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## **Purchasing Department**

*Anchorage: Performance. Value. Results.*

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### **Mission**

Support all Municipal agencies through effective and efficient purchasing and contract management services.

### **Core Services**

- Support all Municipal Agencies by providing effective and efficient purchasing and contract management services to acquire needed supplies, services and construction services.
- Develop and maintain a vendor database to ensure information relating to potential and actual purchases is disseminated to interested parties, and through the Municipal website; advertise, issue Invitations to Bid, Requests for Quotes and Requests for Proposals thereby obtaining best prices through competitive means.
- Provide the means of disposal of outdated or surplus supplies and equipment through sales or auction processes.
- Procurement Card Program; manage P-Card Program to support misc. payments and small purchases; maximize e-commerce; and provide accountability in its use.

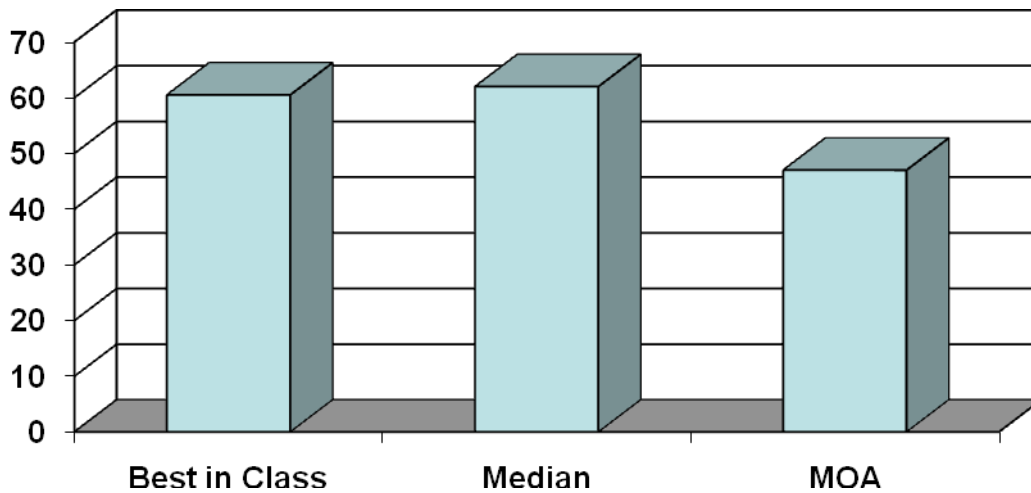
### **Accomplishment Goals**

- Provide procurement services that are efficient and effective to municipal department and enterprises.
- Continuously improve the lead-time on all items or services procured thereby creating the opportunity for Municipal agencies to more effectively deliver their services.
- Expand the Procurement Card Program to improve lead time on small purchases, increase savings through reduced administrative actions, and increase revenue through the Bank's incentive program.
- Increase revenue in surplus sales via increased use of e-commerce in the auction contract and surplus sale bid processes.

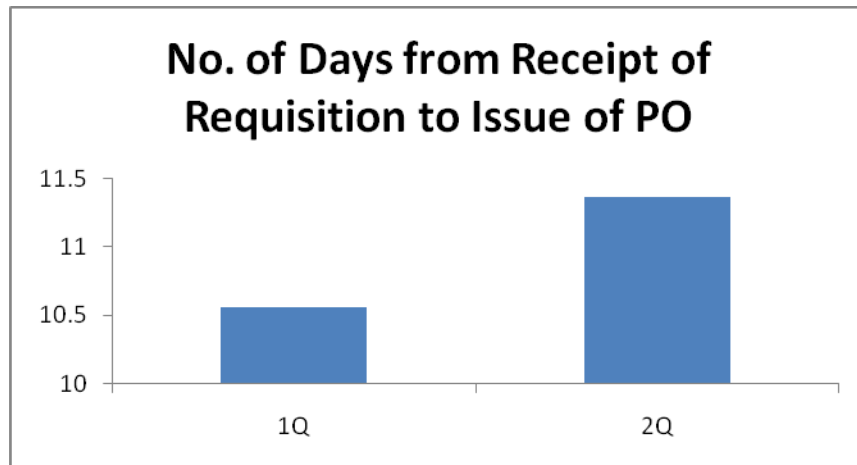
### **Performance Measures**

Progress in achieving goals shall be measured by:

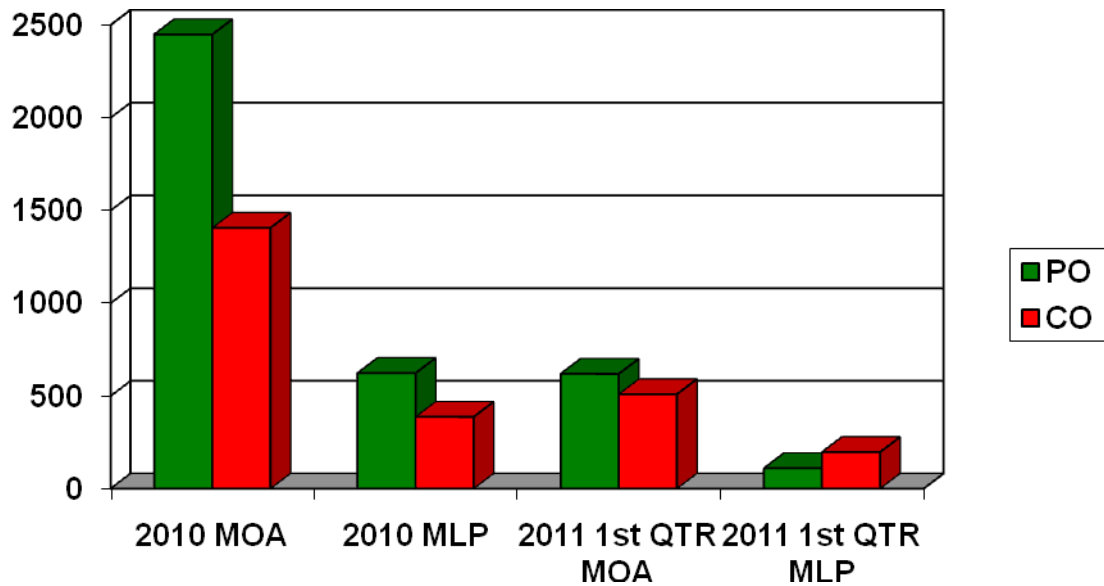
**Measure #1:** Cost to provide efficient purchasing services as a percent of total MOA purchases and compare to national benchmarks



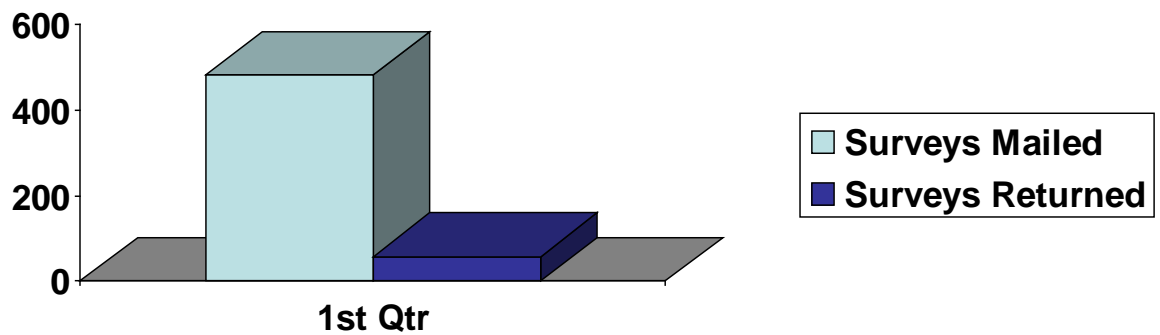
**Measure #2:** Lead-time (number of days) to acquire services/supplies needed and improve accuracy of requisitions received.



**Measure #3: Number of purchase orders, change orders and line items processed**

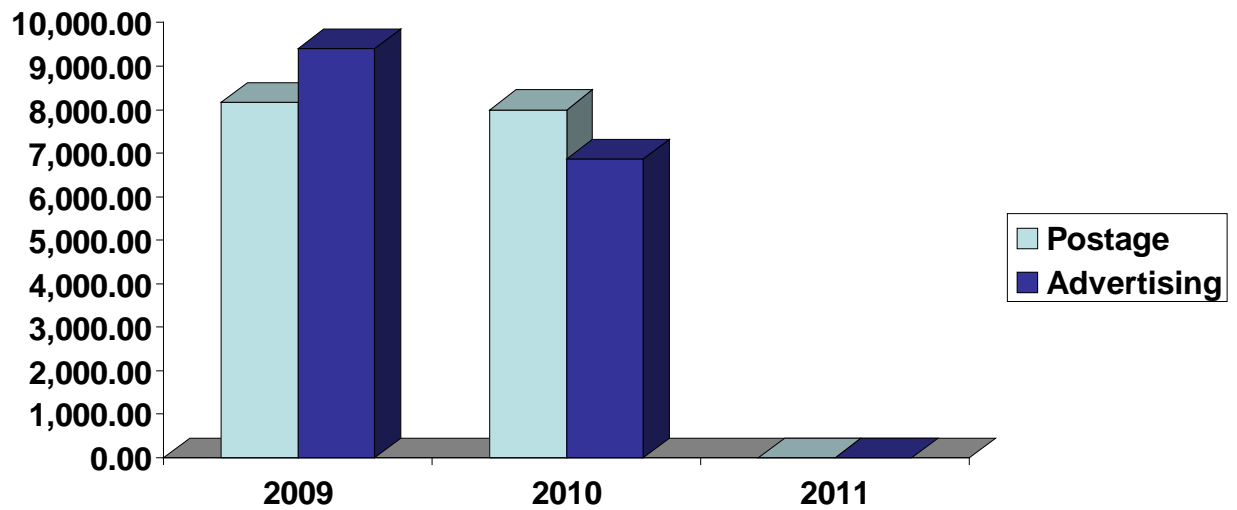


**Measure #4: % of those surveyed that were satisfied overall with the purchasing card program.**



Note: 481 Surveys were mailed out and data is still being compiled

**Measure #5: Savings in advertising costs and postage.**



Note: Only reductions shown are savings in the Purchasing Department's budget.  
Many advertisements used bond, grant and departmental funds which were not tracked

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**Performance Measure Methodology Sheet**  
**Purchasing Department**

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<b>Measure #1: Effective and efficient transactions</b>
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**Type**

Effectiveness and efficiency

**Accomplishment Goal Supported**

Reduce administrative transactions in Purchasing and Finance.

**Definition**

Measure the effectiveness through customer satisfaction, reduction of transactions, and better use of existing resources.

**Data Collection Method**

Manually tracking documents requiring fund certification, query increased use of procurement card program and recording documents returned for additional information.

**Frequency**

Measurement will be discussed in monthly staff meetings.

**Measured By**

Create an Excel spreadsheet to track information.

**Reporting**

The Purchasing Officer will retain monthly reports.

**Used By**

The Purchasing Office and Chief Fiscal Officer will use the information to determine if Municipal Departments or Divisions need training or additional support in using purchasing and contract management services to acquire supplies and construction services.

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**Performance Measure Methodology Sheet**  
**Purchasing Department**

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**Measure #2: Lead-time (number of days) to acquire services/supplies needed and improve accuracy of requisitions received.**

**Type**

Functionality

**Accomplishment Goal Supported**

Reduce time needed to acquire services/supplies needed and correct requisition

**Definition**

Determine the period of time between the initial phase of a process and the results/completion.

**Data Collection Method**

Crystal report through PeopleSoft

**Frequency**

Quarterly measure this performance.

**Measured By**

The department will run a quarterly report from the PeopleSoft financial system showing purchasing activity and maintain a hard copy on file.

**Reporting**

Purchasing will maintain quarterly queries by department

**Used By**

Purchasing staff to determine the need for internal improvement and determine need for training of customers to improve requisitioning processes.

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**Performance Measure Methodology Sheet**  
**Purchasing Department**

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<b>Measure #3: Purchase orders, change orders and line items processed</b>
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**Type**

Efficiency

**Accomplishment Goal Supported**

Reduce number of purchase orders and change orders processed.

**Definition**

Measure percent of purchase orders returned due to errors or incomplete description. Consolidate purchase orders when and where possible. Reduce staff time required to process purchase orders by informing customers of ordering methods and policies.

**Data Collection Method**

Query in PeopleSoft to determine number of purchase orders issued and change orders processed.

**Frequency**

Measurement will be discussed in monthly staff meetings

**Measured By**

Excel spreadsheet will be accessible to all Purchasing staff on the G drive

**Reporting**

The Excel spreadsheet will be printed for a year-to-date review and discussion at monthly staff meetings

**Used By**

Purchasing staff will use the information to ensure timely purchase of supplies or equipment.

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**Performance Measure Methodology Sheet**  
**Purchasing Department**

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<b>Measure #4: Procurement Use Satisfaction</b>
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**Type**

User satisfaction

**Accomplishment Goal Supported**

Overall satisfaction with the purchase card system

**Definition**

Monitor effectiveness of purchase procurement card system, employee usage and pay on receipt processes.

**Data Collection Method**

The department will audit procurement card activity for completeness.

**Frequency**

Reconcile procurement card activity on a monthly basis

**Measured By**

PeopleSoft and Morgan Chase monthly reports and query

**Reporting**

Report findings are forwarded to the Departments

**Used By**

Purchasing staff and Controller to determine timely processing of accounting reconciliation, compliance with program requirements and customer satisfaction.



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**Performance Measure Methodology Sheet**  
**Purchasing Department**

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<b>Measure #5: Savings in Advertising and Postage Costs</b>
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**Type**

Savings

**Accomplishment Goal Supported**

Overall savings to be realized by using municipal website to advertise invitations to bid, request for quotes and requests for proposals.

**Definition**

Municipal Code, Title 7, required public notice of invitation for bids

**Data Collection Method**

Advertise all public notices through use of municipal website

**Frequency**

Postage meter will be read monthly and usage will be recorded on an excel spreadsheet. Number of solicitations will be tracked and compared to costs for advertising the same number of solicitations in prior year to determine savings.

**Measured By**

Office staff who will record usage

**Reporting**

Information will be reported to Purchasing Officer to determine cost savings

**Used By**

Purchasing Officer and OMB to determine reduction in annual budget