



**CONTRACT & PURCHASING SERVICES DIVISION
ANNUAL REPORT FOR FISCAL YEAR 2016/2017**

Submitted to:

Nav Gil, County Executive

And

The Members of the Board of Supervisors

*Phil Serna, 1st District, Vice Chair
Patrick Kennedy, 2nd District, Chair
Susan Peters, 3rd District
Sue Frost, 4th District
Don Nottoli, 5th District*

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Who We Are

The Contract & Purchasing Services Division is a unit of the Department of General Services and is responsible for providing contracting services for the county and various special districts. We are organized into two Sections, as follows:

The *Procurement Section* is responsible to establishing countywide contracts for the various goods and services county departments require to function and deliver services to customers. It manages over 1,000 contracts and two delegated purchasing programs allowing various county departments to make small dollar purchases on their own.

The *Contract Services Section* is responsible for managing the construction projects and consulting contracts for various county departments.

What We Do

Procurement Section: Uses several different methods to establish countywide contracts and make purchases for departments. These methods include, but are not limited to, negotiations, Request for Bid (low bid), Request for Proposals (best value), and Reverse Auction (fully transparent low bid).

Contract Services Section: Manages the Request for Bid process for construction contracts and develops contracts for various Directors and/or Deputy County Executives signature.



What's in this Report?

This annual report summarizes the activities, staffing levels, process improvements, and accomplishments of the Contract & Purchasing Services Division (CAPSD) for the 2016/17 Fiscal Year (FY 2016/17) and compares this information to previous fiscal years. The CAPSD Mission Statement is “Excellence through Commitment,” and our staff is committed to providing excellent customer service to County departments and the special districts we support. This report includes various data elements, programs and information that supports the CAPSD’s mission, as summarized below:

Statistics: As would be expected due to the budget reductions that began in 2009, the County’s overall spending initially decreased dramatically, then leveled-off and is showing a trend toward increasing, as indicated in the charts and graphs in this report. Although the total County expenditures have reduced since the levels peaked in 2009, the total number of contracts administered centrally by CAPSD staff remains steady at roughly 1,200 to 1,300 active contracts. There has been a slight increase in the number of retroactive contracts in addition to contracts requiring short-term extension.

Procurement Opportunities (Local and Small Business) Program: The County of Sacramento believes in, and encourages, the use of local and small business enterprises in its contracting and procurement activities at all times. The purpose of the Procurement Opportunities Program (POP) is to provide contracting and procurement information and/or assistance to any business enterprise desiring to do business with the County of Sacramento. The County wishes to enhance economic growth in the Sacramento Regional Market Area (Sacramento, El Dorado, Placer, Sutter, Yuba, and Yolo counties) by increasing the use of small business enterprises in the County’s procurement and contracting activities. The County's goal is to spend twenty-five percent (25%) of its contracting and procurement dollars with certified or self-declared small businesses located within the Sacramento Regional Market Area.

Process Improvements: We continue to look for opportunities that may result in process improvements and efficiencies. Examples of some process improvements implemented during the past year are provided later in this report.

Cost Savings: We continue to utilize our web-based cost savings tracking system to capture, track, and report cost savings and cost avoidances. Some of the data is captured automatically from COMPASS, while reports of other cost savings are submitted manually. This report includes a small sample listing of the more than \$22,000,000 in savings recognized by the County due to the involvement of CAPSD staff.



Performance Measurements (PM): The mission of the Contract and Purchasing Services Division is to provide the most effective delivery of essential services to Sacramento County departments and special districts by:

- providing consistent, cost-effective, and timely procurement support to all County departments and districts,
- encouraging an environment of equal opportunity, fairness, honesty, and integrity with our customers and suppliers, and
- ensuring a good return on investment of tax dollars.

In support of this mission, the Contract and Purchasing Services Division has developed four Performance Measurements that we track on a monthly basis. The annual results of the measurements are included in this report.

Surveys: The Contract & Purchasing Services Division collects survey responses from internal customers and vendors on a continual basis to gauge the level of satisfaction with our customer base. Information on the 2016 survey results is included in this report.

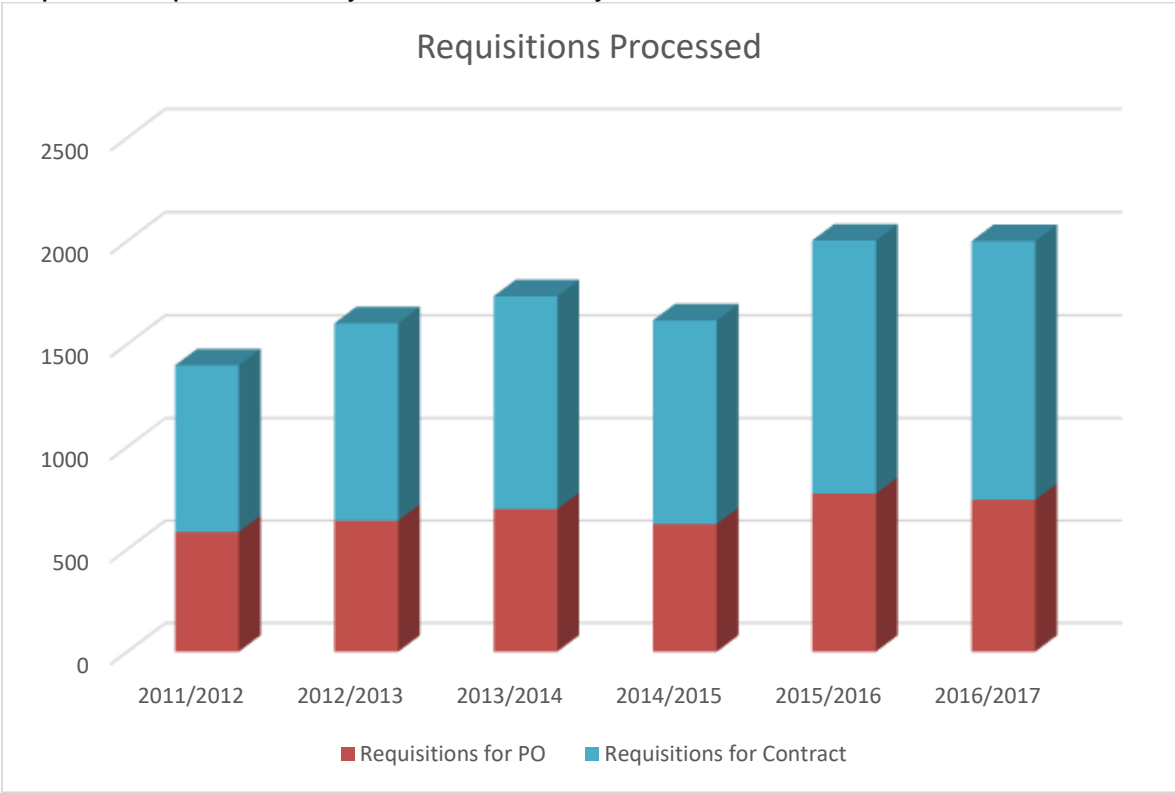
Accomplishments: The Contract & Purchasing Services Division is committed to providing a high level of service to our customers and, as such, we are continually looking to improve processes and procedures. A small sampling of some of our accomplishments during FY 2016/17 is included in this report.



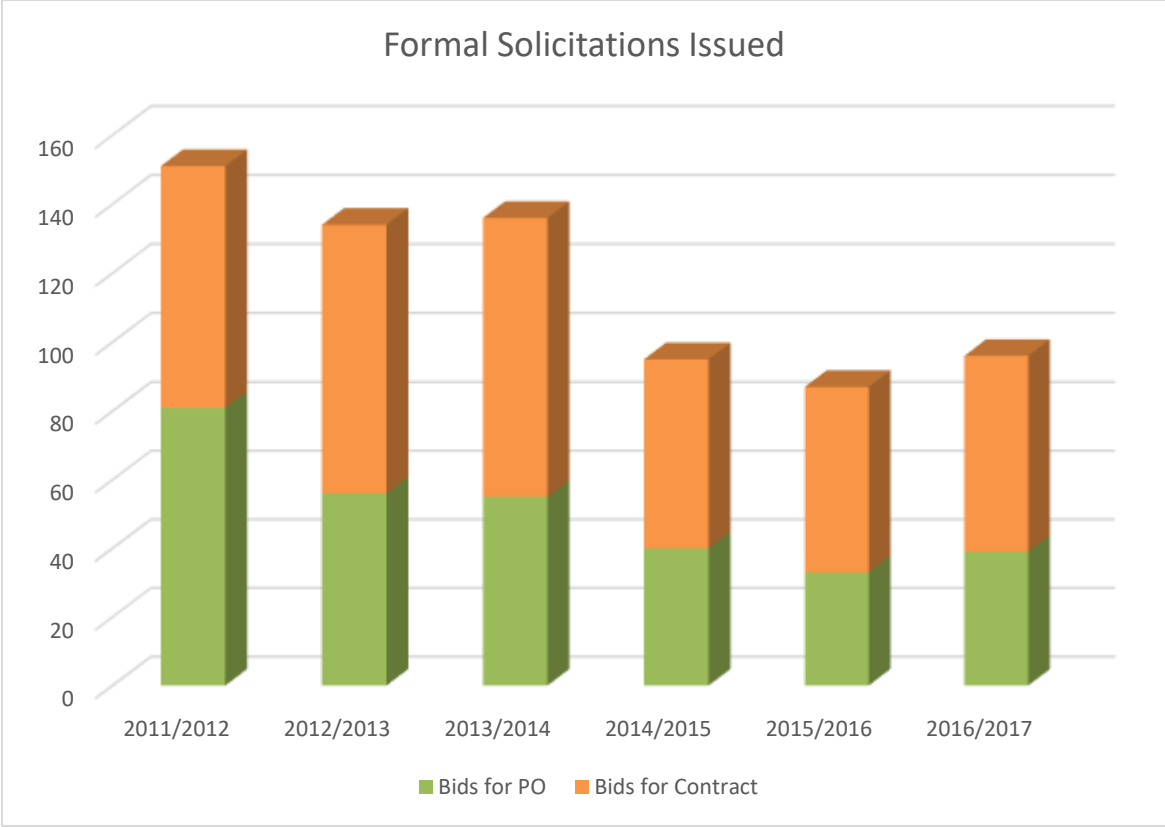
How We Buy

As indicated earlier, the Contract & Purchasing Services Division uses several methods to purchase the various goods and services needed by departments. We issue purchase orders for “one-time” purchases for departments (such as for the purchase of heavy equipment) and we issue countywide contracts to facilitate the need for recurring purchases (such as office supplies and computers). The using department issues “releases” against the countywide contracts to make their recurring purchases.

The chart below (our closest indicator of workload), shows the number of requisition processed by the *Procurement Section*. The requisitions will result in the creation of a one-time purchase order or a long-term contract for recurring purchased. The purchase order or contract will be established using one of the methods mentioned earlier (such as negotiations, Request for Bid (low bid), Request for Proposals (best value), and Reverse Auction (fully transparent low bid). With the exception of a small decrease in FY 2014/15, the number of requisitions processed by staff has steadily increased since 2010.



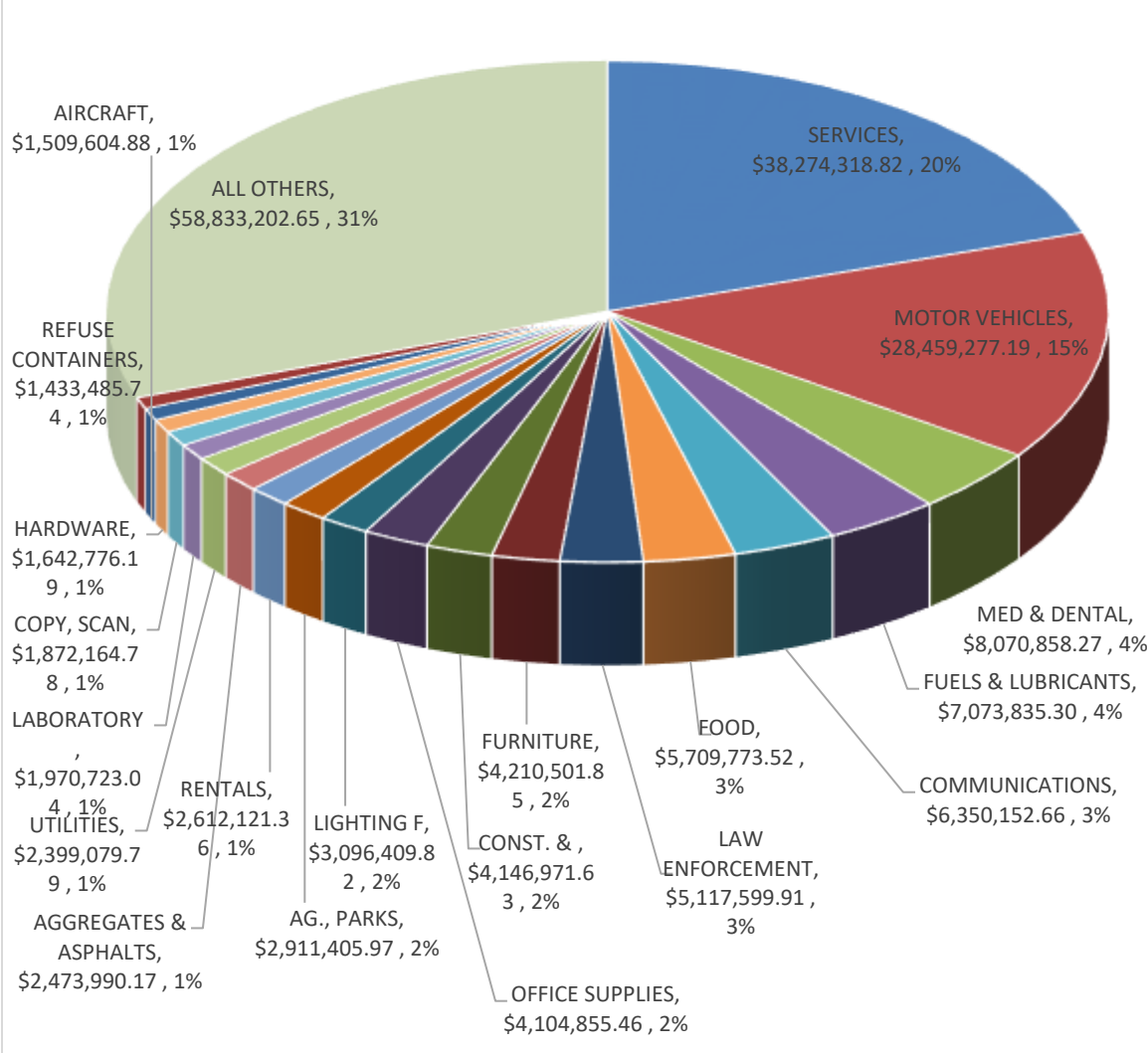
The chart below shows the number of formal solicitations (Request for Bids, Request for Proposals and Reverse Auctions) conducted over the past several years. The total number of formal solicitations has slightly decreased as our formal bidding threshold increased from \$35,000 to \$100,000 in 2014.



What We Buy

The County purchases a very wide variety of goods and services. The chart below shows the various categories (excluding Construction and Consulting from the Contract Services Section). Twenty percent of the overall spend is for various types of services, fifteen percent is for motor vehicles, followed by medical and dental with four percent. Other top spend categories include fuels & lubricants, communications, food, law enforcement, furniture, office supplies, etc.

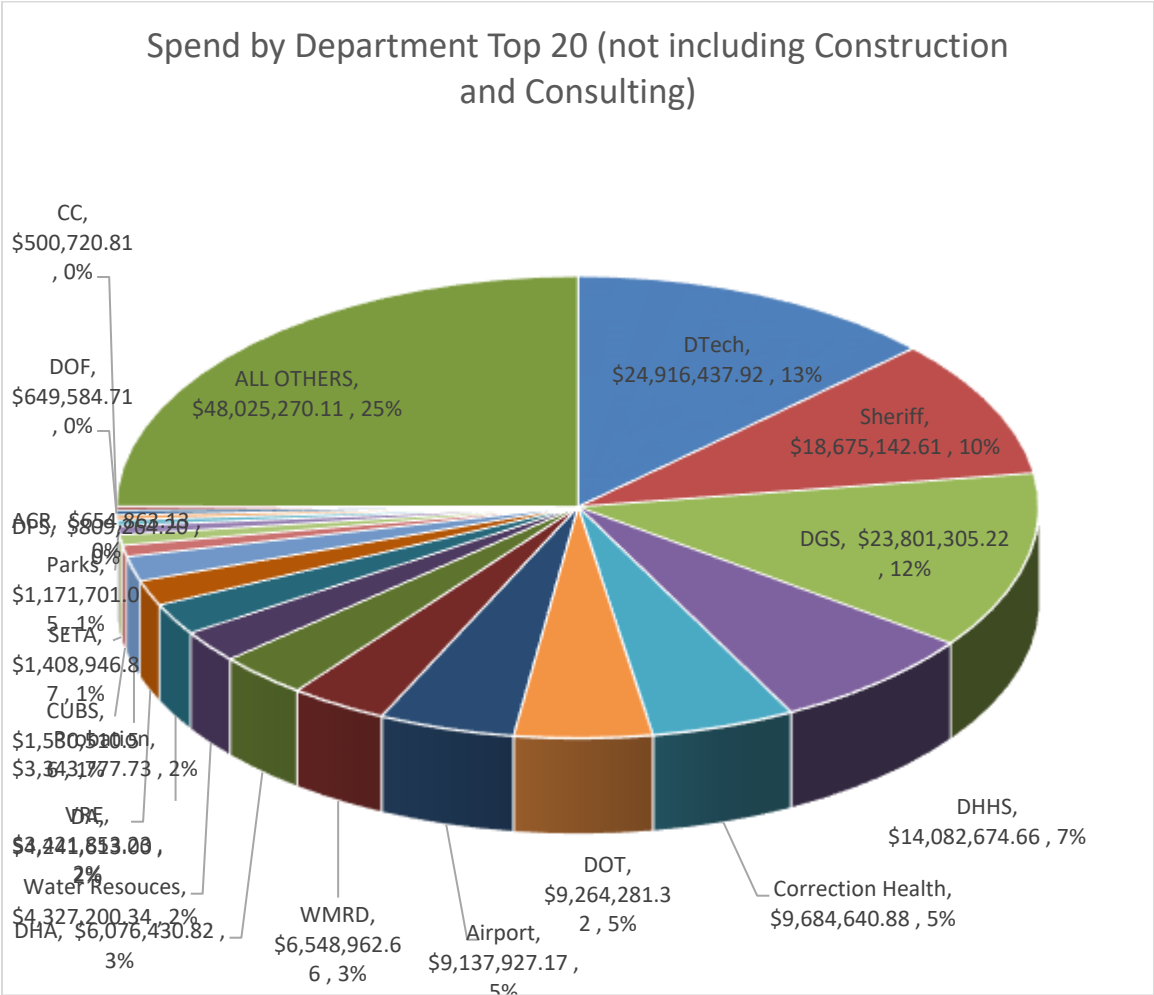
What we Buy Top 20 Commodities (not including Construction and Consulting)





Who We Support

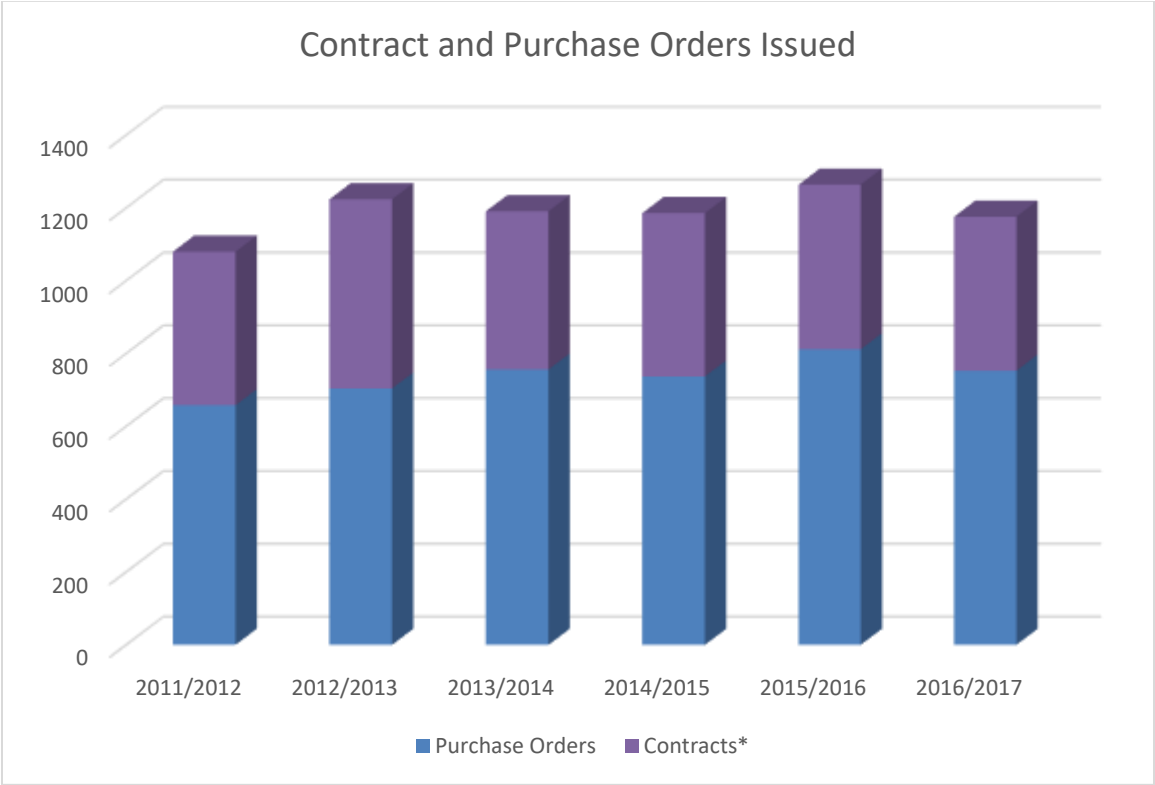
We support all county department and various special districts. The chart below shows who we support by spend. Our top customers by total spend include the Department of Technology, Sheriff, General Services, Health and Human Services, Correction Health, etc.



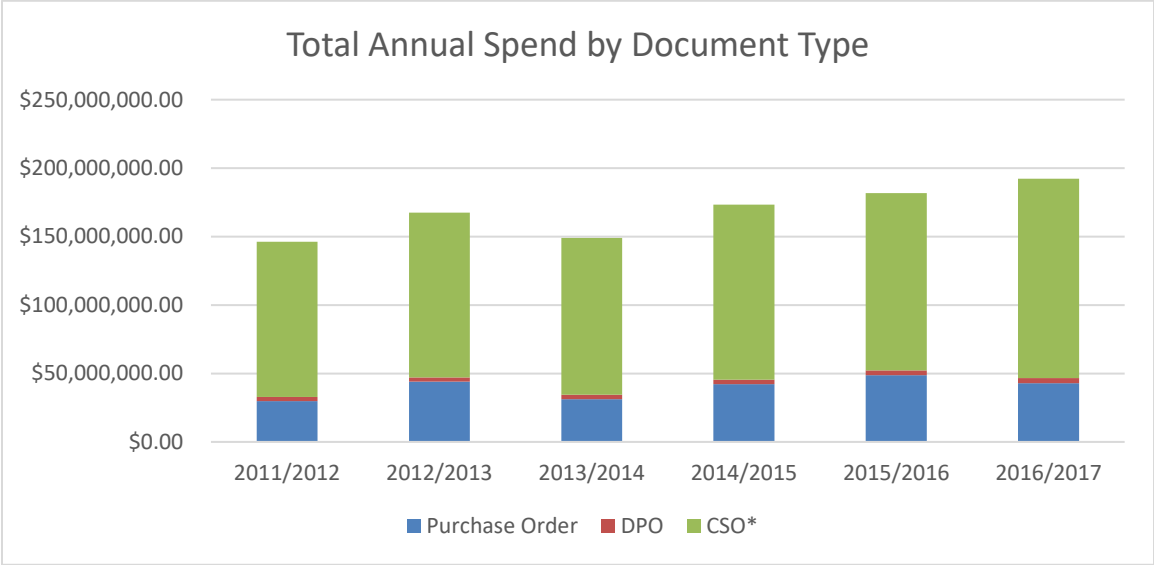


Spend Statistics –Procurement Section

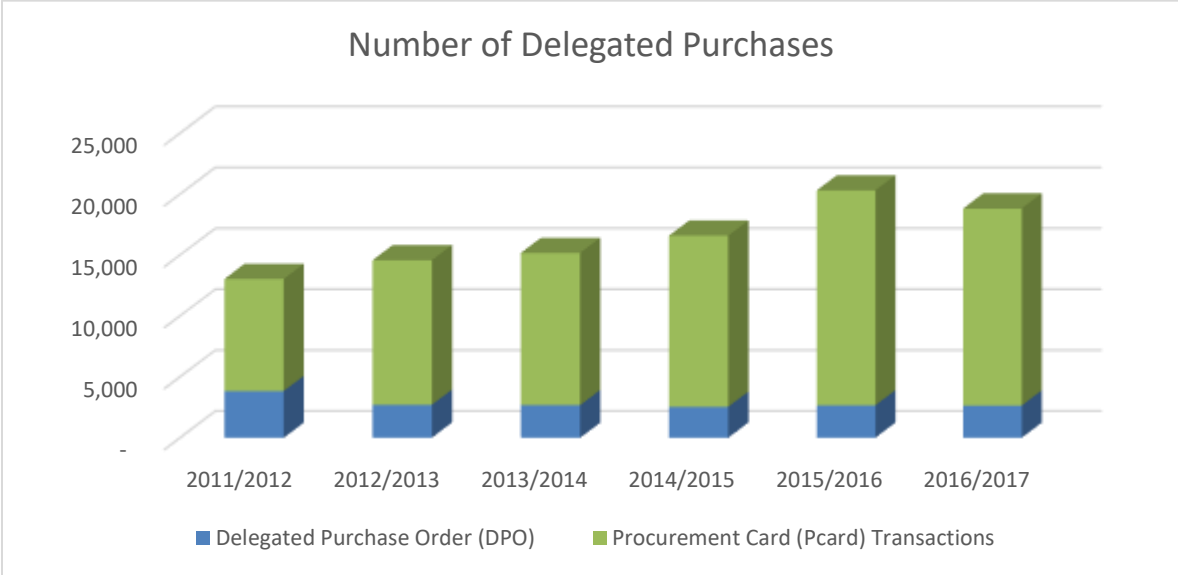
The following table shows the number of contracts and purchase orders issued for the past six fiscal years. The total number of central purchase orders issued by CAPSD staff was at its lowest mark in FY 2009/10 and has steadily increased in the following years. The number of contracts* listed below only include newly established contracts and do not include existing contract that were established in prior fiscal years (most of the contract we establish have a 3-year term). As noted earlier in this report, we manage over 1,000 countywide contracts.



The chart below shows the dollar value of purchase orders, delegated purchase orders and contracts over the past six fiscal years. This shows an overall trend of increased spend on one-time purchase orders annually since FY 2009/10, although there was a slight decrease in spend on one-time purchase orders in FY 2013/14. Total spend for FY 2016/17 was almost \$200,000,000, which is roughly a twenty-five percent increase since FY 2011/12.

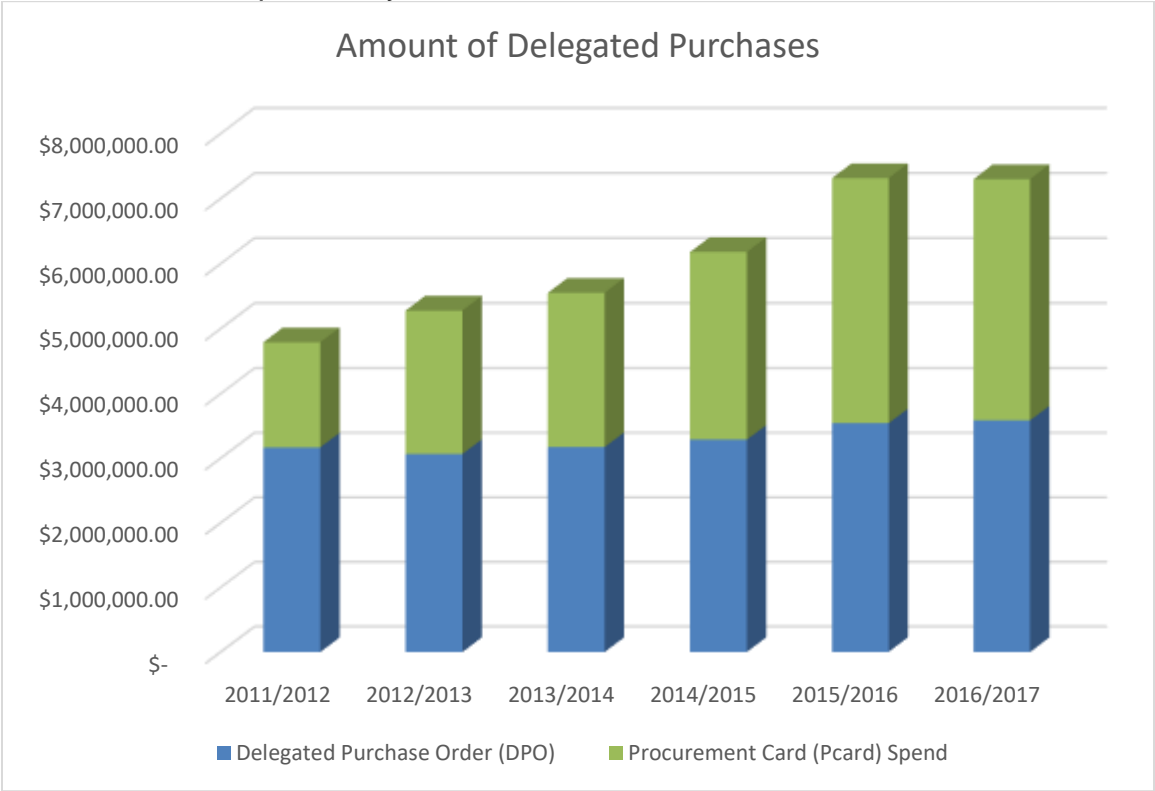


The following chart shows the number of purchases made by County departments using the delegated purchasing programs (small dollar purchases). The number of transactions has steadily increased over the past several years, although there was a small decrease in FY 2016/17.





The following chart shows the amount of spend on purchases made by County departments using the delegated purchasing programs (small dollar purchases). The total spend has steadily increased from roughly \$4,000,000 per year to \$7,000,000 in the past two years.



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Contracts Extended (per code 2.56.220)

Section 2.56.220 (Term of Contracts) of the County Code provides the authority to extend the term of any authorized contract for no more than six months, Provided that such increase does not exceed 10 percent of the maximum compensation set forth in the original contract. The purchasing agent shall annually report all contract extensions executed pursuant to this Section to the Board of Supervisors. Below is a listing of the contract extended in FYs 2014/15, 2015/16 and 2016/17.

FY 2014/15:

ROHRER BROS INC	WA00028787
SUPERIOR PRODUCE	WA00028786
PHOENIX ELECTRICAL	WA00029104
PACIFIC BANCNOTE COMPANY	WA00029209
MERRY X-RAY SACRAMENTO	MA00029199
OFFICE MASTER % BURKETT'S OFFICE	WA00029266
MORGAN TIRE CO	WA00029122
CAPITAL MAILING SERVICES INC	WA00029442
BIOMEDICAL ENGINEERING	WA00029431
ENTERCOM SACRAMENTO	WA00029405
IMMUNALYSIS CORPORATION	WA00029309
CMA OF SACRAMENTO	WA00029365
NEFF RENTAL INC	WA00028832
HERC RENTALS	WA00028833
CAT RENTAL STORE	WA00028834
ALL AMERICAN RENTALS INC	WA00028835
MAXIM CRANE WORKS	WA00028836
SUNSTATE EQUIPMENT CO	WA00028837
DLT SOLUTIONS	WA00029535
HP COMPUTING AND PRINTING INC	WA00029503
MOTOROLA SOLUTIONS INC	WA00028961
ULINE	WA00029565
GRAPHIC SYSTEMS SERVICES INC	WA00029566
DELL MARKETING LP	WA00029504
BSK ANALYTICAL	WA00028905
INABIND	WA00029668
AQUA LIFE AQUARIUM	WA00029669
E & K SCIENTIFIC PRODUCTS	WA00029671
RESTEK CORP	WA00029672
COUNTRY CLUB CLEANERS	WA00029623
LEVEL 3 COMMUNICATIONS LLC	WA00028712
ENGINEERED MONITORING SYSTEMS	WA00029390
SIMPLEXGRINNELL	WA00029391

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PRODUCERS DAIRY FOODS INC	WA00028967
CRYSTAL CREAMERY	WA00028968
THERMO ELECTRON NORTH AMERICA LLC	MA00029633
AESYNT INC	WA00029109
ALSCO INC	WA00029103
SHARP ELECTRONICS CORP	WA00029628
VCA BRADSHAW ANIMAL HOSPITAL	MA00029705
HELISTREAM INC	MA00029614
CIRCUIT SOLUTIONS INC	WA00029096
TRI C MANUFACTURING INC,	MA00029085
GSL FINE LITHOGRAPHERS	WA00029815
QUALITY CONTROL SERVICES INC	WA00029820
WALGREEN DRUG STORES	WA00029792
LABCORP	WA00029684
CARDINAL HEALTH SACRAMENTO DIVISION	WA00029380
CHARM TEX INC	MA00029302
CONTOUR SIERRA AEBI TERRATRAC LLC	WA00029621
BOB BARKER CO	MA00029251

FY 2015/16:

ACME SUPPLY CO LTD	MA00029253
ATD AMERICAN CO	MA00029254
TABB TEXTILES CO INC	MA00029255
QIAGEN INC	WA00029883
ALLSUP CORPORATION	WA00029262
MATTLE'S WELDING INC	WA00029653
STATEWIDE SAFETY & SIGNS	WA00029979
PACIFIC LODGING SUPPLY	MA00029517
MARTY VANICH AUTOMOTIVE REPAIR	WA00029265
ANALGESIC SERVICES	MA00029908
TED'S MEAT INC	WA00029524
FRANKS QUALITY MEATS	WA00029526
ALLIED PROPANE SERVICE	WA00029632
AT&T MOBILITY	WA00029729
VERIZON WIRELESS	WA00029734
ADMAIL WEST	WA00030149
RICHARDS QUICKMASTER REPAIR	WA00030150
GE HEALTHCARE	WA00030131
FISHER HEALTHCARE	WA00029774
VALLEY POWER	WA00029986
KENCO ENGINEERING INC	WA00029907
SONSRAY MACHINERY LLC	WA00029916
TED'S MEAT INC	WA00029656
SYSCO FOOD SERVICES	WA00029657
JD FOOD	WA00029658
BLUMENTHAL UNIFORM CO INC	WA00029650

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SPRINT	WA00029755
UNITED CORPORATE FURNISHING	WA00029965
PLACER GLASS	WA00030213
VCA LOOMIS BASIN VETERINARY CLINIC	WA00030141
CISCO AIR SYSTEMS INC	WA00029900
NTU TECHNOLOGIES INC	WA00029728
ASBURY ENVIRONMENTAL SERVICES	MA00029846
PARC SPECIALTY CONTRACTORS	WA00029742
ASBURY ENVIRONMENTAL SERVICES	WA00029744
JC PAPER	WA00030259
SENTINEL OFFENDER SERVICES LLC	MA00029938
MARK ANDY PRINT PRODUCTS	WA00030417
EVREX CORP	MA00030406
HARDY DIAGNOSTICS	WA00030310
LIFESAFE SERVICES	MA00030123
IBM SALES & DISTRIBUTION	MA00030349
BLACK CREEK INTEGRATED SYSTEMS CORP	MA00029977
BLISS POWER LAWN EQUIPMENT INC	WA00030243
ARATA EQUIPMENT CO	WA00030329
HI TECH OPTICAL INC	WA00030155
BERENDSEN FLUID POWER	WA00030211
CAPITAL CITY GLASS & MIRROR INC.	WA00029961
SIRONN SOFTWARE CORP	MA00030177
MWI VETERINARY SUPPLY	WA00029788
COLLECTION PLUS	MA00030680
NEOPOST INC	WA00029993
VAGABOND INN	WA00030832
INTERNATIONAL PAPER COMPANY	MA00030669
DISPATCH AND TRACKING SOLUTIONS LLC	MA00030394
JOHNSON CONTROLS INC	MA00030026
CMA OF SACRAMENTO	WA00030032
FACTORY MOTOR PARTS	WA00030815
NAPA AUTO PARTS	WA00030772
ROCKET SOFTWARE INC	MA00030153
GEORGE REED INC	WA00031029
VULCAN MATERIALS	WA00031030
GRANITE CONSTRUCTION CO	WA00030872
TEICHERT AGGREGATES	WA00030873
TRIANGLE ROCK PRODUCTS INC	WA00030874
SACRAMENTO LOCKSMITH SERVICES	WA00030143
BODE & BODE LOCK & SAFE	WA00030145
JEFFS LOCKSMITH	WA00030146
SACRAMENTO VALLEY LOCKWORKS	WA00030147
TOYS R US	WA00031059
HARMONY RESEARCH	WA00029876
AIR & LUBE SYSTEMS, INC.	WA00031033

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SYSKO FOOD SERVICES	WA00030375
TED'S MEAT INC	WA00030376
DUNN-EDWARDS PAINT	WA00031142
AGILENT TECHNOLOGIES	WA00031206
FIDELITY NATIONAL TITLE	WA00030531
PACIFIC RECORDS MANAGEMENT	WA00030478
BURTONS FIRE INC	WA00031207
ABLE INDUSTRIES	WA00031052
STAR LITE GLASS	MA00030915
GOLDEN STATE OVERNIGHT	WA00030735

FY 2016/17:

EMERGENCY ONE	WA00031203
AUTOWEST CRYSLER JEEP DODGE	WA00030170
CAPITOL BUILDERS HARDWARE INC	WA00030687
THERMO FISHER SCIENTIFIC (ASHEVILLE	WA00031324
VALLEY TOXICOLOGY SERVICE INC	MA00030710
VALLEY TOXICOLOGY SERVICE INC	MA00030871
AMREP INC	WA00031262
LC ACTION POLICE SUPPLY	WA00031081
CUMMINS PACIFIC	WA00031018
AUTHENTIC PROMOTIONS.COM	WA00030929
JACK NADEL INC	WA00030930
RK ADVERTISING	WA00030931
POWER PLUS	WA00032384
THE PUBLIC GROUP OF CALIFORNIA	MA00031314
SHANAHAN'S TOW-TRANSPORT	WA00031008
HOSE & FITTINGS ETC	WA00030671
AZ BUS SALES INC	WA00031109
ALTERNATOR SHOP THE	WA00031521
DEMOCRACY LIVE	MA00031666
POINT & PAY LLC	MA00031172
JP PETROLEUM SERVICE	WA00031553
BAVCO	WA00030499
Vista Paint	WA00031144
RADIATION DETECTION CO	MA00031777
SACRAMENTO NEWS & REVIEW	WA00031516
EVOQUA WATER TECHNOLOGIES LLC	WA00031372
KODAK ALARIS	WA00031769
MAITA TOYOTA	WA00031110
NISSAN OF ELK GROVE	WA00031053
MEL RAPTON HONDA	WA00031043
CAPUCHINO THERAPY GROUP	WA00030578
HARRIS INDUSTRIAL GASES	WA00031691
BOB BARKER CO	MA00031845
INDUSTRIAL DOOR CO	WA00031193

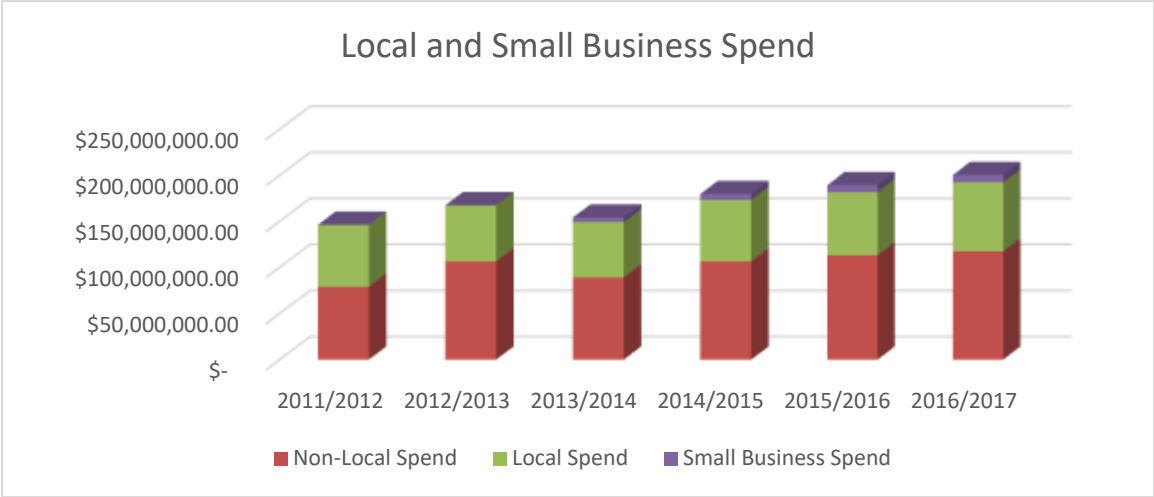
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THE GRID AGENCY LLC	MA00031895
ACCURINT / LEXISNEXIS	MA00031735
CITY WIDE MAINTENANCE	WA00031708
ELAVON INC	WA00031760
CA OFFICE FURNITURE	WA00031361
VALLEY POWER	WA00031629
TECH SERVICES	MA00031929
WEST, A THOMSON REUTERS BUSINESS	WA00031898
INTERSTATE SALES	MA00031609
SOLID TECHNOLOGIES	MA00031954
VALLEY TRUCK & TRACTOR CO	WA00031716
THE LIGHTHOUSE	WA00031689
COP SHOP INSTALLATIONS INC	WA00031681
LEHR AUTO ELECTRIC	WA00031682
CUMMINS PACIFIC	WA00031646
NATIONAL PRINT & PROMO	WA00032370
VANGUARD INTEGRITY PROFESSIONALS	MA00032252
QUALTRAX INC	MA00032385
RAMOS OIL	WA00032323
COLLEGE OAK TOWING	WA00032271
ALL VALLEY DIESEL SERVICE	WA00032275
CAPITOL CLUTCH AND BRAKE INC	WA00031754
FLEET PRIDE	WA00031676
BAY MEDICAL CO INC	MA00031849
HORIZON SAFETY DISTRIBUTING	MA00031850
ULTRADENT PRODUCTS INC	MA00032300
PAPER SYSTEMS INC	MA00032157
ELECTION SYSTEMS & SOFTWARE INC (ES	MA00032412
GOVDELIVERY INC	MA00032399
PERFORMANCE SAFETY GROUP INC	MA00032347

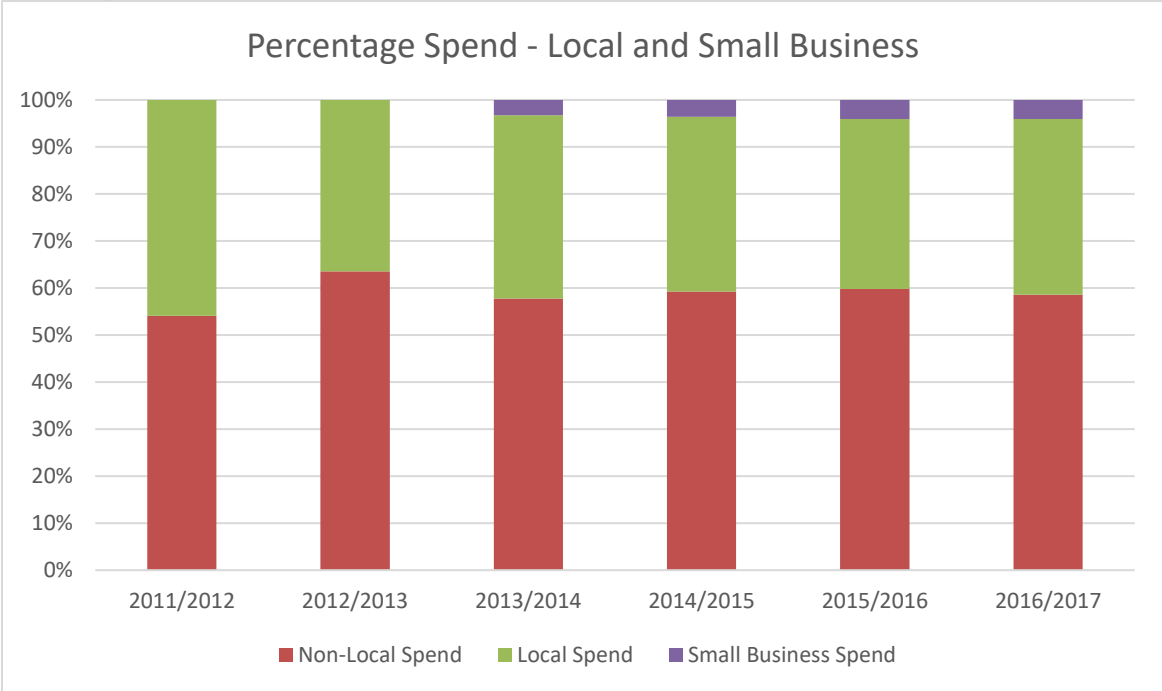


Local Vendor Spend

The following chart shows the amount of spend with local businesses, small business, “all other” business types for the past several years. We do not have reliable small business data for FYs 2011/12 and 2012/13.



The following chart shows the percentage of local business, small business and “all other” business spend for the past several FYs. The local business spend is roughly 40% per year and the small business spend averages 4% per year (although we do not have reliable data for FYs 2011/12 and 2012/13).

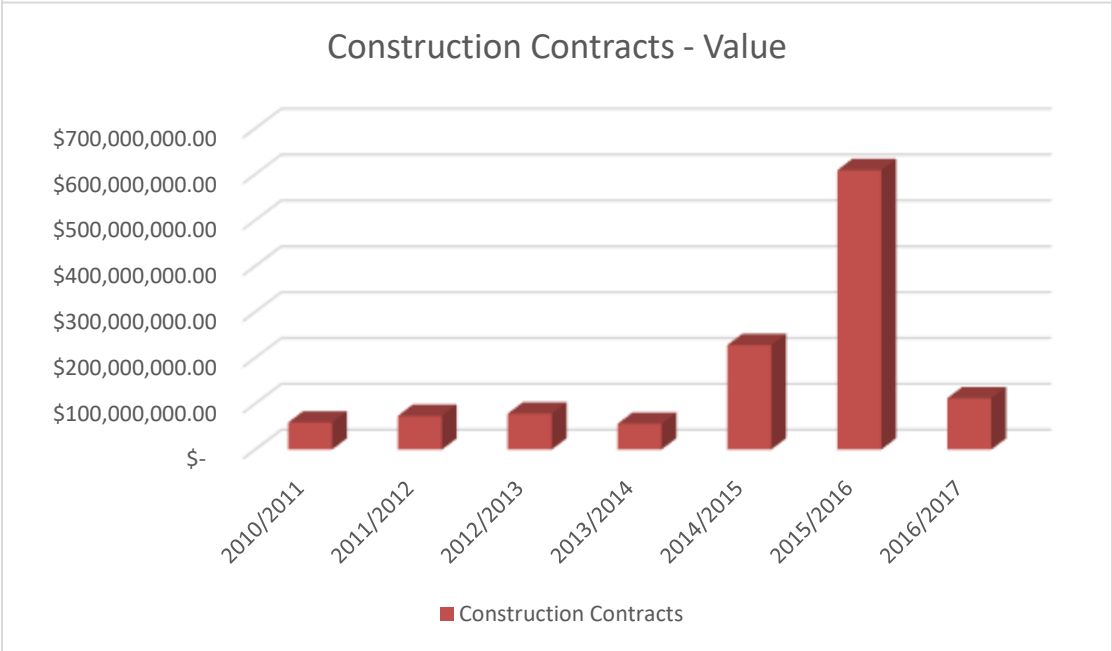
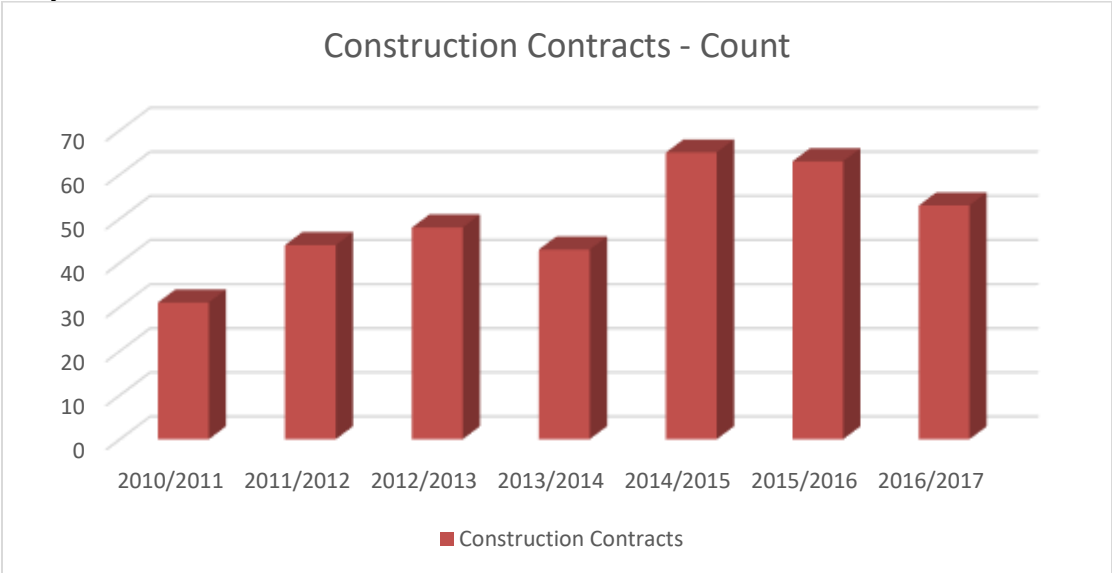


Spend Statistics –Contract Services Section

The *Contract Services Section* of CAPSD handles construction and consulting services contracts either approved by the Board of Supervisors or executed by certain department heads utilizing the contracting authority covered under Section 2.61 of the County code. The two charts below show the number of contracts and value of **consulting** contracts processed through the Contract Services Section over the past seven fiscal years. As with the supplies and services contracts listed previously in this report, the total number and value of transactions processed decreased in conjunction with the decrease in budgets in recent years but have significantly increased since 2010/2011.



The two charts below show the number of contracts and value of **construction** contracts processed through the *Contract Services Section* over the past seven fiscal years. As with the supplies and services contracts listed previously in this report, the total number and value of transactions processed decreased in conjunction with the decrease in budgets in recent years but are trending toward increases with a major bump in contract value in 2015/16 due to the EchoWater Project.



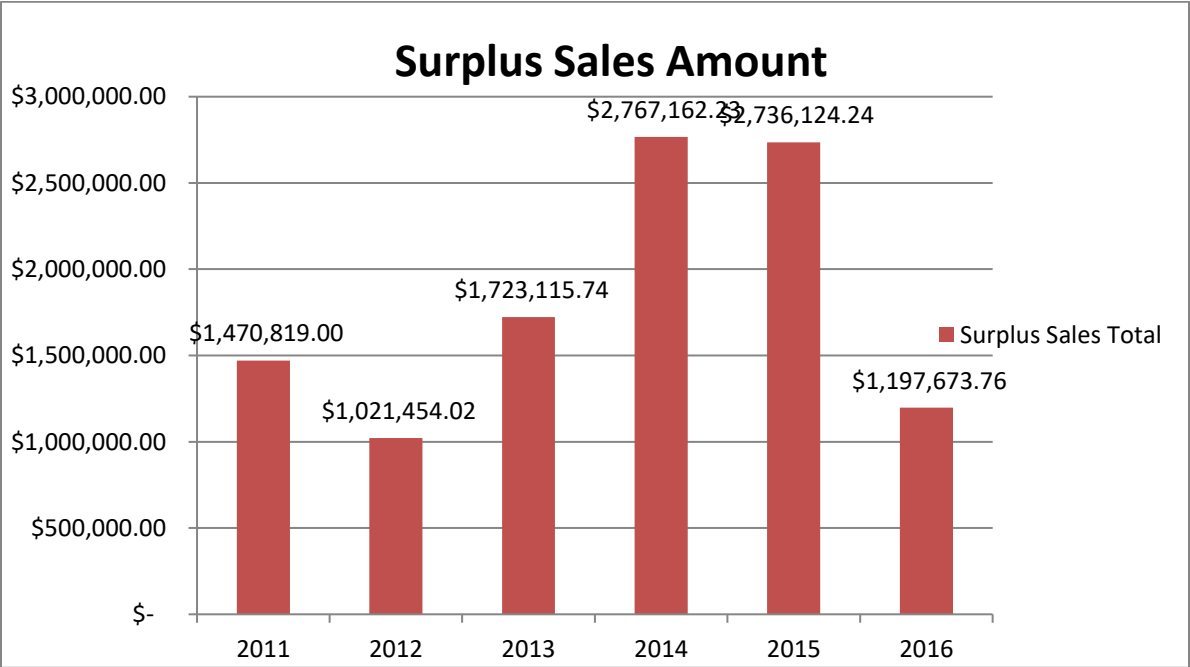


Surplus Property

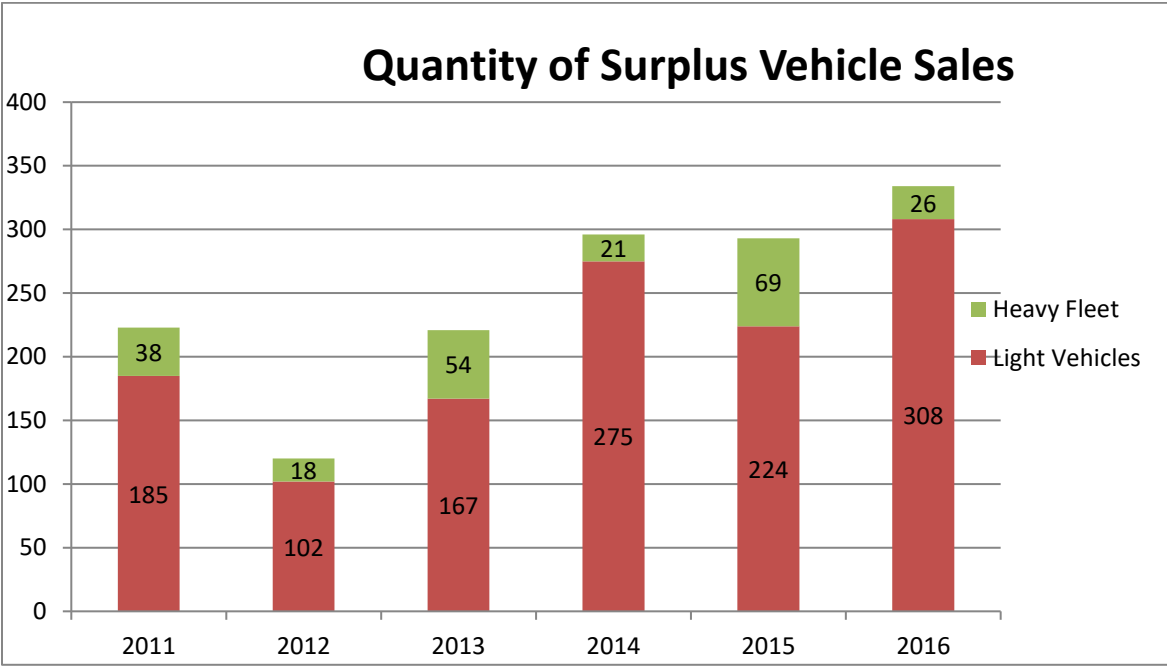
Surplus Property redistributes, recycles, or sells surplus County supplies and equipment. Below is a listing of the amount of revenue returned to departments for the equipment and supplies sold on their behalf. Over \$1.1M was returned to County departments and special districts for the 2016 calendar year.

DOT	\$ 499.00
DGS	\$ 1,675.00
Sunrise Parks & Recreation District	\$ 2,023.00
Capital Construction Fund	\$ 4,985.50
Parks & Rec	\$ 5,655.00
Water Resource	\$ 5,809.00
SETA	\$ 9,506.00
Sheriff	\$ 11,170.77
Economic Development	\$ 42,421.00
DA	\$ 43,200.00
DWMR	\$ 232,609.23
Airports	\$ 240,247.05
Fleet	\$ 597,873.21
Total Surplus Sales	\$1,197,673.76

The chart below and on the following page show the total surplus revenue generated and number of vehicles sold for the past six years. Surplus sales reporting is done on a calendar year basis. The jump in 2014 and 2015 is largely attributed to increased vehicle sales.



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Staffing Levels

CAPSD currently has 17 full time equivalents, which has remained stagnant since 2014, even though the amount of work has steadily increased. A Senior Contract Services Officer is funded by the Department of Technology to provide an increased level of support for the multitude of technology projects. Over the past few years, two Administrative Services Officer II positions have been converted to Senior Contract Services Officers to better align with the duties needed by changes to the Division. The chart below shows staffing levels for the previous four years. CAPSD has struggled to maintain an adequate level of support to our customer since staffing was reduced by 40 percent in 2009/2010. For the past several years, we have augmented staffing levels by hiring student interns. We current employ two part-time interns who are assisting staff to help support our customers. Request over the years to increase staffing have been denied with the exception of the position funded by Dtech and a Senior Contract Services Officer added in 2016.

	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
Purchasing Agent	1	1	1	1
Contract Services Manager I	1	1	1	1
Senior Contract Services Officer	7	8	10	10
Contract Services Officer, Level I/II	4	4	4	4
Contract Services Specialist	1	1	1	1
Administrative Services Officer II	3	2	1	1
Total FTE	17	17	18	18

Process Improvements

CAPSD Work Plan

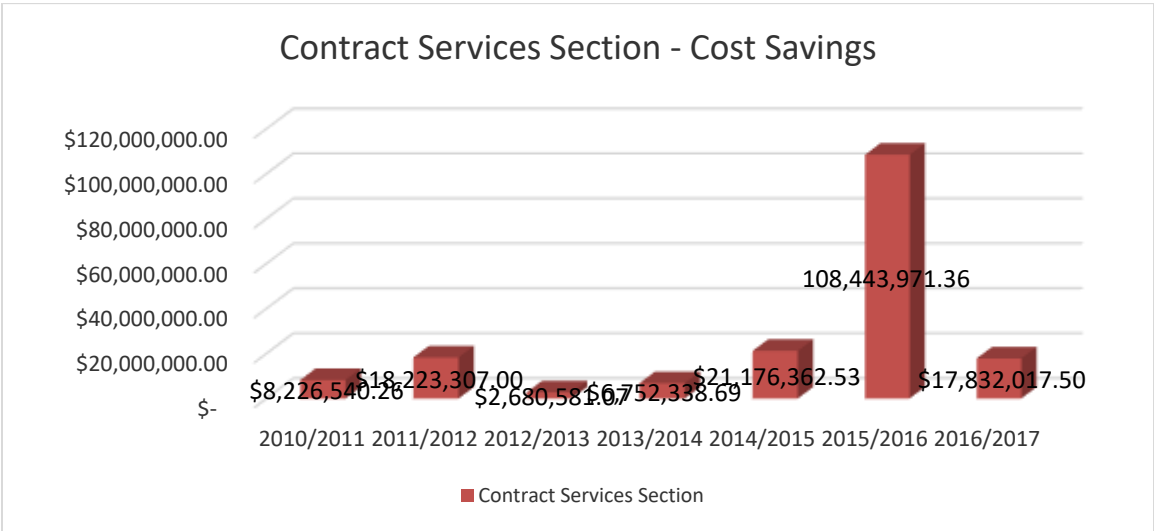
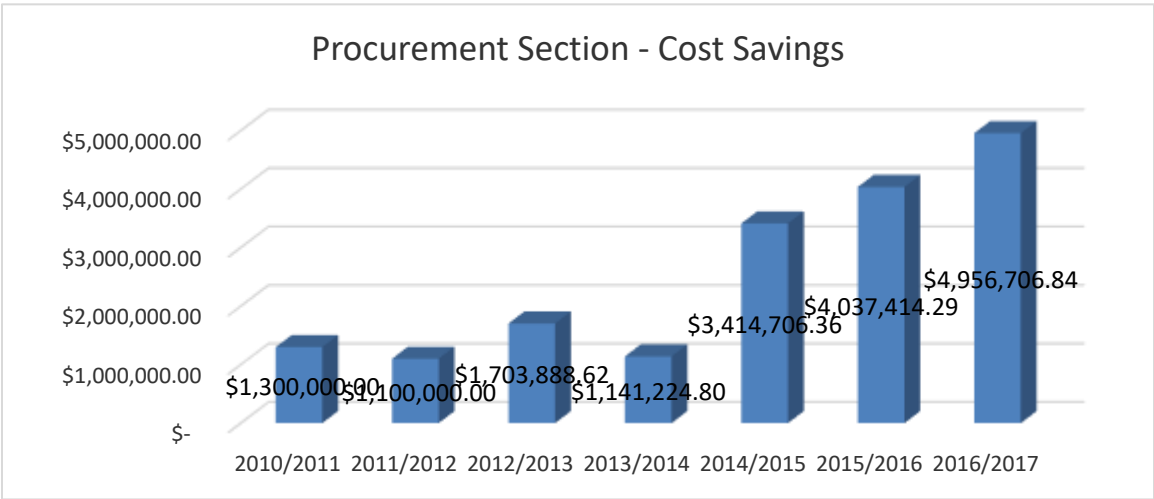
In 2006, staff developed a CAPSD Work Plan that initially documented more than 70 items/tasks/process improvement initiatives. Over 125 items have been completed since 2006. Among other things, the plan identifies the key contact person for each task, anticipated completion date, and status. Currently, the plan has over 30 active initiatives, some of which are ongoing initiatives with no end date (such as continued participation in the ongoing collaboration/focus group meetings with the City of Sacramento, Sacramento Housing and Redevelopment Agency, Sacramento Municipal Utility District, etc.). Due to staffing limitations, the CAPSD Work Plan has received little attention over the past few years.

Our Value to the County

One of the biggest challenges facing the county is how to maximize their budgeted dollars. CAPSD plays a key role in helping the county departments make the best use of their funds, and at times, we are able to save a substantial amount, allowing departments to fund projects that would not have been otherwise possible. In addition, CAPSD has an inherent responsibility to reduce the County's exposure to risk. Unlike quantifiable hard dollar savings, soft dollar savings associated with reducing risk are difficult to measure. However, soft dollar savings contribute immensely to quantifiable hard dollar savings. There are soft dollar savings associated with eliminating and/or reducing the risk associated with every procurement (contracts and purchase orders). These costs are related to those items in a procurement cycle that are necessary to prepare and complete a contract or purchase order, such as negotiating terms and conditions, costs, delivery and mediating vendor performance problems and, of course, reducing the County's exposure to risk.

An added benefit of our involvement is the ability to decrease the number of small orders, decrease maverick buying, and to take advantage of volume purchases. By leveraging purchasing volume, the County is able to drive down product cost and increase hard dollar savings.

CAPSD tracks cost avoidance and reductions utilizing a web-based, tracking system developed by DGS IT staff that accurately captures and reports all cost savings. For the 2016/17 Fiscal Year, we were able to capture over \$22,000,000 (nearly \$5M for the *Procurement Section* and over \$17M for the *Contract Services Section*) in cost savings. The *Procurement Section* shows a steady increase in savings over the past several year, which is a result of more diligent reporting and tracking by staff. The amount in savings generated by staff far exceeds the budget of the unit. The *Contract Services Section* shows a large spike in 2015/16, primarily due to one EchoWater project coming in well below the engineer's estimate. Removing that one anomaly, it appears that savings with this section are not consistent year to year, however somewhat in line with the trends of the construction contract spend chart listed on page 22.





The following is a small sample of the saving realize by the County due to the involvement of CAPSD staff for supplies and services.

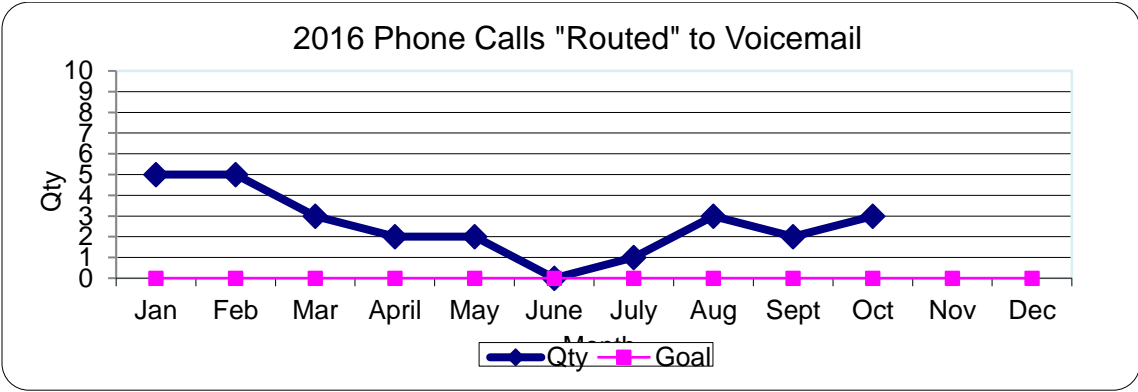
- \$1,294,095.30 **Sheriff:** Spot market food purchases for jails.
- \$902,464.00 **Sheriff:** Jailhouse Management System
- \$299,027.50 **DTech** Privileged Account Management (security management tool)
- \$234,302.50 **Transportation** LED lights, mast arms and controllers.
- \$215,000.00 **Airport, Int'l** furniture.
- \$133,769.00 **DTech** software licensing and maintenance renewal.
- \$110,814.23 **DHA** toner cartridges (switched from OEM to remanufactured). Savings to be realized over several years.
- \$87,337.04 **Sheriff:** inmate supplies.

Performance Measurements

CAPSD tracks four key indicators on a monthly basis. Performance Measurements (PM) are tracked by calendar year, not fiscal year. The annual results are as follows:

- 1) Phone Calls - To maintain the current number of calls to the 916-876-6360 telephone line (our main phone number) forwarded to voicemail during normal business (M-F, 8:00 – 5:00) hours to zero.

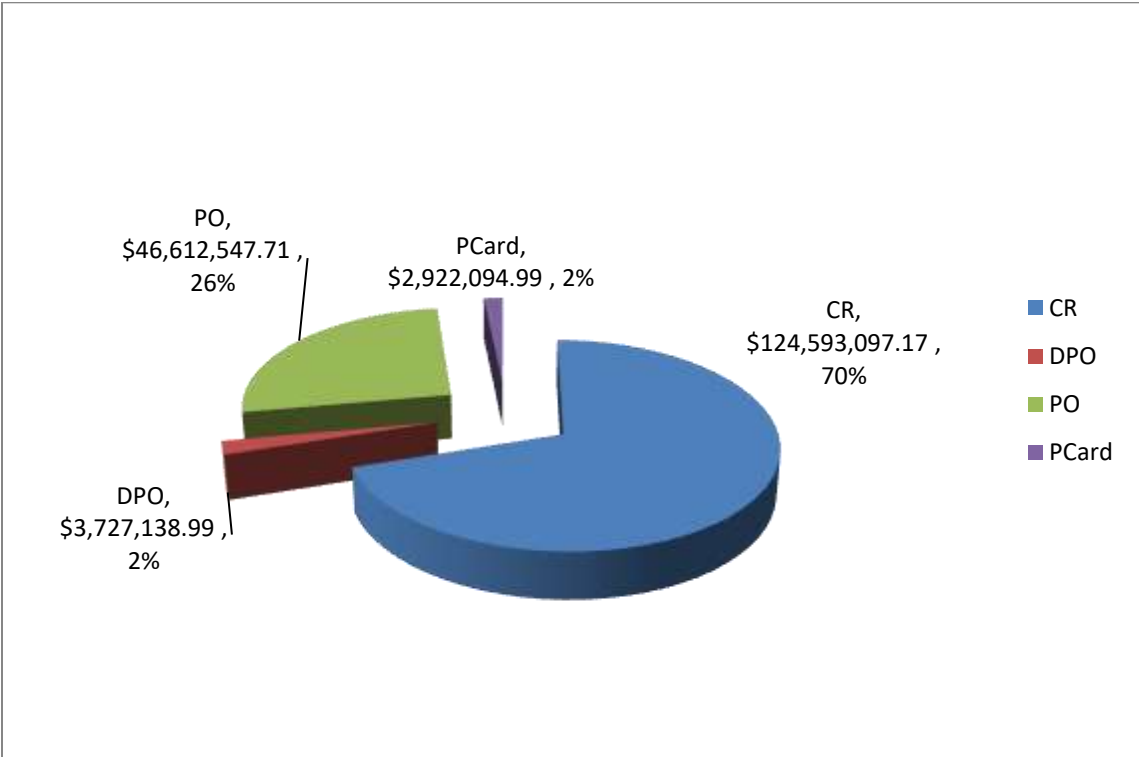
As indicated in the chart, we missed our goal throughout the year, which is a direct result of staff reductions (November and December information is missing as our one administrative staff was on an extended disability so the information was not tracked). The goal was originally implemented when CAPSD had four FTE administrative staff available to answer incoming calls. As in the past few years, we have only one FTE available; therefore we expect to continue missing our goal. That being said, the one FTE is doing an exceptional job of minimizing calls that are not answered “live.”



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2) Contracting Percentage – The objective is to increase the percentage of purchases made against contracts (CR) by County personnel, compared to overall spend (including delegated programs, such as DPO, and one-time purchases (PO)), and increase the number of County contracts. The PM is to maintain the contract-related purchasing (contract shipping order volume) at a level greater than 75% of County’s overall spending that is processed by the Purchasing Agent’s authority.

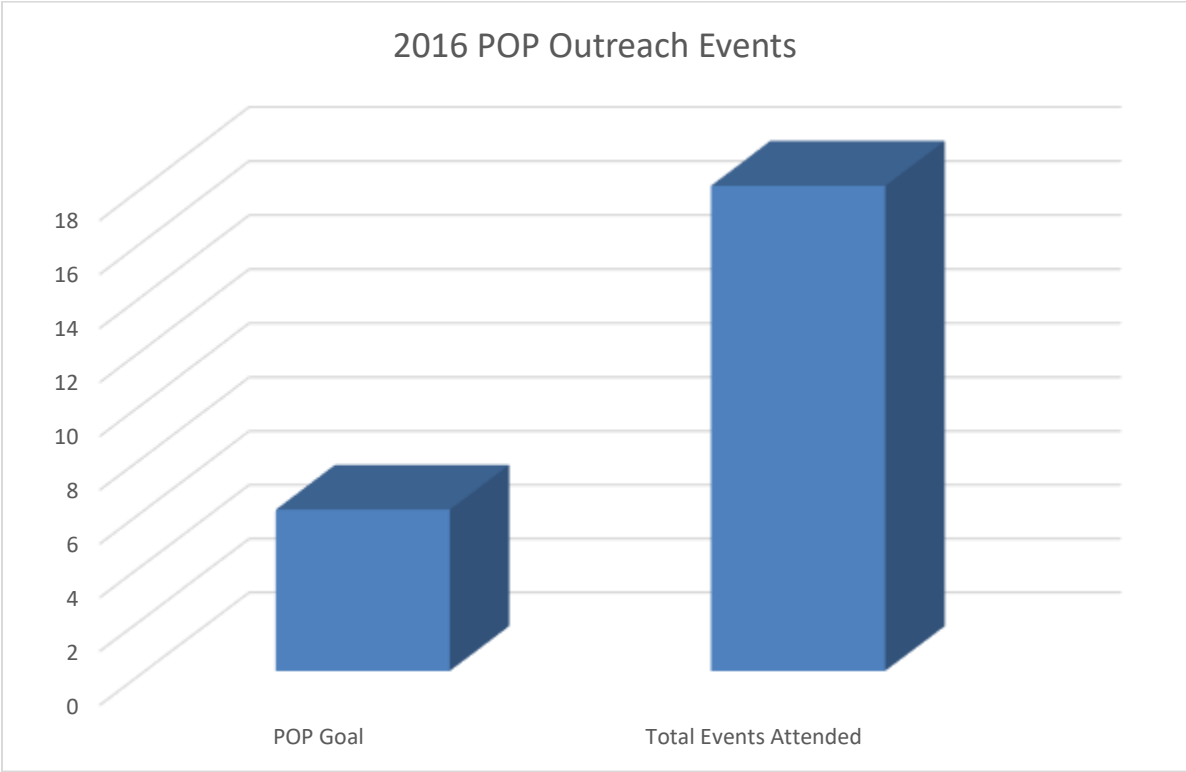
As indicated in the chart, we missed our goal by 5%. This was mainly due to several large equipment purchases made in 2016.





- 3) Participation in Small Business Outreach Events – Objective is to increase the County’s presence with the local vendor community and increase the number of outreach events attended each year by one with a target of six events.

As indicated in the chart, staff far exceeded the goal by attending 29 events in 2016. CAPSD management and staff understand the importance of building and fostering relationships with the local, small business community. Through its partnership and involvement with several local chambers and small business organizations, CAPSD continues to maintain a presence with, and help educate local businesses. .



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4) Customer Satisfaction: In 2006, CAPSD implemented several Performance Measurements, one of which evaluates the level of customer satisfaction. Our goal is to provide prompt and efficient purchasing services to County agencies and departments. The Department of General Services solicited feedback from its internal customers via the ISIS (external consulting firm) survey and the results became our baseline for measuring improvement. At that time, the survey showed that 13% of the customers surveyed were either dissatisfied or extremely dissatisfied with the level of service from CAPSD. Our goal is to increase overall customer satisfaction with CAPSD (from 2006 CAPSD survey results) by decreasing the (baseline) negative response by 3% annually, from 13% of “dissatisfied” or “extremely dissatisfied” toward a target of 5% or less. Therefore, the goal for our 2017 survey was to have 5% (or less) negative responses. We only received 3 completed surveys in 2017; therefore there is insufficient information to make any conclusions. Staff is looking at ways to improve the response rate for our surveys.



Accomplishments

Below is a partial listing of the accomplishments achieved by CAPSD during FY 2016/17:

- **Achievement of Excellence in Procurement (AEP) Award** - CAPSD was again successful in our application for the 2017 AEP Award. The requirements for this award are updated annually to keep fresh with trends and “best practices.” We look forward to accepting our 13th award at the 2018 California Association of Public Procurement Officials Conference. Sacramento County was one of 45 agencies in California to receive the award. We are also one of only 48 counties in the United States to receive this prestigious award. The AEP Award validates CAPSD’s commitment to fiscal efficiency while maintaining a high level of customer service to taxpayers and as well as the various County departments. CAPSD staff aggressively promotes a fair, competitive, and impartial environment for the County's vendor community, and this award validates that, despite the obstacles that confront us, our organization continues on the right track and is an example for others to follow.
- **Education and Certification** – Management and staff understand and value the importance of continuous education and obtaining certification as this reflects on the credibility of our profession. Four employees hold at least one professional certification and over 75% of staff have at least one four-year degree. Staff also has attended several educational seminars/workshops within the past year. Several staff members present workshops/seminars to their peers.
- **CAPPO Presidency** - In 2016/2017, Craig Rader served as President of the California Association of Public Procurement Officials (CAPPO). CAPPO is the nation’s oldest profession procurement association, founded in 1915 and dedicated to maintaining the highest standards of professional behavior and ethical conduct in public procurement. During his term, Craig’s focus was on increasing the educational opportunities of its members, encouraging members to share their knowledge with colleagues and increasing volunteerism with the organization. Craig term concluded at the end of CAPPO’s historic 100th Conference and Supplier Exposition. He now serves the organization as Immediate Past President and is conducting a major review and update of CAPPO’s bylaw, policies and procedures.



- **Procurement Opportunities Program (POP)/Small Business Outreach** – CAPSD is committed to working with the local and small business community to provide assistance in the contracting process by attending and/or conducting outreach events during the 2013 calendar year. CAPSD staff attended 18 events focused on local, small business outreach. CAPSD is also an active member of the Sacramento Public Agency Consortium (SacPAC).
- **POP Reporting** - We continue to strive to improve our ability to track and report County spending with small businesses, and usage reporting with local businesses is included in this report. For the past several years, we have been working diligently with the State of California and our internal IT staff to develop a comprehensive reporting tool; recently, the State provided us with small business information. So far, we have been unable to obtain the necessary files to ensure our reporting is accurate. Therefore, the reporting figures in this report are probably under reported.
- **Professional Development** – CAPSD Management and staff recognize the importance of continuous self and professional development, as indicated by the following:
 - Craig Rader serves on the California Association of Public Purchasing Officers (CAPPO) Board as President (2016/17) and Immediate Past President 2017/2018.
 - Craig Rader also serves as an Area 9 (Southwest Region) Chapter Ambassador for the National Institute of Governmental Purchasing, Inc. (NIGP)
 - Fifteen employees are members of the California Association of Public Procurement Officials
 - Four employees are members of the National Institute of Governmental Purchasing, Inc. (NIGP)
 - Eight employees attended (and one employee made presentations at) the 2017 100th Annual CAPPO Conference and Supplier Exposition.
 - Two employees attended (and one employee made presentations at) the 2017 CAPPO/NIGP Cooperative Conference. In addition, one employee was on the conference planning committee
- **Developed Construction Training Course** – Staff developed training for the Construction Contracting process. This course has been presented to various County departments.



Looking Forward

In support of its mission “Service through Excellence,” CAPSD is committed to providing the best possible service to our customers and will constantly strive to look for ways to improve procurement within the County. This will be accomplished by focusing on the CAPSD work plan, investing in continued education, actively participating in professional associations, networking with other local agencies, and constantly looking for innovative ideas and products to improve processes and reduce costs.

In addition to our ongoing efforts to expand eProcurement and develop our small business reporting capability, we also remain committed to our staff’s education and refocusing on our Work Plan.

CAPSD has been working with staff from Dtech to re-develop our “webtools” (web-based tools for CAPSD staff and customers”. The new webtools will provide better information and increased functionality helping employees to be more efficient. We hope to have the new tools available by the end of FY 2017/18.

Lastly, at the beginning of FY2017/18, CAPSD has implemented a “requisition checklist” form to assist our customers in ensuring they provide all the necessary information so we can more quickly establish their requested contract or purchase order thereby reducing lead times.
