

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of Contracting and Procurement**



Public Hearing on

Fiscal Year 2023 Performance Oversight of the Office of Contracting and Procurement

Testimony of  
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Before the  
Committee on Public Works and Operations  
Council of the District of Columbia  
The Honorable Brianne K. Nadeau, Chairwoman

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9:30 AM  
Virtual Meeting Platform  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004

Good morning Chairperson Nadeau and members of the Committee on Public Works and Operations. I am Nancy Hapeman, Acting Chief Procurement Officer of the District of Columbia and Director of the Office of Contracting and Procurement (OCP). Thank you for the opportunity to provide an update on OCP's performance in Fiscal Years 2023 and 2024 to date.

The mission of OCP is to partner with vendors and District agencies to purchase quality goods and services at a reasonable cost while maintaining fairness and impartiality during the procurement process. OCP is responsible for providing comprehensive contracting and procurement services to 79 District government agencies, procuring a broad range of commodities, services, and construction. In FY23, OCP awarded contracts valued at more than \$12.3 billion. OCP also administers the District's Surplus Property program, which is responsible for the disposal, reutilization, and sale of government property. Other notable programs managed by the agency are the Strategic Logistics Center and the Purchase Card Program.

### **Client Agency Engagement**

Our partnership with the agencies we serve is the bedrock of our success. In late summer of FY23, we began a series of client engagement meetings with directors from the largest agencies we serve. These one-on-one meetings between our agency senior leadership teams have helped me understand the biggest challenges facing each agency, their satisfaction with the level of service we are providing, and any areas we could improve upon. So far, we have met with nine agencies, to include the Department of Employment Services, Office of the State Superintendent of Education, Department of Corrections, Department of Human Services, Department of Motor Vehicles, Department of Transportation, and the Metropolitan Police Department. As the year progresses, we will continue to schedule these meetings to gain further valuable insight from our client agencies.

We continue to embed our OCP staff in the agencies that we serve, providing critical and timely business advising capabilities. The resulting synergy provides a springboard for these agencies to confidently execute their programs and services. We believe that our recent client engagement meeting series, new educational curriculum, and a push to improve OCP's culture have resulted in better overall efficiency and client satisfaction. Each year, OCP issues an anonymous

satisfaction survey which provides us with a snapshot of how our client agencies rate the services we provide. I am proud to say that due to the tremendous efforts of our team, OCP's client satisfaction rate increased from 57.1% in FY22 to 70.6% in FY23.

### **Vendor Engagement**

OCP could not accomplish its goals without the District's vibrant local vendor community. To this end, we must continue cultivating a dynamic and collaborative vendor community through regular engagement, outreach, and educational opportunities. This underscores the importance of our service and outreach to our Small Business Enterprise (SBE) and Certified Business Enterprise (CBE) businesses. In FY23, I attended four small business-centered events to include the annual DC Chamber of Commerce Small Business Summit and the DC Health Benefit Exchange's Power Up DC event. OCP was also represented at several other events throughout the year such as the Department of Small and Local Business Development's District Connect, the 32<sup>nd</sup> annual Government Procurement Conference, Fort Myer Construction Company's Small Business Roundtable, and more. Likewise, OCP has hosted several virtual training events targeted at small and local businesses such as our General Vendor and DC Supply Schedule workshops which are held monthly. In FY23 and FY24 to date, OCP has had over 1,000 registered individuals complete these workshops. In tandem, our Ombudsman engaged 155 times with contractors and subcontractors on a wide range of matters concerning the procurement process.

Each year, OCP issues a vendor satisfaction survey to all vendors with active contracts in the fiscal year. We are excited to report that our vendor satisfaction ratings increased from 58.8% in FY22 to 83.3% in FY23. I'm happy to say that this substantial increase in vendor satisfaction is due to our efforts in vendor outreach and service. A testament to our commitment to District-based small businesses is the number of SBEs and CBEs awarded contracts. In FY23, OCP awarded \$1.534 billion in contracts to businesses certified as SBEs and CBEs, a nearly 4% increase over FY22.

In FY24 OCP began the development of a short newsletter targeted to the SBE and CBE communities. We intend to launch this interactive and informative newsletter before the end of

the quarter. Our hope is that as we create more resources and ways to engage with our small and local businesses, we will further invigorate DC's economy.

### **Employee Engagement, Development, and Training**

OCP is effective because of its 213 dedicated public servants. My focus on the people powering our agency has led to meaningful investments and changes to OCP's culture. For instance, in January 2023, we held an all-day employee recognition ceremony to highlight significant accomplishments of those within our agency. The event featured recognition of employee length of service, employees serving during the COVID-19 public health emergency, certifications earned through OCP, and employee-nominated superlatives. To further improve staff communication, we launched a newsletter from me which highlights notable achievements and other important events within OCP. In tandem with our client agency visits I previously mentioned, we have also visited the staff stationed on-site at the agencies that we serve. This activity is still ongoing through FY24. Lastly, we engaged our procurement division and challenged each Chief Contracting Officer to develop a unique and tailored teambuilding activity for their team.

Learning and development are key aspects of employee retention and the improvement of OCP's culture. In FY23 and FY24 to date, OCP's Procurement Training Institute (PTI) had 424 agency employee training completions and over 3,420 non-agency employee training completions. OCP has continued to develop its rigorous procurement training curriculum with the introduction of the Contract Management Organization Capability (CMOC) program. The CMOC program is an 8-week training course through the National Association of State Procurement Officials and the National Contract Management Association that supplements the Tier trainings provided by PTI. Since CMOC was introduced in FY22, we have trained four cohorts, with the fifth cohort starting this spring. The pinnacle of our training endeavors at OCP is our annual Procurement Symposium. This all-day learning event features keynote speakers and breakout sessions filled with engaging and enriching content. We regularly invite procurement professionals to join us from all District government agencies and our colleagues in neighboring jurisdictions. OCP hosted its last symposium in November 2023. Throughout the year we host a monthly roundtable series where we invite speakers to discuss a wide range of procurement topics in a digital

environment accessible to all our staff. Lastly, OCP provides District agency executive leadership with training on the contracting and procurement process through the Executive Procurement Seminar.

### **Surplus Property and Strategic Logistics Center**

OCP also operates the District's Strategic Logistics Center (SLC) which serves as a central location for pre-positioned commodities and resources, the surplus property program, newly purchased equipment, and the District and federal property reutilization programs. The SLC was established in 2020 as a partnership between DC Health, the Department of Public Works, the Homeland Security and Emergency Management Agency, and the Department of General Services to support emergent logistics and warehousing needs in response to the COVID-19 public health emergency. Currently, the SLC is comprised of five warehouse locations, each supporting a specific activity. The Surplus Property program is responsible for coordinating the disposal, reutilization, and sale of District government property. In FY23, OCP earned revenues of nearly \$8.8 million from the District's surplus property sales, which includes revenues from 4,126 auctions. In FY23 and FY24 to date, OCP processed nearly 1.2 million items of District personal property, which includes items such as vehicles, heavy equipment, furniture, and computers.

### **Conclusion**

We are grateful for the leadership of Mayor Bowser, City Administrator Donahue, and Assistant City Administrator Rodriguez, who have been instrumental in supporting us through the fiscal year. We also extend our appreciation to Chairperson Nadeau and the members of the Committee on Public Works and Operations for their support and for providing us with this opportunity to testify.

As we move forward, OCP is committed to continuously improving and growing as an agency, to better serve the District and its residents. This concludes my prepared testimony. I am now open to any questions you may have.