



OFFICE OF CONTRACTING AND PROCUREMENT

FY 2023 PERFORMANCE ACCOUNTABILITY REPORT

JANUARY 16, 2024

CONTENTS

| | |
|--|-----------|
| Contents | 2 |
| 1 Office of Contracting and Procurement | 3 |
| 2 2023 Accomplishments | 4 |
| 3 2023 Objectives | 6 |
| 4 2023 Operations | 7 |
| 5 2023 Strategic Initiatives | 9 |
| 6 2023 Key Performance Indicators and Workload Measures | 13 |

1 OFFICE OF CONTRACTING AND PROCUREMENT

Mission: OCP's mission is to procure quality goods, services, and construction 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.

Services: OCP manages the purchase of \$5.6 billion in goods, services and construction annually, on behalf of over 77 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.

2 2023 ACCOMPLISHMENTS

| Accomplishment | Impact on Agency | Impact on Residents |
|--|--|---|
| <p>In FY 23, OCP earned over \$8.76 million from all surplus property sales. This includes 126 auctions closed during FY23 for total gross sales of \$7.58 million. The website received a total of 1.58 million hits—an average of 507 per auction and 307 unique visitors per auction. The revenue was generated by leveraging partnerships with key agencies such as OCTO, OCFO, DGS, DPW, and MPD to acquire and dispose of assets in high demand, worldwide. Also, OCP earned \$1.18 million in scrap from 1,975 vehicles.</p> | <p>OCP continues to partner with key agencies like OCTO and OCFO to leverage the latest technology to train staff on asset-management industry best practices in receiving, deployment, tracking, and disposal. OCP has also built a strong relationship with the U.S. General Services Administration and other federal agencies, giving the District first-look opportunities for federal surplus property that District agencies can use to support their missions.</p> | <p>OCP’s online auction platform is the public gateway to acquiring District government assets. Residents can bid on District auctions as they follow them in real time. Auctions earn additional revenue for the District’s general fund and further demonstrate transparent government-asset disposition. OCP also has 150 District-based non-profits certified to participate in the surplus property program. Further, OCP’s reutilization program is saving District taxpayers millions of dollars by prolonging the useful life of District government assets.</p> |
| <p>In FY 23, OCP assisted with the close out of the District’s COVID-19 pandemic response. OCP staff tracked nearly 10,000 COVID-19 emergency-related transactions in goods and services and expended more than \$800 million dollars on COVID-19 response-related goods and services. Contracts associated with contingency or federal reimbursement have been closed out. The remaining contracts are for demobilization efforts. OCP demobilized all District testing centers and vaccination sites. Additionally, four out of five DHS emergency pandemic sites have been successfully demobilized. All rental equipment and vehicles have been returned. OCP also assisted DHS in identifying and transitioning to new funding for ongoing emergency support. OCP conducted an after-action review with District-agency partners to review lessons learned and reinforce relationships with these agencies.</p> | <p>Lessons learned from OCP’s pandemic operations inform its pre-disaster contract development. These contracts, along with the agency’s intragovernmental partnerships, will be strengthened by pandemic operations and will enable the District to provide efficient and collaborative emergency services to residents in future.</p> | <p>Since the COVID-19 emergency, many District agencies have incorporated the use of personal protective equipment (PPE) and safe workplace materials into routine operations. The Strategic Logistics Center (SLC) continues to provide those materials, as well as continuing routine operations. Accordingly, the SLC team has experienced an expansion of its roles and responsibilities since the COVID-19 public emergency and has built robust warehouse operations, with data tracking and customer service as priorities. OCP is also working with partner agencies to develop pre-disaster contracts.</p> |

(continued)

| Accomplishment | Impact on Agency | Impact on Residents |
|---|---|--|
| <p>In FY23, OCP increased client agency customer satisfaction by 23.6% year-over-year to 70.6%, and increased industry partner customer satisfaction by 41.6% year-over-year to 83.3%. This was achieved through a multifaceted approach that included internal OCP training on better engagement with client agencies, an increase in engagements with client agencies by OCP management and staff, providing training for new executives and their teams at client agencies, as well as improving the communication and outreach with the vendor community.</p> | <p>Increased customer satisfaction improves the quality of services provided to District residents.</p> | <p>The increase in customer satisfaction highlights OCP's focus on improving engagement and collaboration with both client agencies and industry partners. This engagement and collaboration improves the efficiency of the procurement process and quality of goods and services procured by the District government.</p> |

3 2023 OBJECTIVES

Strategic Objective

Promote excellence in OCP contracting and Strategic Logistics Center (SLC) services.

Promote continuous innovation to achieve operational excellence and transparency.

Promote a culture of learning to sustain a more efficient workforce.

Enhance outreach and increase collaboration with both industry and client agencies.

Create and maintain a highly efficient, transparent, and responsive District government.

4 2023 OPERATIONS

| Operation Title | Operation Description |
|---|--|
| Promote excellence in OCP contracting and Strategic Logistics Center (SLC) services. | |
| Surplus Property: Daily Service | The District gains cost savings through the repurposing and redistribution of surplus property. OCP will auction surplus property no longer needed, generating additional revenue for the District |
| P-Card Utilization: Daily Service | The District of Columbia uses the P-Card Program as a fast and effective way for agencies to procure goods and services under \$5,000 for single purchases. The P-Card Program serves as an alternative method of procurement that reduces the processing cost and delivery time for small purchases. Over 75 agencies within the District use the P-Card Program as a vehicle for small purchases. |
| Warehouse: Daily Service | Warehouse stores supplies for citywide distribution. |
| Acquisition and Procurement Planning: Key Project | All agencies under the authority of the Chief Procurement Officer (CPO) annually submit planned procurements to help OCP anticipate types of purchases, cycle times and resource allocation requirements. Contract Officers use milestone planning to define key tasks and processing requirements, inter-agency coordination, deliverables, and timelines for performing functions through project completion. The acquisition process is monitored throughout the procurement life cycle to identify constraints and implement appropriate technical assistance to keep activities on track. |
| Contracting & Procurement: Daily Service | OCP conducts all contracting and procurement functions for agencies under the authority of the Chief Procurement Officer (CPO) |
| Promote continuous innovation to achieve operational excellence and transparency. | |
| Contract Transparency & Contractor Performance: Key Project | OCP publishes/posts newly awarded and active contracts \$100,000 and above on the OCP web site for public access. OCP also maintains a contractor performance evaluation system. |
| Systems, Data & Performance Division (SDPD): Key Project | The SPDP Team develops and maintains server applications and SQL databases, updates both Internet and Intranet sites and improves IT functionality, creates and maintains dashboards, conducts data analyses, and oversees records management |
| Office of Integrity and Compliance (OPIC): Key Project | In order to align management decisions with audit functions, a specific audit committee has been formed. |
| Promote a culture of learning to sustain a more efficient workforce. | |
| Procurement Training Institute (PTI): Key Project | Core training on District procurement rules, regulations, policies, and procedures is required for all procurement staff operating under authority of the Chief Procurement Officer (CPO). |
| Human Resources: Daily Service | The Office of Human Resources (OHR) provides human resource management services that position the Office of Contracting and Procurement to attract, develop and retain a well-qualified and diverse workforce. Establishing and maintaining HR policies and procedures helps maintain the integrity of OCP operations. |
| Enhance outreach and increase collaboration with both industry and client agencies. | |
| Customer Service and Communications: Key Project | OCP will continue its series, "OCP in the Wards," which represents business outreach and engagement designed to demystify District procurement practices. DC Buys, a reverse vendor trade fair, monthly vendor workshops and other outreach events will occur. |

(continued)

| Operation Title | Operation Description |
|---|---|
| Office of the Ombudsman: Daily Service | The OCP Office of the Ombudsman supports contractors and subcontractors, operating under a valid District contract, to communicate their complaints, concerns and suggestions related to OCP's contracting and procurement matters. |

5 2023 STRATEGIC INITIATIVES

In FY 2023, Office of Contracting and Procurement had 4 Strategic Initiatives and completed 0%.

| Title | Description | Update |
|--|---|---|
| Enhance OCP's Comprehensive Training Program | In FY 23, OCP will enhance the quality of procurement training for all District procurement professionals, as required by District law, by: 1) publishing a consolidated agency training policy covering certification/recertification requirements, on-boarding, supervisor feedback, PASS access, warranting, and other relevant topics; 2) reviewing the current training curriculum with an eye toward adding guest lectures from senior procurement professionals, eliminating non-value-added redundancies, incorporating external training, improving the training catalog, and making training materials readily available online; 3) building upon the success of the new Contract Management Organizational Capability course to enhance OCP's tiered training program; and 4) enhancing the use of job aids and desktop reference materials. | Completed to date: 50-74% OCP is currently in the implementation phase and is actively reviewing and revising course offerings to further enhance the knowledge and skills of the procurement staff. This includes updating the training curriculum, materials, and job aids, as well as overhauling the current tiered training programs and facilitating the Contract Management Organizational Capability course. The Procurement Training Institute (PTI) has updated the current training policy, which is under review by the executive team. The 3rd cohort session of CMOC was successfully completed prior to the end of Q4. Due to transitions in management at the CPO and Training Manager levels, this initiative will be finalized in the next fiscal year. |

Upgrade the District's Contracting Management System - Phase 2

OCP is transitioning the District's 18+ year old contract management system (PASS) to a modern cloud-based system (the Cloud). Moving to the Cloud will not only improve efficiency for contract professionals, but it will also improve the user experience for industry partners and agency clients. For example, PASS Cloud will be compatible with mobile devices, making it easier and more secure to log into the system and conduct business. New functionality will also include enhancements to data and reporting, making it easier to track the status of procurement actions for contract professionals, industry partners and agency clients. In FY 23 OCP will prepare PASS Cloud to go live in FY 24 by completing, but not limited to, the following actions: 1) configuring the Cloud to meet the District's requirements; 2) integrating the Cloud with other District systems; 3) system testing; 4) communicating updates with all stakeholders; and 5) facilitating training for all PASS users and vendors.

Completed to date: 50-74%

The instability of the District's new financial system, DIFS, adversely affected the PASS Cloud project schedule and budget. The same subject matter experts that are solving the daily crises of DIFS are the people required to configure and integrate PASS Cloud. As a result, the PASS Cloud project had to be delayed another year and will not go live in FY 24. Despite the delay due to DIFS, OCP completed the baseline configuration/build without integrations and started preparations for functional User Acceptance Testing and training.

The instability of the District's new financial system, DIFS, adversely affected the PASS Cloud project schedule and budget.

Integration and Updates of All OCP Systems to Support the PASS Cloud Implementation Best Practices

In conjunction with transitioning the District's 18+ year old contract management system (PASS) to a modern cloud-based system (the Cloud), OCP will work to improve other District systems that support the Cloud so that the maximum effectiveness of industry best practices in data reporting and transparency can be achieved. In FY 23, OCP will redesign the agency's data warehouse to provide additional data for dashboards that can be used by procurement professionals and client agencies to improve the management and oversight of the procurement of goods and services. Further integration and updates will be included to the Contractor Performance Evaluation System, Contracts and Procurement Transparency Portal, and OCP's document management system and archives, which will ultimately improve the transparency and data reporting for contract professionals, industry partners and agency clients.

Completed to date: 50-74%

The instability of the District's new financial system, DIFS, adversely affected the PASS Cloud project schedule and budget. The same subject matter experts that are solving the daily crises of DIFS are the people required to configure and integrate PASS Cloud. As a result, the PASS Cloud project had to be delayed another year and will not go live in FY 24. Despite the delay due to DIFS, OCP analyzed and compared PASS Cloud APIs and out-of-the-box reports with OCP's existing data architecture in preparation for the move to the Cloud next year. Additionally, OCP started gathering user requirements for PASS Cloud reporting. OCP also configured a Spend Analysis module to better analyze historical purchase order data to better inform future procurements.

The instability of the District's new financial system, DIFS, adversely affected the PASS Cloud project schedule and budget.

Analyze and Document the Path forward for the Maturation of the District's Strategic Logistics Center

In FY23, OCP will analyze and document the path forward to continue the maturation of the District's Strategic Logistics Center by: 1) maturing the work with HSEMA to continue acquisition and logistics planning for all of the most common District public emergencies; 2) developing and implementing comprehensive training for agency property officers on the full lifecycle asset management process with an emphases on the disposal and resource recovery/reutilization to maximize District revenue; 3) maturing the expansion central receiving and distribution services to agencies with large or critical projects and equipment refresh programs, improving asset accountability; 4) maturing the gathering and improvement of inventory data to improve budgeting, utility, and decreasing spoilage of commonly used commodities in the District.

Completed to date: 50-74%

OCP's has compiled information on other jurisdictions' pre-disaster contract development toward all-hazard response readiness for snow, flooding, pandemic, civil unrest, and fire - the most common public emergencies. OCP is also continuing work on debris-removal contracts. FEMA has offered to assist with this if needed. OCP has begun the process of identifying potential contracts to leverage during emergency operations as well as continuing work on its draft emergency-contacts guidebook. OCP is in the final stages of completing this initiative.

6 2023 KEY PERFORMANCE INDICATORS AND WORKLOAD MEASURES

Key Performance Indicators

| Measure | Directionality | FY 2021 | FY 2022 | FY 2023 Q1 | FY 2023 Q2 | FY 2023 Q3 | FY 2023 Q4 | FY 2023 | FY 2023 Target | Was 2023 KPI Met? | Explanation of Unmet KPI |
|---|----------------|---------|---------|----------------|----------------|----------------|----------------|---------|----------------|-------------------|---|
| Promote excellence in OCP contracting and Strategic Logistics Center (SLC) services. | | | | | | | | | | | |
| Percent of contractor performance evaluations that are completed | Up is Better | 60.5% | 60.3% | Annual Measure | Annual Measure | Annual Measure | Annual Measure | 46.5% | 80% | Unmet | OCP has continued to engage with client agencies on completing contractor performance evaluations. However, OCP continues to experience issues with Contract Administrators completing the initial contractor evaluations. In FY23, OCP has engaged with OCA on strategies to improve response rates by converting this metric into a citywide KPI. |
| Promote continuous innovation to achieve operational excellence and transparency. | | | | | | | | | | | |
| Percent of awarded contracts over \$100,000 publicly posted | Up is Better | 90.8% | 89.2% | Annual Measure | Annual Measure | Annual Measure | Annual Measure | 92.7% | 100% | Nearly Met | While the year-end target was not met, OCP was able to improve its FY 23 year end percentage by about 4 percentage points. As OCP migrates to the new PASS Cloud system, it is exploring the possibility of creating new reporting on contract and procurement metrics. |
| Enhance outreach and increase collaboration with both industry and client agencies. | | | | | | | | | | | |
| Percent of client agencies that are satisfied with OCP services | Up is Better | 57.6% | 57.1% | Annual Measure | Annual Measure | Annual Measure | Annual Measure | 70.6% | 75% | Nearly Met | While the year end target was not met, OCP was able to improve its FY 23 year end percentage by about 13 percentage points. OCP is considering a revamp of its customer service survey, to include new strategies for distribution and collection. |

Key Performance Indicators *(continued)*

| Measure | Directionality | FY 2021 | FY 2022 | FY 2023 Q1 | FY 2023 Q2 | FY 2023 Q3 | FY 2023 Q4 | FY 2023 | FY 2023 Target | Was 2023 KPI Met? | Explanation of Unmet KPI |
|---|----------------|---------|---------|----------------|----------------|----------------|----------------|---------|----------------|-------------------|--------------------------|
| Percent of industry partners that are satisfied with OCP services | Up is Better | 63% | 58.8% | Annual Measure | Annual Measure | Annual Measure | Annual Measure | 83.3% | 75% | Met | |

Workload Measures

| Measure | FY 2021 | FY 2022 | FY 2023 Q1 | FY 2023 Q2 | FY 2023 Q3 | FY 2023 Q4 | FY 2023 |
|--|------------|------------|----------------|----------------|----------------|----------------|------------|
| Contracting & Procurement | | | | | | | |
| Total value of contracts awarded to CBE contractors (in millions) | \$1,418.80 | \$1,476.10 | Annual Measure | Annual Measure | Annual Measure | Annual Measure | \$1534.4 |
| Total dollar value of contracts awarded (in millions) | \$5,575.80 | \$4,823.50 | Annual Measure | Annual Measure | Annual Measure | Annual Measure | \$12,391.1 |
| Total number of contracts awarded | 921 | 656 | Annual Measure | Annual Measure | Annual Measure | Annual Measure | 776 |
| Surplus Property | | | | | | | |
| Amount of revenue generated from surplus property (in millions) | \$6.80 | \$7.00 | Annual Measure | Annual Measure | Annual Measure | Annual Measure | \$8.8 |