

# Procurement

## MISSION STATEMENT

The mission of the Office of Procurement is to acquire all goods, services, and construction necessary to carry out the functions of County government in the most cost-effective and timely manner consistent with required specifications and established procurement policies.

## BUDGET OVERVIEW

The total approved FY06 Operating Budget for the Office of Procurement is \$2,732,060, an increase of \$83,660 or 3.2 percent from the FY05 Approved Budget of \$2,648,400. Personnel Costs comprise 92.7 percent of the budget for 30 full-time positions and one part-time position for 29.4 workyears. Operating Expenses account for the remaining 7.3 percent of the FY06 budget.

Not included in the above is a total of \$97,570 and 1.0 workyear that is charged to: Fleet Management Services, Motor Pool Internal Service Fund (\$28,700, 0.3 WY); Bethesda Parking District (\$4,780); Silver Spring Parking District (\$4,790, 0.1 WY); Solid Waste Disposal (\$47,820, 0.5 WY); and Mass Transit (\$11,480, 0.1 WY). The funding and workyears for these items are included in the receiving departments' budgets.

## HIGHLIGHTS

- ❖ **Productivity Enhancements**
  - **Productivity enhancements initiated in FY04 and FY05 streamlined administrative staff operations.**

## PROGRAM CONTACTS

Contact Marsha Watkins Thomas of the Office of Procurement at 240.777.9932 or Anita A. Aryeetey of the Office of Management and Budget at 240.777.2784 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### **Procurement of Goods and Services**

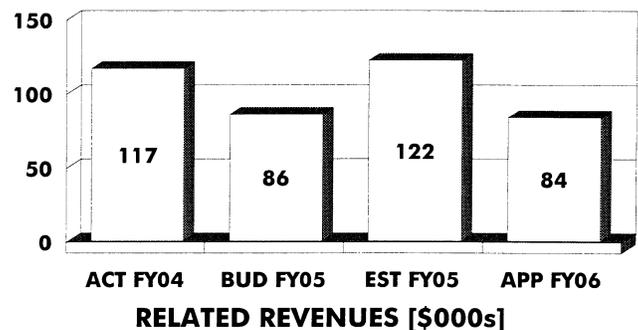
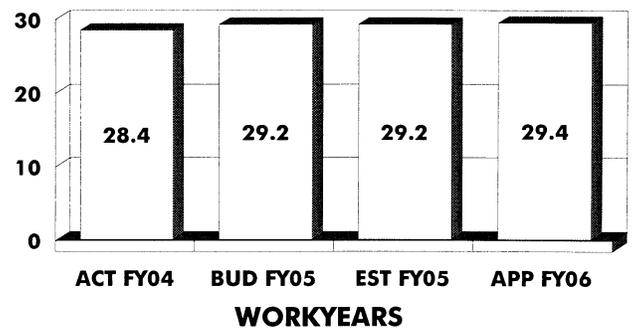
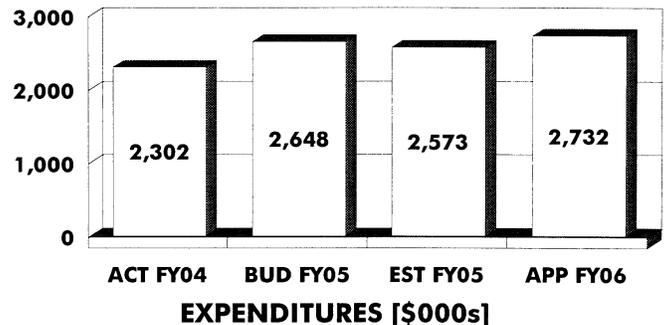
The purpose of this program is to purchase goods, services, and construction required by County departments in the most timely and cost-effective manner possible. Program staff assists departments in the development of specific procurements to maintain a competitive and fair procurement process and to ensure that procurement requests are processed according to the County Code and the Procurement Regulations. Program staff also help vendors understand the County's procurement process and procedures.

Assistance with contracts is provided to coordinate contract administration through guidance, assistance, and training of department contract administrators. Procurement Specialists develop contract administration procedures and research,

## Program Summary

	Expenditures	WYs
Procurement of Goods and Services	1,965,110	22.9
Minority, Female, and Disabled Persons Procurement	168,010	2.0
Automation and Reports Management	151,050	1.5
Administration	447,890	3.0
<b>Totals</b>	<b>2,732,060</b>	<b>29.4</b>

## Trends



review, and recommend revisions to County procurement policies and regulations to streamline the procurement process. In addition, testimony and other evidence regarding claims and contract disputes with contractors are reviewed to resolve issues.

**FY06 Changes**

	<b>Expenditures</b>	<b>WYs</b>
<b>FY05 Approved</b>	<b>1,819,860</b>	<b>22.9</b>
<b>FY06 Approved</b>	<b>1,965,110</b>	<b>22.9</b>

**Minority, Female, and Disabled Persons Procurement**

The objective of the Minority, Female, and Disabled persons (MFD) program is to meet the County's annual goal of awarding a designated percentage of the total dollar value of negotiated contracts over \$65,000 to Maryland Department of Transportation certified minority, female, or disabled-owned businesses by procurement source. To meet the objective, the program identifies MFD firms, encourages and coordinates their participation in the procurement process through community outreach, and monitors contracts subject to MFD participation to ensure compliance by prime contractors.

**FY06 Changes**

	<b>Expenditures</b>	<b>WYs</b>
<b>FY05 Approved</b>	<b>163,870</b>	<b>1.8</b>
<b>FY06 Approved</b>	<b>168,010</b>	<b>2.0</b>

**Automation and Reports Management**

The purpose of the Automation and Reports Management program is to manage and coordinate the design, development, integration, and training for the County's automated procurement system (ADPICS). ADPICS requires procurement personnel to create, update, and monitor vendor databases.

The automated management system also allows departments to initiate and monitor purchases, contracts, grants, violations, emergencies, public information requests, and department surplus. The program also provides oversight, upkeep, and evaluation of the Internet, fax, and imaging systems.

The program includes ongoing development and management of RAPID (Re-engineered Automated Procurement Information Delivery). RAPID has significantly reduced mailing, printing, and human resource costs. Additional features of RAPID are its ability to advertise solicitations from other County agencies and other counties and links to COG, Maryland counties, and selected states. Subscribers are able to review procurement opportunities for all agencies that link with RAPID 7 days a week, 24 hours a day. Subscribers are also provided with training and support on how to use RAPID. Additionally, this division maintains e-procurement activities such as on-line solicitation purchasing.

**FY06 Changes**

	<b>Expenditures</b>	<b>WYs</b>
<b>FY05 Approved</b>	<b>144,830</b>	<b>1.5</b>
<b>FY06 Approved</b>	<b>151,050</b>	<b>1.5</b>

**Administration**

The Administration program provides for departmental direction, oversight, and support for the Contract Review Committee (CRC), budget preparation and monitoring, and cost and price analysis. The program coordinates cooperative procurements with the Metropolitan Washington Council of Governments (COG) and other government agencies; works closely with the Interagency Procurement Coordinating Committee (IPCC) and the local and national chapters of the National Institute of Governmental Purchasing (NIGP); and improves skill levels and buying practices by training and recertifying Procurement staff toward qualification as a Certified Public Purchasing Officer (CPPO) or a Certified Professional Public Buyer (CPPB). Administration activities include expenditure control, revenue collection, budget preparation, personnel activities, training, and development of recommendations and analyses regarding procurement matters for the CRC. The Director serves as one of three voting members of the CRC and is directly involved in all major procurements.

**FY06 Changes**

	<b>Expenditures</b>	<b>WYs</b>
<b>FY05 Approved</b>	<b>519,840</b>	<b>3.0</b>
<b>FY06 Approved</b>	<b>447,890</b>	<b>3.0</b>

## BUDGET SUMMARY

	Actual FY04	Budget FY05	Estimated FY05	Approved FY06	% Chg Bud/App
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,684,100	1,863,170	1,842,030	1,932,500	3.7%
Employee Benefits	458,962	556,970	525,540	599,950	7.7%
<b>County General Fund Personnel Costs</b>	<b>2,143,062</b>	<b>2,420,140</b>	<b>2,367,570</b>	<b>2,532,450</b>	<b>4.6%</b>
Operating Expenses	159,271	228,260	205,390	199,610	-12.6%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>2,302,333</b>	<b>2,648,400</b>	<b>2,572,960</b>	<b>2,732,060</b>	<b>3.2%</b>
<b>PERSONNEL</b>					
Full-Time	28	30	30	30	—
Part-Time	1	1	1	1	—
Workyears	28.4	29.2	29.2	29.4	0.7%
<b>REVENUES</b>					
Information Requests	398	240	240	240	—
Photocopying Fees	197	150	300	150	—
Protest Fees: On-Line	0	1,000	1,000	1,000	—
Protest Fees	0	1,000	1,000	1,000	—
Solicitation Fee: Formal	53,835	22,850	0	22,850	—
Solicitation Fee: Formal On-Line	1,495	1,530	300	1,530	—
Solicitation Fee: Non-Construction	12,165	10,410	10,410	10,410	—
Solicitation Fee: Non-Construction On-Line	0	2,320	2,320	2,320	—
Vendor Registration Fee	48,450	29,700	90,000	29,700	—
Vendor Registration Fee: On-Line	0	16,400	16,400	14,400	-12.2%
<b>County General Fund Revenues</b>	<b>116,540</b>	<b>85,600</b>	<b>121,970</b>	<b>83,600</b>	<b>-2.3%</b>

## FY06 APPROVED CHANGES CROSSWALK

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY05 ORIGINAL APPROPRIATION</b>	<b>2,648,400</b>	<b>29.2</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: FY06 Compensation	99,650	0.0
Increase Cost: FY06 Group Insurance Rate Adjustments	26,470	0.0
Increase Cost: FY06 Retirement Rate Adjustments	23,270	0.0
Increase Cost: Annualization of FY05 Operating Expenses [Administration]	16,930	0.0
Increase Cost: Annualization of FY05 Personnel Costs	16,710	0.0
Increase Cost: Annualization of FY05 Lapsed Positions [Procurement of Goods and Services]	16,390	0.2
Increase Cost: Records Management [Administration]	3,240	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY05 [Administration]	-119,000	0.0
<b>FY06 APPROVED:</b>	<b>2,732,060</b>	<b>29.4</b>