

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of Contracting and Procurement



Fiscal Year 2019 Budget Oversight Hearing

Testimony of
George Schutter
Director
Chief Procurement Officer

Before the
Committee of the Whole
Council of the District of Columbia
The Honorable Phil Mendelson, Chairman

Room 500
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004

March 27, 2018
10:00 am

Good Afternoon Chairman Mendelson, Councilmembers, and staff. I am George Schutter, Chief Procurement Officer and the Director of the Office of Contracting and Procurement (OCP).

Last week, Mayor Bowser presented “A Fair Shot,” the Fiscal Year 2019 (FY2019) Budget and Financial Plan, the District’s 23rd consecutive balanced budget. This budget does more to make Washington, DC a place where people of all backgrounds and in all stages of life are able to live and thrive by making key investments in infrastructure, education, affordable housing, health and human services, economic opportunity, seniors, and public safety. These investments reflect the key priorities identified by District residents at Budget Engagement Forums and telephone town halls held during the budget formulation process.

I am pleased to provide testimony regarding OCP’s budget today. OCP’s local operating budget for Fiscal Year 2019 is \$28.6 million with a FTE count of 228, an increase of four positions all of which are assigned to support agencies in the procurement division. The Fiscal Year 2019 budget furthers the agency’s goal to improve the integrity, quality, and efficiency with which we conduct procurement in the District of Columbia. In Fiscal Year 2019, we will remain committed to negotiating and managing contracts in a timely manner in accordance with the laws and rules of the District; recruiting and retaining our highly qualified team; and ensuring continued success of reutilization and reselling surplus property to achieve cost savings and generate revenue through the District’s surplus property program.

The recruitment and retention of a professional and skilled team at OCP remains a priority for me. Our human resources department is working diligently to identify new and innovative strategies to recruit top talent to our team. We also regularly participate in career fairs with the DC Department of Human Resources and District-wide employment events. We are also focused on employee engagement through staff recognition and analysis of OCP’s culture. In FY 2019,

my team and I will continue to demonstrate our commitment to positive organizational values and a culture that promotes excellence.

As I shared with you earlier this month at our Performance Oversight Hearing, our Procurement Training Institute is focused on the next phase of our certification and training program. The Fiscal Year 2019 budget allows OCP's Procurement Training Institute to enhance our existing course materials and add continuing professional education (CPE) courses. The courses will focus on best practices in procurement strategy and management of people and contracting processes. The Learning and Development Team will also build a library of online courses for both the core courses and the new CPE curriculum to allow staff to take courses remotely, refresh their skills as needed, and augment in-class learning.

For the second year in a row, OCP was allotted capital budget supporting the Procurement Automated Support System (PASS). The total FY2019 capital budget includes \$4.1 million for a PASS system refresh proposed in FY19. With this, OCP will move from our incrementally implemented and highly customized current version of the procurement system to a version that allows contract award and administration to be fully automated in the system. The first step in any good system refresh is a detailed blueprinting process in which we will review and document our District policies, procedures, and practices against the capabilities of the system to determine if the system can functionally match our processes, and identify opportunities to streamline the procurement process to match the capabilities of the system. In our system refresh, our objective is to:

- configure the system so that contracts are authored and administered electronically,
- ensure content management and security of data,

- connect finance, human resources, and contracting systems to communicate in an automated fashion,
- improve supplier's experience with the system; and,
- provide transparent information.

The resources allocated to OCP will play a critical role in supporting the efficient and effective operation of contracting for the District government. The Council and this Committee are critical allies in this effort, and I appreciate your work to ensure we meet our shared objectives. I look forward to our continued work together to give all residents a fair shot to benefit from Washington, DC's continued prosperity.

Finally, I want to thank the entire OCP staff for all of their hard work and effort to fulfill the mission of OCP on behalf of the District. I also want to thank Mayor Bowser, City Administrator Young, and Deputy City Administrator Donahue for their leadership and support. Thank you, Chairman Mendelson and Councilmembers, for your support and the opportunity to testify regarding Mayor Bowser's fiscal year 2018 budget. This concludes my prepared testimony and I am happy to answer any questions you may have.