

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of Contracting and Procurement



Public Hearing on

Fiscal Year 2025 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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John A. Wilson Building
1350 Pennsylvania Avenue, NW
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Good morning, Chairperson Nadeau and members of the Committee on Public Works and Operations. I am Nancy Hapeman, Chief Procurement Officer of the District of Columbia. I appreciate the opportunity to provide an update to you on the Office of Contracting and Procurement's (OCP) performance for Fiscal Years 2025 and 2026 to date.

At the outset, I want to acknowledge and thank Mayor Muriel Bowser for her leadership over the past eleven years and her Growth agenda—grounded in building pathways to the middle class, promoting inclusive growth across all eight wards, and balancing strategic investment to accelerate the District's growth. OCP remains firmly committed to advancing her vision to modernize government operations and procurement in ways that expand opportunity and ensure equitable access for vendors and residents. That vision, which is anchored in a relentless commitment to a fair shot for every DC resident, is closely aligned with OCP's mission.

The mission of OCP is to partner with vendors and District agencies to purchase quality goods and services promptly and cost effectively, ensuring that every procurement action is conducted with fairness and impartiality. We are proud to serve as a trusted partner for the 79 offices and agencies we serve, supporting acquisitions across a diverse portfolio of goods, services, and construction. This work underpins the continuity of government and the delivery of essential services for our residents.

Procurement Infrastructure Modernization

In FY25, OCP intensified efforts to modernize our procurement infrastructure. This work was designed not only to improve performance in FY25, but to create a foundation for sustained improvement in FY26 and beyond. The largest of these projects is the Procurement Automated Support System (PASS) modernization project. Following a strategic pause in FY24 and FY25 due to budgetary constraints, OCP began resuming this project to address serious gaps in our infrastructure. As I have testified before, the PASS system is over 20 years old and is no longer supported by the developer. The goal of the PASS modernization project is simple: transform OCP's procurement infrastructure by reducing manual and siloed processes, shortening administrative lead times, eliminating duplicative data entry, and lowering compliance risk, while increasing transparency, and data quality.

In practice, the modernized PASS will unify the full procurement lifecycle—forecasting, requirements development, solicitation, evaluation, award, performance management, and closeout—within a single system of record. It will integrate milestone tracking and dashboards to make Procurement Administrative Lead Time (PALT) visible and actionable for program staff and leadership, allowing earlier interventions and more predictable delivery. Vendors will benefit from self-service registration, standardized forms, real time status updates, and guided checklists that streamlines processes and administrative costs, with particular value for small, local, and Certified Business Enterprise (CBE) firms seeking clearer access to upcoming opportunities. Contracting teams will gain configurable workflows, digital document management, version

control, and robust audit trails that strengthen compliance and simplify collaboration across procurement clusters.

Outside of the PASS Modernization Project, OCP has made strides in other areas to improve infrastructure and performance. In FY25, OCP piloted Procurated, a vendor evaluation system for DC Supply Schedule contractors, enabling client agencies to provide feedback on goods and services. This new platform provides a means of strengthening accountability and helps procurement teams make more informed sourcing decisions. Additionally, in partnership with the Office of the Chief Technology Officer, OCP developed the PALT Tracking System. This system monitors procurement milestones, surfaces bottlenecks, and shares actionable intelligence with leadership and client agencies. All of this results in greater transparency into timelines and improved management of delivery expectations.

FY2025 Performance Highlights

In FY25, the Office of Contracting and Procurement managed an acquisition portfolio totaling \$5.7 billion, encompassing high priority procurements across public safety, health, education, infrastructure, and social services. Each of these procurements required timely execution, rigorous compliance, and demonstrable value for taxpayers, and together they reflect the essential role OCP plays in sustaining core services for District residents.

Operationally, FY25 was a strong year of execution and control. OCP processed 33,000 P-Card transactions and issued more than 15,000 purchase orders. These figures illustrate both the scale of daily activity and the discipline with which agency procurement teams and OCP staff work in concert to meet program needs, uphold standards, and move procurements efficiently from planning through award.

Our work in FY25 continued to expand inclusive economic opportunity through the Certified Business Enterprise program. OCP engaged 512 CBEs, representing \$1.5 billion in investment in District businesses.

Client Agency Engagement

Fostering strong relationships with client agencies is foundational to effective procurement. In FY25, we continued regularly meeting with senior leadership from our client agencies and the OCP procurement teams embedded within. These sessions provided critical insight into agency priorities, enabling OCP to identify risks early, better sequence procurements, and respond quickly to emerging challenges.

As we entered FY26, we committed to expanding these engagements with an emphasis on earlier planning and forecasting alignment, aiming to reduce cycle times and ensure that procurement strategies are tightly matched to program objectives.

Vendor and Community Engagement

Robust engagement with our vendor community is essential to fulfilling our mission. In FY25, we introduced a refreshed forecasting module on the Contracts and Procurement Transparency Portal, providing more accurate and accessible information on upcoming procurement opportunities. We also continued our robust program of vendor education through a series of virtual workshops that collectively attracted 878 attendees. These sessions offer practical guidance on District procurement processes, compliance requirements, and navigation of the DC Supply Schedule.

To further align outreach with vendor capabilities, we reimagined our flagship event DC Buys to OCP Buys, transforming it into a series of focused events organized by commodity and sector. This targeted format increases relevance and ensures vendors receive information that matches their services. Post-event surveys received overwhelmingly positive feedback and noted strong attendee experiences that highlighted how the events aided in resolving outstanding vendor questions by enabling direct dialogue between vendors, agency staff, procurement staff, and agency partners such as the Department of Small and Local Business Development (DSLBD) and the Office of Risk Management (ORM).

OCP also actively partnered and participated in other events such as DSLBD's District Connect, DC Health Benefit Exchange's Power Up DC, the Department of General Services' small business procurement event, and a small business event hosted by the Washington Metropolitan Area Transit Authority.

Surplus Property and Emergency Response

From FY25 through FY26 to date, OCP delivered value through two complementary lines of work: managing the District's surplus assets and supporting emergency response activations. The Surplus Property Program continues to deliver substantial value for the District. In FY25, the program generated a record-breaking \$8.2 million in revenue from the sale of 5,920 lots of surplus property, scrap metal, and other disposal activities. The vast majority of these sales were generated in the transportation sector, notably the \$1.5 million sale of the DC Circulator buses, and \$877,760 from the United Medical Center liquidation.

OCP's proactive approach to surplus property reuse has enabled DC agencies to source essential supplies and equipment from District and federal inventories creating cost savings. This program underscores our continued commitment to the sustainable utilization of the District's resources.

Beyond our standard procurement operations, OCP has played an active role in supporting District government operations during critical periods. OCP leveraged its resources in the most recent snow and ice removal efforts, which enabled the District to carry out essential functions. Another key activation was OCP support of the 60th presidential inauguration, in which we provided essential procurement assistance to agencies including the Homeland Security and Emergency Management Agency, the Metropolitan Police Department, DC Fire and EMS, and the District Department of Transportation. Our support extended to activations for the general Election, the certification of the election on January 6, and a multi-day activation for inaugural activities.

Additionally, OCP has provided critical support for other emergency response activations, such as snow emergencies, boil water advisories, the 2024 North Atlantic Treaty Organization summit, and the tragic aircraft water rescue and recovery operation on the Potomac. These initiatives underscore our ability to deliver rapid, effective procurement solutions in both routine and emergency situations.

Conclusion

In summary, our performance in FY25 and FY26 to date reflects steady progress in operational excellence, stakeholder engagement, and process transparency. As we continue to refine our processes and broaden our engagement efforts, the Office of Contracting and Procurement remains steadfast in its commitment to delivering fair, transparent, and efficient procurement solutions for all District agencies and the communities we serve.

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 as we serve the District. 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.

Thank you for the opportunity to testify. I welcome any questions you may have.