

Procurement Reform Savings Summary



In 2015-2016 the County worked with a consultant to review the County's procurement process, laws, policies, and data regarding the time to complete requests by County agencies. Since that time the County has undertaken numerous Code and policy changes as well as an enhanced focus on customer service and improving the ability of vendors to work with the County. The consultant suggested that the County could save between \$10M-\$20M over a five year period by changing policies, reducing the time to complete procurements, implementing category management, among other recommendations.

Overall County Savings Progress

- Purchasing staff saved more than \$14M in 2.5 years, rather than the five years the consultant recommended over three main categories of spending: Capital and Maintenance Services, Public Safety and Human Services, and Administration and Commodities.
- The County is on track to surpass the maximum expected amount of savings recommended.
- Category Management Savings: \$414,726 of the \$11.4M FY18 savings was generated from implementing category management. We expect this number to continue to grow over the next few years.

	<u>Achieved</u>	<u>Annual Targeted Savings</u>
FY16	\$65,143.00	\$4,000,000.00
FY17	\$3,189,319.00	\$4,000,000.00
FY18	\$11,441,292.94	\$4,000,000.00
FY19		\$4,000,000.00
FY20		\$4,000,000.00
Total	\$14,695,754.94	\$20,000,000.00

Status of Recommended Categories of Change

The Consultant's report identified six categories of changes where the County could focus attention to achieve the recommended savings. Work continues to reduce the time to procure goods and services and to complete tasks under each of the six categories.

- Organization and Operating Model Design – 93% complete
- Category Management and Sourcing – 71% complete
- Policies and Procedures – 84% complete
- Process Re-engineering – 76% complete
- Technology and Automation – 70% complete
- Change Management – 89% complete