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# **Streamlining Procurement**

## **Update**

**January 23, 2014**

# Procurement Challenges

## ■ Duration of procurement processes

- Typical IFB - 6 to 7 months
- Typical RFP - 9 to 12 months
- Potential conflict of interest process - up to 75 days

## ■ 88 expired contracts in 2012

## ■ Emergency contracts



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# 2013 Accomplishments

- ✓ **Vendor Managed Inventory (VMI)**
- ✓ **Added three staff members**
- ✓ **Increased small purchase threshold to \$50,000 – CPO**
- ✓ **Emergency procurements down 69 percent from 2012**
- ✓ **Hosted IT Networking Event**
- ✓ **Completed 1,900 transactions**

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# Vendor Managed Inventory (VMI)

- **Streamlined approach to inventory management and order fulfillment**
- **Designed to stock parts for all types of fleet**
  - Light-, medium- and heavy-duty trucks
  - Pursuit vehicles
  - Off-road equipment
- **City of Chicago, Chicago Transit Authority (CTA), Indiana Department of Transportation, city of Boston, and city of Aurora**

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# Vendor Managed Inventory (VMI)

- **Gain efficiencies**
- **Reduce number of contracts by 65**
- **27 percent BEP commitment**
- **Eliminate obsolete parts**
- **Increase buyer productivity**
- **Implementation – end of 1<sup>st</sup> quarter 2014**

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# 2014 Targeted Goals

- **Job order contracting (JOC)**
- **Vendor portal – CPO**
- **Expiring contracts**
- **Reverse auctions**



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**THANK YOU**