

**Department:** County Assets

**Program Contact:** Patrick Williams

**Program Offer Type:** Administration

**Program Offer Stage:** As Requested

**Related Programs:**
**Program Characteristics:** In Target

**Executive Summary**

Countywide Strategic Sourcing focuses services on holistic (County-wide) data driven strategic planning to define and drive improved Strategic Sourcing, Procurement and Contract Administration outcomes.

**Program Summary**

This program offer focuses on the development, implementation, oversight and direct delivery of the strategic sourcing practices across the County. This organization reports to the DCA Finance Manager.

The program includes Strategic Sourcing Analysts and a Strategic Sourcing Data Analyst in order to provide strategy, leadership, practice development, oversight and monitoring, detailed spend analysis, strategic sourcing plans and compliance analysis/oversight for hundreds of contracts and millions of dollars each year.

This program is responsible for addressing the strategic sourcing needs of all County Departments across all commodities and types of transactions, which includes commercial, personal services, construction, lease, software, technology goods and services, maintenance and repair, and architectural services. Support also includes collaboration with departmental partners in the review of Administrative Procedures, policies and the implementation of best practices as necessary, in support of strategic sourcing initiatives.

Strategic Sourcing is the practice of taking a holistic approach to the selection and sourcing of goods and services necessary to meet the requirements of an organization's operations. This effort includes several key tenets or procurement best practices: (1) Consolidating spend across all buyers with a small number of supplier partners so that the best prices can be achieved, (2) Considering the total life cycle cost of a product and service (not just the purchase price) when making a procurement decision, (3) Building mutually beneficial strategic partnership relationships with key suppliers, (4) Leveraging the capabilities and services of supplier partners to reduce internal operating costs, and (5) Leveraging technology to reduce operating costs, better manage spend and achieve better prices.

**Performance Measures**

| Measure Type | Primary Measure  | FY18 Actual | FY19 Purchased | FY19 Estimate | FY20 Offer |
|--------------|--|-------------|----------------|---------------|------------|
| Output       | Strategic Sourcing Initiatives undertaken and completed              | 6           | 6              | 9             | 6          |
| Outcome      | Percent of goods available from and purchased via Multco MarketPlace | 35%         | 35%            | 35%           | 35%        |

**Performance Measures Descriptions**

Output - Strategic Sourcing Initiatives undertaken and completed reflects the implementation rate of the County's Strategic Sourcing practices, which improve strategic purchases.

Outcome - Percentage of annual goods purchased via the County's Multco MarketPlace indicates the volume of spending that has been driven to the e-Marketplace where contracts and controls are in place for all available purchases.

## Legal / Contractual Obligation

Oregon Revised Statutes (ORS) 279A, 279B, and 279C establish requirements affecting the County's procurement and contracting practices. State Qualified Rehabilitation Facilities laws are enforced via purchasing through the Multco MarketPlace.

## Revenue/Expense Detail

|                        | Proposed General Fund | Proposed Other Funds | Proposed General Fund | Proposed Other Funds |
|------------------------|-----------------------|----------------------|-----------------------|----------------------|
| Program Expenses       | 2019                  | 2019                 | 2020                  | 2020                 |
| Personnel              | \$462,651             | \$0                  | \$232,950             | \$0                  |
| Materials & Supplies   | \$3,300               | \$0                  | \$6,547               | \$0                  |
| Internal Services      | \$34,931              | \$0                  | \$49,054              | \$0                  |
| <b>Total GF/non-GF</b> | <b>\$500,882</b>      | <b>\$0</b>           | <b>\$288,551</b>      | <b>\$0</b>           |
| <b>Program Total:</b>  | <b>\$500,882</b>      |                      | <b>\$288,551</b>      |                      |
| <b>Program FTE</b>     | 3.40                  | 0.00                 | 2.00                  | 0.00                 |

| Program Revenues     |            |            |            |            |
|----------------------|------------|------------|------------|------------|
| <b>Total Revenue</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

## Explanation of Revenues

This program is funded in the General Fund.

## Significant Program Changes

**Last Year this program was:** FY 2019: 78104-19 Countywide Strategic Sourcing

Finance Manager and a Project Manager are allocated 100 percent to Administrative Hub Finance and removed from Strategic Sourcing program offer 78104 to better align with duties and functions.