



PERFORMANCE BASED BUDGETING PILOT

PROCUREMENT SERVICES FY20 PROPOSED BUDGET OVERVIEW

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WHAT IS PERFORMANCE BASED BUDGETING?

Budgeting that links the funds allocated to measureable results

Moves the focus away from “How much money will I get?” to “What can I achieve with this level of funding?”

Source: OECD Observer, March 2008

WHAT IS PERFORMANCE BASED BUDGETING?

OLD WAY		NEW WAY
<i>Starting Point:</i> Last year's spending	→	<i>Starting Point:</i> Next year's goals
<i>Funding Targets:</i> By agency	→	<i>Funding Targets:</i> By Priority Outcome
<i>Agency Submission:</i> How allocation will be spent	→	<i>Agency Submission:</i> Proposal to achieve results
<i>Debate:</i> What to cut	→	<i>Debate:</i> What to keep

Source: github.com

PROCUREMENT STRATEGIC OVERVIEW

DEPARTMENT MISSION

SUPPORT THE CITY BY PERFORMING THE PROCUREMENT FUNCTION IN A CUSTOMER-FOCUSED, STRATEGIC, ETHICAL, AND TRANSPARENT MANNER WHILE ENSURING OPPORTUNITIES TO DIVERSE SUPPLIERS AND COMPLYING WITH APPLICABLE GOVERNING LAWS AND POLICIES.

DEPARTMENT OBJECTIVES

- PROVIDE HIGHLY-ETHICAL PROCUREMENT LEADERSHIP, TECHNICAL ASSISTANCE, AND EXCEPTIONAL CUSTOMER SERVICE FOR ACQUISITION OF HIGH-QUALITY GOODS, SERVICES, AND CONSTRUCTION AT FAIR AND REASONABLE COSTS
- ENSURE SOLICITATION, REQUISITIONS, CONTRACTS, NEGOTIATIONS, AND RELATED TASKS ARE COMPLETED IN ACCORDANCE WITH VIRGINIA AND CITY LAWS AND DPS POLICIES
- MANAGE THE CITY'S PURCHASING CARD PROGRAM IN ACCORDANCE WITH VIRGINIA AND CITY OF RICHMOND LAWS AND DPS POLICY
- PROVIDE HIGH-QUALITY TRAINING TO CITY DEPARTMENTS AND AGENCIES



PROCUREMENT STRATEGIC OVERVIEW

MAYORAL PRIORITY AREAS IMPACTED

- EFFICIENT & HIGH-QUALITY SERVICE DELIVERY
- ECONOMIC EMPOWERMENT

COUNCIL FOCUS AREAS IMPACTED

- RESPONSIVE, ACCOUNTABLE AND INNOVATIVE GOVERNMENT, AND STRATEGIC INFRASTRUCTURE INVESTMENT
- 21ST CENTURY RICHMOND: PLANNED GROWTH, ECONOMIC PROGRESS, AND AFFORDABLE HOUSING AND STRONG FUTURES FOR CHILDREN, ADULTS, AND FAMILIES



FY2020 BUDGET SUMMARY

Cost Center / Program	Service / SubProgram	Performance Measure	FY 2017 Perf Target / Result / Status	FY 2017 Actual Expenditure	FY 2018 Perf Target / Result / Status	FY 2018 Actual Expenditure	FY 2019 Perf Target	FY 2019 Adopted Budget	FY 2020 Perf Target	FY 2020 Proposed Budget
08401 - Procurement Services Administration	Contract Administration (SV0907)	NA	NA	\$49,946	NA	\$31,412	NA	\$236,661	NA	\$51,239
	Customer Service (SV0302)	Complete system access privilege w/ in 5 bus. days	NA	45,875	NA	27,847	NA	44,808	75%	134,964
		Clear vendor registrations w/in 10 bus. days	NA		NA		NA		90%	
	Financial Management (SV0908)	NA	NA	66,049	NA	57,252	NA	40,639	NA	30,581
	Recruit, Select, & Retention Svcs (SV0807)	NA	NA	—	NA	—	NA	—	NA	—
	Administration (SV0801)	NA	NA	239,867	NA	290,955	NA	254,818	NA	374,672
		Program Budget Total		\$401,738		\$407,466		\$576,926		\$591,456



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08402 -Contract Management	Contract Administration (SV0907)	% Contracts Renewed on time	85%/67%/ R	249,765	90%/85%/ Y	226,944	90%	349,575	95%	637,734
		% Pcard Agency Participation	NA		NA		25		50%	
	Purchasing Card (SV0918)	Combined PCard volume City Agencies	NA	—	NA	—	25%	—	750,000	197,194
	Customer Service (SV0302)	# Client Trainings Offered Per Year	NA	68,628	NA	44,573	NA	155,430	4	26,688
	Financial Management (SV0908)	NA	NA	13,864	NA	14,759	NA	17,243	NA	96,208
	Recruit, Select, & Retention Svcs (SV0807)	NA	NA	1,898	NA	342	NA	—	NA	—
	Administration (SV0801)	NA	NA	45,525	NA	46,186	NA	35,369	NA	6,707
	City Copy & Print Services (SV1001)	NA	NA	—	NA	194	NA	482	NA	—
	Grants Management (SV0909)	NA	NA	—	NA	50	NA	—	NA	—
	Default	NA	NA	—		76	NA	—	NA	—
		Program Budget Total		\$379,680		\$333,124		\$558,099		\$964,531
		Total Budget		\$781,418		\$740,590		\$1,135,025		\$1,555,987

* See Appendices & Glossary section for detailed service descriptions.

** The performance measures contained in the table above may not reflect all of the measures submitted by the department.



QUESTIONS