



# Update on Managed Competition Issues

Budget and Finance Committee

June 18, 2008

Independent Budget Analyst, Report 08-65

# Update on Managed Competition Issues



- Stakeholders
  - Office of the Independent Budget Analyst
  - Mayor's Office
  - Councilmember Atkins' Office
  - Labor Organizations
  - Center on Policy Initiatives

# Key Issues Discussed



1. Clarification of IRB's Role Early in the Process
2. Discussion of Accelerated Step for Identifying which Functions Proceed to Competitive Procurement
3. Proposed Council and IRB Review and Approval of Preliminary Statement of Work
4. Status of CPI Issues
5. Discussion of Pre-screening Proposals for 10% Savings Requirement
6. Status of Pending BPR Ordinance Revisions

# 1. Clarification of IRB's Role Early in the Process



- Municipal Code states that the pre-competition assessment will be transmitted to the Managed Competition Independent Review Board (IRB) “for its consideration”.
  - Role of IRB needs to be clearly defined

## 2. Discussion of Accelerated Step for Identifying which Functions Proceed to Competitive Procurement



- New step in flow chart has been proposed that would decide earlier in process which functions would proceed to the PCA
- Discussion on treating this similar to an environmental review
  - Documentation of this step needs to occur
  - Communication of the results of the pre-screening and PCA needs to happen as soon as they are announced.

### 3. Proposed Council and IRB Review and Approval of Preliminary Statement of Work



- Previous Committee action on review and approval of the Statement of Work (SOW)
- Municipal Code states that when a service is selected for pre-competition, a preliminary written SOW will be prepared which will outline “service specifications” to be included in the SOW.
  - Mayor’s Office plans to implement this requirement and is proposing IRB and Council review and approval of the Preliminary SOW
  - Preliminary SOW needs to be defined

# 4. Status of CPI Issues



- CPI's Five Issues
  - Healthcare
  - Service Levels
  - Independent Auditor Approval
  - Retain Core Capacity
  - Worker Retention
- Additional discussion on how to incorporate changes

# 5. Discussion of Pre-screening Proposals for 10% Savings Requirement



- Current process for review of proposals involves a technical evaluation before review of costs.
- Discussed an initial screening of proposals received to determine if the bids meet or exceed the cost savings of 10%



## 6. Status of Pending BPR Ordinance Revisions



- Discussed impact of possible revisions to the Proposed Amendments to the BPR Ordinance as presented in IBA Report 08-25 and approved by the Budget and Finance Committee on March 26, 2008.
- Issues raised:
  - Specific time period for meet and confer should not be identified
  - Completion of PCA in time period may not be necessary

# Upcoming



- Development of recommendations by IBA and Mayor's Office on these issues, including changes to the Guide and/or Ordinances.
- Identification of impact on Proposed Amendments to BPR Ordinance as developed by the IBA and approved by the Budget and Finance Committee.
- Additional discussion at future Budget and Finance Committee and/or City Council.