
Office of Contracting and Procurement

www.ocp.dc.gov

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Table PO0-1

Description	FY 2015	FY 2016	FY 2017	% Change
	Actual	Approved	Proposed	from FY 2016
OPERATING BUDGET	\$45,681,696	\$22,822,939	\$26,661,027	16.8
FTEs	180.7	191.0	218.0	14.1

The Office of Contracting and Procurement's (OCP) mission is to procure quality goods and services through a streamlined procurement process that is transparent and responsive to the needs of government agencies and the public, and ensures all purchases are conducted fairly and impartially.

Summary of Services

OCP manages the purchase of \$4.4 billion in goods, services and construction annually, on behalf of over 76 District agencies. In its authority under the Procurement Practices Reform Act of 2010 (PPRA), OCP is responsible for both establishing procurement processing standards that conform to regulations, and monitoring the effectiveness of procurement service delivery. Procurement processing and management is enhanced by OCP specialists who are assigned to agency worksites to directly collaborate with program staff throughout the entire procurement process. OCP core services include the DC Supply Schedule, Purchase card (P-Card) program, and the surplus property disposition and re-utilization program. And, OCP's learning and certification programs support on-going development of staff proficiency and procurement service quality.

The agency's FY 2017 proposed budget is presented in the following tables:

FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table PO0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table PO0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change
GENERAL FUND										
LOCAL FUNDS	16,123	20,968	23,906	2,938	14.0	180.7	178.0	198.0	20.0	11.2
SPECIAL PURPOSE REVENUE FUNDS	304	375	375	0	0.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR GENERAL FUND	16,427	21,343	24,281	2,938	13.8	180.7	178.0	198.0	20.0	11.2
INTRA-DISTRICT FUNDS										
INTRA-DISTRICT FUNDS	29,255	1,480	2,380	900	60.8	0.0	13.0	20.0	7.0	53.8
TOTAL FOR INTRA-DISTRICT FUNDS	29,255	1,480	2,380	900	60.8	0.0	13.0	20.0	7.0	53.8
GROSS FUNDS	45,682	22,823	26,661	3,838	16.8	180.7	191.0	218.0	27.0	14.1

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table PO0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

Table PO0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
11 - REGULAR PAY - CONTINUING FULL TIME	7,679	13,162	17,721	21,096	3,374	19.0
12 - REGULAR PAY - OTHER	839	1,225	0	0	0	N/A
13 - ADDITIONAL GROSS PAY	64	335	8	8	0	0.0
14 - FRINGE BENEFITS - CURRENT PERSONNEL	1,597	2,820	3,631	4,550	919	25.3
15 - OVERTIME PAY	9	23	0	0	0	N/A
SUBTOTAL PERSONAL SERVICES (PS)	10,187	17,565	21,361	25,654	4,293	20.1
20 - SUPPLIES AND MATERIALS	144	111	117	82	-35	-30.1
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	25	37	0	0	0	N/A
40 - OTHER SERVICES AND CHARGES	21,493	26,869	659	469	-190	-28.8
41 - CONTRACTUAL SERVICES - OTHER	933	642	522	375	-147	-28.2
70 - EQUIPMENT AND EQUIPMENT RENTAL	260	458	164	82	-83	-50.3
SUBTOTAL NONPERSONAL SERVICES (NPS)	22,855	28,117	1,462	1,007	-455	-31.1
GROSS FUNDS	33,042	45,682	22,823	26,661	3,838	16.8

*Percent change is based on whole dollars.

FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table PO0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table PO0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(0100) RESOURCE MANAGEMENT								
(0110) RESOURCE MANAGEMENT	356	379	0	-379	3.0	3.0	0.0	-3.0
NO ACTIVITY ASSIGNED	0	0	0	0	34.1	0.0	0.0	0.0
SUBTOTAL (0100) RESOURCE MANAGEMENT	356	379	0	-379	37.1	3.0	0.0	-3.0
(1000) AGENCY MANAGEMENT								
(1010) PERSONNEL	9,421	10,970	0	-10,970	69.3	97.0	0.0	-97.0
(1015) TRAINING AND EMPLOYEE DEVELOPMENT	309	252	200	-52	0.0	0.0	0.0	0.0
(1020) CONTRACTING AND PROCUREMENT	26,831	505	303	-202	0.0	0.0	0.0	0.0
(1040) INFORMATION TECHNOLOGY	293	110	89	-21	0.0	0.0	0.0	0.0
(1060) LEGAL	681	740	934	194	0.0	5.0	6.0	1.0
(1070) FLEET MANAGEMENT	33	17	28	11	0.0	0.0	0.0	0.0
(1090) PERFORMANCE MANAGEMENT	495	470	325	-145	4.0	3.0	2.0	-1.0
SUBTOTAL (1000) AGENCY MANAGEMENT	38,064	13,063	1,878	-11,185	73.3	105.0	8.0	-97.0
(2000) PROCUREMENT								
(2010) PROCUREMENT MANAGEMENT AND SUPPORT	800	827	18,059	17,232	7.0	6.0	153.0	147.0
(2015) INFORMATION TECHNOLOGY	-34	0	0	0	0.0	0.0	0.0	0.0
(2020) GOODS	-27	0	0	0	0.0	0.0	0.0	0.0
(2030) SERVICES	-123	0	0	0	0.0	0.0	0.0	0.0
(2040) TRANSPORTATION AND SPECIAL EQUIPMENT	-1	0	0	0	0.0	0.0	0.0	0.0
(2055) PURCHASE CARD	-8	0	252	252	0.0	0.0	2.0	2.0
(2070) EOM AND BOARDS CLUSTER/SIMPLIFIED ACQUIS	966	1,373	0	-1,373	10.0	14.0	0.0	-14.0
(2095) PRIORITY SPECIAL PROJECTS CLUSTER	334	1,238	0	-1,238	3.0	10.0	0.0	-10.0
SUBTOTAL (2000) PROCUREMENT	1,907	3,438	18,311	14,874	20.1	30.0	155.0	125.0
(3000) PROCUREMENT INTEGRITY AND COMPLIANCE								
(3010) PROCUREMENT INTEGRITY AND COMPLIANCE	-75	0	0	0	0.0	0.0	0.0	0.0
SUBTOTAL (3000) PROCUREMENT INTEGRITY AND COMPLIANCE	-75	0	0	0	0.0	0.0	0.0	0.0

Table PO0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(4000) ADMINISTRATION AND SUPPORT								
(4010) SURPLUS PROPERTY	-5	0	0	0	0.0	0.0	0.0	0.0
(4020) SUPPORT SERVICES	-13	0	0	0	0.0	0.0	0.0	0.0
(4030) CUSTOMER SERVICE AND COMMUNICATIONS	-26	0	0	0	0.0	0.0	0.0	0.0
(4040) RESOURCE MANAGEMENT	-21	0	0	0	0.0	0.0	0.0	0.0
(4050) PROCUREMENT TRAINING	-19	0	0	0	0.0	0.0	0.0	0.0
SUBTOTAL (4000) ADMINISTRATION AND SUPPORT	-83	0	0	0	0.0	0.0	0.0	0.0
(6000) PROCUREMENT TECHNOLOGY								
(6010) TECHNOLOGY SUPPORT	655	701	0	-701	6.0	6.0	0.0	-6.0
SUBTOTAL (6000) PROCUREMENT TECHNOLOGY	655	701	0	-701	6.0	6.0	0.0	-6.0
(7000) TRAINING								
(7010) TRAINING	688	815	0	-815	7.0	7.0	0.0	-7.0
(7020) LEARNING AND DEVELOPMENT	0	0	857	857	0.0	0.0	6.0	6.0
SUBTOTAL (7000) TRAINING	688	815	857	42	7.0	7.0	6.0	-1.0
(8000) OPERATIONS								
(8010) PROCUREMENT INTEGRITY AND COMPLIANCE	1,402	1,408	793	-616	13.0	13.0	7.0	-6.0
(8020) OPERATIONS MANAGEMENT AND SUPPORT	275	534	796	262	3.0	5.0	6.0	1.0
(8030) CUSTOMER SERVICE AND COMMUNICATIONS	507	473	648	175	8.0	7.0	8.0	1.0
(8040) PURCHASE CARD	131	124	0	-124	1.0	1.0	0.0	-1.0
(8050) TECHNOLOGY SUPPORT	0	0	804	804	0.0	0.0	7.0	7.0
(8060) HUMAN RESOURCE MANAGEMENT	0	0	475	475	0.0	0.0	4.0	4.0
(8070) BUSINESS OPERATIONS	0	0	465	465	0.0	0.0	4.0	4.0
SUBTOTAL (8000) OPERATIONS	2,315	2,539	3,980	1,441	25.1	26.0	36.0	10.0
(9000) BUSINESS RESOURCES AND SUPPORT SERVICES								
(9010) SURPLUS PROPERTY	1,405	1,485	1,330	-155	7.0	9.0	9.0	0.0
(9020) SUPPORT SERVICES	450	403	304	-99	5.0	5.0	4.0	-1.0
SUBTOTAL (9000) BUSINESS RESOURCES AND SUPPORT SERVICES	1,856	1,889	1,634	-255	12.0	14.0	13.0	-1.0
TOTAL PROPOSED OPERATING BUDGET	45,682	22,823	26,661	3,838	180.7	191.0	218.0	27.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Division Description

The Office of Contracting and Procurement operates through the following 5 divisions:

Procurement – procures goods and services on behalf of the agencies and programs under OCP’s authority according to District laws and regulations.

This division contains the following 2 activities:

- **Procurement Management and Support** – The procurement staff is divided into 10 units.
 - (1) Government Operations
 - (2) Public Safety
 - (3) Health Services
 - (4) Human Services
 - (5) Homeless/Youth Human Services
 - (6) Transportation Infrastructure
 - (7) Information Technology
 - (8) Public Works and Fleet Services
 - (9) Simplified/DC Supply Schedules/P-Card
 - (10) Procurement Operations
- **Purchase Card** – provides overall oversight and administration of the District’s Purchase Cards used in customer agencies. The Purchase Card provides an alternative delegated procurement vehicle that reduces the processing cost and delivery time for purchases within the non-competitive threshold.

Training – facilitates general procurement education for procurement professionals and program agency staff through the Procurement Training Institute. The Institute develops and delivers the curriculum for the District Procurement Certification Program (DPCP) as required by the Procurement Practices Reform Act of 2010 (PPRA).

Operations – provides a range of oversight, administrative, and customer service support for the Office of Contracting and Procurement and customer agencies.

This division contains the following 6 activities:

- **Procurement Integrity and Compliance** – conducts internal audits and reports its internal audit findings to key stakeholders within the agency; serves as the primary lead for OCP in support of the Comprehensive Annual Financial Report (CAFR) and Single Audit, and performs operational assessments of procurement processes and functions for agencies and teams under the authority of the District’s Chief Procurement Officer;
- **Operations Management and Support** – develops policies and procedures to help employees and other stakeholders work toward common goals, establish intended outcomes/ results, and adjust the organization's priorities in response to a changing environment;
- **Customer Service and Communications** – engages with OCP’s key stakeholders including customer agencies, industry, Council, and District residents;
- **Technology Support** – provides consultative and technical support to agencies, vendors, and OCP procurement professionals, including user training and report generation; works closely with senior management and the Office of the Chief Technology Officer (OCTO) to implement the latest technologies to promote transparency and accountability to achieve the best results. The OCP IT team also administers the Procurement Automated Support System (PASS);

- **Human Resource Management** – provides human resource management services that position the Office of Contracting and Procurement to attract, develop and retain a well-qualified and diverse work force. OHR works to advance the agency's mission, vision and strategic priorities through its most valuable resource - its people; and
- **Business Operations** – provides a range of operational support including data mining, reporting and analysis, project management, and coordination with program agencies for major agency initiatives.

Business Resources and Support Services – provides a wide range of mission-critical services to OCP divisions and the agency’s customers. This division executes agency acquisitions, maintains facilities including risk management, and administers the OCP fleet management program. Further, this division manages the District’s property disposal program, and in collaboration with OCP’s Procurement Division, coordinates acquisition efforts during declared emergencies.

This division contains the following 2 activities:

- **Surplus Property** – provides surplus property management, re-utilization, and disposal services to District agencies; and
- **Support Services** – provides agency acquisition services and facilities management; coordinates acquisition efforts during declared emergencies; manages transportation assets designated for District surplus activities; and administers OCP’s record management program.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

Division Structure Change

The proposed division structure changes are provided in the Agency Realignment appendix to the proposed budget, which is located at www.cfo.dc.gov on the Annual Operating Budget and Capital Plan page.

Table PO0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2016 Approved Budget and FTE		20,968	178.0
Other CSFL Adjustments	Multiple Programs	658	0.0
LOCAL FUNDS: FY 2017 Current Services Funding Level (CSFL) Budget		21,626	178.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	290	0.0
Decrease: To align resources with operational spending goals	Multiple Programs	-470	0.0
LOCAL FUNDS: FY 2017 Agency Budget Submission		21,446	178.0
Enhance: To support additional FTEs	Procurement	802	6.0
Transfer-In: From DBH and DDS pursuant to Delegated Procurement Authority	Procurement	1,658	14.0
LOCAL FUNDS: FY 2017 Mayor’s Proposed Budget		23,906	198.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2016 Approved Budget and FTE		375	0.0
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Agency Budget Submission		375	0.0
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Mayor’s Proposed Budget		375	0.0

Table PO0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
INTRA-DISTRICT FUNDS: FY 2016 Approved Budget and FTE		1,480	13.0
Increase: To support additional FTEs	Multiple Programs	900	7.0
INTRA-DISTRICT FUNDS: FY 2017 Agency Budget Submission		2,380	20.0
No Change		0	0.0
INTRA-DISTRICT FUNDS: FY 2017 Mayor's Proposed Budget		2,380	20.0
GROSS FOR PO0 - OFFICE OF CONTRACTING AND PROCUREMENT		26,661	218.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

FY 2017 Proposed Budget Changes

The Office of Contracting and Procurement's (OCP) proposed FY 2017 gross budget is \$26,661,027, which represents a 16.8 percent increase over its FY 2016 approved gross budget of \$22,822,939. The budget is comprised of \$23,905,649 in Local funds, \$375,000 in Special Purpose Revenue funds, and \$2,380,378 in Intra-District funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2016 approved budget across multiple divisions, and it estimates how much it would cost an agency to continue its current divisions and operations into the following fiscal year. The FY 2017 CSFL adjustments to the FY 2016 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

OCP's FY 2017 CSFL budget is \$21,625,871, which represents a \$658,012, or 3.1 percent, increase over the FY 2016 approved Local funds budget of \$20,967,859.

CSFL Assumptions

The FY 2017 CSFL calculated for OCP included adjustment entries that are not described in detail on table 5. These adjustments were made for increases of \$634,565 in personal services to account for Fringe Benefit costs based on trend and comparative analyses, the impact of cost-of-living adjustments, and approved compensation agreements, and an increase of \$3,384 in nonpersonal services based on the Consumer Price Index factor of 2.3 percent.

CSFL funding for OCP also reflects adjustments for increases of \$11,341 for the Fixed Costs Inflation Factor, to reflect projections for fixed costs estimates for Fleet services, and \$8,722 for the Personal Services Adjustments to account for the projected impact of new positions requested in the FY 2016 budget, approved union contracts, and corresponding salary and other adjustments.

Agency Budget Submission

Increase: The proposed Local funds budget includes a net increase of \$289,734 across multiple divisions to support projected salary step and Fringe Benefits costs resulting from restructuring OCP's programs in FY 2017. The budget proposal also includes an increase to the Intra-District fund of \$900,297 to support the salary and Fringe Benefits costs of 7.0 additional Full-Time Equivalents (FTEs). This adjustment is based on OCP's compliance with the District's Delegated Procurement Authority initiative. Participating agencies include the Department of Health Care Finance, Department of Employment Services, Department on Disability Services, and the Department of Health.

Decrease: OCP's restructuring results in projected cost savings in professional services fees and personnel training. These savings account for a decrease of \$469,690 in Local funds within the Agency Management division.

Mayor's Proposed Budget

Enhance: The Local funds budget proposal is increased by \$801,614 and 6.0 FTEs in the Procurement division. This program enhancement is expected to result in costs savings on the award price of District and Federal contracts.

Transfer-In: OCP's proposed Local funds budget reflects an increase of \$1,658,120 and 14.0 FTEs pursuant to the Delegated Procurement legislation. The transfers include \$1,229,373 and 10.0 FTEs from the Department of Behavioral Health and \$428,747 and 4.0 FTEs from the Department on Disability Services.