

Office of Contracting and Procurement

www.ocp.dc.gov

Description	FY 2004 Actual	FY 2005 Approved	FY 2006 Proposed	% Change from FY 2005
Operating Budget	\$13,886,018	\$12,334,205	\$13,368,856	8.4
FTEs	149.0	157.15	154.0	-2.0
Resident Dividends	-	-	\$688,400	N/A

The mission of the Office of Contracting and Procurement (OCP) is to provide contracting services and procurement to agencies so that they have quality goods and services they need to accomplish their missions in a timely and cost-effective manner.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- By FY 2006, OCP's Personal Property Division will generate an average of \$50,000 per month in revenues from proceeds of surplus personal property sales.
- By FY 2006, Service Level Agreements will be in place on time for 95 percent of the agencies under the procurement authority of OCP.
- By FY 2006, performance standards will be established for 100 percent of OCP's contracting positions.
- By FY 2006, OCP will have a competency-based training and education workplace learning system for all procurement personnel that addresses documented employee skills gaps, continuing education needs, and career development activities.
- By FY 2006, 100 percent of contracts containing local, small, and disadvantaged business enterprise (LSDBE) subcontracting plans will be monitored according to established standards.
- By FY 2007, the average processing time for awarding small purchases will be six days or less.
- By FY 2007, 75 percent of Invitation for Bid and Request for Proposal contracts under \$1 million will be awarded within 90 days and 120 days, respectively.
- By FY 2007, 85 percent of OCP customer agency personnel will rate OCP services as satisfactory or better.
- By FY 2007, 15 percent of contract awards over \$100,000 will contain LSDBE subcontracting plans.

Funding by Source

Tables PO0-1 and 2 show the sources of funding and FTEs by fund type for the Office of Contracting and Procurement.

Table P00-1

FY 2006 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated fund	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
General Fund						
Local Fund	11,753	11,778	10,808	11,401	593	5.5
Special Purpose Revenue Funds	0	90	390	315	-75	-19.2
Total for General Fund	11,753	11,868	11,198	11,716	518	4.6
Federal Payments	734	0	0	0	0	0.0
Total for Federal Resources	734	0	0	0	0	0.0
Intra-District Funds	1,174	2,018	1,136	1,653	517	45.5
Total for Intra-District Funds	1,174	2,018	1,136	1,653	517	45.5
Gross Funds	13,661	13,886	12,334	13,369	1,035	8.4

Table P00-2

FY 2006 Full-Time Equivalent Employment Levels

Appropriated Fund	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
General Fund						
Local Fund	146	137	139	131	-8	-5.9
Special Purpose Revenue Funds	0	0	4	4	0	0.0
Total for General Fund	146	137	143	135	-8	-5.7
Intra-District Funds						
Intra-District Funds	10	11	14	19	5	35.7
Total for Intra-District Funds	10	11	14	19	5	35.7
Total Proposed FTEs	156	149	157	154	-3	-2.0

Expenditure by Comptroller Source Group

Table PO0-3 shows the FY 2006 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table P00-3

FY 2006 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

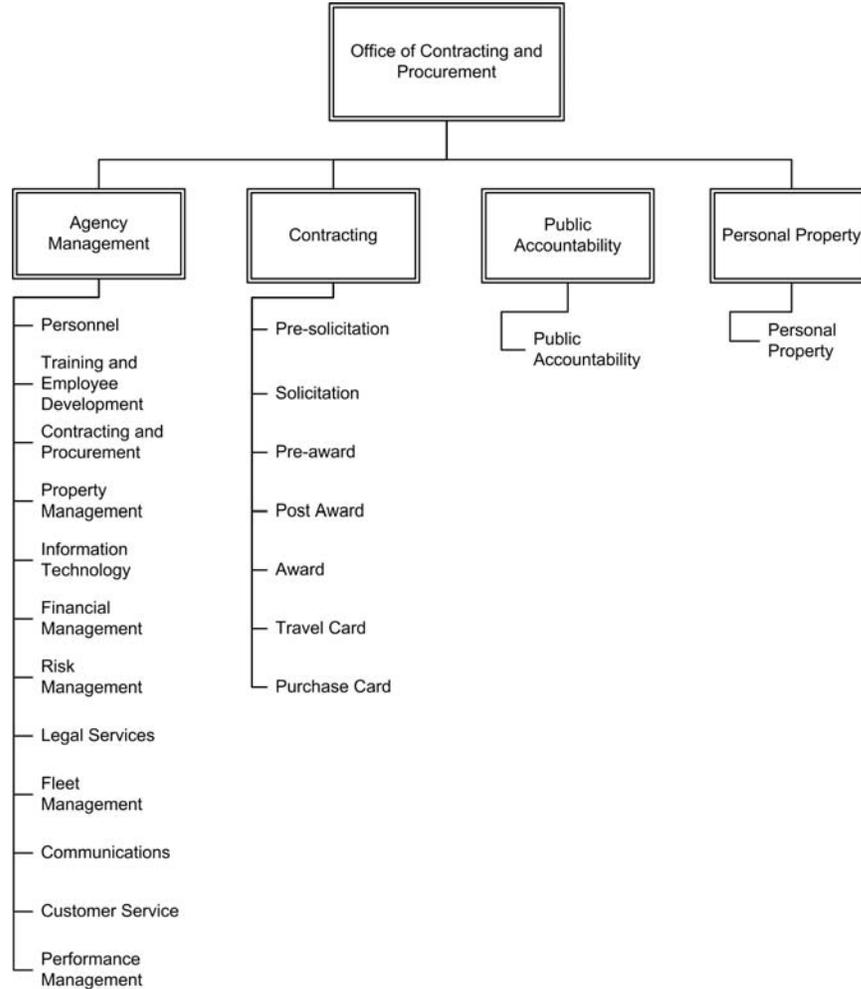
Comptroller Source Group	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
11 Regular Pay - Cont Full Time	9,252	9,673	9,328	10,253	925	9.9
12 Regular Pay - Other	95	138	0	0	0	0.0
13 Additional Gross Pay	86	200	70	65	-5	-7.0
14 Fringe Benefits - Curr Personnel	1,512	1,621	1,563	1,704	140	9.0
15 Overtime Pay	4	1	0	0	0	0.0
Subtotal Personal Services (PS)	10,950	11,634	10,961	12,022	1,061	9.7
20 Supplies and Materials	106	116	113	132	19	17.1
30 Energy, Comm. and Bldg Rentals	101	117	112	111	-1	-1.3
31 Telephone, Telegraph, Telegram, Etc	72	210	139	205	66	47.1
32 Rentals - Land and Structures	72	105	0	0	0	0.0
33 Janitorial Services	52	69	93	93	0	0.0
34 Security Services	108	160	115	123	8	6.8
35 Occupancy Fixed Costs	0	0	188	257	69	36.6
40 Other Services and Charges	1,145	864	406	325	-80	-19.8
41 Contractual Services - Other	900	104	0	0	0	0.0
70 Equipment & Equipment Rental	154	507	206	100	-106	-51.4
Subtotal Nonpersonal Services (NPS)	2,711	2,252	1,373	1,347	-26	-1.9
Total Proposed Operating Budget	13,661	13,886	12,334	13,369	1,035	8.4

Expenditure by Program

This funding is budgeted by program and the Office of Contracting and Procurement has the following program structure:

Figure P00-1

Office of Contracting and Procurement



Gross Funds

The proposed Gross Funds budget is \$13,368,856, representing an increase of \$1,034,650 or 8.4 percent over the FY 2005 approved budget of \$12,334,205. There are 154 FTEs for the agency, a decrease of 3.15 FTEs or 2 percent from the FY 2005 approved level.

Resident Dividends

The Mayor proposes additional resident dividend funding in the amount of \$688,400 for the following program: Agency Management Program. The Resident dividend funding is nonrecurring.

General Funds

Local Funds. The proposed budget is \$11,400,964, representing an increase of \$592,712 or 5.5 percent over the FY 2005 approved budget of \$10,808,251. This change is primarily due to the conversion of employees from nonunion to union. There are 131 FTEs for the agency, a decrease of 8.15 FTEs or 5.9 percent from the FY 2005 approved level.

In addition, the Mayor proposes additional local funding in the amount of \$688,400 and 0 FTEs for resident dividend initiatives. For more information on the Office of Contracting and Procurement resident initiative, please refer to the end of this chapter.

Special Purpose Revenue Funds. The proposed budget is \$315,017, representing a decrease of \$74,983 or 19.2 percent from the FY 2005 approved budget of \$390,000. This change is primarily due to a decrease in anticipated revenue in the District of Columbia Supply Schedule Sales Discount and Operating fund. There are 4 FTEs for the agency, no change from the FY 2005 approved level.

Intra-District Funds

Intra-District Funds. The proposed budget is \$1,652,875, representing an increase of \$516,921 or 45.5 percent over the FY 2005 approved budget of \$1,135,954. This change is primarily due to increases from prior year Intra-District agreements. There are 19 FTEs for the agency, an increase of 5 FTEs or 35.7 percent over the FY 2005 approved level.

Programs

The Office of Contracting and Procurement is committed to the following programs:

Contracting

	FY 2005	FY 2006
Budget	\$7,040,979	\$8,445,848
FTEs	98.03	103.0

Program Description

The **Contracting** program provides acquisition services to District government agencies so that they can have the supplies and services they need to achieve their missions.

This program has seven activities.

- **Pre-Solicitation** - provides contracting management expertise and coordination to program managers so that they can use the information to allocate resources and plan procurements in a timely manner.
- **Solicitation** - provides solicitation preparation and posting services to District agencies so that they can acquire goods and services through a competitive process.
- **Pre-Award** - provides Vendor Selection and Compliance Services to OCP Contracting Officers so that they can make timely, cost-effective and defensible procurement decisions.
- **Award** - provides contract execution and delivery services to customer agencies so that they can have the goods and/or services they need to fulfill their mission in a timely and cost-effective manner while supporting the use of LSDBEs.
- **Post Award** - provides contract administration (including D.C. Supply Schedule), management, and maintenance services to program managers so that they can have the goods and services they need to fulfill their missions on a continuous basis.
- **Travel Card** - provides travel cards and support services to District agency personnel so that they can make travel arrangements and payments in a seamless, expeditious, cost-effective and legal manner.
- **Purchase Card** - provides procurement card and support services to District agency personnel so that they can buy small dollar value goods and services expeditiously and in a cost-effective and legal manner.

Program Budget Summary

The program has a gross funds budget of \$8,445,848, an increase of \$1,404,869 or 20 percent over the FY 2005 approved budget of \$7,040,979. This includes a Local funds increase of \$242,931, a Special Purpose Revenue funds decrease of \$74,983, and an Intra-District funds increase of \$1,236,921. This change is primarily due to the following:

- A redirection of \$720,000 in Intra-District funds from the Personal Property program to the Pre-solicitation, Solicitation, and Post Award activities, along with increases in Intra-District memorandum of understanding agreements (\$516,921).
- An increase of \$398,036 for all activities' regular pay and fringe benefits due to the conversion of employees from nonunion to union.
- A decrease of \$165,605 and 2 FTEs in the Solicitation activity's regular pay and fringe benefits for the reduction of a cost price analyst and a contracting specialist.
- An increase of \$135,638 in the Solicitation and Award activities' regular pay and fringe benefits to fully fund needed positions; 2 FTEs were added to the Award activity.
- A decrease of \$90,567 and 1 FTE in the Pre-Award activity's regular pay and fringe benefits for the reduction of a cost price analyst.
- A decrease of \$72,750 in the Pre-Solicitation activity's equipment for the reduction of three new fax machines, six new copier machines, and one new telephone console.
- A redirection of \$56,481 from all activities' regular pay and fringe benefits to the Award activity's regular pay due to applying the vacancy rate and redistributing funds according to historical spending patterns; 1 FTE was added.
- A redirection of \$50,000 from the Property Management activity in the Agency Management Program to the Solicitation activity; 1 FTE was added.
 - The gross budget supports 103 FTEs, an increase of 4.97 FTEs over the FY 2005 approved level.

Key Result Measures

Program 1: Contracting

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Willard Walton, Acting Deputy Chief Procurement Officer, John Soderberg, Interim Asst. Director, Professional and Human Svcs; Cassandra Lee, Interim Acting Asst. Dir., Infrastructure Support, Gregory Dean,

Assoc. Dir., Purchasing Technologies

Supervisor(s): Herbert R. Tillery, Deputy Mayor for Operations, Interim Chief Procurement Officer

Measure 1.1: Small purchase average cycle time

	Fiscal Year			
	2004	2005	2006	2007
Target	8	7.5	7.5	6
Actual	7.8	-	-	-

Note: The FY 2004 target was reduced from 10 days to 8 days in mid-FY 2004 at the request of the City Administrator given past performance and the efficiencies introduced by the implementation of the PASS on-line procurement system. FY 2005 and 2006 targets were increased from 5 to 7.5. The unit of measurement is in days.

Measure 1.2: Percent of Invitation for Bids (IFBs under one million dollars awarded within 90 days

	Fiscal Year			
	2004	2005	2006	2007
Target	60	70	70	75
Actual	55	-	-	-

Note: The FY 2005-2006 targets were decreased from 90 to 70 per agency request

Measure 1.3: Percent of Request for Proposals (RFPs) under one million dollars awarded within 120 days

	Fiscal Year			
	2004	2005	2006	2007
Target	60	70	70	75
Actual	67	-	-	-

Measure 1.4: Percent of contract awards over \$100,000 with LSDBE subcontracting plans.

	Fiscal Year			
	2004	2005	2006	2007
Target	-	-	10	15
Actual	-	-	-	-

Measure 1.5: Percent of contracts with LSDBE subcontracting plans monitored according to established standard.

	Fiscal Year			
	2004	2005	2006	2007
Target	N/A	N/A	100	100
Actual	N/A	-	-	-

Public Accountability

	FY 2005	FY 2006
Budget	\$48,007	\$318,187
FTEs	1.0	4.0

Program Description

The **Public Accountability** program provides full disclosure of procurement information to the public so that they can be informed that the procurement function is open, fair and impartial.

This program has one activity:

- **Public Accountability** - provides full disclosure of procurement information to the public so that they can be informed that the procurement function is open, fair and impartial.

Program Budget Summary

The program has a gross funds budget of \$318,187, an increase of \$270,180, or 562.8 percent over the FY 2005 approved budget of \$48,007, in which all funds are Local. This change is primarily due to the following:

- A redirection of \$346,304 and 4 FTEs from other programs to the public Accountability activity.
- A decrease of \$97,586 and 1 FTE in the Public Accountability's regular pay and fringe benefits for the reduction of a position.
- An increase of \$28,009 for the Public Accountability's regular pay and fringe benefits due to the conversion of employees from nonunion to union.
- A redirection of \$6,547 from the Public Accountability activity's regular pay and fringe benefits to the Property Management activity in the Agency Management program; vacancy rate was applied and funds were redistributed.
 - The gross budget supports 4 FTEs, an increase of 3 FTEs over the FY 2005 approved level.

Key Result Measures

Program 2: Public Accountability

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Janis Bolt, Associate Director, Supplier Relations and Communications

Supervisor(s):

Measure 2.1: Percent of OCP customer agency personnel that rate OCP services as satisfactory or better.

	Fiscal Year			
	2004	2005	2006	2007
Target	N/A	N/A	80	85
Actual	N/A	-	-	-

Note: New measure for FY 2006 (3/18/05).

Personal Property Division

	FY 2005	FY 2006
Budget	\$1,103,690	\$453,039
FTEs	17.0	8.0

Program Description

The **Personal Property** program provides personal property management, reutilization and disposal services to District agencies and eligible not-for-profit organizations so that they can dispose of and acquire excess/surplus personal property. This program has one activity:

- **Personal Property** - provides personal property management, reutilization and disposal services to District agencies and eligible not-for-profit organizations so that they can dispose of and acquire excess/surplus personal property.

Program Budget Summary

The program has a gross funds budget of \$453,039, a decrease of \$650,651 or 59 percent from the FY 2005 approved budget of \$1,103,690. This includes a Local funds increase of \$69,349, and an Intra-District funds decrease of \$720,000. This change is primarily due to the following:

- A redirection of \$720,000 in Intra-District funds to the Contracting program.
- An increase of \$26,089 for the Personal Property activity's regular pay and fringe benefits due to the conversion of employees from nonunion to union.

- A redirection of \$7,206 from the Personal Property activity's regular pay and fringe benefits to the Property Management activity in the Agency Management program; vacancy rate was applied and funds were redistributed.
 - The gross budget supports 8 FTEs, a decrease of 9 FTEs from the FY 2005 approved level.

Key Result Measures

Program 3: Personal Property

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Gregory Dean, Associate Director of Purchasing Technologies (10/04-present)

Supervisor(s): James Brady, Chief of Staff

Measure 3.1: Percent of District agency property disposal actions (PDA) completed within 5 days of receipt

	Fiscal Year			
	2004	2005	2006	2007
Target	40	85	90	95
Actual	88	-	-	-

Measure 3.2: Percent of District agencies and not-for-profits requests for excess/surplus property transfer orders completed within two business days of request

	Fiscal Year			
	2004	2005	2006	2007
Target	60	70	80	85
Actual	93	-	-	-

Measure 3.3: Average monthly revenue generated from proceeds of surplus property sales.

	Fiscal Year			
	2004	2005	2006	2007
Target	-	-	50,000	50,000
Actual	-	-	-	-

Agency Management Program

	FY 2005	FY 2006
Budget	\$4,141,529	\$4,151,782
FTEs	41.0	39.0

Program Description

The **Agency Management** program provides operational support to the agency so that it has the necessary tools to achieve operational and programmatic results. This program is standard for all Performance-Based Budgeting agencies. Additional information about the Agency Management program is provided in the Strategic Budgeting chapter.

Program Budget Summary

The program has a gross funds budget of \$4,151,782, an increase of \$10,253, or 0.2 percent over the FY 2005 approved budget of \$4,141,529, in which all funds are Local. This change is primarily due to the following:

- A decrease of \$179,088 in the Information Technology activity's other services for the reduction of ServUs support.
- An increase of \$131,954 for all activities' regular pay and fringe benefits due to the conversion of employees from nonunion to union.
- A redirection of \$44,022 from all activities' regular pay and fringe benefits to the Property Management activity's additional gross pay due to applying the vacancy rate and redistributing funds according to historical spending patterns.
- An increase of \$19,590 in the Property Management activity's additional gross pay based on historical spending patterns; this increase is mostly from a redirection of vacancy rate saving funds from the Public Accountability program (\$6,547) and the Personal Property program (\$7,206).
 - The gross budget supports 39 FTEs, a decrease of 2.12 FTEs from the FY 2005 approved level.

Key Result Measures

Program 4: Agency Management

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Carliss Barnett, Acting Human Resources Manager; William Russell, Training Director; Donna Fortune, Program Manager, Procurement Administration; Dwayne Paxton, IT Services Program Manager; Brenda Tobe, Assistant Director, Business Operations

Supervisor(s): James Brady, Chief of Staff; Herbert R. Tillery, Deputy Mayor for Operations, Interim Chief Procurement Officer

Measure 4.4: Percent of Key Result Measures Achieved

	Fiscal Year			
	2004	2005	2006	2007
Target	70	70	70	70
Actual	85.71	-	-	-

For more detailed information regarding the proposed funding for the activities within this agency's programs, please see schedule 30-PBB in the FY 2006 Operating Appendices volume.

Measure 4.1: Percent variance of estimate to actual expenditure (over/under)

	Fiscal Year			
	2004	2005	2006	2007
Target	5	5	5	5
Actual	N/A	-	-	-

Measure 4.2: Cost of Risk

	Fiscal Year			
	2004	2005	2006	2007
Target	N/A	N/A	N/A	N/A
Actual	N/A	-	-	-

Note: This measure replaces "Percent reduction of employee lost work-day injury cases." Agencies established baselines for Cost of Risk in cooperation with the Office of Risk Management during FY 2004. The final baseline figures and FY 2005 targets will be published in the FY 2006 Operating Budget and Financial Plan, due to be submitted to Council in late March 2005. Cost of Risk is a comprehensive measure of a wide range of risks confronting each agency, including but not limited to safety issues, financial risks, and potential litigation.

Measure 4.3: Percent of the Mayor's Customer Service Standards Met

	Fiscal Year			
	2004	2005	2006	2007
Target	N/A	63	63	63
Actual	N/A	-	-	-

Table P00-6

FY 2006 Proposed Budget and FTEs for Resident Dividends by Program
(dollars in thousands)

Program	Proposed FY 2006 Local Funds	Proposed FY 2006 FTEs
1000 Agency Management Program	\$688	0
Total for Resident Dividends	\$688	0

Table P00-7

FY 2006 Proposed Budget for Resident Dividends by Comptroller Source
(dollars in thousands)

Comptroller Source Group	Proposed FY 2006 Local
0040 Other Services and Charges	\$688
Subtotal Nonpersonal Services (NPS)	\$688
Total for Resident Dividends	\$688

Resident Dividend Initiative

The Mayor's proposed budget includes additional Local funds in the amount of \$688,400 and 0 FTE to provide funding for the following initiative:

- \$688,400 and no FTEs to fund a comprehensive training program to ensure development and maintenance of a professional workforce. This one-time funding for this program will provide training in core contracting subjects using experienced contract officers in a classroom setting and through hands-on experience.