



Purchasing Director ***Jeanette Bennett***



Department at a Glance

Funding Level Summary	2003/04 Actual	2004/05 Actual	Estimated 2005/06 Budget	2005/06 Budget	2006/07 Budget	% of Change
Purchasing Department	\$354,202	\$364,138	\$376,200	\$382,760	\$394,440	3.1%
Total Department	\$354,202	\$364,138	\$376,200	\$382,760	\$394,440	3.1%
Personal Services	\$337,302	\$345,754	\$355,960	\$362,100	\$373,320	3.1%
Supplies	6,628	6,277	6,040	6,500	6,400	-1.5%
Other Services/Charges	10,272	12,107	14,200	14,160	14,720	4.0%
Total Department	\$354,202	\$364,138	\$376,200	\$382,760	\$394,440	3.1%

Personnel Summary	2003/04		2004/05		2005/06		2006/07	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Purchasing Department	3	1	3	1	3	1	3	1
Total Department	3	1	3	1	3	1	3	1



Mission and Service Statements

Mission Statement

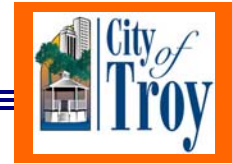
The Purchasing Department ensures value for City of Troy departments by procuring goods and services at the lowest competitive price from responsible vendors meeting specifications.

Service Statement

Troy is one of the founding members of the MITN (Michigan Intergovernmental Trade Network) Purchasing Cooperative (formerly the Tri-County Purchasing Cooperative). Since March 3, 2003, the Michigan Intergovernmental Trade Network (MITN) e-procurement website, established by the Cooperative, has been used by the City of Troy. Twenty-two other entities in addition to Troy use the site to provide vendor registration, post bids, quotations, requests for proposals, addenda, and awards, including tabulations. By establishing this centralized system (an accomplished goal for the 2003/04 fiscal year), vendors now have a single point of contact and broader access to new business opportunities in our region. Greater efficiency has been achieved for the participating agencies by reducing bid processing costs and creating more competition. Over 4,675 vendors have registered on the system since the date of inception. As of January 1, 2005, the MITN on-line auction website became operational. MITN auction sales for 2005 totaled \$20,753.22 and included well-used or obsolete items such as furniture, office equipment, vehicles, polling booths, and computers.

Did You Know...?

- For the third year in a row Purchasing received the prestigious *Achievement of Excellence in Procurement* (AEP) award from the National Purchasing Institute. The AEP is awarded annually to organizations that demonstrate excellence by obtaining a minimum score on a rating of standardized criteria. The program is designed to measure innovation, professionalism, productivity, and leadership attributes of a procurement organization. The City of Troy is one of 77 entities nationwide to win the award 3 years in a row.



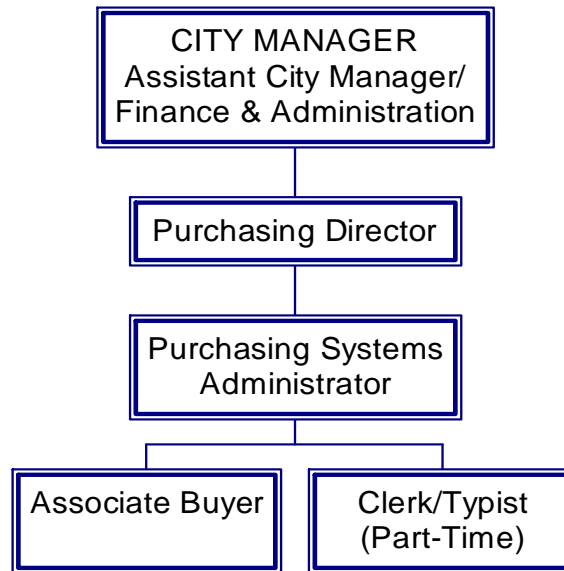
Performance Objectives

- As part of the E-procurement Initiative, implement a reverse auction and electronic bidding process in cooperation with the agencies that comprise the Michigan Intergovernmental Trade Network (MITN) (Objective 6)
- Create a focus group among internal customers to review efficiencies in purchasing operations and provide recommendations on multiple purchasing issues (Objective 1, 3, 4, 9)
- Identify and coordinate purchasing forms and processes with implementation of the document imaging system (Objective 1, 3, 6)

Performance Indicators		2004/05 Actual	2005/06 Projected	2005/06 Budget	2006/07 Budget
Output	Average # Days from Bid Request to Award	65 Days	67 Days	60 Days	65 Days
	Funds Generated from Out-of-Service City- owned Personal Property Auctioned	\$104,630	\$120,000	\$0	\$0
	Value of Goods and Services Purchased	\$26.3 Million	\$29 Million	\$29 Million	\$29 Million
	Value of Contracts Originated	\$1 Million	\$1.2 Million	\$1.2 Million	\$1.2 Million
Efficiency	Percentage of Awards without Dispute	100%	100%	100%	100%
	Purchasing Budget as a % of Total Goods and Services Purchased	1.4%	1.4%	2%	1.4%
	Total Purchases Monitored per Full-Time Employee	\$8.8 Million	\$9.7 Million	\$9.7 Million	\$9.7 Million



Organizational Chart



Staff Summary	Approved 2004/05	Approved 2005/06	Recommended 2006/07
Purchasing Director	1	1	1
Associate Buyer	1	1	1
Clerk/Typist (Part-Time)	1	1	1
Purchasing Systems Administrator	1	1	1
Total Department	4	4	4



Summary of Budget Changes

Significant Notes – 2006/07 Budget Compared To 2005/06 Budget

The budget for the Purchasing Department has evolved over the past 8 years in keeping with the recommendations of the Hay Study, which included the addition of an Associate Buyer, reclassification of the Buyer position to Purchasing Systems Administrator and the move from the shared space with the Human Resources Department to a separate office location.

8-Year Operating Budget History

