Reply to Common Council File No. 011701

From DOA-Budget and Management Division

May 1, 2002

Ref: 02013 (23)

Common Council File 011701 is a communication from the Department of Administration Business Operations Division relative to savings achieved during 2001. At the March 12, 2002 Central Board of Purchasing meeting, a verbal report on the cost savings achieved during 2001 for the Business Operations Division was presented. The Board then requested that a communication be submitted to the Common Council.

In 2001, it is estimated that staff from Business Operations achieved savings of approximately \$1.2 million conducting their procurements. These savings were achieved through the following: competitive bidding strategies, modifying narrow specifications, market research, negotiations, contract monitoring, on-line bid access, and a continued emphasis on vendor contracts to reduce repetitive bidding.

RECOMMENDATION: PLACE ON FILE

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