

**Lead Agency:** Department of County

**Program Contact:** Tony Dornbusch

**Program Offer Type:** Administration

**Related Programs:**

**Program Characteristics:** In Target

### Executive Summary

This program offer represents Procurement & Contracting (P&C), 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. Support is also provided to the Department of County Management, Board of County Commissioners and several nondepartmental Offices allowing departmental leadership and elected officials to focus their efforts on delivering vital program services.

This offer focuses on the consultation, oversight and direct delivery of procurement, purchasing, and contracting related activities to HUB customers. These activities span several categories of Goods and Services and include commercial contracts, personal services contracts, construction contracts, technology contracts, operations and maintenance contracts, and intergovernmental agreements across all areas of DCA, DCM and nondepartmental units.

### Program Description

The program includes the administrative group responsible for formal, informal and cooperative procurements. The program also includes commercial, personal services, construction, lease, software, maintenance and repair, and architectural contract development, negotiation, risk assessment and management, supplier/vendor management and ongoing contract administration. This group processes over 700 procurements and contract documents per year, with oversight of approximately 3,500 active procurements, contracts and amendments.

This group includes a Finance Supervisor to provide contract negotiation and process development as well as oversight and specialized expertise in the development and monitoring of large construction, facilities, and software and hardware contracts. Support also includes collaboration with departmental partners in the review of County Administrative Procedures, policies and the implementation of best practices.

During the past fiscal year, through new strategies the Program was responsible for enabling the no cost, early replacement of copiers no longer meeting County standards, saving the County over \$400,000 in the fiscal year and providing for additional savings in reduced costs per copy going forward.

The Program has also undertaken contracting standardization activities, implemented enhanced contract development practices, and exercised advanced contract negotiation techniques. A single software contract renegotiation activity will result in savings of nearly \$3,000,000 over the next 5 years.

### Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY11-12)	Current Year Purchased (FY12-13)	Current Year Estimate (FY12-13)	Next Year Offer (FY13-14)
Output	Number of procurements and contracts processed	0	365	730	700
Outcome	Percentage of Contracts processed following established processes	0.0%	0.0%	0.0%	100.0%

### Performance Measure - Description

Number of Procurements and contracts processed output measures the total volume of procurements, contracts, amendments and renewals processed by the P&C staff. These procurements and contracts span facilities, construction, leases, building equipment, IT equipment, software, administrative goods, fleet, and various professional services. This number does not include stand alone purchase orders utilized as contracts for purchases that are not against a contract. This measure will provide valuable tracking/identification of each procurement/contracting activity, establishing the beginnings of a baseline for the total contracts under management in P&C.

% of Contracts processed following established processes is the percentage of procurements that are solicited or contracts that are developed and executed following the County and DCA policies, procedures and processes. This measure provides valuable process improvement feedback and effectively demonstrates reduced or mitigated risk relating to damages, liability, infringement, warranty, etc. This is a new measure & very aggressive.

## Legal/Contractual Obligation

Oregon Revised Statutes (ORS) 279A, 279B, and 279C establish requirements affecting the County's procurement and contracting practices. The County establishes and implements Public Contract Review Board (PCRB) Rules and Administrative Procedures CON-1 and PUR-1 to define its procurement and contracting processes within the constraints of ORS requirements. DCA Contracts must adhere to Commercial Contract laws, Bureau of Labor and Industry laws, Construction and Architectural contracting laws, Employment laws, Privacy laws, Domestic Violence and Criminal records laws and others. DCA Procurements using cooperative agreements must adhere to state and federal laws governing the use of the cooperative agreements as described therein.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2013	2013	2014	2014
Personnel	\$1,477,006	\$0	\$1,388,332	\$0
Contracts	\$0	\$0	\$80,000	\$0
Materials & Supplies	\$60,215	\$0	\$57,786	\$0
Internal Services	\$138,068	\$0	\$125,016	\$0
<b>Total GF/non-GF:</b>	<b>\$1,675,289</b>	<b>\$0</b>	<b>\$1,651,134</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$1,675,289</b>		<b>\$1,651,134</b>	
Program FTE	13.50	0.00	11.50	0.00
<b>Program Revenues</b>				
Fees, Permits & Charges	\$1,364,097	\$0	\$1,293,725	\$0
<b>Total Revenue:</b>	<b>\$1,364,097</b>	<b>\$0</b>	<b>\$1,293,725</b>	<b>\$0</b>

## Explanation of Revenues

Costs of the Administrative Hub are allocated proportionately among users: the County's internal services and the departments of County Assets and County Management. The General Fund supports charges apportioned to DCM. Internal service charges recover the costs associated with support of the Facilities, Information Technology, Fleet, and Distribution Funds, and reimburse the General Fund for these services.

## Significant Program Changes

✔ Significantly Changed

**Last year this program was:** #78043A, Administrative Hub: Contracts and Procurement

This program offer previously included 2 staff members responsible for a portion of the procurement, contracting and administrative oversight of traditional and mobile telecommunication services. These staff have been moved to Program Offer #78018 to focus on the centralization and consolidation of Mobile Device Expense Management.