

Purchasing & Contracting



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Purchasing & Contracting



Department Description

The Purchasing & Contracting Department administers the City's centralized procurement and materials management functions to ensure the availability of supplies, equipment, and services to meet the City's operational needs. The Department establishes and manages procurement standards which meet or exceed City, State, or federal regulations and requirements. Purchasing and Contracting staff strive to provide responsive customer service for internal (City departments) and external (bidders and proposers) clients and customers.

The Department also manages Central Stores and the Living Wage and Equal Opportunity Contracting Programs. The Living Wage Program ensures compliance with the City's Living Wage Ordinance through oversight of contract requirements, complaint investigations, and proactive contract reviews. The Program provides ongoing assistance in understanding and fulfilling obligations for City staff, covered employers and employees, labor and community organizations, and the public. The Equal Opportunity Contracting Program assists businesses and the labor market with increased access to contracting opportunities with the City of San Diego. Working in partnership with City departments and other agencies, EOC monitors and enforces equal opportunity and public contracting laws related to the use of construction contractors, consultants, vendors, and suppliers.

The Department's mission is:

To provide innovative, cost-effective procurement solutions through inclusive partnerships that foster social equity

The Department's vision is:

To be a national model in public procurement

Did you know?

- The Purchasing & Contracting Department is responsible for procuring almost \$1.0 billion in goods and services annually.

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- The Living Wage Program has recovered \$500,000 in lost wages since its inception.

Goals and Objectives

Goal 1: Provide quality goods and services in a fiscally responsible manner

- Continuously improve sound procurement policies and procedures
- Optimize use of SAP
- Provide contract administration
- Procure goods and services expeditiously
- Exceed customer service expectations

Goal 2: Ensure equality, non-discrimination, and compliance in the procurement of City contracts

- Encourage small and local businesses to participate in the City's Small Local Business Enterprise (SLBE) Program
- Ensure non-discrimination in City procurement
- Monitor contracts subject to the Prevailing Wage Ordinance

Goal 3: Ensure the Living Wage Ordinance (LWO) requirements are understood and met

- Maintain records
- Monitor contracts
- Provide educational information to contractors and employees

Goal 4: Use best practices in the delivery of procured goods and mail

- Maintain optimum inventories
- Minimize loss
- Provide exceptional delivery services
- Discard or recycle used assets

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Key Performance Indicators

Performance Indicator	Actual ¹ FY2015	Target ² FY2016	Actual FY2016	Target FY2017
1. Percentage of purchase orders processed within 10 days ³	67%	90%	79% ⁴	90%
2. Percentage increase in customer satisfaction	N/A	N/A	N/A ⁵	5%
3. Percentage of contracts, based on total dollar value, awarded to Small Local Business Enterprises (SLBEs) ⁶	23%	20%	TBD ⁵	20%
4. Percentage of Living Wage Ordinance violations investigated and addressed within 60 days	100%	100%	100%	100%
5. Percentage of underutilized assets discarded, sold, or recycled within 30 days	N/A	N/A	N/A ⁵	75%
6. Percentage of total transactions on contract under \$150,000	35%	N/A	31%	50%
7. Average number of days to award a contract	61	N/A	68	65

1. During Fiscal Year 2016 new department tactical plans and key performance indicators were developed. As such, Fiscal Year 2015 data may be unavailable.
2. New performance indicators for Fiscal Year 2016. Some baseline data is currently under development.
3. Once a fully completed requisition is received.
4. The Department made significant reductions in processing time from Fiscal Year 2015 to Fiscal Year 2016. Purchasing & Contracting will continue implementing workflow improvements in Fiscal Year 2017 which will assist in achieving the target of 90%.
5. This data was not tracked for Fiscal Year 2016 and will be tracked in future fiscal years.
6. This information is typically not available until the end of July. This information is for Construction and Architecture/Engineering (A/E) contracts.



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Department Summary

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
FTE Positions (Budgeted)	78.55	82.96	82.96	0.00
Personnel Expenditures	\$ 6,298,052	\$ 6,860,155	\$ 7,132,295	\$ 272,140
Non-Personnel Expenditures	11,149,115	14,059,536	12,804,744	(1,254,792)
Total Department Expenditures	\$ 17,447,167	\$ 20,919,691	\$ 19,937,039	\$ (982,652)
Total Department Revenue	\$ 13,145,231	\$ 14,857,928	\$ 14,821,892	\$ (36,036)

General Fund

Department Expenditures

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
Equal Opportunity Contracting	\$ 1,659,702	\$ 2,011,723	\$ 2,051,221	\$ 39,498
Purchasing & Contracting	3,784,207	5,600,812	4,522,395	(1,078,417)
Total	\$ 5,443,909	\$ 7,612,535	\$ 6,573,616	\$ (1,038,919)

Department Personnel

	FY2015 Budget	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
Equal Opportunity Contracting	19.70	19.48	19.48	0.00
Purchasing & Contracting	35.50	40.48	40.48	0.00
Total	55.20	59.96	59.96	0.00

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Salary and Benefit Adjustments Adjustments to reflect the annualization of the Fiscal Year 2016 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.	0.00	\$ 222,626	\$ -
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	43,122	-
Employee Rewards and Recognition Program Addition of non-personnel expenditures to comply with the Employee Rewards and Recognition Program per Administrative Regulation 95.91.	0.00	2,704	-
Non-Standard Hour Personnel Funding Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.	0.00	(5)	-
One-Time Reductions and Annualizations Adjustment to reflect the removal of one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2016.	0.00	(4,000)	(92,056)

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Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
Equipment/Support for Information Technology	0.00	(1,303,366)	-
Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements and priority analyses.			
Total	0.00	\$ (1,038,919)	\$ (92,056)

Expenditures by Category

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
PERSONNEL				
Personnel Cost	\$ 3,069,514	\$ 3,486,722	\$ 3,514,856	\$ 28,134
Fringe Benefits	1,626,065	1,794,711	1,989,198	194,487
PERSONNEL SUBTOTAL	4,695,579	5,281,433	5,504,054	222,621
NON-PERSONNEL				
Supplies	\$ 70,068	\$ 63,661	\$ 63,669	\$ 8
Contracts	228,947	287,371	328,559	41,188
Information Technology	437,794	1,969,794	666,428	(1,303,366)
Energy and Utilities	6,480	2,965	3,595	630
Other	5,041	7,311	7,311	-
NON-PERSONNEL SUBTOTAL	748,329	2,331,102	1,069,562	(1,261,540)
Total	\$ 5,443,909	\$ 7,612,535	\$ 6,573,616	\$ (1,038,919)

Revenues by Category

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
Charges for Services	\$ 1,184,117	\$ 1,550,772	\$ 1,458,716	\$ (92,056)
Other Revenue	12,411	-	-	-
Total	\$ 1,196,528	\$ 1,550,772	\$ 1,458,716	\$ (92,056)

Personnel Expenditures

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000119	Associate Management Analyst	12.00	12.00	12.00	\$54,059 - \$65,333	\$ 694,537
20000232	Buyer's Aide 1	0.00	0.00	1.00	36,962 - 44,533	36,962
90000539	Clerical Assistant 2 - Hourly	0.50	0.48	0.48	29,931 - 36,067	15,825
20000545	Contracts Processing Clerk	5.00	5.00	3.00	32,968 - 39,811	116,447
20001101	Department Director	1.00	1.00	1.00	59,155 - 224,099	140,000
20001168	Deputy Director	1.00	1.00	1.00	46,966 - 172,744	109,855
20000924	Executive Secretary	1.00	1.00	1.00	43,555 - 52,666	52,666
20000290	Information Systems Analyst 2	0.00	0.00	1.00	54,059 - 65,333	54,059
20000293	Information Systems Analyst 3	1.00	1.00	1.00	59,363 - 71,760	71,760
90001073	Management Intern - Hourly	0.70	0.48	0.48	24,274 - 29,203	12,810
20000680	Payroll Specialist 2	1.00	1.00	1.00	34,611 - 41,787	40,951
20000173	Payroll Supervisor	0.00	1.00	1.00	39,686 - 48,069	39,686
20000791	Principal Procurement Specialist	3.00	4.00	4.00	59,363 - 71,864	271,202
20000227	Procurement Specialist	11.00	12.00	12.00	49,109 - 59,488	677,663

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Personnel Expenditures (Cont'd)

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Adopted	Salary Range	Total
20001234	Program Coordinator	1.00	1.00	1.00	23,005 - 137,904	101,001
20001222	Program Manager	1.00	1.00	1.00	46,966 - 172,744	113,000
20000927	Senior Clerk/Typist	1.00	1.00	1.00	36,067 - 43,514	36,067
20000015	Senior Management Analyst	6.00	6.00	6.00	59,363 - 71,760	402,722
20000879	Senior Procurement Specialist	3.00	5.00	5.00	53,955 - 65,270	300,771
20000970	Supervising Management Analyst	3.00	3.00	3.00	66,768 - 80,891	242,673
20000756	Word Processing Operator	3.00	3.00	3.00	31,491 - 37,918	104,935
	Bilingual - Regular					7,280
	Budgeted Vacancy Savings					(134,659)
	Sick Leave - Hourly					110
	Termination Pay Annual Leave					6,533
FTE, Salaries, and Wages Subtotal		55.20	59.96	59.96		\$ 3,514,856
		FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change	
Fringe Benefits						
	Employee Offset Savings	\$ 13,070	\$ 12,632	\$ 16,244	\$ 3,612	
	Flexible Benefits	372,500	513,252	590,170	76,918	
	Insurance	106	-	-	-	
	Long-Term Disability	27,321	11,327	11,132	(195)	
	Medicare	45,378	49,398	50,998	1,600	
	Other Post-Employment Benefits	303,098	335,502	331,240	(4,262)	
	Retiree Medical Trust	4,177	5,156	5,521	365	
	Retirement 401 Plan	2,322	2,341	2,440	99	
	Retirement ADC	556,382	505,250	609,138	103,888	
	Retirement DROP	10,237	12,643	6,274	(6,369)	
	Risk Management Administration	43,827	59,850	57,232	(2,618)	
	Supplemental Pension Savings Plan	204,336	245,516	249,237	3,721	
	Unemployment Insurance	6,284	6,492	6,370	(122)	
	Workers' Compensation	37,028	35,352	53,202	17,850	
Fringe Benefits Subtotal		\$ 1,626,065	\$ 1,794,711	\$ 1,989,198	\$ 194,487	
Total Personnel Expenditures					\$ 5,504,054	

Central Stores Fund

Department Expenditures

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
Central Stores	\$ 12,003,258	\$ 13,307,156	\$ 13,363,423	\$ 56,267
Total	\$ 12,003,258	\$ 13,307,156	\$ 13,363,423	\$ 56,267

Department Personnel

	FY2015 Budget	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
Central Stores	23.35	23.00	23.00	0.00
Total	23.35	23.00	23.00	0.00

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Salary and Benefit Adjustments	0.00	\$ 49,519	\$ -
Adjustments to reflect the annualization of the Fiscal Year 2016 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.			
Equipment/Support for Information Technology	0.00	9,365	-
Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements and priority analyses.			
Non-Discretionary Adjustment	0.00	1,838	-
Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.			
One-Time Reductions and Annualizations	0.00	(4,455)	-
Adjustment to reflect the removal of one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2016.			
IAM Reimbursable Revenue	0.00	-	42,331
Adjustment to reflect revised revenue projections for reimbursement of SAP Infrastructure Asset Management (IAM, formerly EAM) project labor.			
Revised Revenue	0.00	-	13,689
Adjustment to reflect Fiscal Year 2017 revenue projections.			
Total	0.00	\$ 56,267	\$ 56,020

Expenditures by Category

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
PERSONNEL				
Personnel Cost	\$ 847,036	\$ 825,279	\$ 820,591	\$ (4,688)
Fringe Benefits	755,436	753,443	807,650	54,207
PERSONNEL SUBTOTAL	1,602,472	1,578,722	1,628,241	49,519
NON-PERSONNEL				
Supplies	\$ 9,603,102	\$ 10,991,328	\$ 10,992,655	\$ 1,327
Contracts	625,462	551,098	573,606	22,508
Information Technology	33,796	25,481	34,846	9,365
Energy and Utilities	114,213	150,819	128,822	(21,997)
Other	12,645	5,383	928	(4,455)
Transfers Out	11,568	4,325	4,325	-
NON-PERSONNEL SUBTOTAL	10,400,786	11,728,434	11,735,182	6,748
Total	\$ 12,003,258	\$ 13,307,156	\$ 13,363,423	\$ 56,267

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Revenues by Category

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
Charges for Services	\$ 11,746,033	\$ 13,187,156	\$ 13,243,176	\$ 56,020
Other Revenue	195,145	120,000	120,000	-
Rev from Money and Prop	7,525	-	-	-
Total	\$ 11,948,703	\$ 13,307,156	\$ 13,363,176	\$ 56,020

Personnel Expenditures

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
2000011	Account Clerk	2.00	2.00	2.00	\$31,491 - \$37,918	\$ 75,078
20000171	Auto Messenger 1	5.00	5.00	5.00	26,208 - 31,491	155,267
20000110	Auto Messenger 2	7.00	7.00	7.00	29,931 - 36,067	240,344
90000110	Auto Messenger 2 - Hourly	0.35	0.00	0.00	29,931 - 36,067	-
20000927	Senior Clerk/Typist	1.00	1.00	1.00	36,067 - 43,514	36,067
20000951	Stock Clerk	1.00	1.00	1.00	30,056 - 36,275	36,275
20000950	Stock Clerk	3.00	3.00	3.00	30,056 - 36,275	107,374
20000955	Storekeeper 1	2.00	2.00	2.00	34,611 - 41,517	81,342
20000953	Storekeeper 3	1.00	1.00	1.00	39,811 - 47,882	47,882
20000538	Stores Operations Supervisor	1.00	1.00	1.00	45,573 - 55,078	45,573
	Budgeted Vacancy Savings					(29,931)
	Night Shift Pay					5,369
	Overtime Budgeted					19,276
	Sick Leave - Hourly					675
FTE, Salaries, and Wages Subtotal		23.35	23.00	23.00		\$ 820,591

	FY2015 Actual	FY2016 Budget	FY2017 Adopted	FY2016-2017 Change
Fringe Benefits				
Employee Offset Savings	\$ 6,833	\$ 6,827	\$ 6,104	\$ (723)
Flexible Benefits	157,594	188,210	221,210	33,000
Long-Term Disability	7,109	2,628	2,530	(98)
Medicare	11,295	9,647	11,013	1,366
Other Post-Employment Benefits	135,382	129,492	130,130	638
Retiree Medical Trust	178	170	381	211
Retirement 401 Plan	380	363	363	-
Retirement ADC	348,053	321,935	338,692	16,757
Retirement DROP	1,817	3,007	1,157	(1,850)
Risk Management Administration	19,495	23,100	22,484	(616)
Supplemental Pension Savings Plan	39,059	40,291	42,210	1,919
Unemployment Insurance	1,665	1,505	1,449	(56)
Workers' Compensation	26,576	26,268	29,927	3,659
Fringe Benefits Subtotal	\$ 755,436	\$ 753,443	\$ 807,650	\$ 54,207
Total Personnel Expenditures			\$ 1,628,241	

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Revenue and Expense Statement (Non-General Fund)

Central Stores Fund	FY2015 Actual	FY2016* Budget	FY2017 Adopted
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 188,036	\$ 133,481	\$ 233,774
TOTAL BALANCE AND RESERVES	\$ 188,036	\$ 133,481	\$ 233,774
REVENUE			
Charges for Services	\$ 11,746,033	\$ 13,187,156	\$ 13,243,176
Other Revenue	195,145	120,000	120,000
Revenue from Use of Money and Property	7,525	–	–
TOTAL REVENUE	\$ 11,948,703	\$ 13,307,156	\$ 13,363,176
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 12,136,740	\$ 13,440,637	\$ 13,596,950
OPERATING EXPENSE			
Personnel	\$ 847,036	\$ 825,279	\$ 820,591
Fringe Benefits	755,436	753,443	807,650
Supplies	9,603,102	10,991,328	10,992,655
Contracts	625,462	551,098	573,606
Information Technology	33,796	25,481	34,846
Energy and Utilities	114,213	150,819	128,822
Other Expenses	12,645	5,383	928
Transfers Out	11,568	4,325	4,325
TOTAL OPERATING EXPENSE	\$ 12,003,258	\$ 13,307,156	\$ 13,363,423
TOTAL EXPENSE	\$ 12,003,258	\$ 13,307,156	\$ 13,363,423
BALANCE	\$ 133,481	\$ 133,481	\$ 233,527
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 12,136,740	\$ 13,440,637	\$ 13,596,950

* At the time of publication, audited financial statements for Fiscal Year 2016 were not available. Therefore, the Fiscal Year 2016 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2016 Adopted Budget, while the beginning FY 2016 balance amount reflects the audited Fiscal Year 2015 ending balance.