
Office of Contracting and Procurement

www.ocp.dc.gov

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Description	FY 2009 Actual	FY 2010 Approved	FY 2011 Proposed	% Change from FY 2010
Operating Budget	\$25,785,649	\$12,569,354	\$10,593,167	-15.7
FTEs	105.6	118.0	104.0	-11.9

The mission of the Office of Contracting and Procurement (OCP) is to partner with vendors and District agencies to purchase quality goods and services in a timely manner and at a reasonable cost while ensuring that all purchasing actions are conducted fairly and impartially.

Summary of Services

OCP purchases approximately \$1.2 billion in goods and services on behalf of more than 60 different District agencies and programs. OCP buying teams include goods, services, transportation and specialty equipment, and information technology. The agency provides oversight and monitoring of agencies with

delegated contracting authority, offers contract administration support, and manages the District's Purchase Card Program. OCP also provides surplus property management for all District agencies.

The agency's FY 2011 proposed budget is presented in the following tables:

FY 2011 Proposed Gross Funds Operating Budget, by Revenue Type

Table PO0-1 contains the proposed FY 2011 agency budget compared to the FY 2010 approved budget. It also provides the FY 2008 and FY 2009 actual expenditures.

Table PO0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change*
General Fund						
Local Funds	5,414	5,033	3,021	9,299	6,278	207.8
Special Purpose Revenue Funds	643	348	876	1,294	418	47.6
Total for General Fund	6,057	5,381	3,897	10,593	6,696	171.8
Intra-District Funds						
Intra-District Funds	6,641	20,405	8,672	0	-8,672	-100.0
Total for Intra-District Funds	6,641	20,405	8,672	0	-8,672	-100.0
Gross Funds	12,698	25,786	12,569	10,593	-1,976	-15.7

*Percent Change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to Schedule 80, Agency Summary by Revenue Source, in the Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2011 Proposed Full-Time Equivalents, by Revenue Type

Table PO0-2 contains the proposed FY 2011 FTE level compared to the FY 2010 approved FTE level by revenue type. It also provides FY 2008 and FY 2009 actual data.

Table PO0-2

Appropriated Fund	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change
General Fund						
Local Funds	108.8	32.6	22.0	93.0	71.0	322.7
Special Purpose Revenue Funds	3.0	3.5	4.0	11.0	7.0	175.0
Total for General Fund	111.8	36.1	26.0	104.0	78.0	300.0
Intra-District Funds						
Intra-District Funds	14.0	69.5	92.0	0.0	-92.0	-100.0
Total for Intra-District Funds	14.0	69.5	92.0	0.0	-92.0	-100.0
Total Proposed FTEs	125.8	105.6	118.0	104.0	-14.0	-11.9

FY 2011 Proposed Operating Budget, by Comptroller Source Group

Table PO0-3 contains the proposed FY 2011 budget at the Comptroller Source Group (object class) level compared to FY 2010 approved budget. It also provides FY 2008 and FY 2009 actual expenditures.

Table PO0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change*
11 - Regular Pay - Cont Full Time	8,748	7,706	8,534	7,338	-1,195	-14.0
12 - Regular Pay - Other	400	811	793	890	97	12.2
13 - Additional Gross Pay	314	607	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	1,660	1,525	1,569	1,525	-45	-2.9
15 - Overtime Pay	87	37	0	0	0	N/A
Subtotal Personal Services (PS)	11,209	10,686	10,896	9,752	-1,143	-10.5
20 - Supplies and Materials	61	41	180	104	-76	-42.3
30 - Energy, Comm. and Building Rentals	200	216	225	0	-225	-100.0
31 - Telephone, Telegraph, Telegram, Etc.	177	140	147	0	-147	-100.0
32 - Rentals - Land and Structures	1	9	0	0	0	N/A
33 - Janitorial Services	82	104	110	0	-110	-100.0
34 - Security Services	121	163	94	0	-94	-100.0
35 - Occupancy Fixed Costs	261	267	153	0	-153	-100.0
40 - Other Services and Charges	200	13,757	300	598	298	99.4
41 - Contractual Services - Other	382	215	396	80	-316	-79.8
70 - Equipment and Equipment Rental	4	188	69	59	-10	-14.7
Subtotal Nonpersonal Services (NPS)	1,489	15,100	1,674	841	-833	-49.8
Gross Funds	12,698	25,786	12,569	10,593	-1,976	-15.7

*Percent Change is based on whole dollars.

Division Description

The Office of Contracting and Procurement operates through the following 5 divisions:

Procurement - provides acquisition services to District agencies in accordance with District law and regulation for the supplies, equipment and services needed to support agencies' missions and objectives.

This division contains the following 5 activities:

- **Information Technology** - includes the acquisition of software and hardware as well as technology services;
- **Procurement Management & Support** - provides oversight, project management and cost price analysis support;
- **Goods** - includes the acquisition of public safety equipment, office supplies and equipment, uniforms, and recreational and promotional items;
- **Services** - includes the acquisition of legal, financial, training, and health and human services; and
- **Transportation and Specialty Equipment** - includes the acquisition of vehicles and other specialty equipment.

Administration and Support - provides internal administrative and operational support to the agency as well as surplus property management and vendor relations.

This division contains the following 3 activities:

- **Surplus Property** - provides surplus property management, re-utilization, and disposal services to District agencies;
- **Vendor Relations** – conducts activities and education that support vendor recruitment, retention and response; and
- **Support Services** - includes agency acquisition services, human resources, facilities management, bid room operations, front desk support, and file room management.

Performance Management - provides consultative and technical support to agencies, vendors and OCP buyers while preserving financial and environmental resources.

This division contains the following 5 activities:

- **Contract Administration** - provides educational resources and support to Contracting Officer Technical Representatives (COTRs) and manages vendor evaluation process;
- **Technology Support** – provides procurement system development and support and includes user training and report generation;
- **Communications and Customer Services** – manages the agency's web site, produces electronic and print publications, corresponds with constituents and vendors, responds to media inquiries, staffs the agency's customer service phone lines, ensures compliance with language access laws and regulations, and publishes articles and news releases;
- **Special Projects and Analysis** – provides agency goal development and monitoring, analysis, and project management; and includes the green purchasing program; and
- **Purchase Card** - provides an alternative delegated procurement vehicle that reduces the processing cost and delivery time for purchases under \$2,500.

Procurement Integrity and Compliance - initiates and conducts independent operational performance audits and business process improvement reviews of existing procurement functions.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

Division/Program Structure Change

The proposed program structure changes are provided in the Agency Realignment appendix to the proposed budget, which is located at www.cfo.dc.gov on the Annual Operating Budget and Capital Plan page.

FY 2011 Proposed Operating Budget and FTEs, by Division and Activity

Table PO0-4 contains the proposed FY 2011 budget by division and activity compared to the FY 2010 approved budget. It also provides the FY 2009 actual data.

Table PO0-4

(dollars in thousands)

Division/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010
(1000) Agency Management Program								
(1010) Personnel	171	127	0	-127	2.0	2.0	0.0	-2.0
(1015) Training and Employee Development	191	80	24	-56	1.0	1.0	0.0	-1.0
(1020) Contracting and Procurement	13,889	377	268	-109	1.6	2.0	0.0	-2.0
(1030) Property Management	980	679	0	-679	1.0	1.0	0.0	-1.0
(1040) Information Technology	601	220	133	-87	2.5	0.0	0.0	0.0
(1055) Risk Management	131	0	0	0	0.6	0.0	0.0	0.0
(1070) Fleet Management	92	83	14	-68	1.0	1.0	0.0	-1.0
(1085) Customer Service	177	313	5	-308	2.3	3.0	0.0	-3.0
(1087) Language Access	30	17	15	-3	0.0	0.0	0.0	0.0
(1090) Performance Management	600	573	542	-32	3.3	3.0	6.0	3.0
Subtotal (1000) Agency Management Program	16,862	2,469	1,000	-1,469	15.1	13.0	6.0	-7.0
(2000) Procurement								
(2010) Procurement Management and Support	2,185	2,788	596	-2,192	20.9	28.0	5.0	-23.0
(2015) Information Technology	1,416	1,400	1,325	-75	13.0	15.0	13.0	-2.0
(2020) Goods	1,395	1,438	1,252	-187	15.0	16.0	14.0	-2.0
(2030) Services	1,985	2,413	2,202	-212	20.4	26.0	23.0	-3.0
(2040) Transportation and Special Equipment	1,341	1,169	281	-888	14.4	13.0	4.0	-9.0
(2055) Purchase Card	85	89	0	-89	1.0	1.0	0.0	-1.0
Subtotal (2000) Procurement	8,407	9,297	5,656	-3,641	84.7	99.0	59.0	-40.0
(3000) Procurement Integrity and Compliance								
(3010) Procurement Integrity and Compliance	201	109	764	655	1.6	1.0	7.0	6.0
Subtotal (3000) Procurement Integrity and Compliance	201	109	764	655	1.6	1.0	7.0	6.0
(4000) Administration and Support								
(4010) Surplus Property	327	694	710	16	4.2	5.0	6.0	1.0
(4015) Vendor Relations	0	0	89	89	0.0	0.0	1.0	1.0
(4020) Support Services	0	0	1,214	1,214	0.0	0.0	14.0	14.0
Subtotal (4000) Administration and Support	327	694	2,013	1,319	4.2	5.0	21.0	16.0

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Table P00-4 (continued)

(dollars in thousands)

Division/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010
(5000) Performance Management								
(5010) Contract Administration	0	0	129	129	0.0	0.0	1.0	1.0
(5015) Technology Support	0	0	413	413	0.0	0.0	4.0	4.0
(5020) Communications and Customer Service	0	0	199	199	0.0	0.0	2.0	2.0
(5030) Special Projects and Analysis	0	0	328	328	0.0	0.0	3.0	3.0
(5040) Purchase Card	0	0	90	90	0.0	0.0	1.0	1.0
Subtotal (5000) Performance Management	0	0	1,160	1,160	0.0	0.0	11.0	11.0
(9960) Year End Close								
(9960) Year End Close	-12	0	0	0	0.0	0.0	0.0	0.0
Subtotal (9960) Year End Close	-12	0	0	0	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	25,786	12,569	10,593	-1,976	105.6	118.0	104.0	-14.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see Schedule 30-PBB Program Summary By Activity in the FY 2011 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2011 Proposed Budget Changes

Starting in FY 2011, OCP will transfer out procurement assessments of \$28,000, which becomes part of the Local funds budget increase described below. In addition, OCP will transfer out facility and telecom fixed costs of \$585,000 to the new fixed costs agency and the Office of Finance and Resource Management.

Finally, \$8,631,000 will be provided as the Local funds budget for OCP instead of intra-District transfers from other agencies. Budgets in these other agencies are reduced by the amounts they previously transferred to OCP through intra-District assessments.

Cost Savings: The agency's FY 2011 budget saves \$1,104,000 in Local funds by eliminating 8.0 vacant positions and shifting 7.0 positions to Special Purpose Revenue funds. Additionally, Special Purpose Revenue funds will also see a savings of \$80,000 from the agency's alignment of nonpersonal services spending with current estimates. An extra \$3,000 in savings will come from aligning fleet assessment with the Department of Public Works estimate.

Transfer Out: The proposed budget includes a transfer of \$602,000 and 6.0 FTEs to the Office of Employee Appeals.

FY 2010 Approved Budget to FY 2011 Proposed Budget, Revenue Type

Table PO0-5 itemizes the changes by revenue type between the FY 2010 approved budget and the FY 2011 proposed budget.

Table PO0-5
(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2010 Approved Budget and FTE		3,021	22.0
Eliminate: Eliminate vacant positions	Agency Management Program	-600	-8.0
Transfer Out: Transfer out fixed cost and telecom budget to new fixed cost agency and OFRM	Agency Management Program	-585	0.0
Transfer Out: Transfer out procurement assessments	Agency Management Program	-28	0.0
Shift: Shift intra-District funds for OCP assessments to Local funds	Procurement	8,631	92.0
Cost Decrease: Align fleet assessment with DPW estimates	Multiple Programs	-2	0.0
Reduce: Hold salary steps constant.	Multiple Programs	-32	0.0
Shift: Move FTEs to Special Purpose Revenue funds	Multiple Programs	-504	-7.0
Transfer Out: Transfer to the Office of Employee Appeals	Multiple Programs	-602	-6.0
LOCAL FUNDS: FY 2011 Proposed Budget and FTE		9,299	93.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2010 Approved Budget and FTE		876	4.0
Cost Decrease: Align fleet assessment with DPW estimates	Agency Management Program	-3	0.0
Cost Decrease: Align with current nonpersonal services spending estimates	Multiple Programs	-80	0.0
Reduce: Hold salary steps constant.	Multiple Programs	-3	0.0
Transfer In: Transfer in 7.0 positions from Local funds	Multiple Programs	504	7.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Proposed Budget and FTE		1,294	11.0
INTRA-DISTRICT FUNDS: FY 2010 Approved Budget and FTE		8,672	92.0
Cost Decrease: Align with current spending estimate	Procurement	-41	0.0
Shift: Shift intra-District funds for OCP assessments to Local funds	Procurement	-8,631	-92.0
INTRA-DISTRICT FUNDS: FY 2011 Proposed Budget and FTE		0	0.0
Gross for PO0 - Office of Contracting and Procurement		10,593	104.0

Agency Performance Plan

The agency has the following objectives and performance indicators for its Divisions:

1. Procurement Division

Objective 1: Streamline and simplify the procurement process.

Objective 2: Increase the quality and value of goods and services procured by maximizing the use of the competitive market place.

Procurement Division

Measure	FY 2008 Actual	FY 2009 Target	FY 2009 Actual	FY 2010 Projection	FY 2011 Projection	FY 2012 Projection
Dollar amount Procurement Contract Cost Savings*	-	-	-	Baseline	-	-
Total number of Term Contract Vehicles	-	52	104	50	65	80
Percentage of EPP Term Contract Vehicles*	-	-	-	Baseline	-	-
Total number of Purchase Orders processed through OCP	15,008	13,000	14,060	10,000	8,000	6,000
Total dollar amount purchased by OCP (in millions)	\$1,351	\$1,300	\$857.78	\$900	\$850	\$850
Percentage of RFPs and IFBs receiving only one response	13.6%	12%	7.02%	10%	8%	6%
Average number of days from Solicitation to Award for IFBs*	-	-	-	Baseline	-	-
Average number of days from Solicitation to Award for RFPs*	-	-	-	Baseline	-	-
Percentage of vendors with multiple contracts	-	-	-	Baseline	-	-

* FY 2010 will be a baseline year; no projection for out years.

2. Administration and Support Division

Objective 1: Streamline and Simplify the Procurement Process.

Objective-2: Increase the quality and value of goods and services procured by maximizing the use of the competitive market place.

Objective 3: Increase Accountability through Transparency and Compliance with Governing Laws and Policies.

Objective 4: Provide Effective Customer Guidance and Education in a Responsive and Professional Manner.

Administration and Support Division

Measure	FY 2008 Actual	FY 2009 Target	FY 2009 Actual	FY 2010 Projection	FY 2011 Projection	FY 2012 Projection
Percentage of complete contract files submitted on time to File Room	-	-	-	70%	80%	90%
Dollar Value of surplus property recycled to District agencies	\$1,997,327	\$650,000	\$816,776	-	-	-
Dollar Amount of revenue generated from PPD sales	\$569,512	-	\$528,689	\$570,984	\$616,663	\$665,996
Total number of Purchase Orders processed by delegates*	-	-	-	Baseline	-	-
Total dollar amount purchased by delegates *	-	-	-	Baseline	-	-
Percentage of ACO Participants who receive certification*				Baseline		
Number of web hits on the DC Vendor Guide wiki page *	-	-	-	Baseline	-	-
Number of newly active ¹ vendors*	-	-	-	Baseline	-	-
Number of Vendor Inquiries/Complaints responded to within 2 days*	-	-	-	Baseline	-	-

¹Active -vendor has been awarded contracts within the same year of new registration

*FY 2010 will be a baseline year; no projection for out years.

3. Performance Management Division (PMD)

Objective 1: Streamline and Simplify the Procurement Process.

Objective 2: Increase Accountability through Transparency and Compliance with Governing Laws and Policies.

Objective 3: Provide Effective Customer Guidance and Education in a Responsive and Professional Manner.

Performance Management Division (PMD)

Measure	FY 2008 Actual	FY 2009 Target	FY 2009 Actual	FY 2010 Projection	FY 2011 Projection	FY 2012 Projection
Number of Vendors evaluated*	-	-	-	Baseline	-	-
Percentage of Vendors receiving "F" grade on evaluations*	-	-	-	Baseline	-	-
Percentage of OCP customers rating OCP satisfactory or better	48.1%	65%	43.49%	70%	75%	75%
P-Card Utilization Rate	73.8%	80%	81.49%	85%	85%	90%
Dollar amount of P-Card Rebate	\$15,000	\$150,000	\$150,000	\$100,000	\$100,000	\$100,000

* FY 2010 will baseline year; no projection for out years.

4. Office of Procurement Integrity and Compliance (OPIC)

Objective 1: Increase Accountability through Transparency and Compliance with Governing Laws and Policies.

Performance Management Division (PMD)

Measure	FY 2008 Actual	FY 2009 Target	FY 2009 Actual	FY 2010 Projection	FY 2011 Projection	FY 2012 Projection
Number of Final Assessment Reports Issued	-	-	-	12	15	18
Percentage of Agency Contracting Officer's (ACO) operations reviewed	-	-	-	100%	100%	100%
Percentage of Targeted Remediation Items Cleared	-	-	-	90%	95%	100%
Average number of days to complete an operational review	-	-	32	20	15	10