

## Purchasing Office

Brian Wilcox, Purchasing Manager

Procurement of goods and services not pertaining to the design and/or construction of new infrastructure and facilities but that is valued at or above the public advertisement / sealed submittal threshold, currently \$25,000, is normally facilitated by the Purchasing Office, along with some procurements that are common to multiple departments. (Since 2013, the Engineering Department and the Purchasing Office have consolidated to one web page, we now call the "Business Opportunities" page, on the City's public website where both construction-related and non-construction-related formal procurement solicitations, including invitations to bid, requests for proposals and requests for qualifications, are posted.) In addition, among other tasks, the Purchasing Office:

- administers the City's purchasing card program, which allows, within card-specific spending limits, for purchases to be made by departmental staff by means of City-issued credit cards;
- administers, with support from Fleet Maintenance, fuel purchasing for the City's vehicle and equipment fleet; and
- facilitates, with support from Fleet Maintenance, on an as-needed basis the lawful disposal of surplus personal property of the City, and, at the discretion of the department, any unclaimed lost, stolen or seized personal property of others recovered by or turned over to the City.

More information about the Purchasing Office may be found on the City's website.

Measure		Actual FY2013	Projected FY2014	Proposed FY2015
Number per year of formal procurement solicitations <sup>12</sup> processed by the Purchasing Office		16	25	25
Average number of calendar days from date of requisition to award of procurement for formal procurement solicitations <sup>12</sup> processed by the Purchasing Office		120	90	90
Number and value of purchasing card transactions processed (by fiscal year), and value of City's rebate earned for total spend, net of credits (by calendar year)		19,061	20,000	21,000
		\$6,197,097	\$6,800,000	\$7,400,000
		\$54,997	\$59,536	\$64,000
Average number of calendar days (from receipt of card request to receipt of delivered card) for...	... purchasing card	6	6	6
	... fleet fuel driver number	1	1	1
	... fleet fuel vehicle card	5	5	5
Number and value of proceeds (before fee paid by City for electronic auction services) from electronic auctions of surplus personal property, and fee paid by City for electronic auction services		48	60	60
		\$182,903.98	\$200,000	\$200,000
		\$13,722.69	\$15,000	\$15,000

<sup>1</sup> Involving sealed submittals (i.e., bids, proposals, and statements of qualifications) received pursuant to published legal notice.

<sup>2</sup> The City's public advertisement / sealed submittal threshold is currently \$25,000, pursuant to Ordinance No. 2010-72.



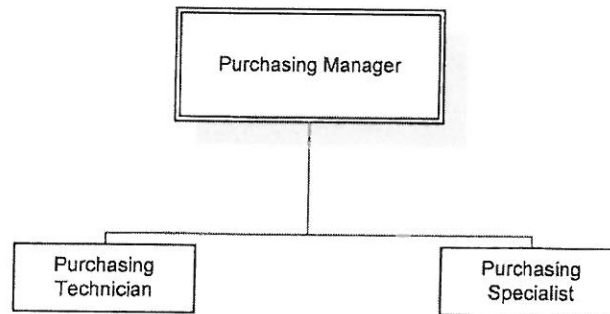
## Sustainable Franklin

1. To promote the responsible stewardship of the City's financial and environmental resources, the City of Franklin Purchasing Office encourages its client departments of the City to consider the life-cycle cost and environmental implications of their product selections. For example, in addition to purchase price, consider:
  - Operational and maintenance costs
  - Residual value
  - Disposal costs
  - The time value of money
  - Recycled content
  - Energy and/or fuel efficiency
  - Whether it comes with minimal and recyclable packaging
  - Whether it is readily reusable and/or refillable
  - Whether it is readily recyclable
  - Whether it is less or non-toxic both during and after its service life

A focus on such "sustainable purchasing" not only has environmental benefits but also will be of economic value to the City (by yielding better resale values and lower disposal costs, for example).

2. Promote practice of the adage, "Reduce, reuse, recycle." Within the context of disposal of the City's surplus personal property (e.g., vehicles, equipment, furniture), the Purchasing Office first seeks to reallocate such surplus property to another department or office of the City that has need for it. Most surplus property for which no department or office of the City has further need but which has any value is sold by means of electronic auction and thus is at least temporarily diverted from the waste stream and landfill disposal.
3. For the economical and eco-friendly disposal of used ink cartridges for table-top printers, copiers and fax machines, the Purchasing Office promotes the use of a collection and reuse service offered by one of the City's office supplies vendors.
4. The Purchasing Office turns off all of its office lights whenever the office is empty for more than a few minutes.

# Organizational Chart



# Staffing by Position

City of Franklin  
 2014-2015 Fiscal Year Budget  
 General Fund - Purchasing  
 Personnel by Position

Position	Pay Grade	FY 2014		FY 2015	
		Full-Time	Part-Time	Full-Time	Part-Time
Purchasing Manager	I	1	0	1	0
Purchasing Specialist	E	1	0	1	0
Purchasing Technician	C	1	0	1	0
	<b>TOTALS</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>

Narrative of Personnel Changes	New Position		Reclassification		
	Title	Pay Grade	From Job Title	To Job Title	Pay Grade (if reclassification creates new job title)
None					

Departmental Career Development Path	Pay Grade	Requirements		
		Degree	Experience	Certifications
Purchasing Manager	I	Yes	5 yrs	CPP0 within 2 yrs if not an MPA
Purchasing Specialist	E	Preferred	3 yrs	CPPB within 4 yrs
Purchasing Technician	C	No	2 yrs	No

## Budget Notes/Objectives

### *Purchasing*

After factoring in the reimbursement of interfund services, the Purchasing Office budget being requested for FY2015 totals approximately \$187,000 which is about \$23,000 more than the Purchasing Office budget for FY2014. Of this \$23,000 increase, \$20,000 is attributable to a new initiative being proposed, for spend analysis services. The term "spend analysis" in this context is used to mean transforming the City's raw spend data on purchases of goods and services from third parties into information that may allow the City to gain a clearer understanding of its non-personnel-related expenditures. Spend analysis uses data from all payment methods, including accounts payable and purchasing card. The objective of the procurement of spend analysis services would be to make it easier for the City to:

- bring more of its spend under management by:
  - providing a solid foundation of information for decision making which includes an aggregated view of spend from all systems and transaction types;
  - identifying the key areas of spend that should be targeted by professional procurement teams;
  - identifying non-compliant spend, enabling procurement teams to work with buyers and suppliers to maintain a high level of spend under contract;
  - profiling and managing suppliers according to levels of value, risk, and potential opportunity for savings; and
  - enabling the benchmarking and measurement of procurement performance over time.
- change buying behavior within the organization by:
  - providing key stakeholders with visibility of spend on goods and services, going way beyond simply whether or not spend was under or over the allocated budget;
  - making it easy to create and use departmental spend reports to help department managers and people with budget responsibility more effectively manage their spend, save money, and use those savings to deliver on their missions;
  - monitoring compliance against contracts, financial standing orders and procurement thresholds;
  - identifying non-compliant spend and deliver the management information necessary to take action and have informed conversations with buyers and managers;
  - identifying suppliers with large numbers of accounts payable transactions where there may be opportunities for efficiencies through consolidated invoicing or purchasing cards; and
  - identifying opportunities for greater internal collaboration and consolidated purchasing.
- help the City monitor and maximize the impact of dollars spent:
  - with small and medium sized business;
  - with local companies;
  - with minority-owned and woman-owned business enterprises;
  - to maximize the economic impact of public dollars; and
  - by making this information very easily accessible, saving time and resources that can be focused on delivering savings.
- help the City deliver savings and efficiencies for the organization by:
  - ensuring that all departments are getting the same 'best rates' and terms with each vendor;
  - using the data in competitive processes and supplier negotiations to strengthen the organization's information advantage and negotiating position with suppliers;
  - identifying opportunities to implement or renegotiate contracts based on actual spend value rather than estimated values or values provided by the supplier;
  - creating and utilizing category analysis reports to aggregate demand and drive down costs in categories of spend that span the entire organization;
  - identifying opportunities for greater internal and external collaboration in procurements; and
  - making it easy to access spend information so that time and resources can be focused on delivering savings rather than cleaning up data and struggling with complicated analysis tools.

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Account	Label	Actual 2012	Actual 2013	Budget 2014	Est'd 2014	Budget 2015	Forecast 2016	Forecast 2017	Forecast 2018
	<b>Personnel</b>								
=	81110 REGULAR PAY	100,619	124,550	139,701	139,000	145,918	150,296	154,804	159,449
	81120 OVERTIME PAY	43	385	260	130	260	270	280	290
	81199 VACANCY ADJUSTMENT		(4,890)			(5,107)	(5,260)	(5,418)	(5,581)
=	XWAGE TOTAL WAGES	100,662	124,935	135,071	139,130	141,071	145,306	149,666	154,158
=	81410 FICA (EMPLOYER'S SHARE)	7,374	9,208	10,887	10,500	11,163	11,498	11,843	12,198
=	81420 MEDICAL PREMIUMS	21,378	26,406	27,212	28,000	28,422	29,275	30,153	31,057
=	81430 GROUP INSURANCE PREMIUMS	1,899	2,151	2,444	2,400	2,478	2,562	2,629	2,708
=	81440 EMPLOYEE INSURANCE CONTRIBUTIONS	(4,105)	(4,945)	(5,607)	(5,600)	(5,610)	(5,778)	(5,952)	(6,130)
	81450 RETIREMENT CONTRIBUTIONS	18,876	8,504	11,828	11,828	12,354	12,725	13,107	13,500
	81455 DEFERRED COMP MATCH	2,511	1,405	1,799	1,799	1,799	1,853	1,909	1,966
	81470 WORKERS COMPENSATION PREMIUMS	30	189	20	29	21	21	21	21
	81475 WORKERS COMPENSATION CLAIMS								
=	XBEN TOTAL BENEFITS	47,963	43,518	48,383	48,956	50,626	52,146	53,710	55,320
=	XPER TOTAL PERSONNEL	148,625	168,453	183,454	188,086	191,697	197,452	203,376	209,478
	<b>Operations</b>								
	82110 MAILING & OUTBOUND SHIPPING SERVICES	34	33	50	50	50	52	53	55
=	XTRC TOTAL TRANSPORTATION CHARGES	34	33	50	50	50	52	53	55
	82210 PRINTING & COPYING SERVICES, OUTSOURCED		169	250	170	250	258	265	273
	82280 TESTING & PHYSICALS	212	131	150	150	150	155	159	164
=	XOPSV TOTAL OPERATING SERVICES	212	300	400	320	400	413	424	437
	82310 LEGAL NOTICES	201	538	770	550	770	793	817	841
+	82350 DUES FOR MEMBERSHIPS	1,926	1,964	1,815	1,605	1,395	1,438	1,830	1,524
	1 Various								
	2 Civic organization	540	540	720	510	300	309	318	328
	3 NIGP	330	405	425	425	425	438	451	464
	4 TAPP	40	60	60	60	60	62	64	66
	5 MTRPA	40	60	60	60	60	62	64	66
	6 ICMA								
	7 UPPOC certification fees	450		550	550	550	567	583	600
	8 UPPOC recertification fees								
	9 Amount missing from detail								
	82370 PROMOTIONS & SPECIAL EVENTS (NOT CITY SPONSORED)	526	899					350	
	82373 RECRUITMENT	18	18	25	250	250	258	265	273
+	82390 PUBLICATIONS, NON-TRAINING	151	151	175	175	175	180	186	191
	1 Various								
	2 NIGP 5-digit commodity code annual (reimbursement)			175	175	175	180	186	191
	3 Amount missing from detail								
=	XNSP TOTAL NOTICES, SUBSCRIPTIONS, PUBLICITY	2,278	2,921	3,035	2,605	2,615	2,694	3,123	2,854
	82450 TELEPHONE SERVICE	206	310	310	310	310	319	329	339
	82470 INTERNET & RELATED SERVICES	277	285	285	285	285	285	285	285
=	XUTIL TOTAL UTILITIES	483	595	595	595	595	595	595	595

Account	Label	Actual 2012	Actual 2013	Budget 2014	Estid 2014	Budget 2015	Forecast 2016	Forecast 2017	Forecast 2018
+ 82510	COMPUTER SERVICES								
1	Various	68		100		20,100	20,100	20,100	20,100
2	consulting services for Great Plains								
3	e-procurement software, annual licensing fee for core system	68		100		100	100	100	100
4	e-procurement software, one-time implementation fee								
5	Speed analysis					20,000	20,000	20,000	20,000
*	Amount missing from detail								
= XCTS	TOTAL CONTRACTUAL SERVICES	68		100		20,100	20,100	20,100	20,100
+ 82810	REGISTRATIONS	850	1,904	4,725	4,525	4,725	4,866	5,010	5,161
1	Various								
2	Annual NIGP Forum & Expo			2,200	2,200	2,200	2,266	2,334	2,404
3	Various NIGP seminars			1,500	1,500	1,500	1,545	1,591	1,639
4	Various NIGP webinars	200	286	500	300	500	515	530	546
5	Fall conference of TAPP			200	200	200	206	212	219
6	Spring conference of TAPP			300	300	300	309	318	328
7	Summary of Public Acts presented by UT-MITAS			25	25	25	25	25	25
*	Amount missing from detail	650	1,668						
+ 82820	GROUND TRANSPORTATION (OUTSIDE WILLIAMSON COUNTY)	118	164	1,190	287	1,190	1,227	1,261	1,300
1	Various								
2	Annual NIGP Forum & Expo			500	30	500	515	530	546
3	Various NIGP seminars			50	50	50	52	53	55
4	Fall conference of TAPP	44		150	47	150	155	159	164
5	Spring conference of TAPP			198	100	100	103	106	109
6	Monthly MTPPA chapter meetings	21	47	300	100	300	308	318	328
7	DBE Outreach Events			90	60	90	93	95	98
*	Amount missing from detail	47	69						
+ 82830	AIR TRAVEL	476	298	1,500	1,500	1,500	1,545	1,591	1,639
1	Various								
2	Annual NIGP Forum & Expo			1,000	1,000	1,000	1,030	1,061	1,093
3	Possible NIGP Committee Meetings			500	500	500	515	530	546
*	Amount missing from detail	476	298						
+ 82840	LODGING	182	929	3,900	1,910	3,900	4,017	4,136	4,262
1	Various								
2	Annual NIGP Forum & Expo	182	929	2,400	1,007	2,400	2,472	2,546	2,623
3	Various NIGP seminars			200	200	200	206	212	219
4	Fall conference of TAPP			400	203	400	412	424	437
5	Spring conference of TAPP			400	400	400	412	424	437
6	Possible NIGP Committee Meetings			500	500	500	515	530	546
*	Amount missing from detail								
+ 82850	MEALS (OUTSIDE WILLIAMSON COUNTY)	50	51	1,050	132	1,050	1,082	1,113	1,148
1	Various								
2	Annual NIGP Forum & Expo	50		400	32	400	412	424	437
3	Various NIGP seminars			200	100	200	206	212	219
4	Fall conference of TAPP			200	200	200	206	212	219
5	Spring conference of TAPP			150	150	150	155	159	164
6	MTPPA annual banquet		51	100	100	100	103	106	109
*	Amount missing from detail								
82890	OTHER TRAVEL EXPENSES				51	50	52	53	55

Account	Label	Actual 2012	Actual 2013	Budget 2014	Est'd 2014	Budget 2015	Forecast 2016	Forecast 2017	Forecast 2018
=	XPDT TOTAL PROFESSIONAL DEVELOPMENT/TRAVEL	1,676	3,346	12,365	8,405	12,415	12,789	13,164	13,565
	83110 OFFICE SUPPLIES	213	215	500	300	500	515	530	546
	83120 OFFICE DÉCOR ITEMS (OTHER THAN FURNITURE)	25	114	250	250	250	250	250	250
+	83130 EMPLOYEE BENEVOLENCE ITEMS			50	50	50	52	53	55
	83140 MEALS & FOOD (INSIDE WILLIAMSON COUNTY)	69	95	150	223	150	154	158	162
	1 various refreshments for quarterly meetings of Departmental Purchasing Agents	42			23				
	2 Halloween Candy	16	16	125	50	125	124	133	137
	3 Spring JAPP	25	25	25	25	25	25	25	25
	4 Amount missing from detail	27	54		150				
=	XOFS TOTAL OFFICE SUPPLIES	307	424	950	823	950	971	991	1,013
	83299 OTHER OPERATING SUPPLIES			100	100	100	103	106	109
=	XOPS TOTAL OPERATING SUPPLIES			100	100	100	103	106	109
	83310 GASOLINE & DIESEL FOR FLEET (INSIDE WILLIAMSON COUNTY)		227	250	150	250	258	265	273
	83320 MILEAGE (INSIDE WILLIAMSON COUNTY)			50	50	50	52	53	55
=	XFUEL TOTAL FUEL & MILEAGE		227	300	200	300	310	318	328
	83510 FURNITURE, FIXTURES (<\$25,000)		374	500	500	500	500	500	500
	83530 MACHINERY & EQUIPMENT (<\$25,000)	270		500	500	500	500	500	500
	83540 COMPUTER HARDWARE (<\$25,000)	1,992		1,000	1,000	3,000	1,000	1,000	1,000
	83550 COMPUTER SOFTWARE (<\$25,000)		1,308						
=	XMEU TOTAL MACHINERY & EQUIPMENT (<\$25,000)	2,262	1,682	2,000	2,000	4,000	2,000	2,000	2,000
	85110 PROPERTY INSURANCE	794	181	776	746	783	806	831	856
	85111 FRAUD INSURANCE		6						
	85112 INLAND MARINE INSURANCE		81	35	6	6	6	7	7
	85113 AUTO PHYSICAL DAMAGE		32						
	85115 LIABILITY INSURANCE		153		294	309	318	327	337
	85116 E&O LIABILITY INSURANCE		119	167	174	183	188	194	200
	85119 UMBRELLA LIABILITY		57	286					
=	XPLC TOTAL PROPERTY & LIABILITY COSTS	794	628	1,274	1,220	1,281	1,318	1,359	1,400
	87510 REIMB OF INTERFUND SERVICES			(40,960)	(40,900)	(47,594)	(47,550)	(48,910)	(50,172)
=	XREIMB TOTAL INTERFUND SERVICES REIMBURSEMENTS		(44,197)	(40,960)	(40,900)	(47,594)	(47,550)	(48,910)	(50,172)
	88000 TOTAL OPERATIONS	8,114	(34,040)	(19,616)	(24,482)	(4,613)	(6,007)	(6,455)	(7,469)
	Capital								

