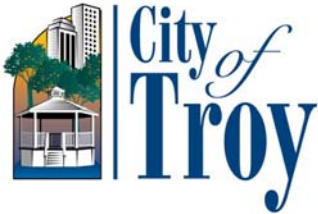


- *Purchasing Director*.....**Susan Leirstein**



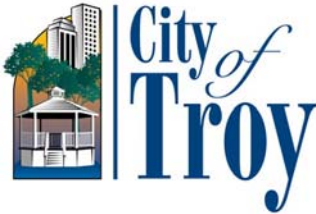
2009/10  
Budget

PURCHASING

DEPARTMENT AT A GLANCE

Funding Level Summary	2006/07		Estimated 2008/09		2009/10	% of Change
	Actual	Actual	Budget	Budget	Budget	
Purchasing Department	\$405,995	\$370,410	\$374,960	\$379,640	\$378,450	-----
<b>Total Department</b>	<b>\$405,995</b>	<b>\$370,410</b>	<b>\$374,960</b>	<b>\$379,640</b>	<b>\$378,450</b>	-----
Personal Services	\$382,797	\$348,866	\$354,160	\$357,440	\$357,200	-----
Supplies	6,939	7,422	5,400	6,200	5,400	-13%
Other Services/ Charges	16,259	14,122	15,400	16,000	15,850	-1%
<b>Total Department</b>	<b>\$405,995</b>	<b>\$370,410</b>	<b>\$374,960</b>	<b>\$379,640</b>	<b>\$378,450</b>	-----

Personnel Summary	2006/07		2007/08		2008/09		2009/10	
	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
<b>Total Department</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>1</b>



2009/10  
Budget

PURCHASING

## 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. Forty-four other entities in addition to Troy use the site to provide vendor registration; auction services; posting of bids; quotations; requests for proposals; addenda; and awards (including tabulations). By establishing this centralized system, vendors have a single point of contact and broader access to new business opportunities in our region.

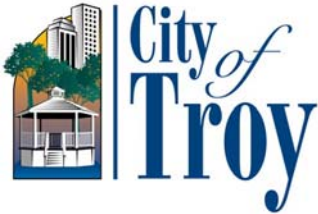
Greater efficiency has been achieved for the participating agencies by reducing bid processing costs and creating more competition. Over 7,400 vendors actively utilize the MITN website. As of January 1, 2005 the MITN on-line auction website became operational.

MITN auction sales for 2007/08 and through January 2009 totaled \$ \$68,134.52 and \$32,553.71 respectively and included well-used or obsolete items such as furniture; office equipment; vehicles; parks equipment; police/fire equipment; and computers.

The City's Engineering Department utilized the MITN system again in 2008 and experienced a savings of approximately \$104,000 on engineer's estimates for the Civic Center / Town Center overlay project.

- ***Did You Know?***

- ✓ For the sixth 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 1 of only 4 entities in Michigan to receive the national award.



2009/10  
Budget

PURCHASING

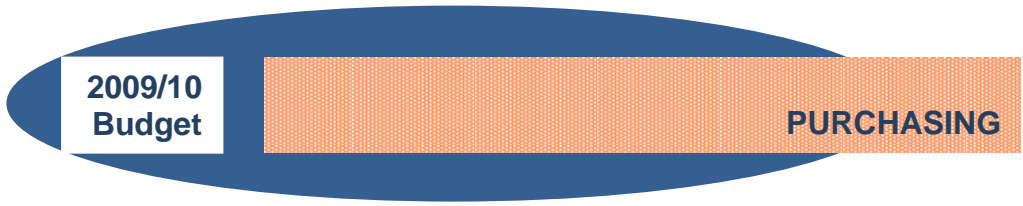
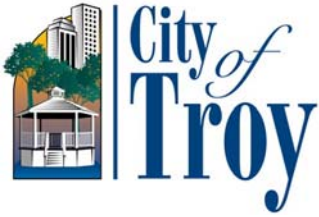
**PERFORMANCE OBJECTIVES**

**Outputs**

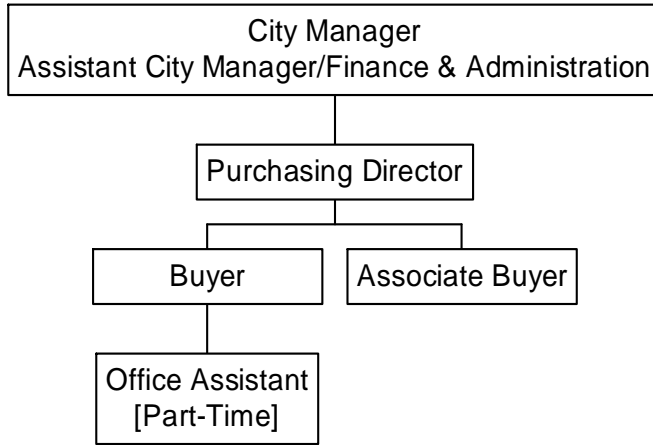
- ✓ Implement an electronic bidding process in cooperation with the agencies that comprise the Michigan Intergovernmental Trade Network (MITN) at no cost to the City. **(Output M)**
- ✓ Monitor and adjust spending on Citywide contracts for further savings, i.e. office supplies; cell phones; pagers; copiers; natural gas, etc. **(Output M)**
- ✓ Promote sustainability where feasible and practical. **(Output W)**

\*See the list of outputs as ranked by City Council in the [CITY-WIDE ACTION PLAN](#) on pages 16 and 17.

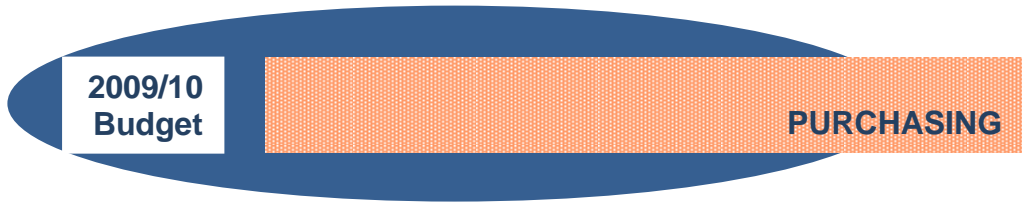
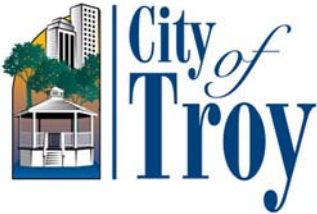
Performance		2007/08	2008/09	2008/09	2009/10
Indicators		Actual	Projected	Budget	Budget
Output	✓ Bid/Proposals Processed	42	50	50	45
	✓ Bid/Proposal Responses Rec'd	197	208	200	200
	✓ Value of Solicited Contracts	\$3.7 million	\$4 million	\$4 million	\$4 million
	✓ Goods/Services Purchased	\$35 million	\$32 million	\$32 million	\$32 million
	✓ Other Contracts Originated	\$1.6 million	\$1.5 million	\$1.4 million	\$1.4 million
	✓ P-Card Transactions per Year	1,807	1,900	2,000	1,800
	✓ Total P-Card Spending	\$331,820	\$342,000	\$360,000	\$324,000
	✓ \$ Generated Property Auctioned	\$156,635	\$100,000	\$100,000	\$100,000
Efficiency	✓ Achievement in Excellence Procurement Award	6	7	7	8
	✓ Average # of Days from Bid Request to Award	72	70	70	70
	✓ Bid Process Savings	\$1.1 million	\$500,000	\$500,000	\$500,000
	✓ Awards <u>without</u> Dispute	100%	100%	100%	100%
	✓ Purchasing Budget as a % of Total Purchases	1.06%	1.18%	1.2%	1.18%
	✓ Total Purchases Monitored per Full-Time Employee	\$11.6 million	\$10.6 million	\$10.6 million	\$10.6 million
	✓ Average Amount of P-Card Transactions	\$184	\$180	\$180	\$180
	✓ Office Supply Rebates	\$5,631	\$5,000	\$5,000	\$5,000



**ORGANIZATIONAL CHART**



<b>Staff Summary</b>	<b>Approved 2007/08</b>	<b>Approved 2008/09</b>	<b>Recommended 2009/10</b>
Purchasing Director	1	1	1
Buyer	1	1	1
Associate Buyer	1	1	1
Clerk Typist [Part-Time]	1	1	0
Office Assistant [Part-Time]	0	0	1
<b>Total Department</b>	<b>4</b>	<b>4</b>	<b>4</b>



### SUMMARY OF BUDGET CHANGES

- **Significant Notes – 2009/10 Budget Compared To 2008/09 Budget**

Supplies decreased by \$800 (13%) by eliminating the need to mail bid solicitations. Vendors are notified electronically through the MITN system.

Memberships and Dues is reduced by \$100 (10%) due to free subscriptions and cost reductions in those areas.

- **Operating Budget History**

