

Purchasing



Chief Fiscal Officer

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

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Division				
Purchasing	1,716,763	2,119,928	2,106,560	(0.63%)
Direct Cost Total	1,716,763	2,119,928	2,106,560	(0.63%)
Intragovernmental Charges				
Charges by/to Other Departments	(1,159,840)	(1,650,428)	(1,641,060)	(0.57%)
Function Cost Total	556,923	469,500	465,500	(0.85%)
Program Generated Revenue	(559,398)	(469,500)	(465,500)	(0.85%)
Net Cost Total	(2,475)	-	-	-
Direct Cost by Category				
Salaries and Benefits	1,548,131	1,978,361	1,964,993	(0.68%)
Supplies	14,666	5,964	5,964	-
Travel	555	-	-	-
Contractual/Other Services	153,411	135,603	135,603	-
Debt Service	-	-	-	-
Direct Cost Total	1,716,763	2,119,928	2,106,560	(0.63%)
Position Summary as Budgeted				
Full-Time	13	15	15	-
Part-Time	-	-	-	-
Position Total	13	15	15	-

Purchasing Reconciliation from 2019 Revised Budget to 2020 Proposed Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
2019 Revised Budget	2,119,928	15	-	-
2019 One-Time Requirements				
- Remove 2019 Approved - ONE-TIME - Funding for long-term employee retirement leave cash-out	(40,000)	-	-	-
Changes in Existing Programs/Funding for 2020				
- Salaries and benefits adjustments	13,616	-	-	-
2020 Continuation Level	2,093,544	15	-	-
2020 Proposed Budget Changes				
- Labor adjustments	13,016	-	-	-
2020 Proposed Budget	2,106,560	15	-	-

**Purchasing
Division Summary
Purchasing**

(Fund Center # 138100, 138179)

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	1,548,131	1,978,361	1,964,993	(0.68%)
Supplies	14,666	5,964	5,964	-
Travel	555	-	-	-
Contractual/Other Services	153,411	135,603	135,603	-
Manageable Direct Cost Total	1,716,763	2,119,928	2,106,560	(0.63%)
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,716,763	2,119,928	2,106,560	-
Intragovernmental Charges				
Charges by/to Other Departments	(1,159,840)	(1,650,428)	(1,641,060)	(0.57%)
Function Cost Total	556,923	469,500	465,500	(0.85%)
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	559,398	469,500	465,500	(0.85%)
Program Generated Revenue Total	559,398	469,500	465,500	(0.85%)
Net Cost Total	(2,475)	-	-	-

Position Summary as Budgeted

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

**Purchasing
Division Detail
Purchasing**

(Fund Center # 138100, 138179)

	2018 Actuals	2019 Revised	2020 Proposed	20 v 19 % Chg
Direct Cost by Category				
Salaries and Benefits	1,548,131	1,978,361	1,964,993	(0.68%)
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Manageable Direct Cost Total	1,716,763	2,119,928	2,106,560	(0.63%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	1,716,763	2,119,928	2,106,560	(0.63%)
Intragovernmental Charges				
Charges by/to Other Departments	(1,159,840)	(1,650,428)	(1,641,060)	(0.57%)
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	282,816	255,000	255,000	-
408570 - Sale of Contractor Specifications	-	4,500	500	(88.89%)
408580 - Miscellaneous Revenues	276,582	210,000	210,000	-
Program Generated Revenue Total	559,398	469,500	465,500	(0.85%)
Net Cost				
Direct Cost Total	1,716,763	2,119,928	2,106,560	(0.63%)
Charges by/to Other Departments Total	(1,159,840)	(1,650,428)	(1,641,060)	(0.57%)
Program Generated Revenue Total	(559,398)	(469,500)	(465,500)	(0.85%)
Net Cost Total	(2,475)	-	-	-

Position Detail as Budgeted

	2018 Revised		2019 Revised		2020 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Administrative Coordinator	1	-	1	-	1	-
Administrative Officer	2	-	3	-	3	-
Deputy Officer	2	-	2	-	2	-
Director	1	-	-	-	-	-
Junior Administrative Officer	2	-	2	-	2	-
Principal Admin Officer	2	-	2	-	2	-
Purchasing Director	-	-	1	-	1	-
Senior Administrative Officer	2	-	3	-	3	-
Senior Office Associate	1	-	1	-	1	-
Position Detail as Budgeted Total	13	-	15	-	15	-

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:

2016 -- .1%
2017 -- .1%
2018 -- .1%
2019 -- .2%

Benchmark: Below 1%

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

2016 -- 1 - (Upper O'Malley LRSA)
2017 -- 0
2018 -- 1 Asplund Waste Water Treatment Facility Improvements
2019 -- 0

Goal: 0

Measure #3: Expenditures in the local area

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 – 40% - We have changed our measures from reflecting all of Alaska to just reflect Anchorage, of the \$258 Million spent, 40% was in Anchorage.
2019 – 38% of \$173 Million, inclusive 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.

