

Purchasing

Mission Statement

To assist City Departments in obtaining the highest quality supplies and services for the best possible price through a transparent, competitive bidding procedure in accordance with all state and local laws; provide mailroom and print shop services.

Fiscal Year 2014 Accomplishments

Public Bids Documentation - Made numerous revisions to bid and contract documents to protect the City's rights and limit its obligations.

Education - Conducted 11 department visits in FY14 and taught two classes (NPS & City); taught 2 Inspector General Office classes; Spoke at Massachusetts Association of School Business Officials (5/15/14).

Policies & Procedures - Prepared and issued Procedures For Departmental Purchasing (9/26/13) and monthly newsletters from 10/13 to the present.

Public Bids - Issued 100 IFBs or RFPs, 107 quotes and 4,611 POs through 3/13/14, with an imputed savings of \$2,660,194 (IFBs & RFPs) and \$355,114 (quotes).

Fiscal Year 2015 Desired Outcomes

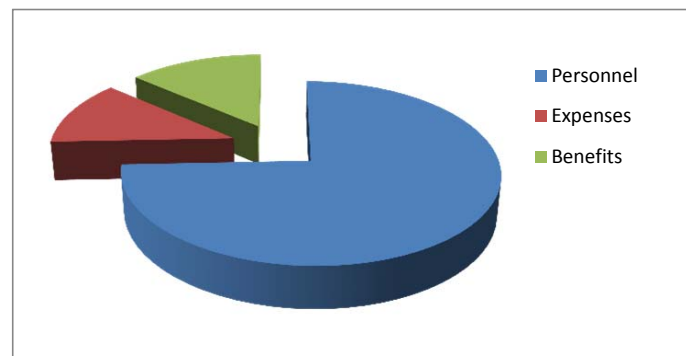
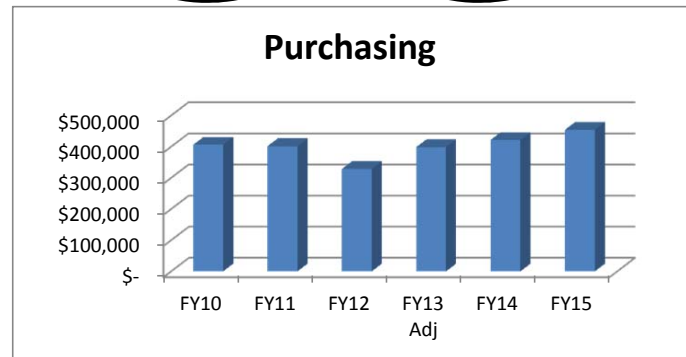
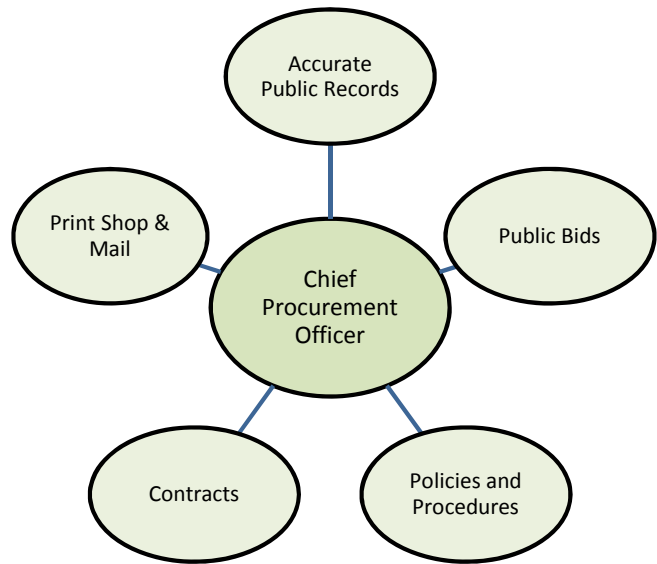
Policies - Revise and rewrite City of Newton Purchasing Ordinance (c. 2, art. IV)

Records - Establish evaluation procedures for expiring contracts to collect experience information on contractors to be used as reference for future procurements.

Electronic Payments - Ascertain desirability of electronic payment capability from City Departments and NPS, issue RFP and prepare contract with winning vendor.

Education - Continue with departmental visits, monthly newsletters, course offerings to City staff, NPS and purchasing groups.

Personnel -- Prepare transition when Purchasing Agent retires (2/15) and implement back up strategies for Mail Room and Print Shop.



Department Detail

	Actual				Proposed	
	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Expenditure by Core Function						
Personnel	\$ 314,873	\$ 302,298	\$ 264,845	\$ 287,050	\$ 313,246	\$ 337,973
Expenses	\$ 43,329	\$ 43,777	\$ 27,588	\$ 57,913	\$ 48,750	\$ 54,542
Capital Equipment			\$ -	\$ 17,817	\$ -	\$ -
Benefits	\$ 48,553	\$ 56,097	\$ 36,459	\$ 35,946	\$ 59,864	\$ 61,987
Total	\$ 406,755	\$ 402,172	\$ 328,892	\$ 398,726	\$ 421,860	\$ 454,502
% Incr		-1.13%	-18.22%	21.23%	5.80%	7.74%
Personnel						
Full-Time	6	6	5	5	5	5
Part-Time	0	0	0	0	0	0
Total	6	6	5	5	5	5

FY2014 Accomplishments - Purchasing**Outcome #1 - Concise and clear policies and procedures****Target****Result****Strategy #1. Revise and rewrite City of Newton Purchasing Ordinance**

Complete initial draft of ordinance for review
 Collect and incorporate feedback on draft ordinance from working group
 Present final draft to Mayor for approval
 Present to Board of Alderman for approval

Nov 2013 Completion of Procedures for Departmental Purchasing
 Jan 2014 addressed most practical issues that require Ordinance
 Feb 2014 revision. Ordinance Revision moved to FY2015 Outcome.
 Mar 2014 New Target Date- Mar 2015

Strategy #2. Establish and/or revise administrative policies and procedures for procurement

Establish formal policy articulating bidding thresholds
 Establish formal policy articulating disposal of property
 Establish policy relating to the procurement process

Jun 2014 Complete. Issuance of Procedures for Departmental
 Jun 2014 Purchasing established thresholds and procedures. Disposition
 Jun 2014 of surplus supplies policy also issued.

Outcome #2: Maintain accurate and informative vendor records**Target****Result****Strategy #1. Implement department review of closed contracts**

Develop contractor review form

Dec 2013 No specific form created; set up e-file to hold departmental
 evaluations of contractors' performance

Establish contractor review policy

Dec 2013 Complete

Outcome #3: Ensure transparent and competitive bidding**Target****Result****Strategy #1. Promotion of prompt pay discount**

Evaluate possibility of incorporating prompt pay criteria in award

Dec 2013 Too many practical issues so no change to current notice
 provisions.

Outcome #4: Provide accurate, information procurement information to city departments**Target****Result****Strategy #1. Create monthly email newsletters summarizing purchasing**

Design template for newsletter

Sep 2013 Complete. Newsletter entitled Nick's Notes issued monthly
 from October 2013 to the present.

Strategy #2. Establish regular orientation and training sessions for new employees

Create curriculum and training program

Sep 2013 Complete. Nine departmental visits in FY14. Classes for NPS
 (sole source) and city (requests for proposals). Taught class for
 Inspector General's Office 12/4/13 with another scheduled for
 4/29/14. Teaching at Mass School Business Officials Annual
 Meeting 5/1/14. Participant in monthly Mass Association of
 Public Purchasing Officials meetings.

Number of trainings held

6 >10

Outcome #5: Increase capacity and capability of City print shop & mailing**Target****Result****Strategy #1. Enlarge knowledge-base of City print machinery**

Number of trainings provided and attended by print shop personnel

2 Complete. Print shop manager attended two NPS trainings in
 FY14.

Strategy #2. Evaluate operational security of mail processes

Establish and/or revise policies and protocol for mail handling

Aug 2013 Complete. Print shop manager took lead responsibility for
 secure folding, stuffing and sealing of outgoing mail,
 principally checks. Established security procedures and locked
 drop box in the mail room for outgoing checks.

Assess physical security needs and make changes as necessary

Aug 2013 Complete

FY2015 Desired Outcomes - Purchasing**Outcome #1 - Revision of City Ordinance c. 2 art. IV****Target****Strategy #1 Revise and rewrite City of Newton Purchasing Ordinance**

Complete initial draft of ordinance for review	Nov 2014
Collect and incorporate feedback on draft ordinance from working group	Jan 2015
Present final draft to Mayor for approval	Feb 2015
Present to Board of Alderman for approval	Mar 2015

Outcome #2: Educate City Employees on Purchasing Requirements**Target****Strategy #1. Continue monthly email newsletters containing topical articles and departmental updates.**

Continue monthly email newsletters "Nick's Notes".	Ongoing- Monthly
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Strategy #2. Establish regular orientation and training sessions for new employees, departments and outside professional groups.

Work with new HR Director to establish schedule for presentations	Sep 2014
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Strategy #3. Establish contact between the Purchasing Dept. and City Depts

Meet with all municipal department during FY15 to educate staff on practices and procedures	Jun 2015
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Outcome #3: Create Back Up and Succession Plan**Target**

Prepare and implement transition plan for retirement of Purchasing Agent (2/15)	Aug 2014
Implement back up plans for Mail Room and Print Shop	Aug 2014

Outcome #4: Increase Efficiencies In Procurement Administration**Target****Strategy # 1. Create strategy to promote prompt pay discounts for reqs, quotes and bids**

Revise forms for reqs, quotes, and bids to include incentive to offer prompt pay discounts	Nov 2014
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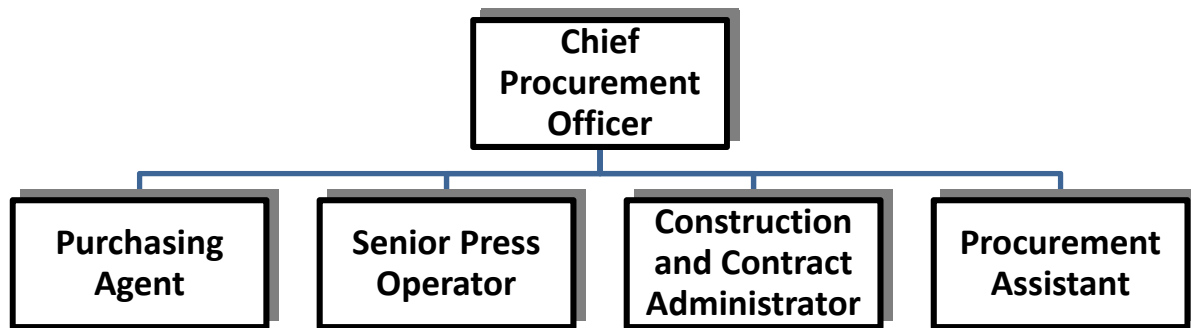
Strategy # 2. Monitor times between (i) bid issue and contract to vendor and (ii) return from vendor and final execution and develop strategies to shorten both

Implement tracking mechanism to monitor times between bid release and contract execution	Jan 2015
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Strategy #3. Establish schedule for approval of reqs that will maintain consistent approval time of 72 hours, and report to CFO monthly on average approval time.

Begin approving reqs on a scheduled time, twice a day prior to 2 pm to achieve goal	Ongoing- Reported Monthly
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PURCHASING



FUND: 01 - GENERAL FUND
DEPARTMENT: 105 - PURCHASING

CITY OF NEWTON BUDGET
DEPARTMENT LEGAL LEVEL OF CONTROL

	ACTUAL 2012	ACTUAL 2013	AMENDED 2014	YTD 4/22/2014	RECOMMENDED 2015	CHANGE 2014 to 2015
DEPARTMENT SUMMARY						
51 - PERSONAL SERVICES	264,845	287,050	313,246	246,833	337,973	24,727
52 - EXPENSES	27,588	57,913	48,800	44,363	54,542	5,742
58 - DEBT AND CAPITAL	0	17,817	0	0	0	0
57 - FRINGE BENEFITS	36,459	35,946	59,864	47,421	61,987	2,123
TOTAL DEPARTMENT	328,891	398,726	421,910	338,616	454,502	32,592
PURCHASING						
51 - PERSONAL SERVICES	209,373	230,269	253,689	199,876	277,572	23,883
52 - EXPENSES	18,868	39,848	25,140	17,597	31,342	6,202
58 - DEBT AND CAPITAL	0	17,817	0	0	0	0
57 - FRINGE BENEFITS	20,378	20,552	42,707	33,990	44,465	1,758
TOTAL PURCHASING	248,620	308,486	321,536	251,463	353,379	31,843
TELECOMMUNICATIONS						
52 - EXPENSES	0	1,985	0	12,234	0	0
TOTAL TELECOMMUNICATIONS	0	1,985	0	12,234	0	0
PRINTING						
51 - PERSONAL SERVICES	55,471	56,780	59,557	46,957	60,401	844
52 - EXPENSES	8,720	16,080	23,660	14,533	23,200	-460
57 - FRINGE BENEFITS	16,081	15,394	17,157	13,430	17,523	366
TOTAL PRINTING	80,272	88,254	100,374	74,920	101,124	749

FUND: 01 - GENERAL FUND
DEPARTMENT: 105 - PURCHASING

CITY OF NEWTON BUDGET
DEPARTMENTAL DETAIL

	ACTUAL FY2012	ACTUAL FY2013	AMENDED 2014	YTD 4/22/2014	RECOMMENDED 2015	CHANGE 2014 to 2015
105 - PURCHASING						
0110501 - PURCHASING						
PERSONAL SERVICES						
511001 FULL TIME SALARIES	202,723	226,224	250,939	197,126	268,822	17,883
513001 REGULAR OVERTIME	0	1,395	0	0	0	0
514001 LONGEVITY	1,650	1,650	1,750	1,750	1,750	0
515005 BONUSES	4,000	0	0	0	0	0
515006 VACATION BUY BACK	0	0	0	0	6,000	6,000
515102 CLEANING ALLOWANCE	1,000	1,000	1,000	1,000	1,000	0
TOTAL PERSONAL SERVICES	209,373	230,269	253,689	199,876	277,572	23,883
EXPENSES						
52401 OFFICE EQUIPMENT R-M	4,440	4,666	6,000	5,599	9,000	3,000
52408 DEPARTMENTAL EQUIP R-	0	49	0	0	2,082	2,082
5274 RENTAL - EQUIPMENT	0	180	250	180	180	-70
5292 SOLID WASTE COLL/DISP	0	840	200	0	150	-50
5301 CONSULTANTS	2,500	1,500	0	0	0	0
5321 TUITION ASSISTANCE	0	0	50	50	0	-50
53401 TELEPHONE	578	563	600	411	600	0
5341 POSTAGE	1,972	22,551	3,000	1,614	2,500	-500
5342 PRINTING	2,575	535	1,800	142	2,500	700
5343 ADVERTISING/PUBLICATIO	3,558	4,147	7,500	4,235	6,500	-1,000
5420 OFFICE SUPPLIES	2,445	2,482	3,150	3,675	4,780	1,630
5711 IN-STATE CONFERENCES	650	780	899	0	1,250	351
5730 DUES & SUBSCRIPTIONS	150	1,555	1,691	1,691	1,800	109
TOTAL EXPENSES	18,868	39,848	25,140	17,597	31,342	6,202
FRINGE BENEFITS						
57DENTAL DENTAL INSURANCE	921	930	1,095	863	1,148	53
57HLTH HEALTH INSURANCE	16,167	14,516	35,476	27,864	36,223	747
57LIFE BASIC LIFE INSURANCE	227	203	227	170	227	0
57MEDA MEDICARE PAYROLL TAX	3,064	3,233	3,675	2,689	3,938	263
57OPEB OPEB CONTRIBUTION	0	1,670	2,234	2,405	2,929	695
TOTAL FRINGE BENEFITS	20,378	20,552	42,707	33,990	44,465	1,758
DEBT AND CAPITAL						
58514 OFFICE EQUIPMENT	0	17,817	0	0	0	0
TOTAL DEBT AND CAPITAL	0	17,817	0	0	0	0
TOTAL PURCHASING	248,620	308,486	321,536	251,463	353,379	31,843
0110502 - TELECOMMUNICATIONS						
EXPENSES						
53402 CELLULAR TELEPHONES	0	1,985	0	12,234	0	0
TOTAL EXPENSES	0	1,985	0	12,234	0	0
TOTAL TELECOMMUNICATIONS	0	1,985	0	12,234	0	0

CITY OF NEWTON BUDGET DEPARTMENTAL DETAIL
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	ACTUAL FY2012	ACTUAL FY2013	AMENDED 2014	YTD 4/22/2014	RECOMMENDED 2015	CHANGE 2014 to 2015
0110503 - PRINTING						
PERSONAL SERVICES						
511001 FULL TIME SALARIES	54,014	56,447	57,942	45,538	58,526	584
513001 REGULAR OVERTIME	207	-1,042	240	44	500	260
514001 LONGEVITY	0	875	875	875	875	0
515005 BONUSES	750	0	0	0	0	0
515101 CLOTHING ALLOWANCE	500	500	500	500	500	0
TOTAL PERSONAL SERVICES	55,471	56,780	59,557	46,957	60,401	844
EXPENSES						
52401 OFFICE EQUIPMENT R-M	6,138	9,052	15,000	12,097	17,000	2,000
5501 PRINTING SUPPLIES	2,472	6,918	8,110	2,002	6,000	-2,110
5581 UNIFORMS/PROTECTIVE	110	110	550	434	200	-350
TOTAL EXPENSES	8,720	16,080	23,660	14,533	23,200	-460
FRINGE BENEFITS						
57DENTAL DENTAL INSURANCE	446	438	456	359	478	22
57HLTH HEALTH INSURANCE	14,867	14,163	15,843	12,443	16,176	333
57MEDA MEDICARE PAYROLL TAX	767	793	858	628	869	11
TOTAL FRINGE BENEFITS	16,081	15,394	17,157	13,430	17,523	366
TOTAL PRINTING	80,272	88,254	100,374	74,920	101,124	749
TOTAL PURCHASING	328,891	398,726	421,910	338,616	454,502	32,592

FUND: 01 - GENERAL FUND
 DEPARTMENT: 105 - PURCHASING

**CITY OF NEWTON BUDGET
 PERSONAL SERVICES SUMMARY**

ACCOUNT	POSITION TITLE	2014			2015		
		RANGE	FTE	SALARY	RANGE	FTE	SALARY
511001	CHIEF PROCUREMENT OFFIC	H12	1.0	89,350	H12	1.00	97,627
	CONSTRUCTION CONTRACT A	S08	1.0	55,847	S08	1.00	56,854
	PROCUREMENT ASST	S08	1.0	51,768	S08	1.00	53,809
	PURCHASING AGENT	H06	1.0	58,777	H06	1.00	60,532
	SR PRESS OPERATOR	S07	1.0	57,812	S07	1.00	58,526
	Account Totals:		5.0	313,554		5.00	327,348
	Report Totals:		5.0	313,554		5.00	327,348