

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	22776	Agenda Number	23.
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Meeting Date:	March 28, 2013
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Department:	Purchasing
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Subject

Authorize award and execution of a professional services contract with the NATIONAL INSTITUTE OF GOVERNMENTAL PROCUREMENT, INC. (NIGP), to document, review and assess the City of Austin's procurement related functions and provide written recommendations for improvements and enhancements, in an amount not to exceed \$170,400.

Amount and Source of Funding

Funding is available in the Fiscal Year 2012-2013 Operating Budget of the Financial Services Department.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Professional Services.
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Prior Council Action:	
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For More Information:	Mike Benson, Chief Administrative Officer / 974-2032
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Additional Backup Information

The City's objective is for the NIGP consultant team to completely and thoroughly document and assess the citywide procurement related functions of the City of Austin Purchasing Office, including delegated authority. Upon completion of the data collection and assessment phase, provide written recommendations of the actions that should be taken by the City of Austin to become the best managed, most efficiently organized and most highly regarded procurement organization in America.

This will be a two stage engagement. Stage one will be data collection and assessment to include but not be limited to the following:

1. Enabling legislation, statutes and codes, and compliance with the generally accepted practices found within the American Bar Association Procurement Code, Federal Procurement Regulations, as well as state and local procurement statutes, ordinances and codes. The State or Texas Comptrollers Model Purchasing and Model Contract Administration shall be reviewed for applicability as well.
2. Purchasing policies, procedures, methodology, control of requisitions and purchase orders.
3. Separation of duties and internal controls to establish adequacy and limitation of potential abuse.
4. Audits reports and findings which impact procurement and contract management.
5. Benchmarking and "best practices" to industry standards, local peer organizations, and industry. The City desires to be benchmarked with organizations of similar size, complexity, and budget.

Stage two will yield a comparison and recommendations for improvements with justifications. These recommendations will be categorized as short term – can be accomplished in 6 months or less; medium term – can be accomplished in 6-12 months; and long term – those that will take longer than one year. The recommendations will also be separated into those that the City can accomplish in-house and those that will require outside consulting assistance.

The work done on this contract and actions going forward will also finalize the management response to the Office of the City Auditor, "Performance Audit of Citywide Contract Management", (AU101113) and the CIUR # 687 from January 2012.