

Lead Agency: Department of County
Program Offer Type: Innovative/New Program

Program Contact: Tony Dornbusch

Related Programs:

Program Characteristics: One-Time-Only Request

Executive Summary

This program offer represents the Strategic Sourcing component of the Strategic Sourcing, Procurement and Contract Administration unit, which is part of the Department of County Assets' (DCA) Administrative Services Hub. This unit works collectively with the other DCA Administrative Service Hub units to deliver services to both departments and divisions supported by DCA as well as the entire County.

This offer focuses on the development, implementation, oversight and direct delivery of the strategic sourcing practices across the County. This unit provides strategy, leadership, expertise, and analytical information to the County and it's Departments relative these strategic sourcing practices.

Program Description

This organization reports to the Manager of Strategic Sourcing, Procurement and Contract Administration, who reports to the Director of DCA. The program includes Strategic Sourcing Analysts and Strategic Sourcing Data Analyst for the County and provides strategy, leadership, practice development, oversight and monitoring, detailed spend analysis, strategic sourcing plans and compliance analysis/oversight for hundreds of contracts and millions of dollars each year. The program will be responsible for addressing the strategic sourcing needs of all County Departments across all commodities and types of transactions, which includes commercial, personal services, construction, lease, software, technology goods and services, maintenance and repair, and architectural services. Support also includes collaboration with departmental partners in the review of Administrative Procedures, policies and the implementation of best practices as necessary, in support of strategic sourcing initiatives.

Strategic Sourcing is the practice of taking a holistic approach to the selection and sourcing of goods and services necessary to an organization's operations. Strategic Sourcing includes several key tenets or procurement best practices: (1) Consolidating spend across all buyers with a small number of supplier partners so that the best prices can be achieved, (2) Considering the total lifecycle cost of a product and service (not just the purchase price) when making a procurement decision, (3) Building mutually beneficial strategic partnership relationships with key suppliers, (4) Leveraging the capabilities and services of supplier partners to reduce internal operating costs, and (5) Leveraging technology to reduce operating costs, better manage spend and achieve better prices.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY10-11)	Current Year Purchased (FY11-12)	Current Year Estimate (FY11-12)	Next Year Offer (FY12-13)
Output	Commodity Sourcing Plans developed	0	0	0	10
Outcome	% of annual goods purchased via marketplace	0.0%	0.0%	0.0%	40.0%
Outcome		0	0	0	0
Output		0	0	0	0

Performance Measure - Description

 **Measure Changed**

Output-Number of plans developed improving strategic purchases.

Outcome-% of annual goods purchased will drive volume to marketplace resulting in lower pricing.% will increase over time.

Legal/Contractual Obligation**Revenue/Expense Detail**

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2012	2012	2013	2013
Personnel	\$0	\$0	\$470,751	\$0
Materials & Supplies	\$0	\$0	\$21,700	\$0
Total GF/non-GF:	\$0	\$0	\$492,451	\$0
Program Total:	\$0		\$492,451	
Program FTE	0.00	0.00	3.50	0.00
Program Revenues				
Total Revenue:	\$0	\$0	\$0	\$0

Explanation of Revenues

This program is funded with one-time-only General Fund for FY 2013. It is anticipated that this program may be included in the County's indirect cost allocation plan in FY 2014 and beyond.

Significant Program Changes
 **Significantly Changed**
Last year this program was:

This is a new program as a result of the Multnomah Evolves activities related to Central Stores (see above).