



***Mayor's Goal 5: "Philadelphia government works efficiently and effectively, with integrity & responsiveness"***

**Topic:**

**Procurement Department**

**Presenters:**

**Mary Stitt, *Commissioner***

**Trevor Day, *Deputy Commissioner***

**Edward Garcia, *Deputy Commissioner***

**Sonia Lee, *Director of Services, Supplies & Equipment***

**Nicholas Susi, *Director of Public Works***

**Date:**

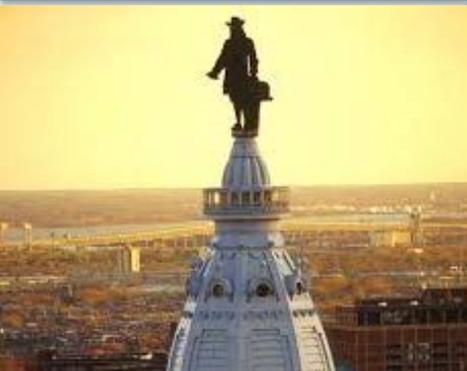
**November 23<sup>rd</sup>, 2015**



## Executive Summary

### Major Accomplishments:

- Charter Change:
  - Cooperative Purchasing
  - Reverse Auctions
  - Electronic Signatures
- Increase in the Local Business Entity preference to 10% for contracts under \$1 Million
- Creation of CitySwap online service for cost avoidance and reuse of supplies and equipment



# Who We Are

- ❖ **Vision**
- ❖ **Mission**
- ❖ **Organizational Structure**
- ❖ **Budget**

**Vision:**

To be recognized as a government leader in applying strategic supply management practices to achieve excellence in procurement

**Mission:**

To obtain, manage and dispose of quality goods, services, construction, and concessions in an open, timely, and cost-effective manner by a competitive, fair and socially responsible process in accordance with the law

# Organizational Structure

## Procurement Commissioner

**Executive Division**  
*5 Positions*

- Provides the leadership, management and direction of the Procurement Department with a customer centric focus

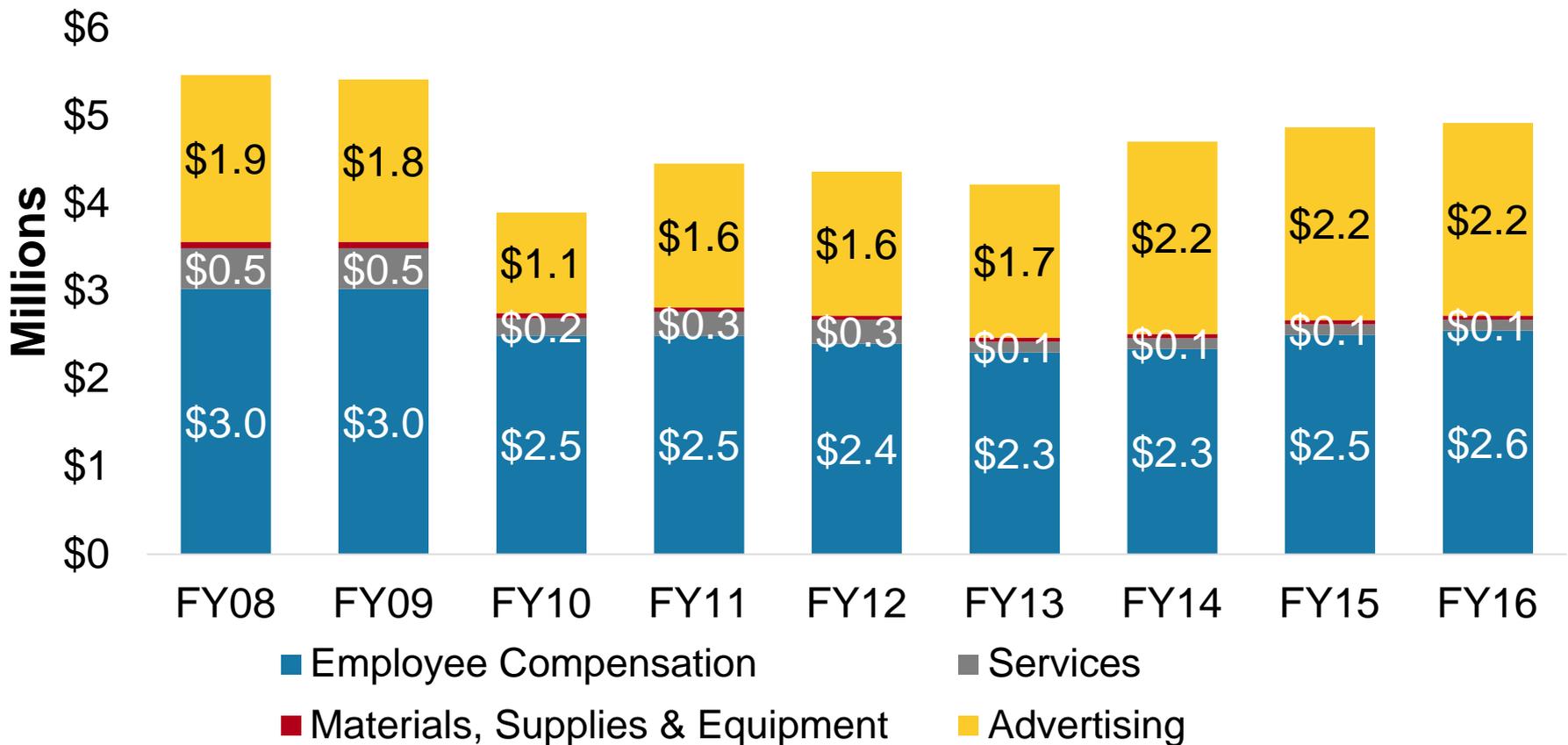
**Services, Supplies and Equipment (SS&E)**  
*34 positions*

- Oversees the purchase of commodities required by all City Departments, Boards, and Commissions so that the City can properly function and provide services to the public

**Public Works and Special Services (PW)**  
*14 positions*

- Oversees opportunities and contracts for City related construction and concessions
- Administers advertising for all Departments/ Boards/Commissions
- Monitors the City's inventory and coordinates the inspection of services and commodities
- Coordinates the City's asset recovery program

## Department Budget



**Advertising accounts for 46.5% (\$2.2M) of the budget. The Department is mandated by Charter to advertise public notices for all City Departments, Boards and Commissions**

*Note: Materials, Supplies & Equipment is less than \$100,000 in all years*



## What We Do

- ❖ **Service the City Departments**
- ❖ **Performance Measures**
- ❖ **Key Challenges**

# Enabling the City to Service its Citizens



## Public Safety



## Concessions



## Infrastructure



## Asset Recovery



## Aviation



## Special Events

## Supplies

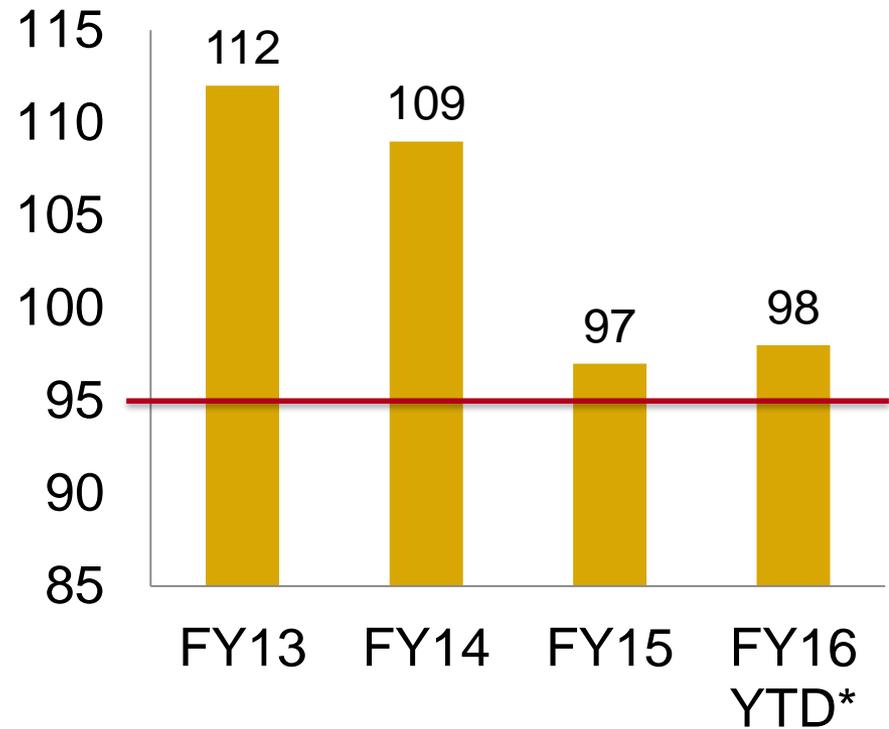


# Performance Measure 1: Average Number of Days from Bid Initiation to Award

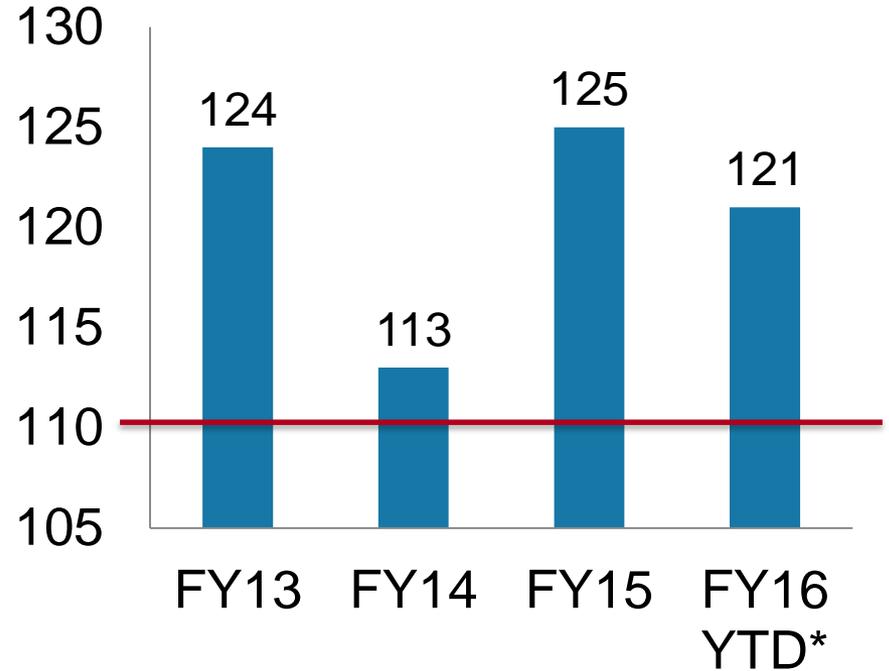
Target: PW - 95 days; SS&E – 110 days

— Target

### Public Works



### Services, Supplies and Equipment

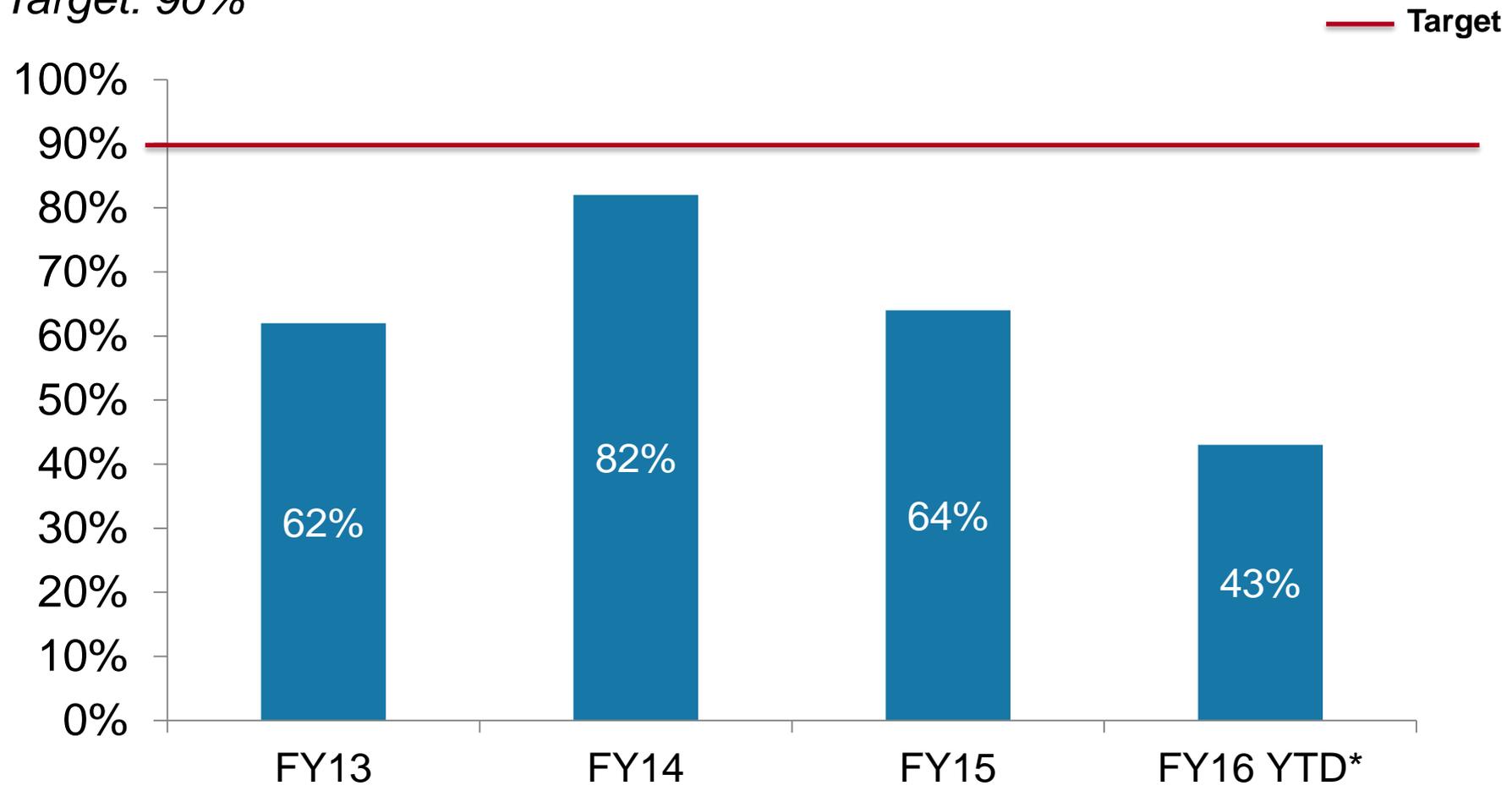


**Procurement is focused on process improvement projects to drive down the days from bid initiation to award**

\*Note: FY16 YTD is through September 2015

# Performance Measure 2: SS&E Contracts in place before Expiration

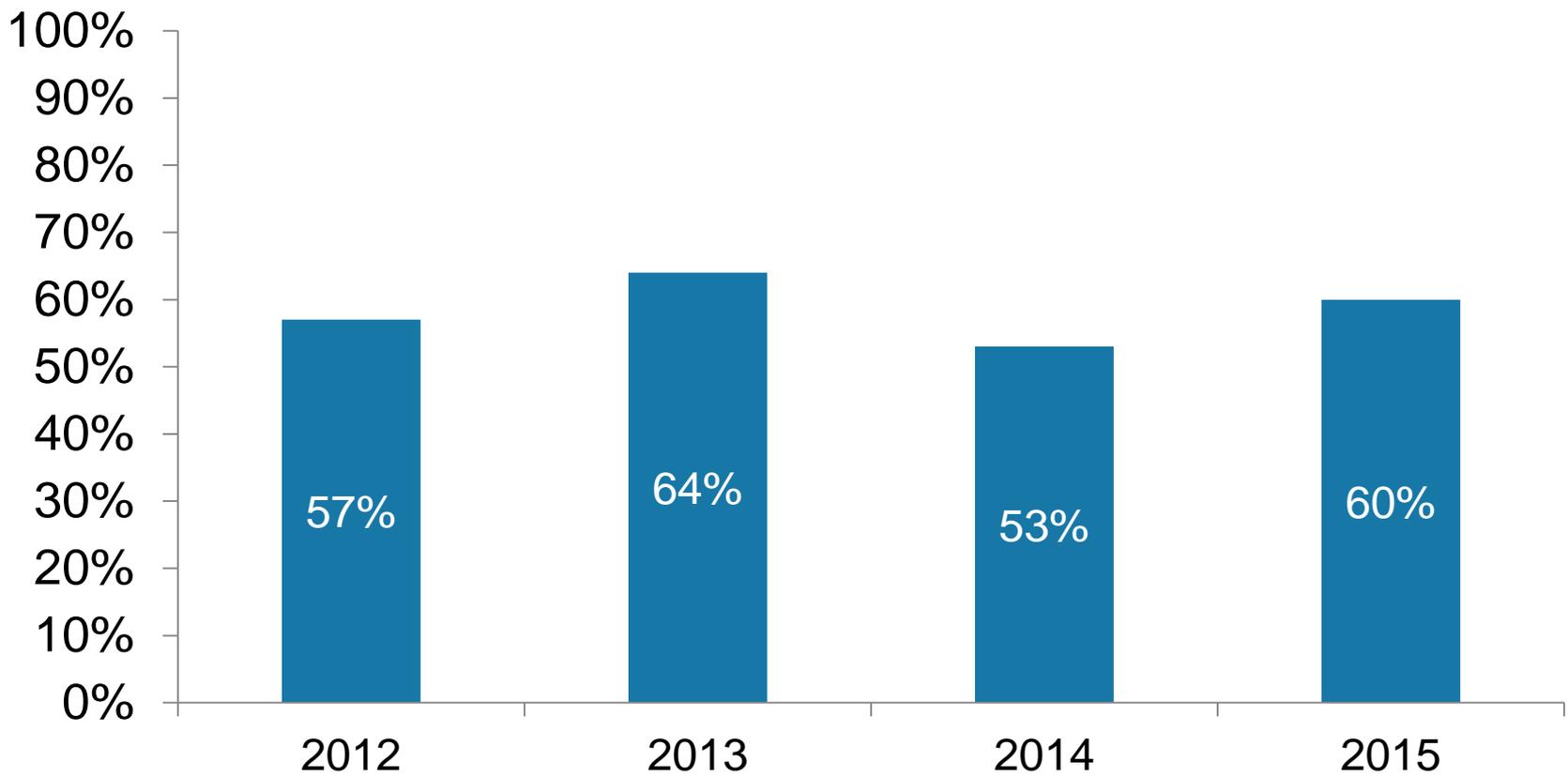
Target: 90%



**Procurement is taking active steps to ensure that there is no lapse in service for commodities and service contracts**

*\*Note: FY16 YTD is through September 2015*

### Performance Measure 3: Contracts awarded to Registered Local Business Entities (LBEs)



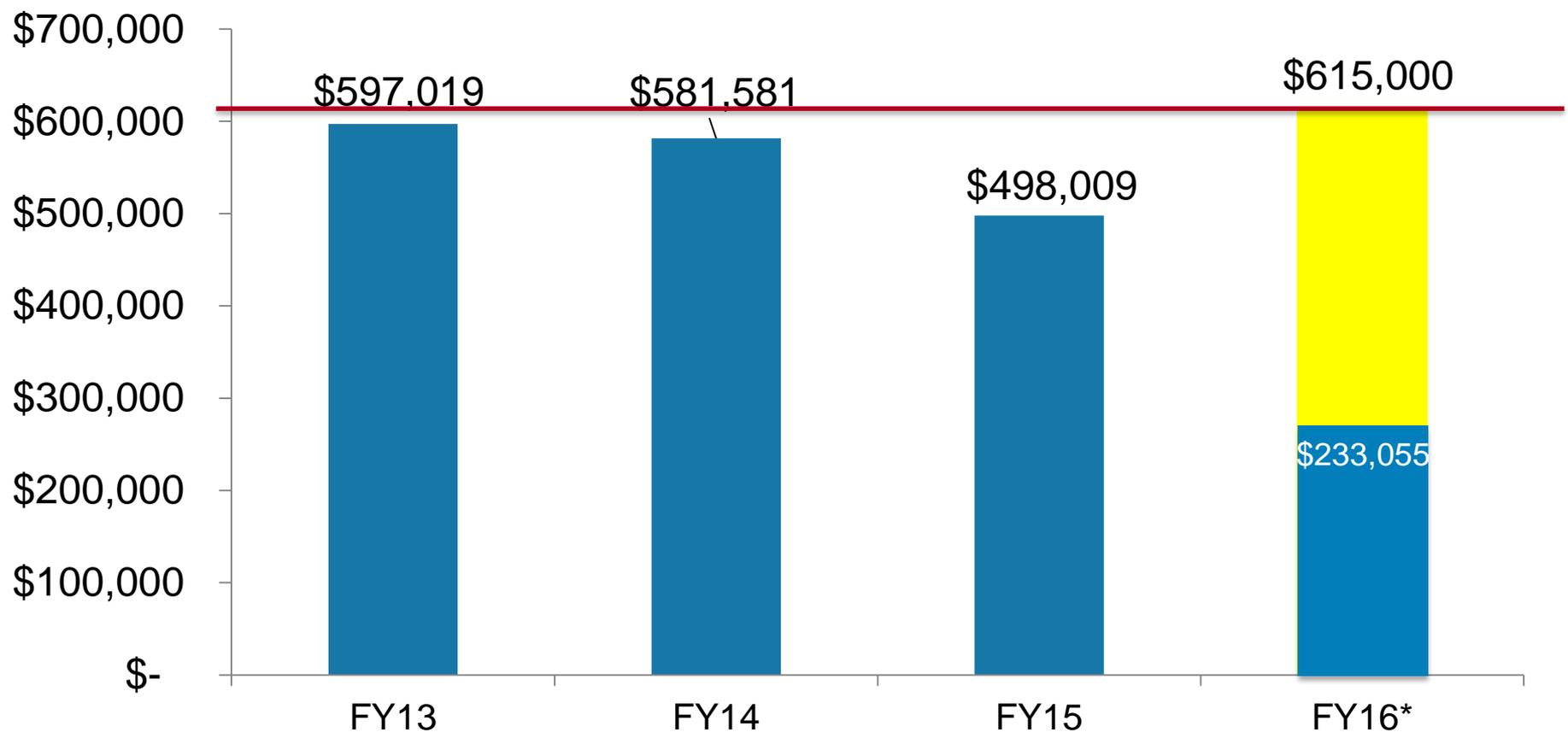
**Purchasing locally is a priority to ensure that the City supports the local economy**

*Note: This measure reflects the total amount of contracts awarded to registered LBEs through open-competitive bidding, **not** the total who received an award due to LBE preference. LBEs are defined per section 17-109 of the Philadelphia Code.*

# Performance Measure 4: Asset Recovery Revenue

Target: \$615,000

— Target



**This measure tracks revenue from City assets that are disposed of or sold**

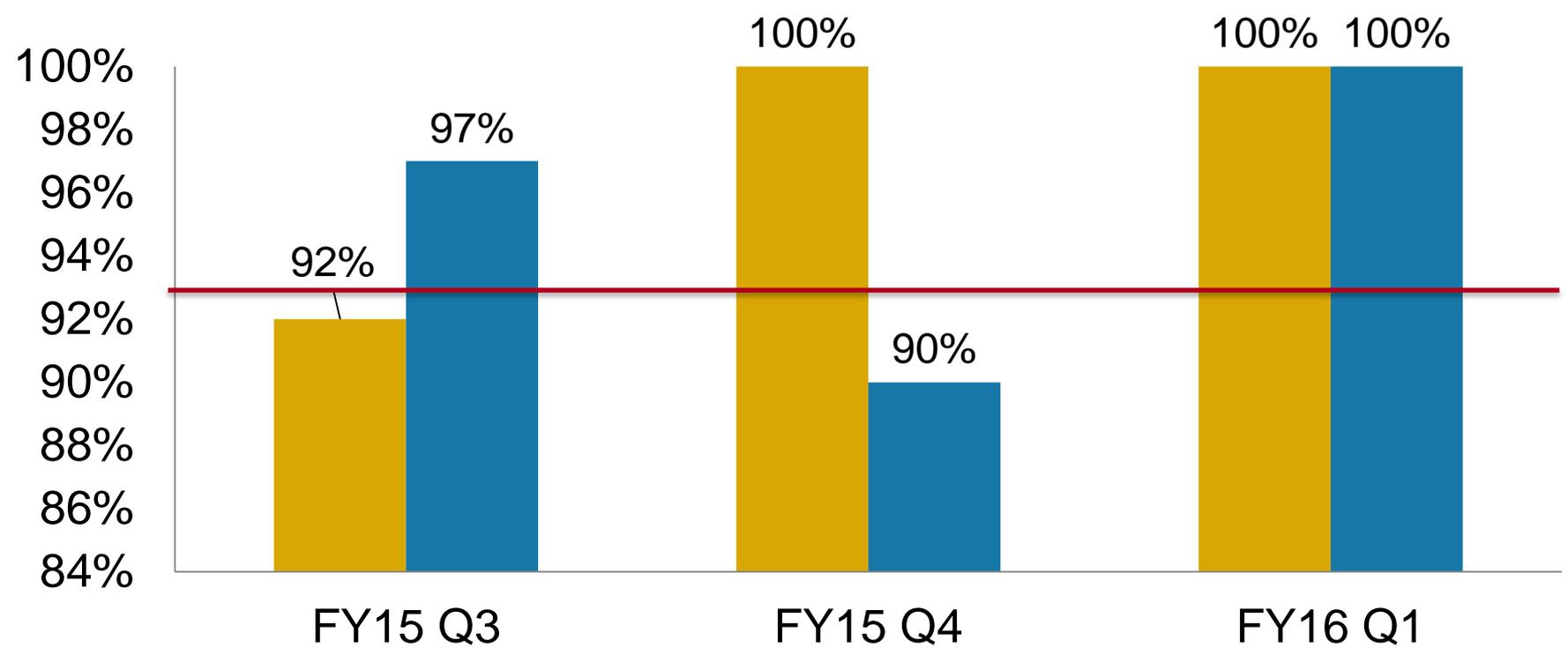
*\*Note: FY16 shows both actual (blue) through September & projected (yellow)*

# Performance Measure 5: Customer Satisfaction

Target: 93% Satisfied

— Target

■ Internal ■ External



**Internal customers are City agencies and departments; external customers are vendors. Measurement of customer satisfaction was started in Fall 2014, which is the baseline year. Targets may be adjusted once data is available.**

## Key Challenges



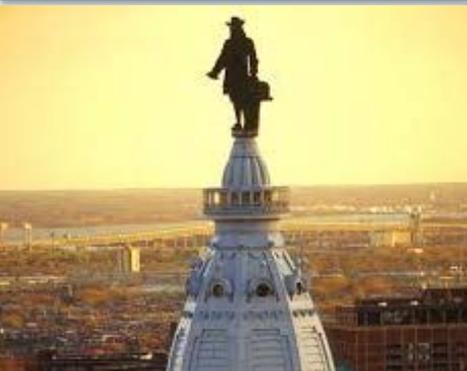
**Competition:** *Communications and engagement with internal and external stakeholders is being improved to spur competition and ensure Philadelphia receives the best quality while securing the lowest cost for goods and services.*



**System Constraints:** *To improve the current state of technology based on 90's era legacy systems, Procurement is partnering with OIT to implement a new e-procurement system, upgrade Procurement's website, and leverage social media to broaden its customer base.*



**Staffing Constraints:** *Due to intensive manual labor, the Department has relied upon hiring a majority of staff at entry level positions. However, in preparation for new IT systems Procurement is working with OHR to create paths for sustainable professional growth for all staff-members.*



# What's on the Horizon

- ❖ **Initiatives**

## Initiatives

- E-procurement System Upgrade
- Professional Development and Certifications
- Customer Service Improvements
- Emergency Purchasing
- Internal Process Improvement Strategy
- CityMart

## Additional Public Resources

- <http://mbec.phila.gov/procurement/>
- <https://secure.phila.gov/eContract/>
- <http://mbec.phila.gov/procurement/proc.asp>
- <http://twitter.com/PHLGovContracts>



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