Purchasing

Purchasing
MUNICIPALITY OF ANCHORAGE

Chief Administrative Officer

Purchasing

Purchasing

Description

The Purchasing Department is responsible for the acquisition of supplies, services, and construction which support the operations of the Municipality. The Purchasing Department is the entity within the Municipality that is authorized to issue Invitations to Bid, Requests for Proposals, purchase orders, and contracts to acquire supplies and services. The Purchasing Department also assists in the disposal of all municipal surplus property and equipment.

Department Services

The Purchasing Department is conscious of its responsibility and accountability in the expenditure of public funds. Therefore, the Purchasing Department maintains a competitive bidding process in accordance with Federal and State laws, regulations, and Municipal ordinances. It is the Purchasing Department's policy to encourage the participation of qualified vendors in the bidding process, emphasizing opportunities for small businesses and disadvantaged and women owned businesses. Preference may be given to local bidders when not prohibited by the funding source.

Projects and requirements for the Municipality vary widely, and as a result, rely heavily upon local businesses and contractors to meet its needs. The Purchasing Department encourages local contractors to participate in the solicitation processes that are offered. For local contractors and businesses within the corporate boundaries of the Municipality, a local bidder's preference is applied; the use of minority and women-owned business is encouraged. Participation goals for sub-contracting may be required, depending on the source of funding.

Department Goals that Contribute to Achieving the Mayor's Mission:

Good Government – Staffing up departments, balancing the budget, and delivering better services.
- Provide departments with the knowledge needed to successfully procure items/services at the best value for the city with minimal difficulty (standardize and streamline processes).
- Provide training to departments on the purchasing processes and contract administration to increase efficiency and accuracy.
- Ensure that procurements are made in compliance with all laws and policies, while measuring the accuracy and fairness of the Purchasing bidding process.

Building Our Future – Delivering better economic opportunities, more housing, affordable childcare, and a reliable energy future.
- Increase local vender participation in solicitations.
- Continue to work with and explore alternative procurement methods when contracting situations would benefit from their use.

Purchasing
Department Summary

	2023 Actuals Unaudited	2024 Revised	2025 Proposed	25 v 24 % Chg
Direct Cost by Division				
Purchasing	1,771,316	1,924,427	1,984,433	3.12%
Direct Cost Total	**1,771,316**	**1,924,427**	**1,984,433**	**3.12%**
Intragovernmental Charges				
Charges by/to Other Departments	(1,280,059)	(1,398,927)	(1,458,933)	4.29%
Function Cost Total	**491,257**	**525,500**	**525,500**	**-**
Program Generated Revenue	(478,605)	(525,500)	(525,500)	-
Net Cost Total	**12,651**	**-**	**-**	**-**
Direct Cost by Category				
Salaries and Benefits	1,645,951	1,818,527	1,911,644	5.12%
Supplies	18,299	2,964	2,964	-
Travel	-	-	-	-
Contractual/OtherServices	87,180	77,936	69,825	(10.41%)
Debt Service	-	-	-	-
Equipment, Furnishings	19,886	25,000	-	(100.00%)
Direct Cost Total	**1,771,316**	**1,924,427**	**1,984,433**	**3.12%**
Position Summary as Budgeted				
Full-Time	13	13	13	-
Part-Time	-	-	-	-
Position Total	**13**	**13**	**13**	**-**

Purchasing
Reconciliation from 2024 Revised Budget to 2025 Proposed Budget

		Positions		
	Direct Costs	FT	PT	Seas/T
2024 Revised Budget	1,924,427	13	-	-
2024 One-Time Adjustments				
- Reverse ONE-TIME - 2024 1Q Assembly Amendment #1, Line 5, Public access procurement application software	(25,000)	-	-	-
Changes in Existing Programs/Funding for 2025				
- Salaries and benefits adjustments	85,006	-	-	-
2025 Continuation Level	1,984,433	13	-	-
2025 Proposed Budget Changes				
- None	-	-	-	-
2025 Proposed Budget	1,984,433	13	-	-

Purchasing
Division Summary
Purchasing

(Fund Center # 138100, 138179)

	2023 Actuals Unaudited	2024 Revised	2025 Proposed	25 v 24 % Chg
Direct Cost by Category				
Salaries and Benefits	1,645,951	1,818,527	1,911,644	5.12%
Supplies	18,299	2,964	2,964	-
Travel	-	-	-	-
Contractual/Other Services	87,180	77,936	69,825	(10.41%)
Equipment, Furnishings	19,886	25,000	-	(100.00%)
Manageable Direct Cost Total	**1,771,316**	**1,924,427**	**1,984,433**	**3.12%**
Debt Service	-	-	-	-
Depreciation/Amortization	-	-	-	-
Non-Manageable Direct Cost Total	**-**	**-**	**-**	**-**
Direct Cost Total	**1,771,316**	**1,924,427**	**1,984,433**	**-**
Intragovernmental Charges				
Charges by/to Other Departments	(1,280,059)	(1,398,927)	(1,458,933)	4.29%
Function Cost Total	**491,257**	**525,500**	**525,500**	**-**
Program Generated Revenue by Fund				
Fund 101000 - Areawide General	478,605	525,500	525,500	-
Program Generated Revenue Total	**478,605**	**525,500**	**525,500**	**-**
Net Cost Total	**12,651**	**-**	**-**	**-**
Position Summary as Budgeted				
Full-Time	13	13	13	-
Position Total	**13**	**13**	**13**	**-**

Purchasing
Division Detail
Purchasing
(Fund Center # 138100, 138179)

	2023 Actuals Unaudited	2024 Revised	2025 Proposed	25 v 24 % Chg
Direct Cost by Category				
Salaries and Benefits	1,645,951	1,818,527	1,911,644	5.12%
Supplies	18,299	2,964	2,964	-
Travel	-	-	-	-
Contractual/Other Services	87,180	77,936	69,825	(10.41%)
Equipment, Furnishings	19,886	25,000	-	(100.00%)
Manageable Direct Cost Total	**1,771,316**	**1,924,427**	**1,984,433**	**3.12%**
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	**-**	**-**	**-**	**-**
Direct Cost Total	**1,771,316**	**1,924,427**	**1,984,433**	**3.12%**
Intragovernmental Charges				
Charges by/to Other Departments	(1,280,059)	(1,398,927)	(1,458,933)	4.29%
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	157,501	210,000	210,000	-
408380 - Prior Year Expense Recovery	2,337	-	-	-
408570 - Sale of Contractor Specifications	-	500	500	-
408580 - Miscellaneous Revenues	318,767	315,000	315,000	-
Program Generated Revenue Total	**478,605**	**525,500**	**525,500**	**-**
Net Cost				
Direct Cost Total	1,771,316	1,924,427	1,984,433	3.12%
Charges by/to Other Departments Total	(1,280,059)	(1,398,927)	(1,458,933)	4.29%
Program Generated Revenue Total	(478,605)	(525,500)	(525,500)	-
Net Cost Total	**12,651**	**-**	**-**	**-**

Position Detail as Budgeted

	2023 Revised Full Time	2023 Revised Part Time	2024 Revised Full Time	2024 Revised Part Time	2025 Proposed Full Time	2025 Proposed Part Time
Administrative Coordinator	1	-	1	-	2	-
Administrative Officer	4	-	4	-	4	-
Deputy Director I	1	-	1	-	1	-
Deputy Officer	1	-	1	-	1	-
Junior Administrative Officer	1	-	1	-	-	-
Principal Administrative Officer	2	-	3	-	3	-
Purchasing Director	1	-	1	-	1	-
Senior Administrative Officer	2	-	1	-	1	-
Position Detail as Budgeted Total	**13**	**-**	**13**	**-**	**13**	**-**

Purchasing
Anchorage: Performance. Value. Results.

Mission
Responsible for the acquisition of supplies, services, and construction supporting the operations of the Municipality.

Accomplishment Goals
- Provide departments with the knowledge needed to successfully procure items/services at the best value for the Municipality with minimal difficulty (standardize and streamline processes).
- Ensure that procurements are made in compliance with all laws and policies.
- Provide contract administration training to departments.
- Provide education to departments on the purchasing processes which will increase efficiency and accuracy.
- Expand use of Purchasing Credit card to achieve efficiency.
- Increase local vender participation and solicitations.

Performance Measures
Progress in achieving goals will be measured by:

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

2020 – 0.7%
2021 – 0.5%
2022 – 0.4%
2023 – 0.4%
2024 Q2 – 1.6%

	Amount	Value
Purchase Orders	933	$50,036,274.91
Change Orders	458	$8,579,076.68
Total	1391	$58,615,351.59

Benchmark: Below 1%

Performance Measure #2: Number of formal protests sent to Bidding Review Board (BRB).

2020 – 0
2021 – 1 2021B073 Glenn Alps Snow Removal
2022 – 0
2023 – 0
2024 Q2 – 0

Goal: 0

Notes: 2021B073 Glenn Alps Snow Removal –
Purchasing addressed the issues and worked with M&O to re-solicit this requirement. Per Anchorage Municipal Code, Section 7.20.040.A.3, the MOA cancelled ITB 2021B073 as being in the best interest of the Municipality.

Performance Measure #3: Number of trainings offered to MOA Employees.

2024 In-person Trainings
Q2 – Shopping cart (1)
Q2 – P-Card (N/A)

| Purchasing Credit Card Data – Q2		
	# of CC	% trained
Participants	373	N/A
New Users	29	100%
Renewals	21	80%

Goal: 1 Shopping Cart training per quarter; 1:1 training for new P-card users; and online training for 100% of all P-card renewals.

Performance Measure #4: Number of MOA Credit Card transactions and split transactions.

Purchasing Credit Card Data	
# of Audit Findings	2024 – No Data Yet

Current Estimated Value of Annual Rebate (April 2024 – May 2025)	$281,045.60

2024	Q2
Split Transactions	0

MOA Credit Card Expenditures

Q1: $5,316,337.19
Q2: $5,448,601.42
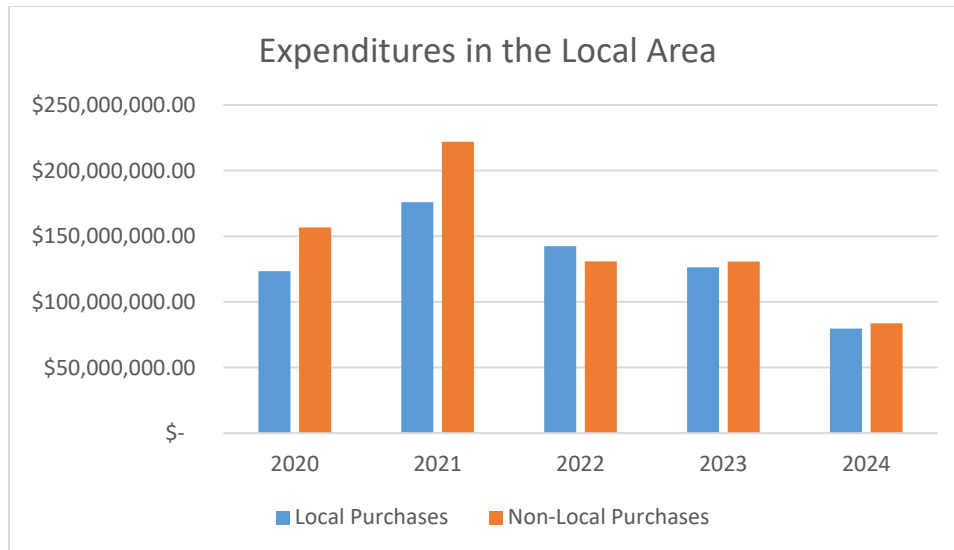2024
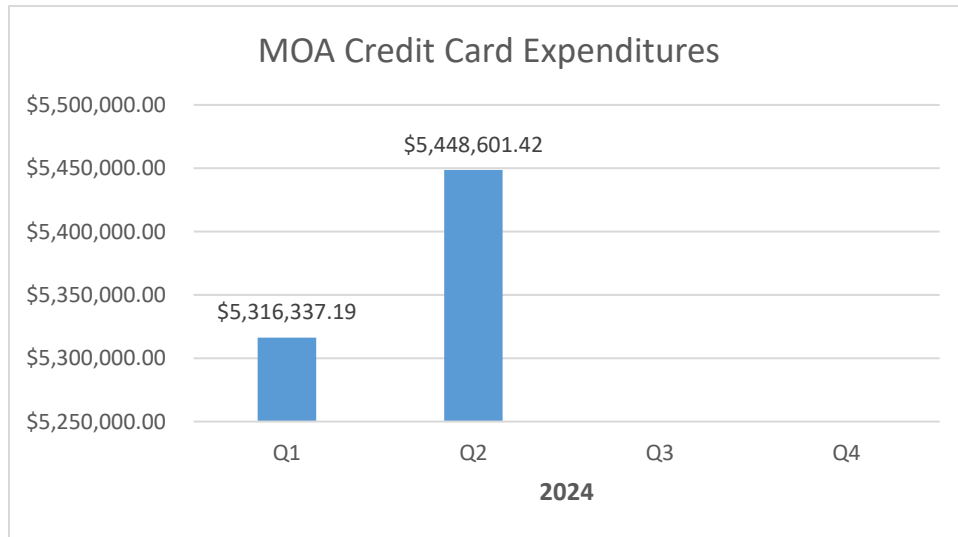
Performance Measure #5: Expenditures in the local area.

2020 – 44% of $285 Million, exclusive of P-cards
2021 – 44% of $190 Million, exclusive of P-cards
2022 – 52% of $290 Million, exclusive of P-cards
2023 – 47% of $286 Million, exclusive of P-cards
2024 Q2 – 49% of $163 Million, exclusive of P-cards

Goal: 50% of purchases to be Local if possible

Expenditures in the Local Area

Performance Measure Methodology Sheet
Purchasing Department

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

Type

Efficiency

Accomplishment Goal Supported

Provides MOA departments with the knowledge needed to standardize and streamline processes, while successfully procuring items/services at the best value for the City with minimal difficulty.

Definition

Reports Purchasing services as a percent of total MOA purchases, in comparison with national benchmarks.

Data Collection Method

SAP report.

Frequency

Reported quarterly and annually, or as needed.

Measured By

The Executive Assistant in Purchasing will measure and compile this data. This information will be stored in the g-drive.

Reporting

Reports will be written by the Executive Assistant in the Purchasing Department, quarterly and annually, or as needed.

Used By

This information is used by Purchasing staff to evaluate the effectiveness and efficiency of the Department for the acquisition of supplies, services, and construction supporting the operations of the Municipality, and provide information to departments on the purchasing processes.

Performance Measure #2: Number of formal protests sent to Bidding Review Board (BRB)

Type

Effectiveness

Accomplishment Goal Supported

Ensures that procurements are made in compliance with all laws and policies and measures the accuracy and fairness of Purchasing bidding process.

Definition

Reports the number of formal protests sent to the Bidding Review Board.

Data Collection Method

Formal protests are recorded by the Purchasing Department and sent to the Bidding Review Board for formal review, per code.

Frequency

Reported quarterly and annually, or as needed.

Measured By

The Executive Assistant in Purchasing, in collaboration with Department staff, will measure and compile the data. This information will be stored in the g-drive.

Reporting

Reports will be written by the Executive Assistant in the Purchasing Department, quarterly and annually, or as needed.

Used By

This information is used by Purchasing staff to evaluate the effectiveness and efficiency of the Department for the acquisition of supplies, services, and construction supporting the operations of the Municipality, and provide information to departments on the purchasing processes.

Performance Measure #3: Number of trainings offered to MOA Employees

Type

Effectiveness

Accomplishment Goal Supported

Provide education to departments on the purchasing processes, which will increase efficiency and accuracy.

Definition

Reports the number of Shopping Cart and Purchasing credit card trainings are completed by MOA employees to support the Purchasing goal of 1 per quarter in person training class and 100% of P-card renewals/ new users take online training.

Data Collection Method

Shopping Cart training members are counted in-person and tracked. P-Card training is provided to new MOA employees; renewal trainings are tracked in Excel.

Frequency

Reported quarterly and annually, or as needed.

Measured By

The Executive Assistant in Purchasing, in collaboration with Department staff, will measure and compile the data. This information will be stored in the g-drive.

Reporting

Reports will be written by the Executive Assistant in the Purchasing Department, quarterly and annually, or as needed.

Used By

This information is used by Purchasing staff to evaluate the effectiveness and efficiency of the Department for the acquisition of supplies, services, and construction supporting the operations of the Municipality, and provide information to departments on the purchasing processes.

Performance Measure #4: # of Purchasing Credit Card transactions and number of split transactions.

Type

Effectiveness

Accomplishment Goal Supported

Expand use of Purchasing Credit card to achieve efficiency and ensure that procurements are made in compliance with all laws and policies.

Definition

Reports the number of Purchasing Credit Card transactions and number of split transactions.

Data Collection Method

The P-Card Administrator runs a query to record which transactions are split, per quarter.

Frequency

Reported quarterly and annually, or as needed.

Measured By

The Executive Assistant in Purchasing, in collaboration with the P-Card Administrator, will measure and compile the data. This information will be stored in the g-drive.

Reporting

Reports will be written by the Executive Assistant in the Purchasing Department, quarterly and annually, or as needed.

Used By

This information is used by Purchasing staff to evaluate the effectiveness and efficiency of the Department for the acquisition of supplies, services, and construction supporting the operations of the Municipality, and provide information to departments on the purchasing processes.

Performance Measure #5: Expenditures in the local area

Type

Effectiveness

Accomplishment Goal Supported

Increase local vender participation and solicitations.

Definition

Reports the number of expenditures to support the Purchasing goal of 50% of purchases to be Local, if possible.

Data Collection Method

SAP report.

Frequency

Reported quarterly and annually, or as needed.

Measured By

The Executive Assistant in Purchasing will measure and compile this data. This information will be stored in the g-drive.

Reporting

Reports will be written by the Executive Assistant in the Purchasing Department, quarterly and annually, or as needed.

Used By

This information is used by Purchasing staff to evaluate the effectiveness and efficiency of the Department for the acquisition of supplies, services, and construction supporting the operations of the Municipality, and provide information to departments on the purchasing processes.

PVR Measure WC: Managing Workers' Compensation Claims

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices, we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.

Workers' Compensation Claims
Purchasing