

## Office of Contracting and Procurement (PO0)

*The mission of the Office of Contracting and Procurement is to provide every city worker with the tools to effectively perform the functions of government in a customer-focused, timely and cost-effective manner.*

<b>Agency Director</b>	<b>Elliott B. Branch</b>
<b>Proposed Operating Budget (\$ in thousands)</b>	<b>\$15,337</b>

<b>Fast Facts</b>	
<ul style="list-style-type: none"> <li>The proposed FY 2001 operating budget is \$15,337,000, an increase of \$1,187,137 over the FY 2000 budget. There are 223 full-time equivalents (FTEs) supported by this budget.</li> </ul>	<ul style="list-style-type: none"> <li>During FY 2000, the agency created a purchase card system for the use of all city agencies.</li> <li>The agency revised its current business process by developing and implementing a policy and procedure issuance.</li> </ul>

### FY 2001 Proposed Budget by Control Center

The basic unit of budgetary and financial control in the District's financial management system is a control center. The Office of Contracting and Procurement is comprised of one control center that serves as the major component of the agency's budget.

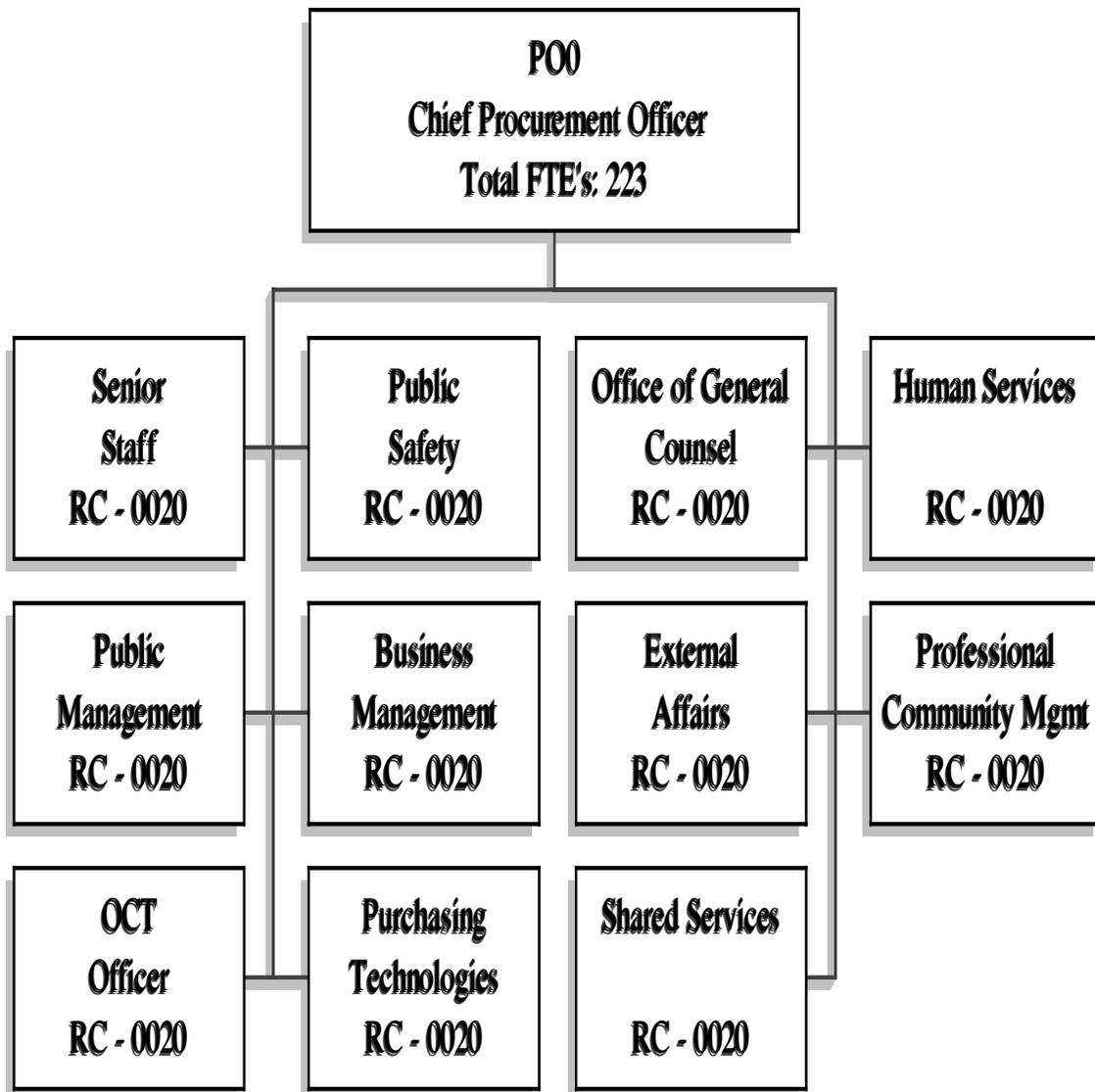
<b>FY 2001 Proposed Budget by Control Center</b>	
<b>(Dollars in Thousands)</b>	
Office of Contracting and Procurement	
<b>Control Center</b>	<b>Proposed FY 2001 Budget</b>
0020 OFFICE OF CONTRACTING & PROCUREMENT	15,337
PO0 Office of Contracting and Procurement	15,337

### Agency Overview and Organization

The Office of Contracting and Procurement achieves successful procurement outcomes for its customers through nine divisions:

Office of the General Counsel; Professional Community Management; External Affairs;  
Human Services; Public Safety; Public Management;  
Shared Services; Purchasing Technologies; and Business Management

A senior manager who is accountable to the Chief Procurement Officer heads each division. The divisions are responsible for executing procurement transactions on behalf of District government agencies; developing and implementing procurement systems that support District government agencies; and providing internal support to the Office of Contracting and Procurement.





**FY 2001 Proposed Operating Budget**

The Office Contracting and Procurement’s Operating Budget is composed of two categories: (1) Personal Services (PS), and (2) Nonpersonal Services (NPS).

Within the PS budget category are several object classes of expenditure such as regular pay, other pay, additional gross pay, and fringe benefits. Within the NPS budget category are several object classes of expenditure such as supplies and materials, utilities, communications, rent, other services and charges, contractual services, subsidies and transfers, equipment and equipment rental, and debt service.

Authorized spending levels present the dollars and related full-time equivalents (FTE) by revenue type. Revenue types include: Local (tax and non-tax revenue not earmarked for a particular purpose).

<b>FY 2001 Proposed Operating Budget</b>									
<b>(Dollars in Thousands)</b>									
Office of Contracting and Procurement									
<b>Object Class</b>	<b>Actual FY 1999</b>		<b>Approved FY 2000</b>		<b>Proposed FY 2001</b>		<b>Variance</b>		
Regular Pay -Cont. Full Time	9,733		8,746		10,511		1,765		
Regular Pay - Other	27		0		0		0		
Additional Gross Pay	113		0		0		0		
Fringe Benefits	1,354		1,271		1,649		378		
Subtotal for: Personal Services (PS)	11,227		10,017		12,160		2,143		
Supplies and Materials	196		558		320		-238		
Utilities	68		193		120		-73		
Telephone, Telegraph, Telegram	170		244		170		-74		
Rentals - Land and Structures	45		312		127		-185		
Other Services and Charges	2,297		1,476		2,170		694		
Contractual Services - Other	584		0		0		0		
Equipment and Equipment Rental	502		1,350		270		-1,080		
Subtotal for: Nonpersonal Services (NPS)	3,861		4,133		3,177		-956		
Total Expenditures:	15,088		14,150		15,337		1,187		
<b>Authorized Spending Levels by Revenue Type:</b>									
	<b>FTEs</b>	<b>Dollars</b>	<b>FTEs</b>	<b>Dollars</b>	<b>FTEs</b>	<b>Dollars</b>	<b>FTEs</b>	<b>Dollars</b>	
Local	193	13,870	223	14,150	223	15,337	0	1,187	
Federal	0	0	0	0	0	0	0	0	
Other	0	0	0	0	0	0	0	0	
Intra-District	0	1,218	0	0	0	0	0	0	
Total:	193	15,088	223	14,150	223	15,337	0	1,187	

## Agency Funding Summary

The proposed FY 2001 operating budget *for all funding sources* is \$15,337,000, an increase of \$1,187,137, or 7.4 percent, over the FY 2000 budget. The Office of Contracting and Procurement receives 100 percent of its funding from local sources. There are 223 FTEs supported by this budget.

- **Local.** The proposed *local* budget is \$15,337,000, an increase of \$1,187,137. This amount includes an increase of \$2,143,000 in personal services and a decrease of \$955,863 in nonpersonal services. There are 223 full-time positions supported by local sources.

The change in personal services is comprised of:

- \$553,000 increase for the 6 percent pay raise for non-union employees
- \$1,590,000 increase to fund 30 vacant positions

The change in nonpersonal services is comprised of:

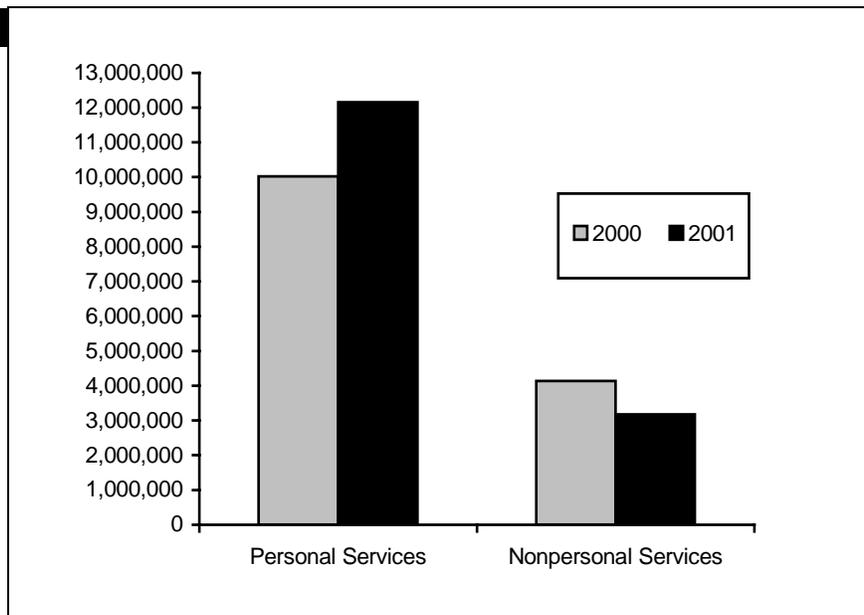
- (\$238,000) decrease in supplies
- \$629,832 increase in other services and charges
- (\$1,080,000) decrease in equipment.
- \$64,000 increase for security costs for the Adams Place Warehouse based on Office of Property Management (OPM) estimates.
- (\$184,756) decrease for rent costs based on OPM estimates
- (\$74,420) decrease for telephone costs based on OPM estimates
- (\$72,519) decrease for utility costs based on OPM estimates

**Figure 1**

### **FY 2001 Proposed Budget Includes an Increase for PS and a Decrease for NPS**

*Personal Services increased by 21.4 percent, from \$10.0 million in FY 2000 to \$12.2 million in FY 2001.*

*Nonpersonal services decreased by 23.1 percent, from \$4.1 million to \$3.2 million, in FY 2001 due to a decrease in fixed costs.*



### Occupational Classification Codes

Occupational Classification Codes (OCC) are used by federal agencies like the Bureau of Labor and Census Bureau, as a way of classifying workers into eight major occupational categories for the purpose of collecting, calculating, or disseminating data. The Office of Contracting and Procurement workforce is divided among six occupational classification codes.

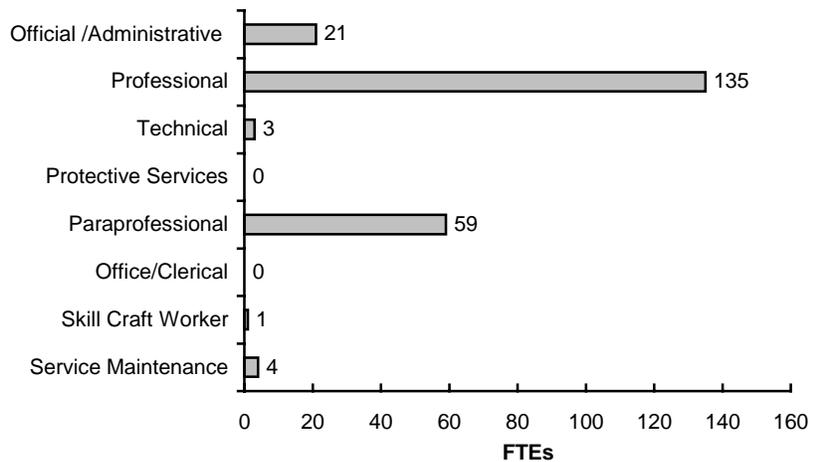
### Agency FTEs by Occupational Classification Code

OC Code	FTEs in FY 2001
Official /Administrative	21
Professional	135
Technical	3
Protective Services	0
Paraprofessional	59
Office/Clerical	0
Skill Craft Worker	1
Service Maintenance	4
<b>Total</b>	<b>223</b>

#### FTE Analysis

##### Agency FTEs by Occupational Classification Code

*The Office of Contracting and Procurement is an administrative agency. Of the total FTEs, 61 percent are Professional. Another 27 percent are Paraprofessional positions.*



**Performance Goals and Targets**

*The performance goals and targets below are adapted from the Chief Procurement Officer's performance contract with the Mayor.*

**GOAL**

**Self-service Tools:** Develop self-service tools for agency staff to streamline the small purchases of goods and services of less than \$25,000, including the DC Supply Schedule, OCP Express and the DC Purchase Card.

**MANAGER:** Assistant Director of Purchasing Technologies

**SUPERVISOR:** Elliott Branch, Chief Procurement Officer

PERFORMANCE MEASURES	TARGET	
	FY00	FY01
Average process time in securing small purchase goods (<\$25,000)	15 working days	5 working days

**GOAL**

**Custom Service Needs:** Develop and execute plans for the purchase of goods and services (≥ \$25,000). Initiate Service Level Agreements (SLAs) with agencies that will project individual agency procurement needs during FY2001 and state OCP commitments regarding procurement processing times.

**MANAGER:** Elliott Branch, Chief Procurement Officer

**SUPERVISOR:** Elliott Branch, Chief Procurement Officer

PERFORMANCE MEASURES	TARGET	
	FY00	FY01
Percent mission critical agencies with SLAs in place by 10/1/00	New	100%
Percent SLA commitments met within agreed-upon timeframes	New	90%

**GOAL**

**Staffing:** Recruit, train and retain sufficient staff to adequately execute the OCP mission

**MANAGER:** Assistant Director of Professional Community Management

**SUPERVISOR:** Elliott Branch, Chief Procurement Officer

PERFORMANCE MEASURES	TARGET	
	FY00	FY01
Additional staff receiving appropriate training	100%	100%

**GOAL**

**Business Process:** Revise the OCP contract review and approval process and conduct an assessment of existing procurement statutes and regulations to streamline the process while maintaining appropriate controls

**MANAGER:** Elliott Branch, Chief Procurement Officer

**SUPERVISOR:** Elliott Branch, Chief Procurement Officer

PERFORMANCE MEASURES	TARGET	
	FY00	FY01
Average contract review and approval time	5 working days	5 working days
Cost of purchasing per dollar spent	\$.01	\$.01