

**Department:** County Assets

**Program Contact:** Mark Lewis

**Program Offer Type:** Support

**Program Offer Stage:** As Requested

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

**Executive Summary**

The Strategic Sourcing team allows the County to consolidate its purchasing power to find the best possible values in the marketplace and align the purchasing strategy with County goals. This team optimizes the sourcing process through ongoing market analysis and aggregation of County needs. This team resides within the Business Services Division of the Department of County Assets.

**Program Summary**

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.

The process begins with analyzing the County needs and historical spending, followed by outlining a strategic plan, and then conducting data collection and market analysis that guides selection of a roster of suppliers. Strategic Sourcing initiatives primarily support for professional services purchased countywide. Support also includes collaboration with departmental partners in the review of Administrative Procedures and the implementation of best practices as necessary, in support of strategic sourcing initiatives. The Strategic Sourcing unit reports to the Business Services/Deputy Director.

**Performance Measures**

Measure Type	Primary Measure	FY20 Actual	FY21 Budgeted	FY21 Estimate	FY22 Offer
Output	Percentage of strategic sourcing contracts reviewed and amended for emergency operations priority.	N/A	N/A	N/A	80%
Outcome	To increase total spend for Strategic Sourcing contracts	N/A	N/A	\$35.5M	\$41.25M

**Performance Measures Descriptions**

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

## Legal / Contractual Obligation

Oregon Revised Statutes (ORS) 279A, 279B, and 279C establish requirements affecting the County's procurement and contracting practices.

## Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Requested General Fund	Requested Other Funds
Program Expenses	2021	2021	2022	2022
Personnel	\$257,881	\$0	\$345,091	\$0
Materials & Supplies	\$500	\$0	\$4,820	\$0
Internal Services	\$40,950	\$0	\$46,761	\$0
<b>Total GF/non-GF</b>	<b>\$299,331</b>	<b>\$0</b>	<b>\$396,672</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$299,331</b>		<b>\$396,672</b>	
<b>Program FTE</b>	2.00	0.00	2.25	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 2021: 78104 Countywide Strategic Sourcing

Due to Covid19 the staff in this program were moved to teleworking instead of reporting to the office. Operational changes include virtual meetings and check ins, communication is primarily through email or google chat, and reporting is emailed and followed up virtually. Covid related expenses are monitored and tracked. There have been and continue to be many staff supporting the Emergency Operations Center and Joint Office of Homeless Services in response to the pandemic.

Personnel changes include 0.25 FTE added due to reorganization of Management; 0.25 FTE reduced from Program offer 78316 IT Shared Operating Expenses.