Chg |
|--|------------------------------|------------------|------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 1,481,379 | 1,709,175 | 1,802,956 | 5.49% |
| Supplies | 18,070 | 2,964 | 2,964 | - |
| Travel | 2,223 | - | - | - |
| Contractual/Other Services | 137,371 | 131,705 | 95,705 | (27.33%) |
| Manageable Direct Cost Total | 1,639,043 | 1,843,844 | 1,901,625 | 3.13% |
| Debt Service | - | - | - | - |
| Depreciation/Amortization | - | - | - | - |
| Non-Manageable Direct Cost Total | - | - | - | - |
| Direct Cost Total | 1,639,043 | 1,843,844 | 1,901,625 | - |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | (1,164,576) | (1,318,344) | (1,376,125) | 4.38% |
| Function Cost Total | 474,467 | 525,500 | 525,500 | - |
| Program Generated Revenue by Fund | | | | |
| Fund 101000 - Areawide General | 474,467 | 525,500 | 525,500 | - |
| Program Generated Revenue Total | 474,467 | 525,500 | 525,500 | - |
| Net Cost Total | - | - | - | - |

Position Summary as Budgeted

| | | | | |
|-----------------------|-----------|-----------|-----------|----------|
| Full-Time | 13 | 13 | 13 | - |
| Position Total | 13 | 13 | 13 | - |

**Purchasing
Division Detail
Purchasing**

(Fund Center # 138100, 138179)

| | 2022 Actuals Unaudited | 2023 Revised | 2024 Proposed | 24 v 23 % Chg |
|--|------------------------------|------------------|------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 1,481,379 | 1,709,175 | 1,802,956 | 5.49% |
| Supplies | 18,070 | 2,964 | 2,964 | - |
| Travel | 2,223 | - | - | - |
| Contractual/Other Services | 137,371 | 131,705 | 95,705 | (27.33%) |
| Manageable Direct Cost Total | 1,639,043 | 1,843,844 | 1,901,625 | 3.13% |
| Debt Service | - | - | - | - |
| Non-Manageable Direct Cost Total | - | - | - | - |
| Direct Cost Total | 1,639,043 | 1,843,844 | 1,901,625 | 3.13% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | (1,164,576) | (1,318,344) | (1,376,125) | 4.38% |
| Program Generated Revenue | | | | |
| 406625 - Reimbursed Cost-NonGrant Funded | 207,662 | 210,000 | 210,000 | - |
| 408570 - Sale of Contractor Specifications | - | 500 | 500 | - |
| 408580 - Miscellaneous Revenues | 266,805 | 315,000 | 315,000 | - |
| Program Generated Revenue Total | 474,467 | 525,500 | 525,500 | - |
| Net Cost | | | | |
| Direct Cost Total | 1,639,043 | 1,843,844 | 1,901,625 | 3.13% |
| Charges by/to Other Departments Total | (1,164,576) | (1,318,344) | (1,376,125) | 4.38% |
| Program Generated Revenue Total | (474,467) | (525,500) | (525,500) | - |
| Net Cost Total | - | - | - | - |

Position Detail as Budgeted

| | 2022 Revised | | 2023 Revised | | 2024 Proposed | |
|--|--------------|-----------|--------------|-----------|---------------|-----------|
| | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time |
| Administrative Coordinator | 1 | - | 1 | - | 1 | - |
| Administrative Officer | 3 | - | 4 | - | 4 | - |
| Deputy Director I | 1 | - | 1 | - | 1 | - |
| Deputy Officer | 1 | - | 1 | - | 1 | - |
| Junior Administrative Officer | 2 | - | 1 | - | 1 | - |
| Principal Administrative Officer | 1 | - | 2 | - | 2 | - |
| Purchasing Director | 1 | - | 1 | - | 1 | - |
| Senior Administrative Officer | 2 | - | 2 | - | 2 | - |
| Special Administrative Assistant II | 1 | - | - | - | - | - |
| Position Detail as Budgeted Total | 13 | - | 13 | - | 13 | - |

Purchasing

Anchorage: Performance. Value. Results.

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.
- 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.

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:

2019 -- 1%
 2020 -- .7%
 2021 -- .5%
 2022 -- .4%
 2023 – Q2 1.6%

Benchmark: Below 1%

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

2019 -- 0
 2020 – 0
 2021 – 1 2021B073 Glenn Alps Snow Removal
 2022 – 0
 2023 – 0

Goal: 0

Measure #3: Expenditures in the local area

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 – 52% of \$290 Million, exclusive of P-cards
 2023 – Q2- 38% of \$44 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.

