

# PROGRAM FACT SHEET

## Arizona Department of Administration—Financial Services Division Enterprise Procurement Services

### Services:

Enterprise Procurement Services (EPS) was created in January 2005 as a new program within the Department of Administration's Financial Services Division. In addition to providing several new functions, EPS performs the functions previously provided by the State Procurement Office. These various functions are performed through the following units:

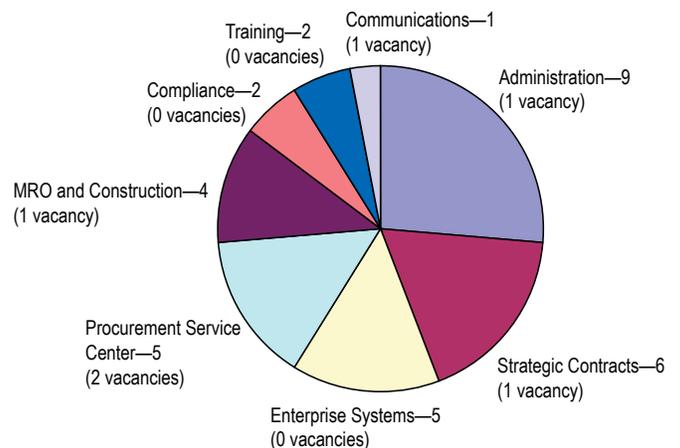
- **Communications**—Coordinates communications on procurement contracts and status, procurement policies and best practices, emerging issues, public information, and other data to procurement officers, customers, political subdivisions, and citizens.
- **Compliance**—Conducts delegation reviews and oversight of procurement authority delegated to state agencies, conducts agency procurement performance reviews, identifies and educates state agencies regarding procurement best practices, and prepares policies and procedures.
- **Enterprise Systems**—Works with state agencies and political subdivisions to provide access to the EPS Web site and automated procurement systems.
- **MRO and Construction**—Coordinates and conducts strategic sourcing for building maintenance, repair, and operations (MRO); contracts in coordination with state agencies; and contracts for building construction contracting services.
- **Procurement Service Center**—Conducts strategic sourcing and procurement functions for agencies not designated as strategic contracting centers.
- **Strategic Contracts**—Provides centralized procurement services for specific state-wide contracts such as office supplies, furniture, and information technology.
- **Training**—Provides procurement training and oversight of professional certification programs, and provides procurement standards to enable political subdivisions to award and administer state-wide contracts.

### Facilities and equipment:

Enterprise Procurement Services occupies 8,914 square feet of office space in the Department's building at 100 North 15th Avenue in Phoenix. The Department leases this build-

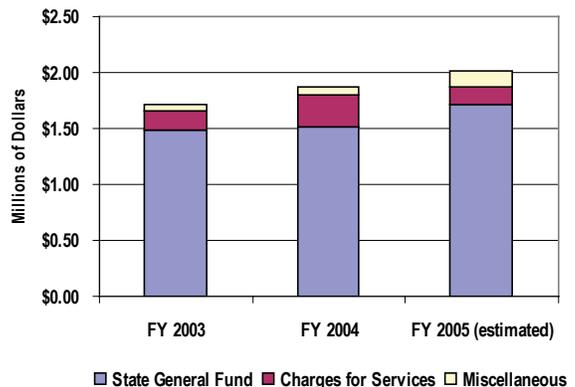
### Program staffing:

**34 positions with 6 vacancies as of March 1, 2005**



### Program revenue:

**\$2.02 million (fiscal year 2005, estimated)**



ing under the PLTO (private lease-to-own) program and during fiscal year 2005 was scheduled to pay approximately \$2.6 million in rent for the entire building. This amount increases annually until fiscal year 2027, when the Department is scheduled to make rent payments of \$4.46 million for this building. Enterprise Procurement Service's equipment includes typical office equipment.

### Mission:

One procurement community, consistently seeking best value procurement solutions for customers through innovation.

### Program goals:

1. To deliver customer service second to none.
2. To aggressively pursue innovative solutions and/or opportunities.

### Adequacy of goals and performance measures:

The following discussion of performance measures pertains to the measures that were used by the State Procurement Office (SPO). At the time of this audit, EPS had not revised or expanded these performance measures. SPO's performance measures included measures that reflect the timeliness of procurement services and customer (state agency management) satisfaction with the procurement services provided by its staff. However, EPS could develop a more comprehensive set of measures of its activities by adding input and output measures, such as the number of agency-specific procurements conducted and the number of state-wide procurements awarded by EPS staff.

Additionally, as EPS broadens its policy and oversight role, it should develop measures to reflect these activities. For example, it might report the number of policies and/or procedures issued, the number of agency reviews conducted, the outcomes of these reviews, and whether state agencies implement the recommendations made as part of these reviews. Further, when EPS determines and implements mechanisms to capture and report data on state-wide procurement activity, it should develop performance measures to report such data. For example, it could develop measures to report the annual number and estimated dollar volume of contract awards, the dollars spent under contract, the percentage of total procurements awarded by strategic contracting centers, and other measures reflecting the procurement activity and outcomes for the State as a whole.

Source: Auditor General staff compilation of unaudited information obtained from the Arizona Financial Information System (AFIS) for the years ended June 30, 2003 and 2004; Master List of State Government Programs; and other information provided by the Department, including financial estimates for the year ending June 30, 2005.