

Subject: Worksession – FY20 Operating Budget – Office of Procurement	
Analyst: Linda Price, Legislative Analyst <i>LP</i>	Committee: GO
Keywords: #Procurement	

Name of Department, Division, or Program		
FY20 CE REC:	\$4,480,897	34.9FTE
Increase/Decrease from FY19	\$35,528 (0.8%)	0.0FTE (0.0%)

COMMITTEE RECOMMENDED CHANGES

- 1) The Committee recommends approval of the Executive’s FY20 Recommended Operating Budget for the Office of Procurement, as submitted.

KEY CE CHANGES FROM FY19

- Abolishes an occupied MI position (\$266,063) in relation to savings proposed with the fiscal impact statement for Expedited Bill 3-19 Administration - Executive Branch - Non-Merit Positions.
- Adds \$13,816 to reclassify a Program Specialist III position to a Program Manager I position to manage the MFD program.
- Adds \$88,359 to create a new Program Manager I position, which is tied to the fiscal impact of Bill 6-18 Labor Peace Agreements – Displaced Service Workers.

This report contains:

Staff Report to the Committee
 Office of Procurement FY20 Recommended Operating Budget

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GO COMMITTEE #5
April 29, 2019

Worksession

MEMORANDUM

April 25, 2019

TO: Government Operations and Fiscal Policy (GO) Committee
FROM: Linda Price, Legislative Analyst
SUBJECT: Worksession – FY20 Operating Budget – Office of Procurement
PURPOSE: Vote on recommendations for the Council’s consideration

Those expected to attend this worksession include:

- Ash Shetty, Director of the Office of Procurement
- Pam Jones, Division Chief, Office of Procurement
- Grace Denno, Division Chief, Office of Procurement
- Marsha Watkins Thomas, Management and Budget Specialist, Office of Procurement
- Jane Mukira, Office of Management and Budget

Budget Summary:

- The Executive’s FY20 Recommended Operating Budget for the Office of Procurement is \$4,480,897, an increase of \$35,528 or 0.8 percent over the FY19 Approved Operating Budget.

Council Staff Recommendation:

- Council staff recommends approval of the Executive’s FY20 Recommended Operating Budget for the Office of Procurement.

Relevant pages from the FY20 Recommended Operating Budget are attached on ©1-7.

OVERVIEW

The mission of the Office of Procurement (PRO) is to preserve the public trust and ensure the integrity of the County’s procurement process through the efficiency and effectiveness of the procurement

of goods, services, and construction. An updated organization chart for PRO is attached at © 8.

The FY20 Recommended Operating Budget for PRO is \$4,480,897, an increase of \$35,528 or 0.8 percent over the FY19 Approved Operating Budget. The following table shows the FY17 – FY20 funding levels for the Office.

	<i>FY17 Actual</i>	<i>FY18 Actual</i>	<i>FY19 Approved</i>	<i>FY20 Recommended</i>	<i>\$ Change</i>	<i>% Change FY19-FY20</i>
<i>Expenditures by fund</i>						
General Fund	\$4,425,768	\$4,497,867	\$4,445,369	\$4,480,897	\$35,528	0.80%
<i>Expenditures by type</i>						
Personnel Cost	\$3,922,350	\$4,071,825	\$4,110,201	\$4,140,595	\$30,394	0.74%
Operating Expenses	\$503,398	\$424,825	\$335,168	\$340,302	\$5,134	1.53%
Capital Outlay	\$20	\$1,217	\$0	\$0	\$0	0.00%
<i>Total Expenditures</i>	\$4,425,768	\$4,497,867	\$4,445,369	\$4,480,897	\$35,528	0.80%
<i>Positions</i>						
Full-Time	35	35	35	35	\$0	0.00%
Part-Time	2	2	2	2	\$0	0.00%
<i>FTEs</i>	34.9	34.9	34.9	34.9	\$0	0.00%

The following table compares FY19 and FY20 recommended funding within Procurement.

Program	FY19 Appr.	FY20 Rec.	\$ Change	% Change
Procurement Operations	\$3,332,010	\$3,213,349	(\$118,661)	(3.56%)
Business Relations & Compliance	\$962,561	\$1,103,309	\$140,748	14.62%
Procurement Services	\$150,798	\$164,239	\$13,441	8.91%

FY20 EXPENDITURE ISSUES

The Executive is recommending a number of changes to the FY20 Recommended Operating Budget from the Approved FY19 Operating Budget. These include several multi-program adjustments with no service impacts. The totals of the various same service adjustment are displayed in the following chart. There are also specific changes within the various programs.

1. Multi-Program Adjustments

Item	Amount	FTEs
FY20 Compensation Adjustment	\$126,591	0.0
Retirement Adjustment	\$5,912	0.0
Annualization of FY19 Personnel Costs	\$64,513	0.0
Restore One-Time lapse increase	\$115,816	0.0
Total	\$312,832	0.0

2. Procurement Operations

Procurement Operations is responsible for purchasing goods, services, and construction required by County departments in the most timely and cost-effective manner possible. The FY20 recommended budget for Procurement Operations is \$3,213,349, a (\$118,661) or (3.56%) reduction from the approved FY19 budget. The Procurement Operations budget accounts for 71.71% of the overall Office budget.

Multi-program adjustments account for an addition of \$193,002. The Executive has recommended two reductions to the Procurement Operations budget. The first change would reduce the budget by (\$45,600) to lapse a PT Procurement Specialist position. This position has not been filled since it was added in FY16. The position was specifically tied to the fiscal impact of Bill 14-14 Wage Requirements-Health Insurance. However, the role was expanded to address the impact of a number of other bills that had been enacted. Executive Branch staff provided the following information on the position.

This position ensures a central management of procurement actions and reviews of determinations of variances in law related to legislative requirements on the operations side to avoid a violation of law. The critical reason for the implementation of this position is to achieve a reduction in Procurement cycle time. This position is intended to serve as an expeditor, with subject matter expertise and planning strategies for contract policy.

Currently, this work has been distributed to Procurement Specialists to manage in addition to their existing portfolio.

Council staff is concerned that this position continues to be lapsed each year, with work being distributed to other Procurement Specialists. The Committee may wish to discuss, given the change in leadership, PROs intent regarding this position, as well as the overall strategy to ensure compliance with legislative requirements.

Additionally, the Executive has recommended abolishing a Manager I position, which would reduce the budget by (\$266,063) and (1.0) FTE. Abolishing this position is tied to Bill 3-19 Administration - Executive Branch - Non-Merit Positions. The fiscal impact statement of this bill identified three occupied M1 positions which were to be abolished in FY20 and would produce more than \$750,000 in savings. One position identified in the fiscal impact statement was in the Office of Procurement. This position has served in the role of Business Procurement Development Manager. Executive Branch staff also provided additional background on how the work will be absorbed by existing PRO staff.

This position advises the Director on how to help small and minority businesses deliver services and products to Montgomery County Government, including contacts and communications with organizations and business leaders. This position is a transfer from the eliminated Department of Economic Development.

This MI position was established at a time when the department had operational needs which no longer exist. This MI position was created in 2015 to handle minority business assistance and outreach programs previously assigned to the County's Department of Economic Development.

Additionally, because of the abolishment of the MI, the MFD Program Specialist II position is proposed for reclassification to a Program Manager I.

MFD and small business guidance will be provided through the proposed PRO MFD Program Manager and WRL Program Manager and outreach will be coordinated through the PRO Outreach Program Manager.

While the position has been abolished in the Office of Procurements FY20 budget, as discussed during the April 11 GO Committee worksession on the Community Engagement Cluster's (CEC) recommended budget, a new Grade 28 Business Liaison Officer position has been created and will be filled by this staff. The GO Committee will continue its review of the CEC budget and the impact of the newly created position on May 2.

Council staff concurs with the Executive's recommendations.

3. Division of Business Relations and Compliance

The mission of the Division of Business Relations and Compliance (DBRC) is to plan and implement programmatic strategies to expand business opportunities for minority, female and disabled business owners and Montgomery County small businesses. DBRC administers the MFD Program and Local Small Business Reserve Program (LSBRP). Additionally, they administer the Living and Prevailing Wage laws.

The FY20 recommended budget for DBRC is \$1,103,309, a \$140,748 or 14.62 increase from the approved FY19 budget. This budget accounts for 24.62% of the overall Office budget. Multi-program adjustments increase the budget by \$36,173. The Executive has recommended three changes to the Division's budget. The first change would add \$13,816 and reclassify the Program Specialist II, who manages the MFD Program, to a Program Manager I position.

Contract costs have been increased by \$2,400 for the PRiSM system, administered by Early Morning Software (EMS). Implemented in FY16, PRiSM helps ensure MFD program compliance by tracking prime/subcontractor payments. The increase is due to an increase in the annual maintenance fee, which allows the County to receive updates, modification, and provides for technical support for end-users. Maintenance fees were not originally included, but became an expenditure upon renewal of the contract.

Finally, the Executive has added \$88,359 and 1.0 FTE to create a new Program Manager I position. This new position is tied to the fiscal impact of Bill 6-18 - Labor Peace Agreements - Displaced Service Workers – Amendments. The position would be necessary to review and determine if a labor peace agreement submitted by a contractor complies with the law and monitor and enforce compliance.

Council Staff concurs with the Executive's recommendation.

The MFD Program is set to sunset on December 31, 2019. The County Executive submitted a Disparity Study to the Council on July 1, 2014. The study was prepared by Griffin and Strong and

supported the continuation of the MFD program. The Council extended the sunset date for the MFD program to December 31, 2019 with the understanding that the Executive should have completed a new disparity study before that date. No study is underway, and the Executive's budget did not provide funding for a new Disparity Study within the Office of County Attorney's budget. The Senior Legislative Attorney has recommended that \$600,000 be added to the Office of the County Attorney for a disparity study in FY20.

4. Procurement Services

The Procurement Services program provides for departmental direction, oversight and support for the Contract Review Committee, analysis, budget preparation and monitoring. The FY20 recommended budget for Procurement Services is \$164,239, a \$13,441 or 8.91% increase from the approved FY19 budget. The Procurement Services budget accounts for 3.67% of the overall Office budget.

Multi-program adjustments increase the budget by \$83,657. The Executive has also recommended one change to the Procurement Services budget. The change would lapse an Office Services Coordinator position for (\$70,216). This position was lapsed in the approved FY18-FY19 operating budget as well. The work is currently being absorbed by existing operations staff. **Council Staff concurs with the Executive's recommendation.**



Procurement

RECOMMENDED FY20 BUDGET
\$4,480,897

FULL TIME EQUIVALENTS
34.90

✱ **PAM JONES, ACTING DIRECTOR**

MISSION STATEMENT

The Office of Procurement is a cabinet-level department with a mission to preserve the public trust and ensure the integrity of the County's procurement process through the efficient and cost effectiveness of the procurement of goods, services, and construction for all Executive Branch departments and agencies. The Office of Procurement ensures compliance with all related laws, regulations, and policies. The Office of Procurement focuses on identifying opportunities for improvement of inter and intra departmental purchasing processes and implementation of recognized best practices to increase organizational efficacy, promote transparency, improve accountability, and facilitate compliance. In its interactions with all County departments and agencies, external governmental agencies, members of the business community and the general public, the Office of Procurement serves as a resource for policy and program initiatives involving public contracting.

BUDGET OVERVIEW

The total recommended FY20 Operating Budget for the Office of Procurement is \$4,480,897, an increase of \$35,528 or 0.80 percent from the FY19 Approved Budget of \$4,445,369. Personnel Costs comprise 92.41 percent of the budget for 35 full-time position(s) and two part-time position(s), and a total of 34.90 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 7.59 percent of the FY20 budget.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

- ◆ **Effective, Sustainable Government**
- ◆ **A Growing Economy**

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY19 estimates reflect funding based on the FY19 Approved Budget. The FY20 and FY21 figures are performance targets based on the FY20 Recommended Budget and funding for comparable service levels in FY21.

INITIATIVES

- ✱ Developing an implementation plan for delivering information regarding the status of procurement solicitation awards using voice technology through Open Data to increase transparency and further departmental goals.



ACCOMPLISHMENTS

- ✔ Developed a new Request for Proposal (RFP) template with Department of Transportation (DOT) and the Office of the County Attorney (OCA) for awarding projects utilizing Construction Manager At Risk (CMAR) methodology; streamlined process/checklist for submission/issuance of projects under the Small Construction Task Order Contracts; and developed an additional template to streamline contract renewals for lower-threshold community grants.
- ✔ Procurement received the 2018 Achievement of Excellence in Procurement (AEP) Award for its demonstration of innovation, professionalism, E-Procurement, productivity, and leadership with a strong dedication to the advancement of the public procurement professional from the National Procurement Institute as well as the 2018 Public Access Partner Award from the Women Presidents' Educational Organization (WPEO) in recognition of the importance the Office of Procurement places on supply chain diversity in our business strategies.
- ✔ Encumbered \$198 million to Minority, Female, and Disabled (MFD) Owned Business Program vendors, comprising 23.5 percent of eligible spending in FY18 and \$115 million to Local Small Business Reserve Program (LSBRP) vendors, comprising 26.8 percent of eligible spending in FY18.
- ✔ Focused on outreach efforts and validating/certifying MFD and LSBRP vendors-hosting or attending 31 outreach and networking events.
- ✔ Hosted Second Annual Procurement Forum, and First Spring Round Table Event for Business Matchmaking.
- ✔ In 2018 the Office of Procurement conducted a series of Procurement Overview and Compliance trainings to further professional development and to strengthen networking and collaboration between contract administrators, peers, and procurement staff on contract issues.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ✱ The Division of Business Relations and Compliance has used social media to impact the discovery by entrepreneurs of new opportunities for growth. Through email distribution of newsletters and encouraging participation in networking/business matchmaking events, as well as instructional business certification events, the minority, local, and small business vendor community serving Montgomery County has increased.
- ✱ Forty percent of contract awards were given to first time contractors.
- ✱ Developed two pre-approved Community Grant contract templates (different dollar thresholds) for Countywide use.
- ✱ Processed 81 percent of FY18 Community Grant Awards by September 1.

COLLABORATION AND PARTNERSHIPS

✱ **Prevailing Wage Workshop**

On March 7, 2018, Office of Procurement coordinated an event for staff to offer brief remarks at the Silver Spring Library regarding the mission of the Prevailing Wage Program and the importance of complying with the Prevailing Wage Law.

✱ **Super Matchmaker Conference**

On March 29, 2018, the Division of Business Relations and Compliance participated in a business matchmaking event for current and potential entrepreneurs in collaboration with the Capital Regional Minority Suppliers.

Partners
Non-Profits

✱ **Introduction to Government Contracting**

On April 18, 2018, the Division of Business Relations and Compliance (BRC) collaborated with the Asian American Chamber of Commerce at the Lerch, Early and Brewer Chartered Bethesda Law Firm as a resource to provide information on the BRC mission and accomplishments.

Partners

Non-Profits

*** Government Procurement Conference**

On April 19, 2018, the Division of Procurement Operations collaborated with the Federal Government at the Walter E. Washington Convention Center in Washington, D.C. to provide information and literature during Business matchmaking sessions.

*** Washington Suburban Sanitary Commission (WSSC) to Business**

On April 27, 2018, the Division of Business Relations and Compliance collaborated with the Washington Suburban Sanitary Commission (WSSC) at the WSSC Tap into Business event to offer information and technical assistance at a booth.

Partners

Washington Suburban Sanitary Commission

*** How To Do Business With Montgomery County**

On June 19, 2018, the Division of Business Relations and Compliance collaborated with the Maryland Procurement Technical Assistance Center (PTAP) at the Small Business Resource Center in Baltimore, Maryland for a presentation by staff and to provide information and technical assistance.

Partners

Non-Profits

*** Educational and Business Planning Events**

The following were hosted or presented in part by the Division of Business Relations and Compliance:

September 20, 2017 and February 28, 2018 - Minority Business Enterprise (MBE), Disadvantaged Business Enterprise, Airport Disadvantage Business Enterprise, Small Business Enterprise Certification Workshops for Minority Businesses.

October 3, 2017 the Division of Business Relations and Compliance delivered programmatic information in Hanover, Maryland at the MBE Application Assistance Workshop that was a collaboration with the Maryland Department of Transportation (MDOT).

Partners

Non-Profits

PROGRAM CONTACTS

Contact Marsha Watkins Thomas of the Office of Procurement at 240.777.9954 or Jane Mukira of the Office of Management and Budget at 240.777.2754 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

*** Procurement Operations**

The core components of this program are to purchase goods, services, and construction required by County departments in the most timely and cost-effective manner possible. Program staff assist departments in the development of procurement strategies and documents to ensure a competitive, transparent, and fair procurement process in accordance with the County Code and the Procurement Regulations. Program staff also educate vendors about the County's procurement process and procedures.

Procurement staff also provides County departments with training, assistance and guidance of department contract administrators. Procurement Specialists develop contract administration procedures, research vendors, review contracts, 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.

Procurement staff participates with local, State, and national procurement purchasing associations to promote and teach continuing procurement education and learning credits, latest industry trends, latest source selection methods, and cooperative purchases. Staff also participates in and leads recognized professional purchasing organizations at the local, State, and national levels.

The Information Technology (IT) staff provides support to develop and maintain information systems for the department's business operations. This includes purchase and maintenance of IT equipment, service and support for major end-use systems on a Countywide basis. IT management of applications, databases, systems, and department website design and maintenance is included in this program as well as coordination with the County's Department of Technology Services.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Percentage of procurements completed in agreed upon time ¹	81	82	80	80	80
Percent of procurements meeting agreed-upon timeline (Construction)	87%	94%	85%	85%	85%
Percent of procurements meeting agreed-upon timeline (IFB)	76%	77%	76%	75%	75%
Percent of procurements meeting agreed-upon timeline (RFP)	81%	77%	75%	75%	75%

¹ This figure represents the average for the following: Invitation For Bid - 77%; Request For Proposals - 77%; and Construction - 94% for FY18.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	3,332,010	25.40
Decrease Cost: Lapse Part Time Procurement Specialist II	(45,600)	0.00
Decrease Cost: Abolish Manager I	(266,063)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	193,002	0.00
FY20 Recommended	3,213,349	24.40

☀ Business Relations and Compliance

The mission of the Division of Business Relations and Compliance (BRC) is to plan and implement programmatic strategies to expand business opportunities for minority, female and disabled business owners as well as Montgomery County small businesses. The office administers the County's Wage Requirements and Prevailing Wage programs for service and construction contracts. The DBRC is responsible for ensuring County government contracting compliance with the socioeconomic laws, programs, and policies of the County.

-Minority, Female and Disabled Persons (MFD): the MFD program objectives focus on ensuring that contracts awarded by the County include equitable participation by certified minority, female, or disabled-owned businesses. The program identifies MFD firms, encourages and coordinates their participation in the procurement process through community outreach and internal seminars, and monitors contracts subject to MFD participation to ensure compliance.

-Local Small Business Reserve Program (LSBRP): the Local Small Business Reserve Program ensures that County departments award a minimum of 20 percent of total eligible contract dollars for goods, services, or construction to registered local small businesses. The program certifies local small businesses that meet the requirements set by law, assists County departments in identifying contracting opportunities and solicitations appropriate for LSBRP competition, and provides training and networking to help local small businesses compete with businesses of similar size and resources for County contracts to strengthen the local small business sector.

-Wage Requirements Law (WRL): The Wage Requirements Law program ensures that County contractors and subcontractors pay employees a "living wage" in compliance with the annually adjusted rate established by the Maryland State Commissioner of Labor and Industry for the Montgomery County region.

-Prevailing Wage Law (PWL): The Prevailing Wage Law is patterned after the Federal Davis-Bacon and State of Maryland's prevailing wage laws. It requires the local prevailing wage be paid to workers on County financed construction contracts. The prevailing wage rate is a rate paid for comparable work in the private sector within the County. The rates are calculated by the State, based on surveys of construction company employers.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Business Relations and Compliance: Percentage of contract dollars awarded to LSBs	25	26.8	25	25	25

Program Performance Measures	Actual	Actual	Estimated	Target	Target
	FY17	FY18	FY19	FY20	FY21
Percent of LSBs who apply for LSB certification and are certified	56.5%	64.6%	60%	60%	60%
Number of LSBs who apply for LSB certification and are certified	599	676	720	760	800
Percent of County contract dollars that are awarded to certified MFD vendors (measured against County goals for each category)	23%	23.5%	23%	23%	23%
Value of County contracts awarded to local small businesses (\$s)	93,408	115,362	100,000	100,000	100,000
Percent of registered vendors that are certified MFD-owned businesses	4.85%	4.21%	5%	5%	5%
Enforcement: Number of instances that employees/workers are found to be underpaid under the Wage Requirements Law (WRL)	95	2	10	10	10
Enforcement: Number of instances that employees/workers are found to be underpaid under the Prevailing Wage Law (PWL)	185	84	50	50	50
Enforcement: Dollars returned to workers as result of enforcement actions taken by Procurement	\$190,600	\$27,334	\$50,000	\$50,000	\$50,000

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	962,561	5.50
Add: New Program Manager I Position (Bill 6-18)	88,359	1.00
Increase Cost: Reclass Program Specialist II to Program Manager I	13,816	0.00
Increase Cost: Contract Costs	2,400	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	36,173	0.00
FY20 Recommended	1,103,309	6.50

☼ Procurement Services

The Procurement Services Section provides for departmental direction, oversight and support for the Contract Review Committee, analysis, budget preparation, and monitoring. This section also manages contract scanning activities for documents, contracts and subsequent contract actions, manages archiving standards, and provides departmental customer service assistance. Additionally, it centrally coordinates departmental training and tracking including national certifications and re-certification, expenditure control, escrow management, human resources activities, management of departmental knowledge based articles and 311 service requests, and coordination of interpreter services for departmental activities or customer needs.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	150,798	4.00
Decrease Cost: Lapse Office Services Coordinator	(70,216)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	83,657	0.00
FY20 Recommended	164,239	4.00

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	3,037,102	3,065,607	3,073,563	3,021,717	-1.4 %
Employee Benefits	1,034,723	1,044,594	1,013,291	1,118,878	7.1 %
County General Fund Personnel Costs	4,071,825	4,110,201	4,086,854	4,140,595	0.7 %
Operating Expenses	424,825	335,168	325,558	340,302	1.5 %
Capital Outlay	1,217	0	0	0	—
County General Fund Expenditures	4,497,867	4,445,369	4,412,412	4,480,897	0.8 %
PERSONNEL					
Full-Time	35	35	35	35	—
Part-Time	2	2	2	2	—
FTEs	34.90	34.90	34.90	34.90	—
REVENUES					

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BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
Other Fines & Forfeitures	32,609	0	0	0	—
County General Fund Revenues	32,609	0	0	0	—

FY20 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY19 ORIGINAL APPROPRIATION	4,445,369	34.90
Changes (with service impacts)		
Add: New Program Manager I Position (Bill 6-18) [Business Relations and Compliance]	88,359	1.00
Other Adjustments (with no service impacts)		
Increase Cost: FY20 Compensation Adjustment	126,591	0.00
Increase Cost: Restore One-Time Lapse Increase	115,816	0.00
Increase Cost: Annualization of FY19 Personnel Costs	64,513	0.00
Increase Cost: Reclass Program Specialist II to Program Manager I [Business Relations and Compliance]	13,816	0.00
Increase Cost: Retirement Adjustment	5,912	0.00
Increase Cost: Contract Costs [Business Relations and Compliance]	2,400	0.00
Decrease Cost: Lapse Part Time Procurement Specialist II [Procurement Operations]	(45,600)	0.00
Decrease Cost: Lapse Office Services Coordinator [Procurement Services]	(70,216)	0.00
Decrease Cost: Abolish Manager I [Procurement Operations]	(266,063)	(1.00)
FY20 RECOMMENDED	4,480,897	34.90

PROGRAM SUMMARY

Program Name	FY19 APPR Expenditures	FY19 APPR FTEs	FY20 REC Expenditures	FY20 REC FTEs
Procurement Operations	3,332,010	25.40	3,213,349	24.40
Business Relations and Compliance	962,561	5.50	1,103,309	6.50
Procurement Services	150,798	4.00	164,239	4.00
Total	4,445,369	34.90	4,480,897	34.90

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY19 Total\$	FY19 FTES	FY20 Total\$	FY20 FTES
COUNTY GENERAL FUND					
Fleet Management Services	Motor Pool	40,636	0.30	41,783	0.30
Parking District Services	Bethesda Parking	6,775	0.05	7,013	0.05
Parking District Services	Silver Spring Parking	6,775	0.05	7,013	0.05
Transit Services	Mass Transit	27,091	0.20	27,855	0.20
Solid Waste Services	Solid Waste Disposal	67,727	0.50	69,638	0.50
Total		149,004	1.10	153,302	1.10

FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
COUNTY GENERAL FUND						
EXPENDITURES						
FY20 Recommended	4,481	4,481	4,481	4,481	4,481	4,481
No inflation or compensation change is included in outyear projections.						
Restore One-Time Lapse Increase	0	116	116	116	116	116
Restoration of one-time lapse adjustment in the budget development year						
Labor Contracts	0	18	18	18	18	18

FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	4,481	4,616	4,616	4,616	4,616	4,616

