



## **CONTRACT & PURCHASING SERVICES DIVISION ANNUAL REPORT FOR FISCAL YEAR 2017/2018**

Prepared by:

Craig Rader, CPPO, CPPB  
Purchasing Agent  
Department of General Services  
Contract & Purchasing Services Division

⋮

This page intentionally left blank

•  
•  
•  
•  
•

**Who We Are .....5**

**What We Do .....5**

**What’s in this Report? .....6**

**How We Buy.....8**

**What We Buy .....10**

**Who We Support.....11**

**Spend Statistics –Procurement Section.....12**

**Contracts Extended (per code 2.56.220) .....15**

**Local Vendor Spend.....19**

**Spend Statistics –Contract Services Section.....20**

**Surplus Property .....22**

**Staffing Levels.....24**

**Process Improvements.....25**

**Our Value to the County .....25**

**Performance Measurements.....27**

**Accomplishments.....31**

**Looking Forward.....33**

⋮

This page intentionally left blank



**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* establishes 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 that allow 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 2017/18 Fiscal Year (FY 2017/18) 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. You will note that several of the items we track to gauge staff workload reached an all-time high in 2017/18.

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

•  
•  
•  
•  
•

\$26,000,000 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 2017 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 2017/18 is included in this report.

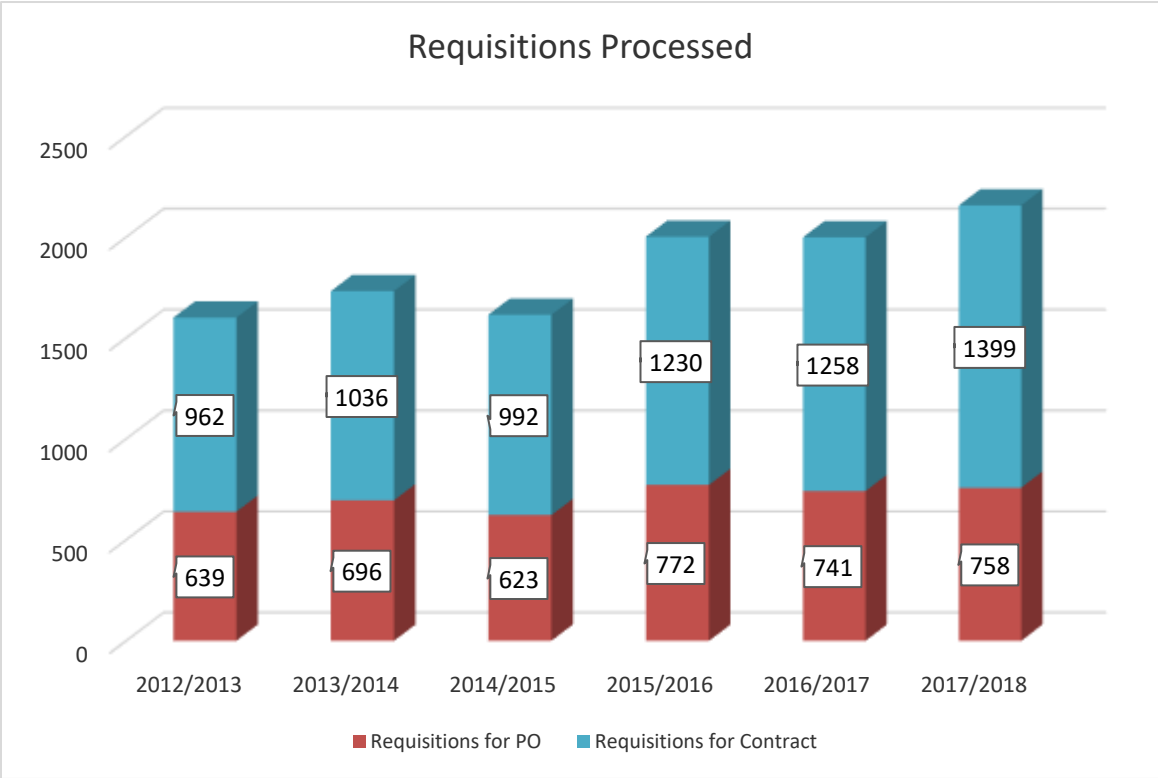
---



**How We Buy**

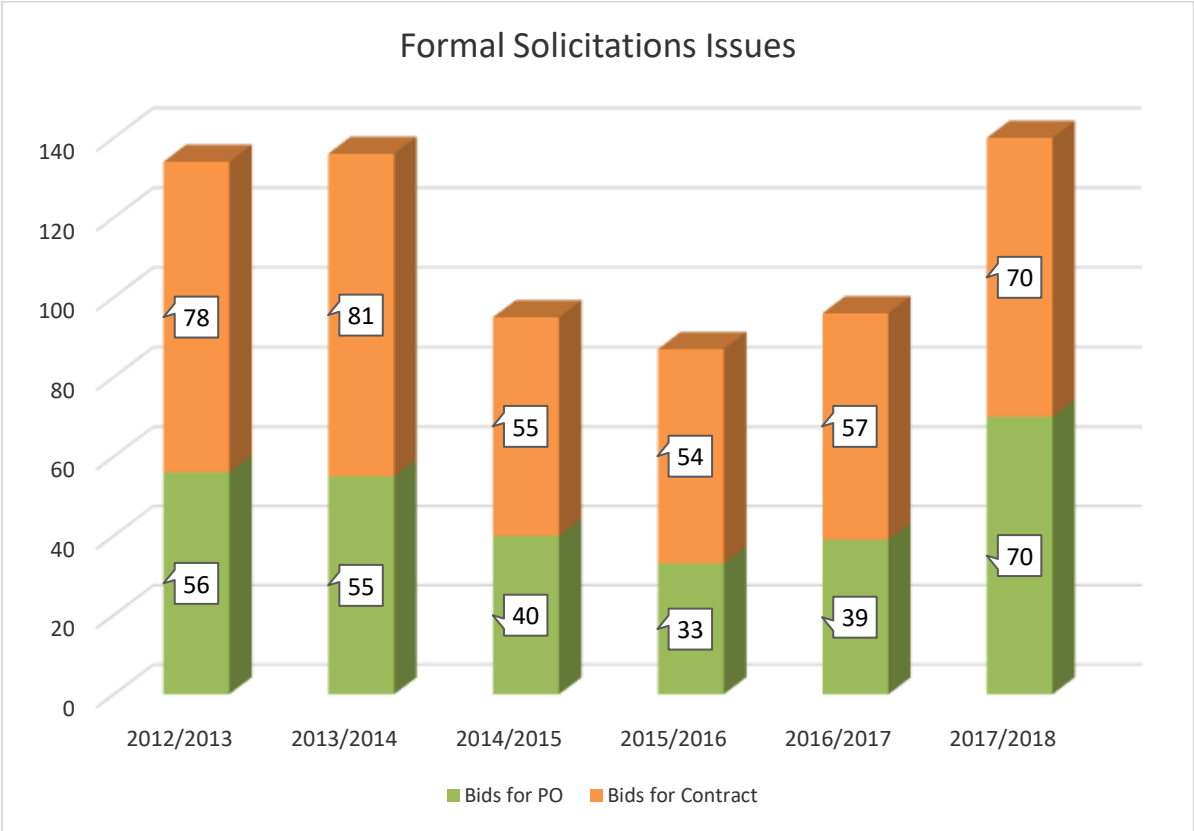
As indicated earlier, the Contract & Purchasing Services Division uses several methods to purchase the various goods and services needed by departments. We issue purchase orders for “one-time” purchases for departments (such as for the purchase of heavy equipment) and we issue countywide contracts to 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 requisitions processed by the *Procurement Section*. The requisitions result in the creation of a one-time purchase order or a long-term contract for recurring purchases. 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 and 2017/18 was a record year with a total of over 2,150 requisitions processed.



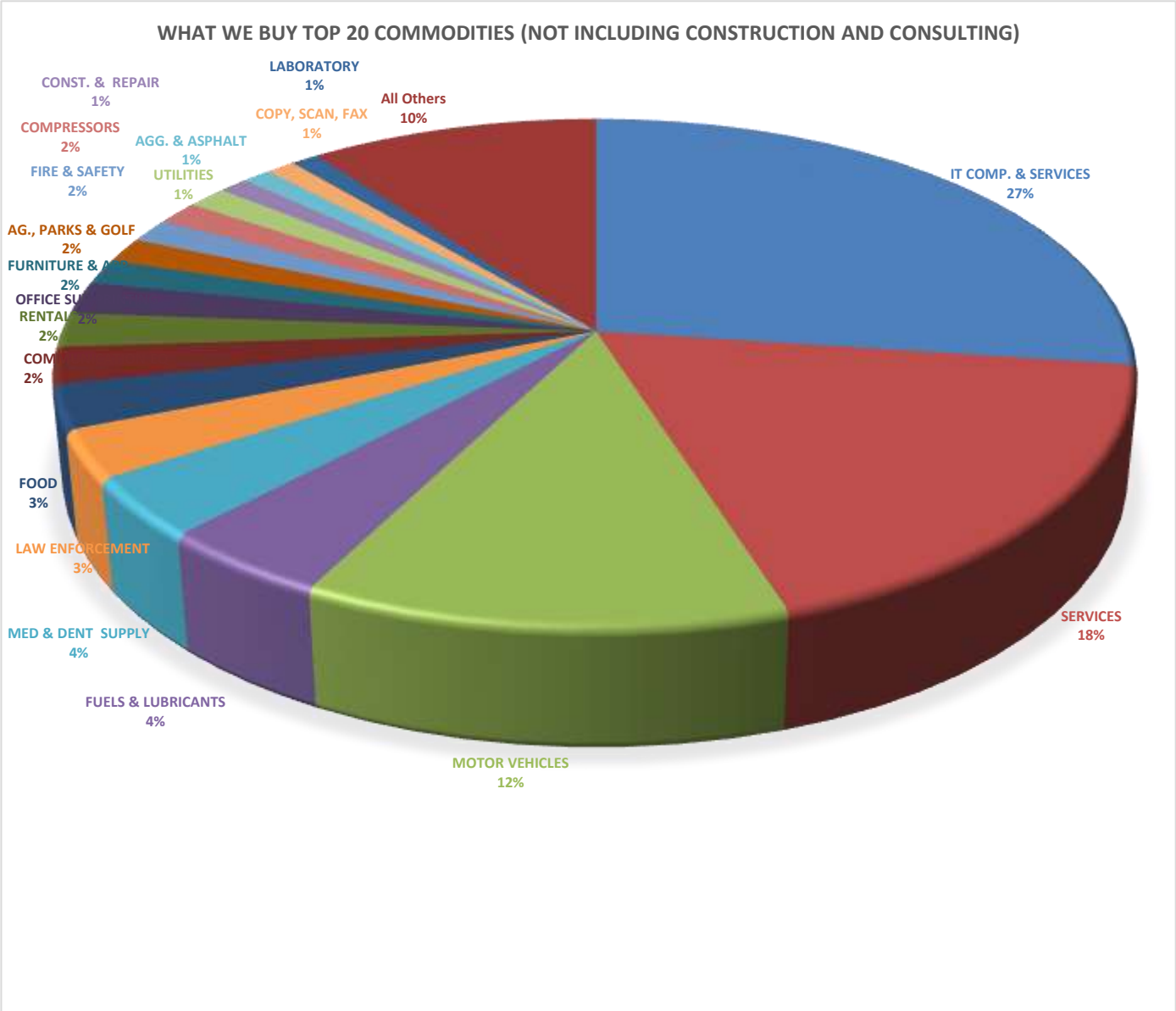


The chart below shows the number of formal solicitations (Request for Bids, Request for Proposals and Reverse Auctions) conducted over the past several years. The total number of formal solicitations has slightly decreased for a few years when our formal bidding threshold increased from \$35,000 to \$100,000 in 2014. However, 2017/18 was a record year with 140 formal solicitations processed.



**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 seven percent of the overall spend was for IT hardware/software/services, eighteen percent for various types of services, twelve percent for motor vehicles, followed by fuel/lubricants and medical/dental with four percent each. Other top spend categories include food, law enforcement, furniture, office supplies, etc.

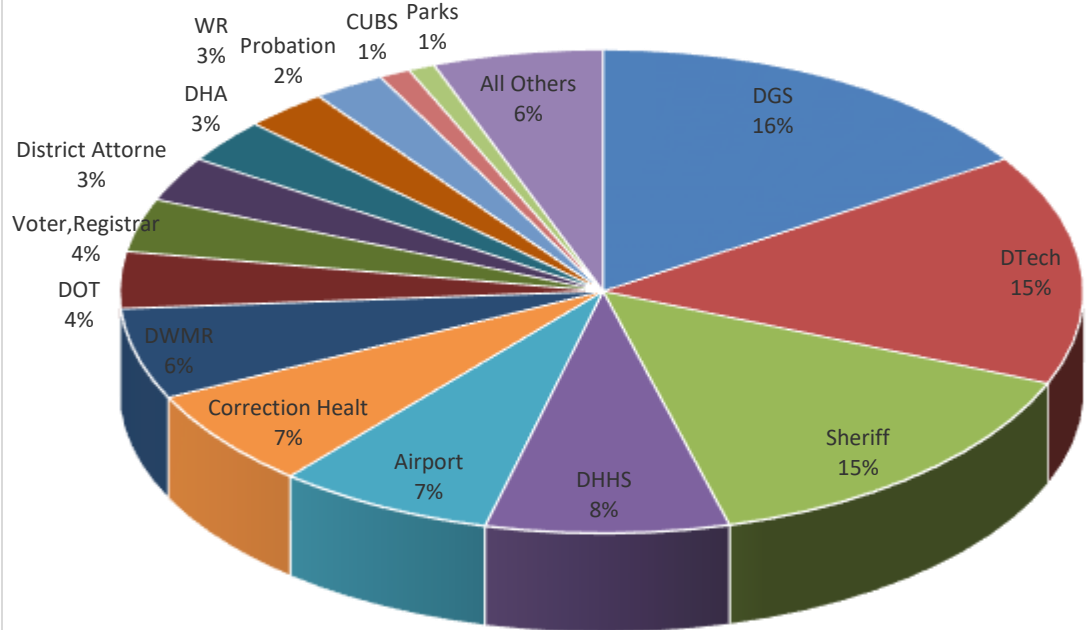




**Who We Support**

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 General Services, Department of Technology, Sheriff, Health Services, Airport, Correction Health, etc.

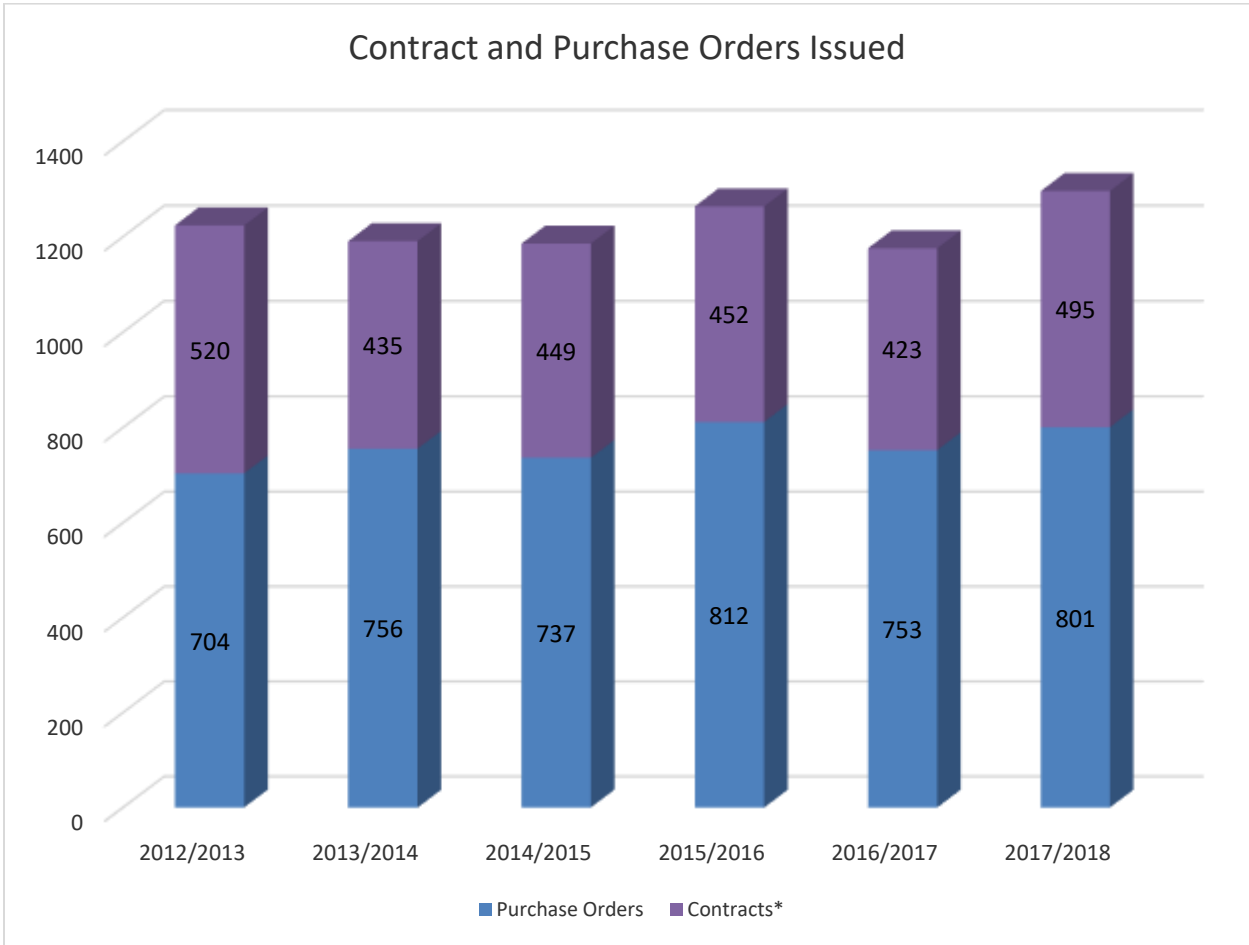
Top Spend by Department (not including Construction and Consulting)



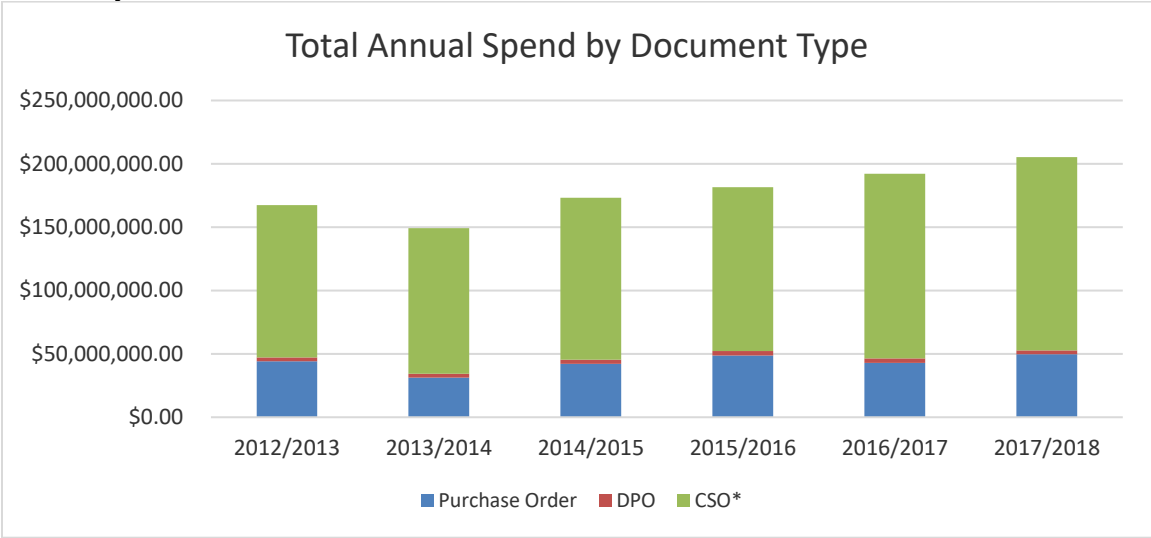


**Spend Statistics –Procurement Section**

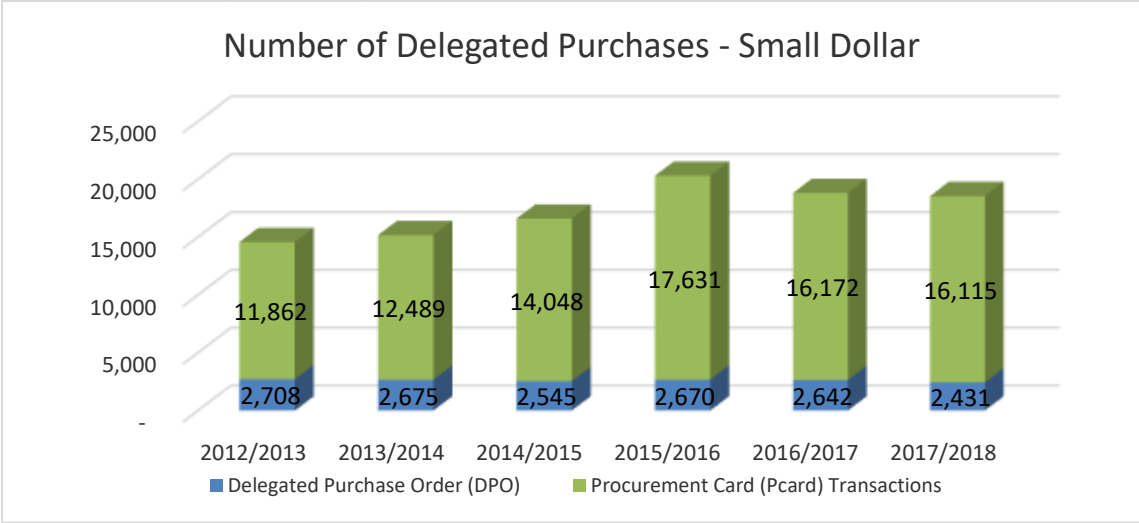
The following table shows the number of contracts and purchase orders issued for the past six fiscal years. The total number of central purchase orders issued by CAPSD staff was at its lowest mark in FY 2009/10 and has steadily increased in the following years. The number of contracts\* listed below only include newly established contracts and do not include existing contracts that were established in prior fiscal years (most of the contracts we establish have a 3-year term). As noted earlier in this report, we manage over 1,000 countywide contracts. The number of contracts and purchase orders issued in 2017/18 was a record high of nearly 1,300 documents.



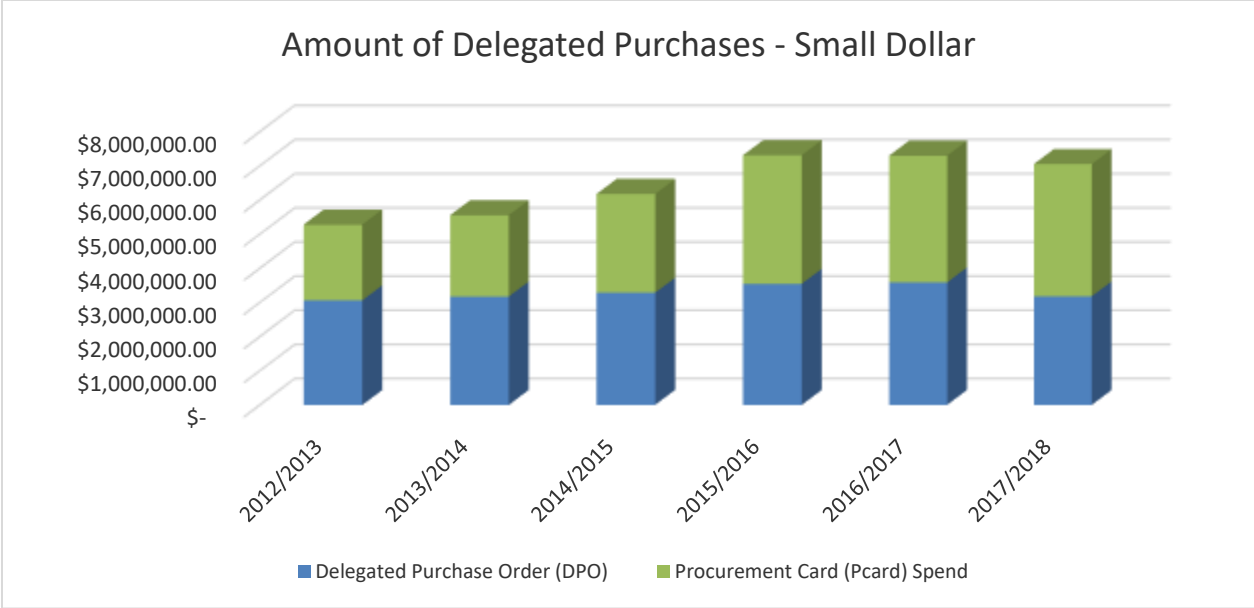
The chart below shows the dollar value of purchase orders, delegated purchase orders and contracts over the past six fiscal years. This shows an overall trend of increased spend on one-time purchase orders annually since FY 2012/13, although there was a slight decrease in spend on one-time purchase orders in FY 2013/14. Total spend for FY 2017/18 was over \$200,000,000, which is over a twenty-five percent increase since FY 2011/12 and a record high for the past several years.



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 has been a small decrease since FY 2016/17, which is indicative of more purchases being made against county contracts (see chart above).



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 a peak of \$7,000,000 in 2015/16. Total spend has slightly decreased the past two years which is indicative of more purchases being made against county contracts



•  
•  
•  
•  
•

**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. Staff will exercise the option to extend a contract up to an additional six months, when there are unable to rebid/negotiate a new contract in a timely manner. As you will see, due to limited resources (either by CAPSD or our customer), over 100 contracts had to be extended. Below is a listing of the contracts extended in 2017/18.

**FY 2017/18:**

|                                 |            |
|---------------------------------|------------|
| CREDITRON CORPORATION           | MA00031456 |
| TECH SERVICES                   | MA00031929 |
| VALLEY SCALE CO                 | WA00031706 |
| CITY WIDE MAINTENANCE           | WA00031708 |
| ELAVON INC                      | WA00031760 |
| BI INC                          | WA00031816 |
| WEST A THOMSON REUTERS BUSINESS | WA00031898 |
| EUROFINS EATON ANALYTICAL INC   | WA00033678 |
| HOPKINS TECHNICAL PRODUCTS INC  | WA00033948 |
| ASBESTECH                       | WA00034083 |
| S & G POWER EQUIPMENT CO        | WA00034162 |
| NEOPOST INC                     | WA00034457 |
| XYLEM WATER SOLUTIONS           | WA00034502 |
| NIXON-EGLI EQUIPMENT CO         | WA00032753 |
| SACRAMENTO TRUCK CENTER         | WA00032758 |
| INTERSTATE SALES                | MA00031609 |
| KYLE YATES INC                  | MA00032574 |
| BAVCO                           | WA00030499 |
| Vista Paint                     | WA00031144 |
| CA OFFICE FURNITURE             | WA00031361 |
| HARRIS INDUSTRIAL GASES         | WA00031691 |
| HILLS PET NUTRITION INC         | WA00032166 |
| POWER PLUS                      | WA00032384 |

**CAPSD Annual Report  
Fiscal Year 2017/2018**

---

•  
•  
•  
•  
•  
•

|                                     |            |
|-------------------------------------|------------|
| COOPER OATES AIR CONDITIONING INC   | WA00032701 |
| INDUSTRIAL AUTOMATION GROUP LLC     | WA00032782 |
| BURKETTS OFFICE SUPPLY              | WA00032970 |
| CA OFFICE FURNITURE                 | WA00032973 |
| SEATS & STATIONS                    | WA00032974 |
| MILES TREASTER & ASSOCIATES         | WA00032975 |
| KENDRICK BOILER WORKS               | WA00032993 |
| NORMAN S WRIGHT MECHANICAL          | WA00033960 |
| ULTRADENT PRODUCTS INC              | MA00032300 |
| REDWOOD TOXICOLOGY LABORATORY INC   | MA00032518 |
| GOLDEN STATE OVERNIGHT              | WA00030735 |
| EVOQUA WATER TECHNOLOGIES LLC       | WA00031372 |
| SACRAMENTO NEWS & REVIEW            | WA00031516 |
| THE REMI GROUP LLC                  | WA00032433 |
| LD PRODUCTS INC                     | WA00032715 |
| WATERS TECHNOLOGIES CORP            | WA00032828 |
| LIFE TECHNOLOGIES CORPORATION       | WA00033886 |
| AGILENT TECHNOLOGIES                | WA00035145 |
| DEMOCRACY LIVE                      | MA00031666 |
| DLT SOLUTIONS                       | MA00033761 |
| CA TECHNOLOGIES                     | MA00034069 |
| HEWLETT PACKARD ENTERPRISE COMPANY  | MA00034305 |
| DLT SOLUTIONS                       | MA00034584 |
| SOFTWAREONE INC                     | MA00034911 |
| FUSION CONSULTING                   | MA00036292 |
| KODAK ALARIS                        | WA00031769 |
| POINT & PAY LLC                     | MA00031172 |
| JUNAR INC                           | MA00031396 |
| MICROSOFT CORPORATION               | MA00031674 |
| ACCURINT / LEXISNEXIS               | MA00031735 |
| VANGUARD INTEGRITY PROFESSIONALS    | MA00032252 |
| QUALTRAX INC                        | MA00032385 |
| GOVDELIVERY INC                     | MA00032399 |
| ELECTION SYSTEMS & SOFTWARE INC (ES | MA00032412 |
| ACCUITY                             | MA00032821 |
| ASSETWORKS                          | MA00032857 |
| ALLIED NETWORK SOLUTIONS            | MA00032920 |



**CAPSD Annual Report  
Fiscal Year 2017/2018**

---

•  
•  
•  
•  
•  
•

|                                  |            |
|----------------------------------|------------|
| ACCUVANT                         | MA00032949 |
| COMPUTRUST SOFTWARE CORP         | MA00032966 |
| DUDE SOLUTIONS INC               | MA00033008 |
| OPTIV SECURITY INC               | MA00033485 |
| SAL, JOHNSON & ASSOCIATES INC    | MA00033692 |
| SUNGARD AVANTGARD LLC            | MA00033715 |
| JUMP TECHNOLOGY SERVICES         | MA00035431 |
| DROPBOX INC                      | MA00035795 |
| VANGUARD INTEGRITY PROFESSIONALS | MA00036380 |
| ACCUITY INC                      | MA00036811 |
| MOTOROLA SOLUTIONS CREDIT CO LLC | WA00036464 |
| FIRST CHOICE                     | MA00032823 |
| US BANK NATIONAL ASSOCIATION     | MA00032836 |
| AUTHENTIC PROMOTIONS.COM         | WA00030929 |
| JACK NADEL INC                   | WA00030930 |
| RK ADVERTISING                   | WA00030931 |
| SUPERIOR PRODUCE                 | WA00032998 |
| INDUSTRIAL DOOR CO               | WA00031193 |
| NVB EQUIPMENT                    | WA00031883 |
| SACRAMENTO FIRE EXTINGUISHER CO  | WA00031944 |
| GREYHOUND BUS LINES INC          | WA00032551 |
| THE PUBLIC GROUP OF CALIFORNIA   | MA00031314 |
| CUMMINS PACIFIC                  | WA00031018 |
| MEL RAPTON HONDA                 | WA00031043 |
| NISSAN OF ELK GROVE              | WA00031053 |
| LC ACTION POLICE SUPPLY          | WA00031081 |
| AZ BUS SALES INC                 | WA00031109 |
| MAITA TOYOTA                     | WA00031110 |
| AMREP INC                        | WA00031262 |
| ALTERNATOR SHOP THE              | WA00031521 |
| JP PETROLEUM SERVICE             | WA00031553 |
| CUMMINS PACIFIC                  | WA00031646 |
| FLEET PRIDE                      | WA00031676 |
| COP SHOP INSTALLATIONS INC       | WA00031681 |
| LEHR AUTO ELECTRIC               | WA00031682 |
| THE LIGHTHOUSE                   | WA00031689 |
| VALLEY TRUCK & TRACTOR CO        | WA00031716 |

**CAPSD Annual Report  
Fiscal Year 2017/2018**

---

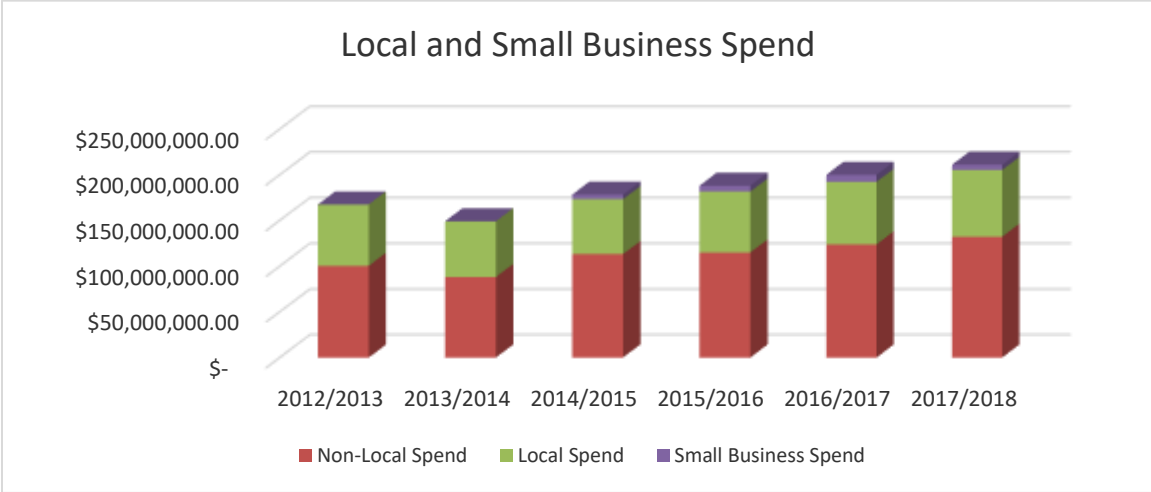
•  
•  
•  
•  
•  
•

|                                  |            |
|----------------------------------|------------|
| CAPITOL CLUTCH AND BRAKE INC     | WA00031754 |
| COLLEGE OAK TOWING               | WA00032271 |
| ALL VALLEY DIESEL SERVICE        | WA00032275 |
| RAMOS OIL                        | WA00032323 |
| DRIVE LINE SERVICE OF SAC        | WA00032329 |
| HYDRAULIC POWER SALES            | WA00032410 |
| MCCLELLAN JET SERVICES           | WA00032442 |
| HARROLD FORD (CAPPO MGMT XXIX)   | WA00032524 |
| ACME TOPS & TUNES INC            | WA00032638 |
| BOB BARKER CO                    | MA00031845 |
| BAY MEDICAL CO INC               | MA00031849 |
| HORIZON SAFETY DISTRIBUTING      | MA00031850 |
| PERFORMANCE SAFETY GROUP INC     | MA00032347 |
| CAPITOL BUILDERS HARDWARE INC    | WA00030687 |
| VERITIV OPERATING CO             | WA00032387 |
| STANLEY ELECTRIC MOTOR CO INC    | WA00032526 |
| HOME DEPOT                       | WA00032555 |
| FASTENAL COMPANY- SEE WA00037120 | WA00032662 |
| R S HUGHES CO INC                | WA00032728 |
| MATHER AVIATION LLC              | WA00032678 |

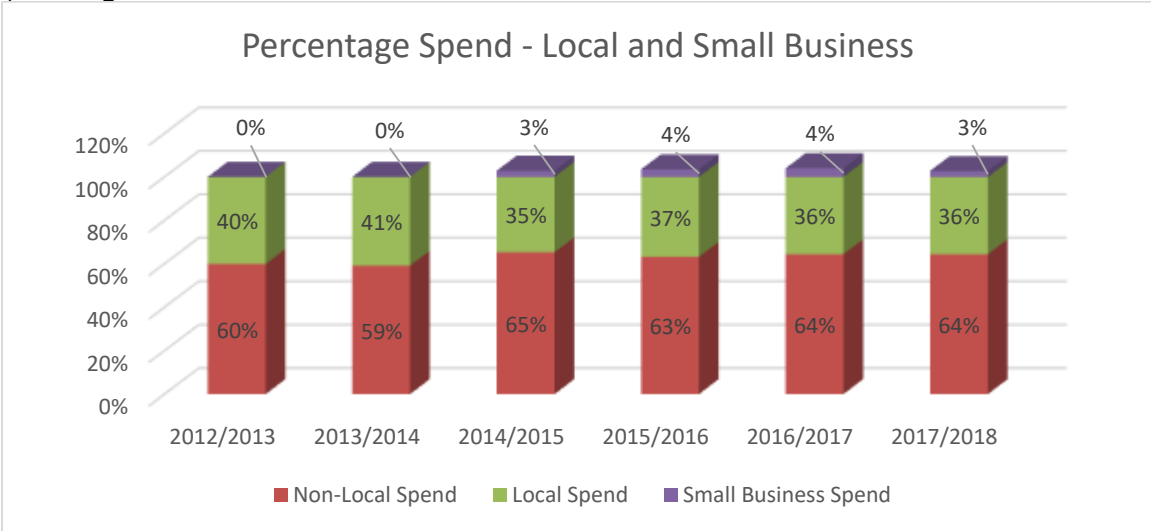


**Local Vendor Spend**

The following chart shows the amount of spend with local businesses, small business, “all other” business types for the past several years. Note: We do not have reliable small business data for FYs 2011/12 and 2012/13. In 2017/18 we spent more than \$73,000,000 with local suppliers and over \$5,500,000 with small businesses.



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 3-4% per year (although we do not have reliable data for FYs 2011/12 and 2012/13).





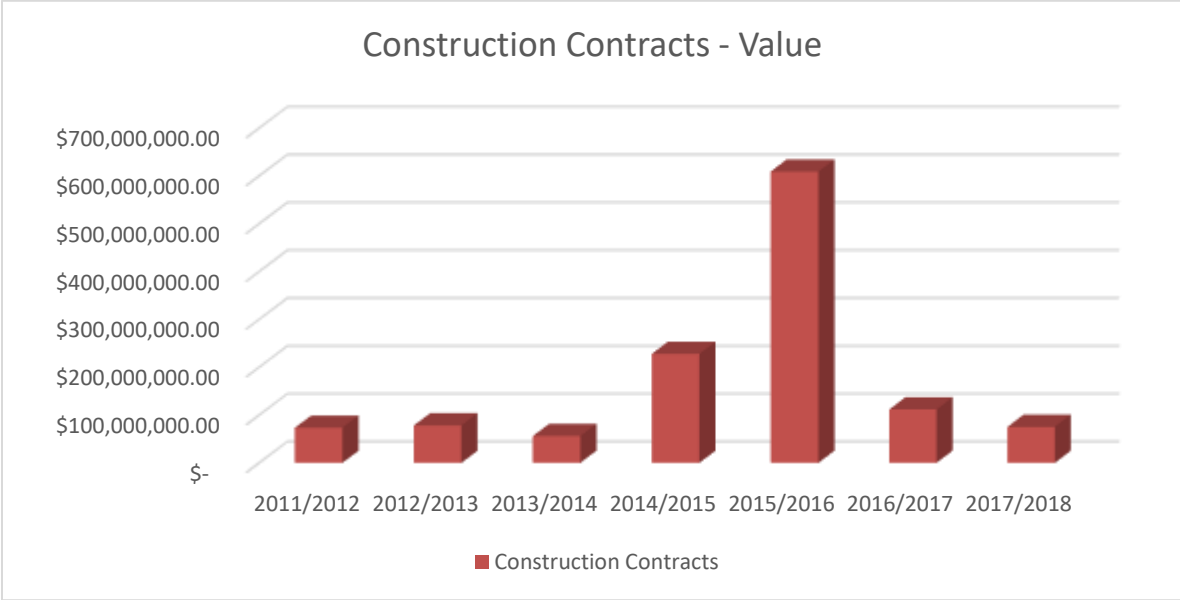
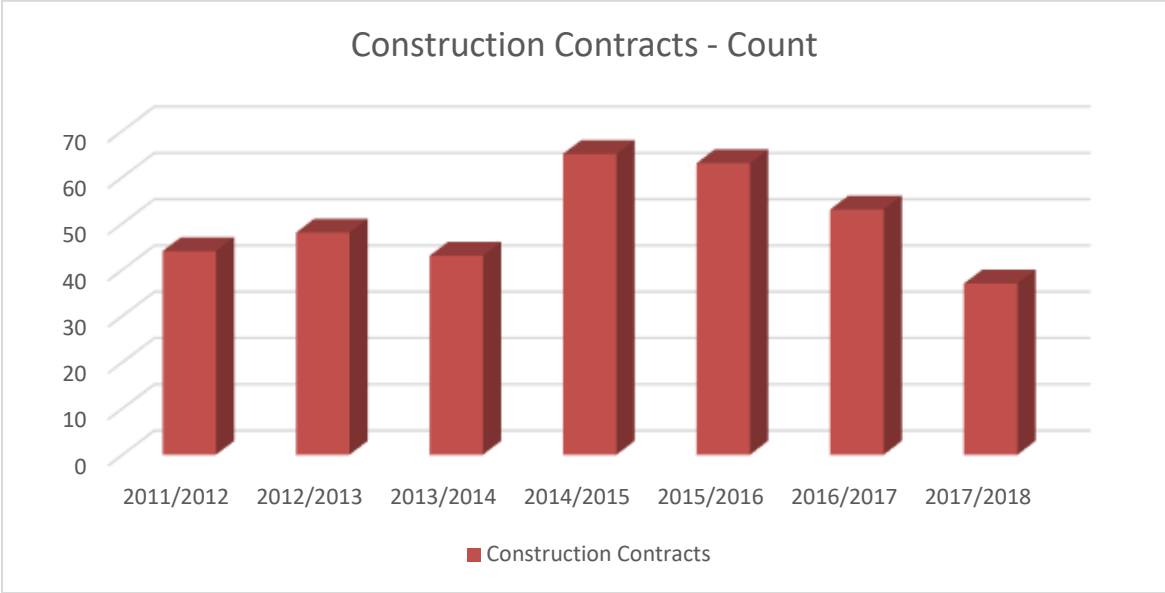
**Spend Statistics - Contract Services Section**

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.



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 fluctuates in conjunction with the fluctuation in budgets/approved projects in recent years. Although the chart shows a downward trend, the information we are receiving from our customers indicate we expect these numbers to increase for FYs 2018/19 and 2019/20. The major bump in contract value in 2015/16 was due to the Echo Water Project.



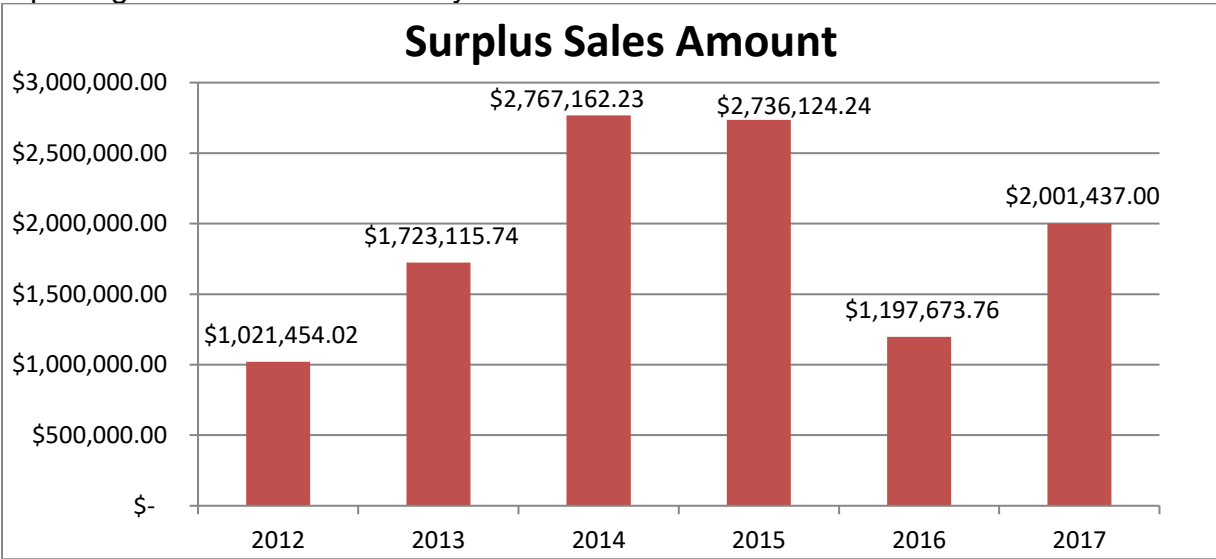


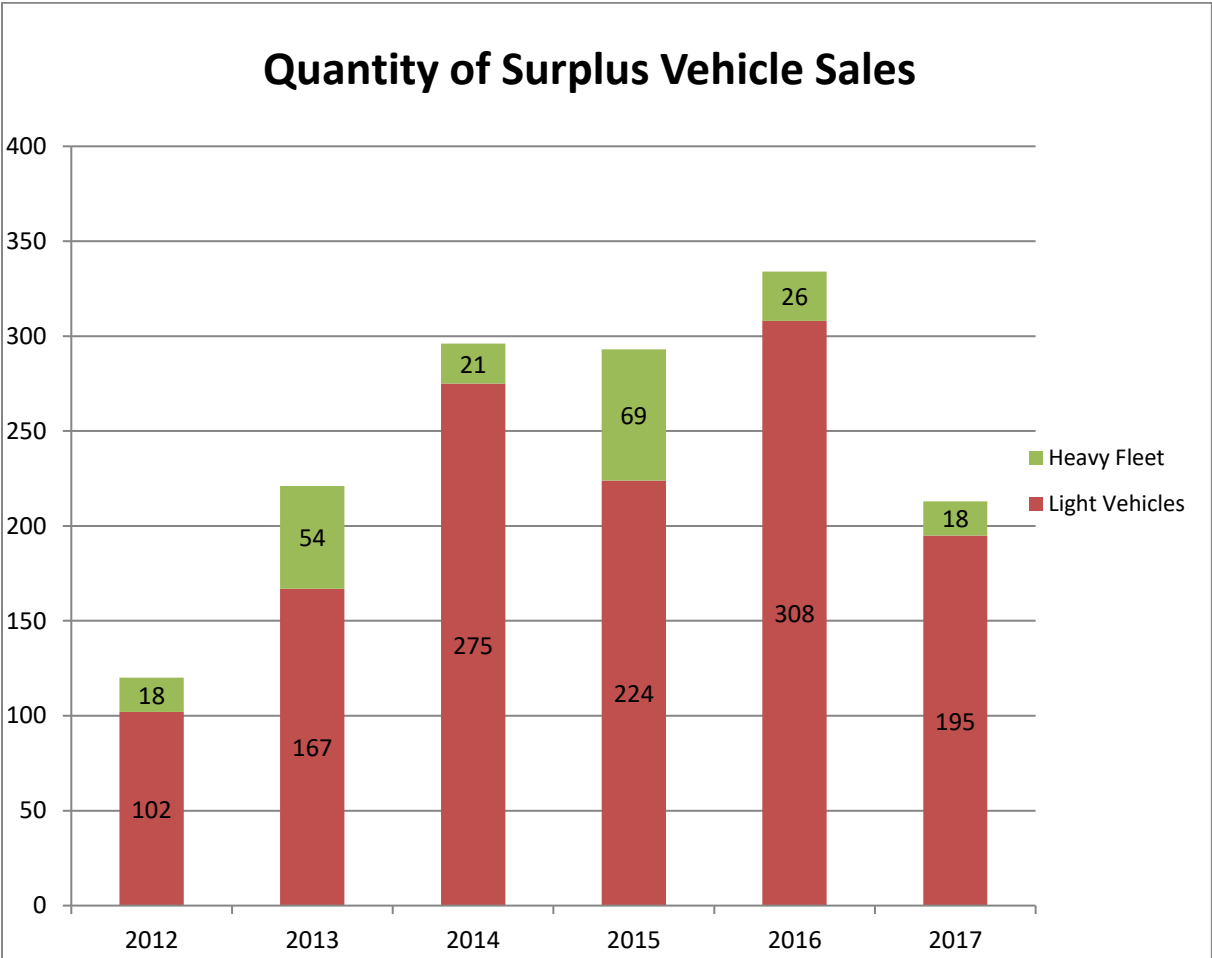
**Surplus Property**

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 \$2M was returned to County departments and special districts for the 2017 calendar year, which is almost twice the amount from 2016. County surplus property is either auctioned online via Public Surplus (similar to eBay) or via “cash and carry”. A limited amount of items are repurposed to other departments.

|                                     |                       |
|-------------------------------------|-----------------------|
| DHHS                                | \$ 420.00             |
| Voter Reg                           | \$ 520.00             |
| Orangevale Parks and Recreation     | \$ 856.00             |
| Probation                           | \$ 1,500.00           |
| Capital Construction Fund           | \$ 3,237.50           |
| DGS                                 | \$ 3,878.77           |
| DOT                                 | \$ 7,400.00           |
| Sunrise Parks & Recreation District | \$ 14,050.50          |
| SETA                                | \$ 17,895.00          |
| Water Resource                      | \$ 27,972.00          |
| Sheriff                             | \$ 40,726.50          |
| Airports                            | \$ 400,176.87         |
| DWMR                                | \$ 630,911.00         |
| Fleet                               | \$ 851,892.86         |
| <b>Total Surplus Sales</b>          | <b>\$2,001,437.00</b> |

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.





⋮

**Staffing Levels**

CAPSD currently has 18 full time equivalents, which has remained stagnant since 2014, even though the amount of work has steadily increased and we absorbed some of the workload of the previous “AFS Contract Desk”. 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.

CAPSD struggles to maintain an acceptable 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 and putting in extra hours (staff earned over 250 hours of CTO in 2017/18). We current employ one (previously two) part-time intern who assist staff to help support our customers. Requests to increase staffing have been denied with the exception of the position funded by D-Tech and a Senior Contract Services Officer added in 2016. At the start of FY 2018/19, the Department of Waste Management and Recycling have also funded a Senior Contract Services Officer to provide an increased level of support. We were also approached last year by the Sheriff’s Department with interest in funding a position. The information provided throughout this report supports the need to increase resources to better meet the increasing needs of our customers. The chart below shows our staff level in 2008 (prior top layoffs), 2014, and 2018. The 2018 staff counts include 4 FTE devoted to work absorbed from the AFS Contract Desk, therefore comparing 2008 to 2018 is not an “apples to apples” comparison.

|                                    | July 1, 2008 | July 1, 2014 | July 1, 2018 |
|------------------------------------|--------------|--------------|--------------|
| Purchasing Agent                   | 1            | 1            | 1            |
| Contract Services Manager I        | 2            | 1            | 1            |
| Senior Contract Services Officer   | 9            | 7            | 10           |
| Contract Services Officer, I/II    | 4            | 4            | 4            |
| Contract Services Specialist       | 1            | 1            | 1            |
| Administrative Services Officer II | 1            | 3            | 1            |
| Clerical Supervisor                | 1            |              |              |
| Senior Office Assistant            | 1            |              |              |
| Office Assistant                   | 1            |              |              |
| <b>Total FTE</b>                   | <b>21</b>    | <b>17</b>    | <b>18</b>    |





## Process Improvements

### CAPSD Work Plan

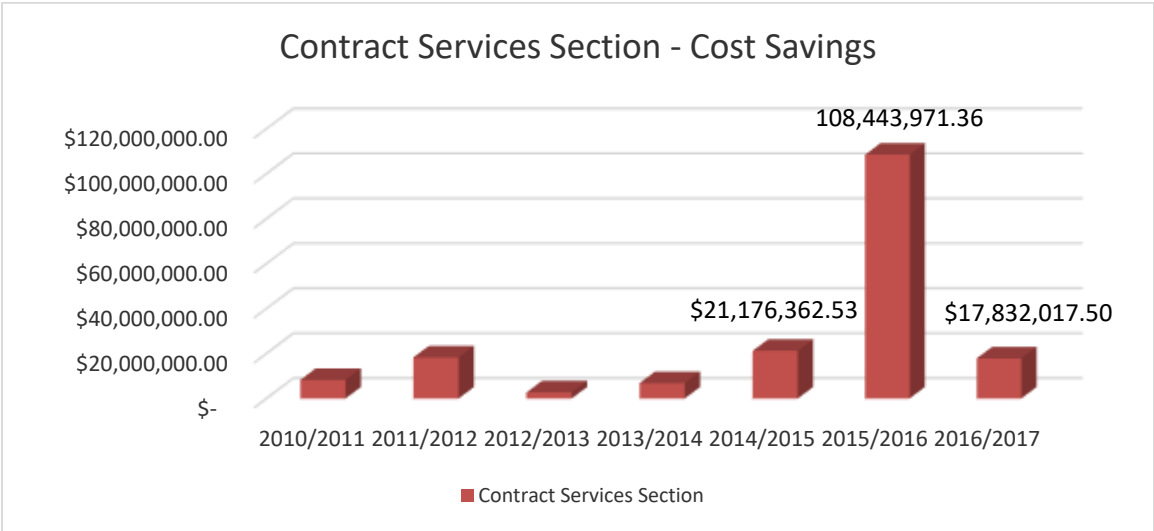
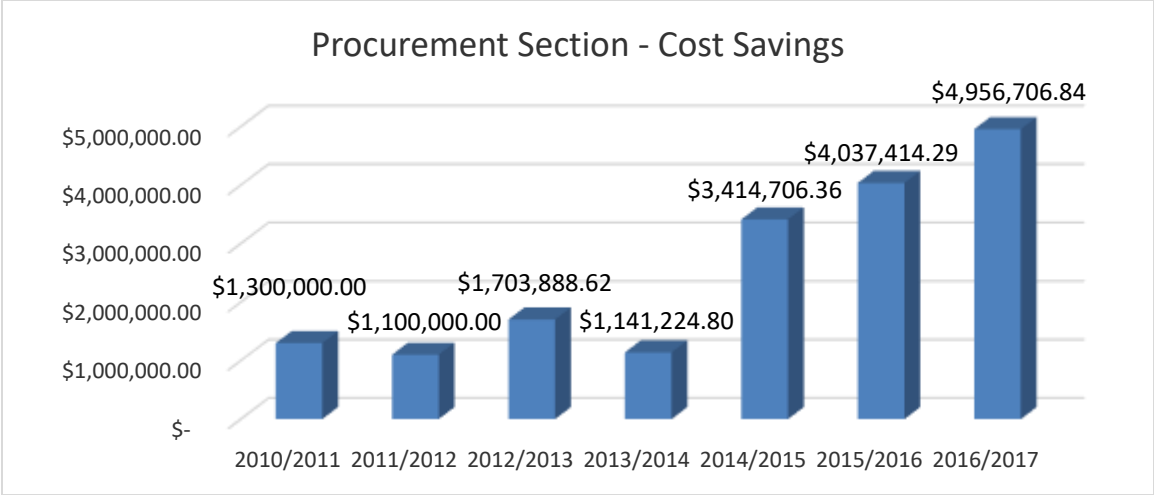
In 2006, staff developed a CAPSD Work Plan that initially documented more than 70 items/tasks/process improvement initiatives. Over 125 items have been completed since 2006. Among other things, the plan identifies the key contact person for each task, anticipated completion date, and status. Currently, 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 cost savings. For the 2017/18 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 years, which is a result of more diligent reporting and tracking by staff. The amount of 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.



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

.....

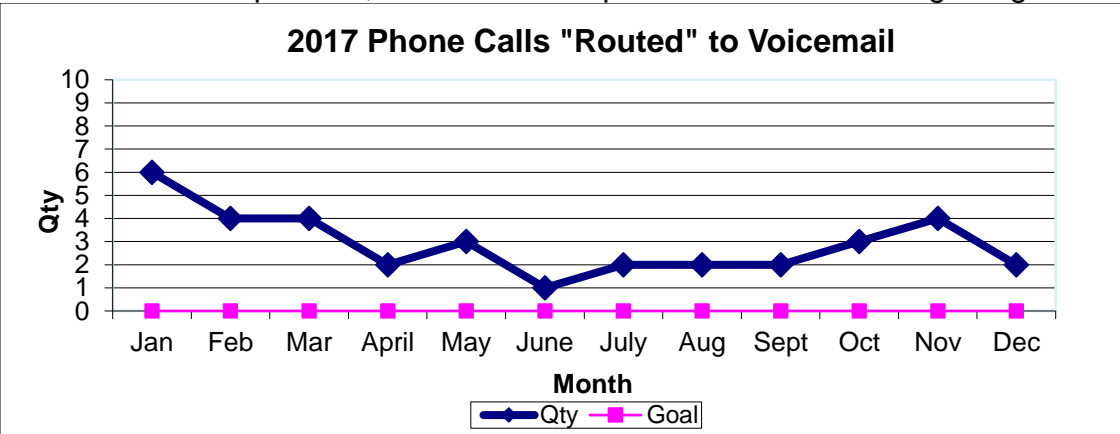
| <b>Savings</b>  | <b>Department</b>  | <b>Commodity</b>                            |
|-----------------|--------------------|---|
| \$ 1,403,078.82 | DTech              | NetApp Hardware/Software and Support        |
| \$ 865,068.34   | Sheriff            | Spot Market Purchase for the Sheriff's Food |
| \$ 545,110.88   | DTech              | CheckPoint Hardware/Software and Support    |
| \$ 487,290.39   | Sheriff            | Food  |
| \$ 460,657.67   | ISA Fleet Services | 17 Utility Trucks                           |
| \$ 324,820.52   | County General     | Document Storage (renegotiated contracts)   |
| \$ 294,113.72   | County General     | Spot Market Purchase for the Sheriff's Food |
| \$ 285,957.79   | Sheriff            | Food  |
| \$ 200,835.66   | DTech              | VMWare Software Licensing                   |
| \$ 174,247.54   | County General     | HPE Computer Equipment                      |

**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.

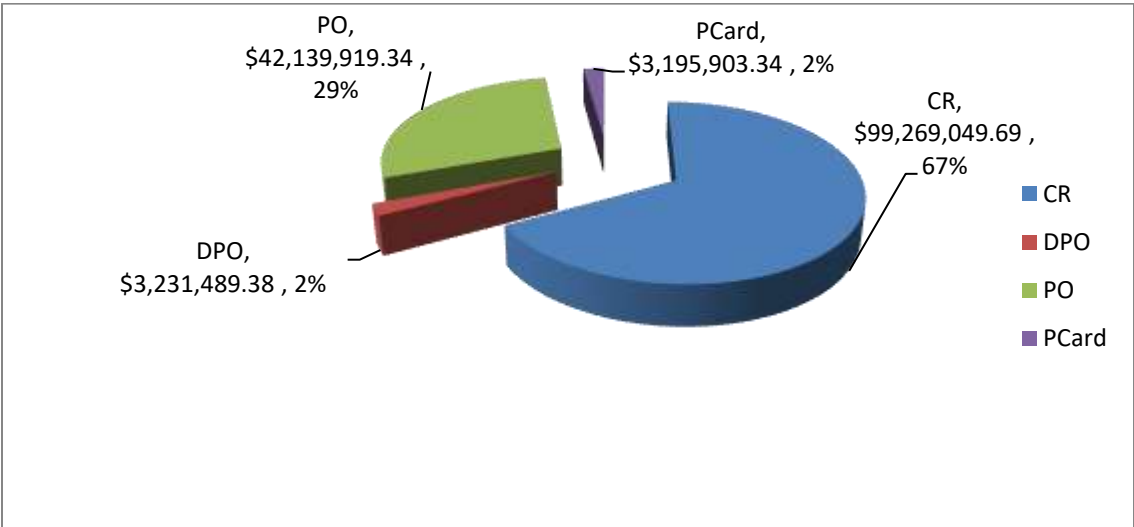
As indicated in the chart, we missed our goal throughout the year, which is a direct result of staff reductions. The goal was originally implemented when CAPSD had four FTE administrative staff available to answer incoming calls. For the past several years, we have only one FTE administrative position; therefore we expect to continue missing our goal.



⋮

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.

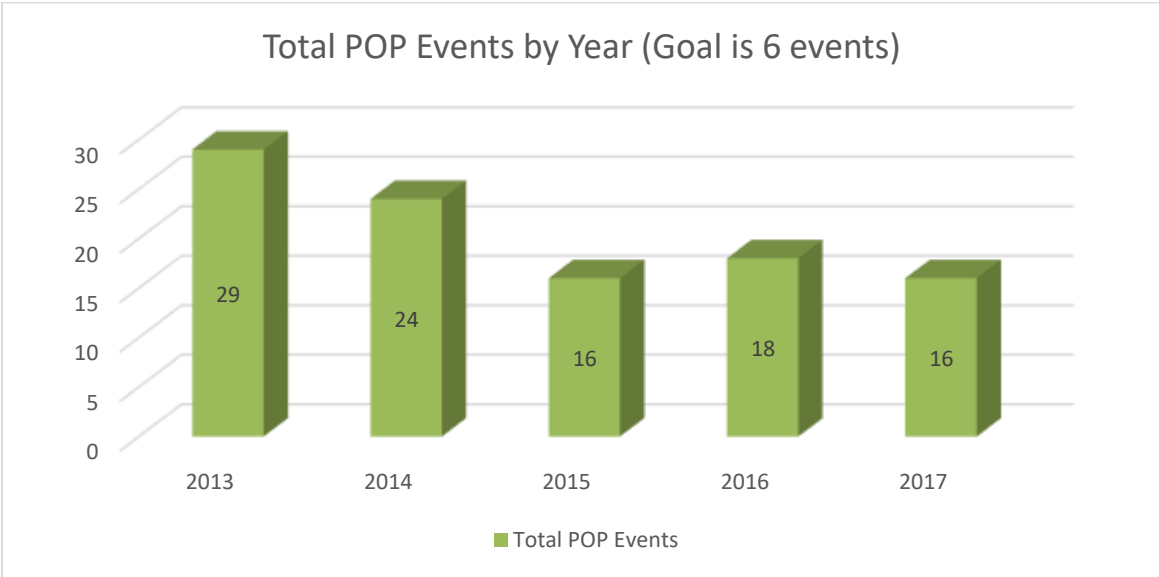
As indicated in the chart, we missed our goal by 8%. This was mainly due to several large equipment purchases made in 2017.





- 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, although the number of events we attend each year has decreased, staff far exceeded the goal by attending sixteen events in 2017. 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. .



•  
•  
•  
•  
•

- 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. 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. Therefore, we made a concerted effort to increase feedback from our customers this year. So far we have received almost fifty responses. The 2018/2019 CAPSD Annual Report will include meaningful survey results.



### Accomplishments

Below is a partial listing of the accomplishments achieved by CAPSD during FY 2017/18:

- **Achievement of Excellence in Procurement (AEP) Award** - CAPSD was again successful in our application for the 2018 AEP Award. The requirements for this award are updated annually to keep fresh with trends and “best practices.” We look forward to accepting our 14th award at the 2019 California Association of Public Procurement Officials Conference. Sacramento County was one of 47 agencies in California to receive the award. We are also one of only 45 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.
- **Professional Association Participation** - In 2017/2018, Craig Rader served as Immediate Past 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. As Immediate Past President he conducted a major review and update of CAPPO’s bylaws, policies and procedures, which we adopted by the membership. Staff are also actively involved in the leadership of the local Chapter. Staff has filled the role of the Chapter’s Chair, Vice-Chair and Website Chair. In addition to CAPPO involvement, limited staff are also members of and/or actively participate in the National Institute of Government Procurement (NIGP). Craig Rader is currently serving a three-year as a Chapter Ambassador for Area 9 (Western States region).



- **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 sixteen 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 served on the California Association of Public Purchasing Officers (CAPPO) Board as 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 2018 101st 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





### 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 D-Tech to re-develop our “web tools” (web-based tools for CAPSD staff and customers”. The new web tools 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 FY2018/19, CAPSD implemented a new “requisition status/tracking” system to provide our customers more timely information about the status of their request. Based on feedback from staff and customers, we will be working with D-Tech to make improvements and enhancements to the system.

---