Goal/Aim STATEMENT: **Review of Purchasing Process to reduce transactional cost.**

Date: 12/30/13

**What are we trying to accomplish?**

TO: Reduce the transactional cost of goods and services procured thru the MyFloridaMarketPlacesystem.

Transactional cost is defined as: actual monetary cost of item and employee time cost related to salary.

FOR: Clients of the Department of Health in Seminole County who rely on our operational availability

-Contracted State of Florida vendors who rely on timely notification of goods and payment for those goods

-State Office Representatives who must review and correct errors on submitted purchase orders

-Staff of the Department of Health in Seminole County who rely on the timely receipt of needed goods to provide services to our population

* SO THAT: More time can be spent on direct client services
* Consistency is obtained in the cost of goods
* Increased financial accountability and cost savings for the organization

Purchasing structure that promotes cost savings and time efficiency

CONDITIONS State policies regarding purchasing, limitations of system.

**How will we know it's an improvement?**

STANDARDS (How will you measure success; Measure and Target)

|  |  |  |
| --- | --- | --- |
| What | How Measured | Target |
| Quality: Submitted order forms | % = correct & complete forms / submitted forms  -incorrect forms recorded by Michael & Mitzi (daily) -total forms captured Udgit | >75% by May 1, 2014 |
| Quality: Submitted purchase requisition | % = correct & complete forms / submitted forms  -incorrect forms recorded by Tallahassee (monthly) -total forms captured by Udgit (monthly) | > 90% by May 1, 2014 |
| Cost: Reduced cost of purchased items  Time: Employee Time | $ = negotiated savings when price is lower than preferred vendor recorded by Udgit (quarterly)  $ = when multiple quotes are obtained price is lower than preferred vendor recorded by purchaser (quarterly)  # = new negotiated vendors on the preferred vendor list (quarterly)  Total employee labor time (Form completion to submission to State). 5 time studies completed monthly. | Save $4500/qtr and 5 preferred vendors per qtr by May 1, 2014  25% reduction from January 2014 Waste Analysis estimation by March 1, 2014 |

**What actions can we take to achieve the improvement?**

BY: Standardized Process, Implementation of job aids, education of staff on purchasing process and budgetary needs.