



City of Arts & Innovation

Finance Committee

TO: FINANCE COMMITTEE MEMBERS **DATE: AUGUST 10, 2016**

FROM: FINANCE DEPARTMENT **WARDS: ALL**

SUBJECT: PURCHASING TASK FORCE INTRODUCTION AND RELATED GOALS AND OBJECTIVES - DIRECT SUBMITTAL

ISSUE:

Receive and provide feedback on the creation of the City's internal Purchasing* Task Force.

** Note: For the purposes of this report, the term "purchasing" incorporates both purchasing of goods and procurement of services.*

RECOMMENDATIONS:

That the Finance Committee:

1. Receive and provide feedback on the creation of the City's internal Purchasing Task Force; and
2. Direct staff to return to the Finance Committee no later than January 2017 with recommendations on the City's existing purchasing processes and policies.

LEGISLATIVE HISTORY:

The City of Riverside's formal purchasing rules and regulations can be found in the City's Charter, Municipal Code, Purchasing Resolution, and Administrative Manual Policies. Periodically, the Finance Department reviews these items and recommends changes to the City Council, as appropriate.

DISCUSSION:

Based on feedback from City departments and the results of the Matrix Consulting and Baker Tilly performance and other financial reviews, the Finance Department has initiated a process to improve the City's purchasing policies, procedures and workflow. Specifically, the Finance Department strives to improve the existing purchasing policies and procedures to create a more streamlined, transparent and effective approach to purchasing.

Goals and Objectives:

Through an internal review of existing policies and procedures by Finance Department staff, feedback from the Purchasing Task Force, and incorporation of recommendations from external audits, the Finance Department aims to:

- Provide City staff with clear and concise purchasing guidelines;
- Provide the public with an easy method to view all bid, request for proposal (RFP), and request for information (RFI) opportunities;
- Strengthen internal controls over the purchasing process;
- Identify automated systems to provide efficiencies and effectiveness in the purchasing processes;
- Improve the centralization of information to expedite review of purchase requests and approval of invoices; and
- Development a specific library of documents and Q&A page on the City's Intranet related to Purchasing.

Timeline:

The lifecycle of the Purchasing Task force is expected to be approximately one year. The estimated timeline of events is as follows:

July 2016:

- Finance Department to internally review all purchasing policies and procedures; and
- Finance Department to develop a draft plan to achieve the goals and objectives aimed to create a more streamlined, transparent and effective approach to purchasing.

August 2016:

- Selection of Purchasing Task Force Members (at least one from each Department);
- Introduction meeting with Finance Department and Purchasing Task Force members; and
- Purchasing Task Force members complete a questionnaire of the current purchasing environment.

September 2016:

- Meetings between Finance Department and Purchasing Task Force members to discuss questionnaire and potential changes to the City's purchasing practices.

October 2016:

- Finance Department to update draft recommended changes to the City's current purchasing processes and policies based on Purchasing Task Force feedback, best practices, and recommendations from external audits;
- Finance Department to present draft recommended changes to Purchasing Task Force members for final review and comment.

November 2016:

- Finance Department to present draft recommended changes to City Manager's Office;
- Finance Department to develop a matrix of how each change needs to be accomplished (e.g. Administrative Manual updates, changes to resolutions, changes to the municipal code, etc.).

December 2016:

- Finance Department to work with City Attorney's Office, if needed, to draft potential changes to City's municipal code and/or Purchasing Resolution.

January 2017:

- Finance Department to present findings and recommended changes to the Finance Committee.

February/March 2017:

- Finance Department to present findings and recommended changes, with input from the Finance Committee, to the City Council for review, input and adoption.

March 2016 through June 2017:

- Finance Department to work with Purchasing Task Force members to train staff citywide on the new purchasing processes and policies.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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Attachment: Presentation