

City of New York: A Path Forward

Recommendations for Procurement in a Digital Era

November 2021

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Executive Summary

Procurement is vital to New York City government. Administration goals and policies are clarified and effectuated through the contracting process. In Fiscal Year 2021, New York City procured over \$30 billion in goods, services, and construction from a broad and diverse range of vendors. That figure is almost certainly higher than virtually any other U.S. city or state. As such, it is critical that New York City's procurement tools and organizational structure are fully optimized to provide the efficiency and quality management necessary to achieve Administration objectives.

When the Mayor's Office of Contract Services (MOCS) launched the Procurement and Sourcing Solutions Portal (PASSPort), end-to-end digital procurement became the default mode of purchasing for New York City for the first time in its history. NYC's procurement operation is now in a fishbowl, ready for enabling long sought-after data transparency and performance management. Thousands of solicitations have been released and contracts registered, with over 30,000 vendors using the system, demonstrating the timeliness of this transition, particularly when social distancing and health protocols necessitate it. Indeed, PASSPort is now the central place for doing business with the City. In many ways, this transition marks a new wave of comprehensive procurement reform that must continue.

There has long been interest in optimizing procurement, with a variety of updates and a patchwork of tools deployed over the years. The roadmap to streamline activities by connecting agencies and vendors on one common platform was first established in 2010. In the aftermath of a global economic downturn, leaders in the Bloomberg Administration sought to reduce administrative burdens and free human services providers to focus on delivering services, launching the Health and Human Services Accelerator (HHS Accelerator) system. HHS Accelerator enabled the release and response to Requests for Proposals (RFPs) by prequalified providers exclusively in the human services space, as well as evaluation and awards for contracts on a digital and standardized platform. Functionality was later expanded to allow for contract budget and invoice management, but it was not designed to interface with the Comptroller's unique registration system or function as a vehicle for non-human services contracts. The system was successful with respect to its intended purpose, however, as it enabled rapid procurement central to the successful launch of the de Blasio Administration's Universal Pre-K program (now known as Pre-K for All).

This success, and the myriad of lessons learned from managing public facing citywide procurement infrastructure, laid the foundation for Mayor de Blasio to push for an even broader transformation agenda, focusing not only on sourcing and award activities, but on the knottier elements of contract registration and management, and most importantly, expanding functionality to encompass all industries.

PASSPort's end-to-end scope provides a clear window into all City procurements, helping stakeholders better understand agency performance and gain insight into common roadblocks. Reliable data can now be utilized to usher in a new level of transparency and create opportunities to update operations. Compliance checks are now built into system workflows so valuable time and resources can be devoted to more strategic activities.

This paper offers a path forward from MOCS' transformative achievement through PASSPort, supported by our knowledge of and experience with more than a decade of insights from global leaders.

High-level recommendations provide a launching pad for new initiatives which will further advance gains already achieved by MOCS.

Recommendations:

- ❖ **Harness Data to Drive Performance.** A central digital platform for citywide procurement enables MOCS, contracting agencies, and the public to have a collective view into aggregate and individualized performance for city procurement for the first time. MOCS should leverage and publish these data as part of the next generation of procurement to improve performance, identify pain points, and enhance accountability.
- ❖ **Enhance the City's Digital Platform.** Consecutive system releases have positioned PASSPort to standardize and accommodate the end-to-end procurement process from sourcing to contract registration and invoice payment. Due to the complexity and decentralized historical nature of procurement, opportunities still exist to decommission older technology, offer integrations to unique agency systems, and provide further general enhancements to the platform.
- ❖ **Refine the Procurement Operating Model.** Procurement is a critical operational tool for achieving Citywide programmatic and policy goals. Through newly available data, updated processes, and a renewed look at the skills necessary to lead procurement in a digital world, MOCS and citywide procurement leadership should refine the current operating model to induce a more strategic orientation to procurement, which fully aligns operations to programmatic goals.
- ❖ **Review Procurement Rules and Policies.** The Mayoral transition offers an opportunity to conduct an overarching review of the procurement policy framework to identify opportunities for consolidation, elimination of redundancy, and reduction in delays. Given the imperative to ensure timely registration of contracts, it is worth assessing the degree to which the policy framework can be reformed to mitigate risk without causing unnecessary delays.

NYC Procurement Transformation: Success to Date

Procurement Transformation Overview

Today, PASSPort has proven to deliver in-demand functionalities that drive real value for stakeholders across the NYC procurement ecosystem. From vendor management to source-to-contract procurement, PASSPort is transforming how procurement is done in the City, a success that can be attributed to the City's collaborative efforts with the procurement community, namely with vendors.

Throughout this transformation process, the City of New York has distinguished itself by how its vendors are engaged to identify issues, partner to co-design solutions, and shape implementation and ongoing monitoring of reforms.

As a result, the adoption of the e-procurement system has brought an unprecedented level of transparency to the procurement process for over 40 agencies, more than 6,000 staff, and more than 30,000 vendors. PASSPort has also contributed to **timeline improvements** across key steps in the process, from **filing disclosure documents and information (30-day decrease)** to **ordering cycle times (23% reduction)** to allowing agencies to share vendor responsibility and integrity information prior to entering into a contract (46 day decrease for vendor review practices).



**For more information on outputs and performance, visit www.nyc.gov/MOCS*

Research Objectives and Methodology

Given the great advances the City has made in digitizing the procurement process and collecting valuable data, the time is right to ask the question, “what is the next path to take in the City’s transformation journey?” This white paper considers the experience city agencies and vendors have had as participants in the procurement process over the past several years and synthesizes sampled feedback on the more recent implementation of PASSPort (e.g., how it is going, what promise participants see in the future, what course corrections are needed). It also incorporates insights collected by Accenture regarding leading procurement practices across a range of nearly 200 major organizations, which provides a clear industry point-of-view on where procurement capabilities are heading and specific examples of what some other jurisdictions are experiencing.

The report is not a comprehensive review of all the processes, capabilities, people, and organizations involved in the procurement ecosystem. Rather, it centers the discussion around several hypotheses regarding where the City should focus during the next phase of its Procurement Transformation. For each area explored, this report summarizes stakeholder feedback (***What We Heard***), supplements that feedback with industry insights (***Industry Point of View***), and then provides ***Detailed Recommendations*** for the City to explore further as part of their Procurement Transformation. The recommendations that have come out of this initiative are intended to set the stage for further analysis and discussion. MOCS will conduct additional analysis of each recommendation and is tasked with defining discrete projects and associated resources to make further progress on Procurement Transformation.

Recommendation 1: Harness Data to Drive Performance

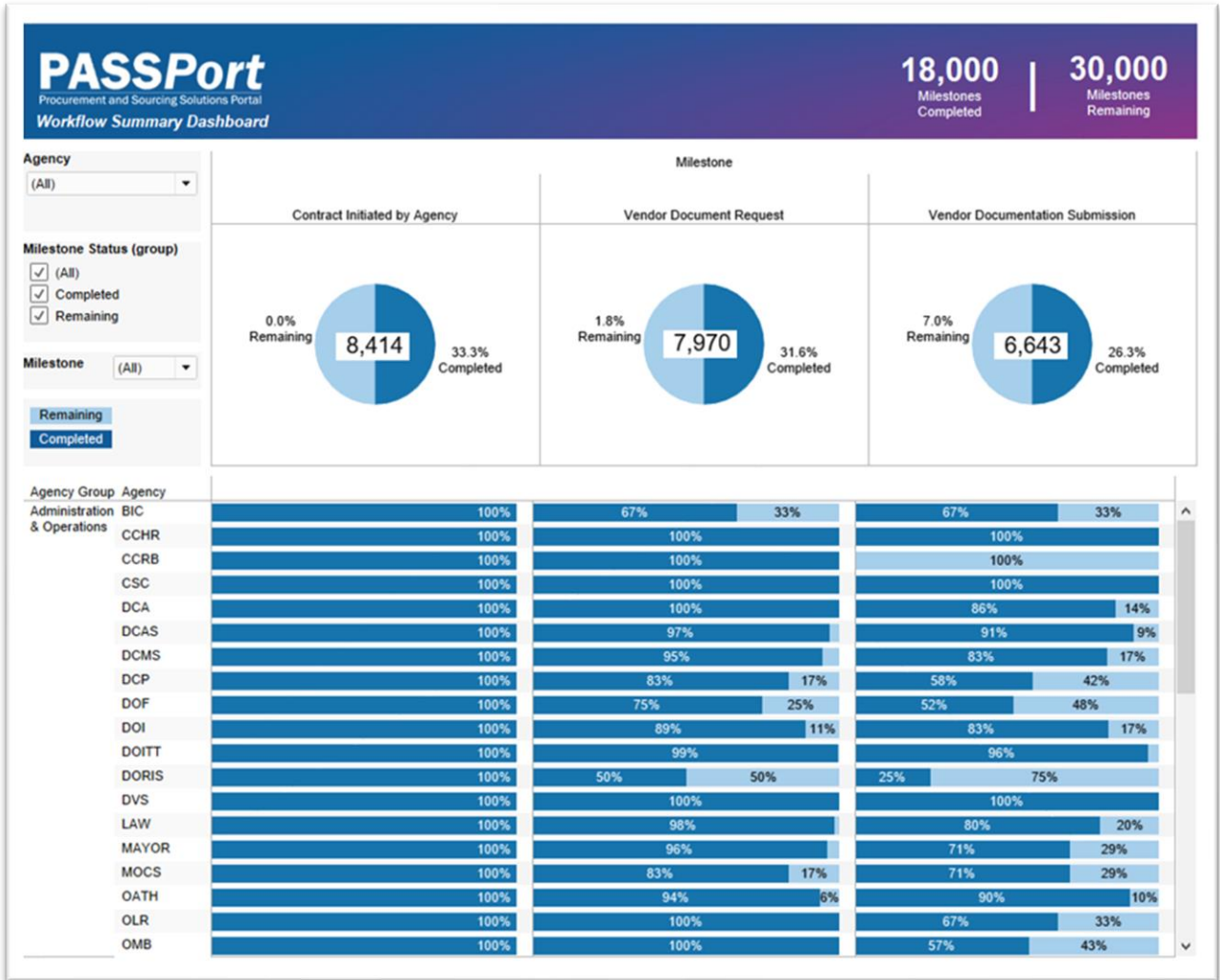
Recommendation Synopsis

The Mayor's Office of Contract Services (MOCS) is in a unique position to drive the construction and adoption of a modern analytics organization for NYC Procurement. The smart use of data is a key function to capturing value in a newly digitized procurement system. For the City, it provides an opportunity to advance procurement transparency and accountability through the construction of an industry-leading performance management enterprise.

This first demands a **well-constructed data strategy** that identifies the key metrics necessary to drive strategic procurement decision-making and accountability. Defining Key Performance Indicators (KPIs) **will help detail the technical or personnel specifications required** as well as their associated timelines before each can be effectively prepared and consumed by their respective procurement stakeholders.

Effectively operationalizing new procurement data to drive performance will require MOCS to expand its own business intelligence and analytical capabilities. This involves **building up its technological infrastructure** as well as **establishing a core, agency-level analytics team** dedicated to deploying the newly developed capabilities. While doing so, MOCS can take steps to identify and deliver data features within PASSPort that leadership deem high value and low effort (*See examples below and in Appendix I*).

From a citywide perspective, MOCS' overall objective should be to **increase data accessibility and data literacy for all City procurement stakeholders** (e.g., Agency Procurement Leaders, Vendor Community). For agencies, MOCS will need to supplement this increase in data availability with change management efforts to **develop necessary skillsets in order to close any persistent data proficiency gaps**. Finally, the success of building an advanced procurement analytics organization is also dependent on MOCS' (and city agencies') ability to identify and define key procurement benchmarks and targets for NYC procurement.



PASSPort Workflow Summary Dashboard (Sample)

What We Heard

Utilizing Business Intelligence

Data and metrics offer agencies the ability to improve on procurement timeliness by providing a **greater sense of predictability in the process**. In a procurement environment where vendors are concerned with the prospect of delays in payments, agencies recognize the benefit of **more proactive analysis** at their fingertips. Agency executives are accountable for programmatic results, and they need certainty about when contracts can start, with money available for vendors/providers to execute on program plans and produce deliverables. Understanding how long each procurement step takes, **tracking point-in-time progress, identifying bottlenecks, and forecasting with overall cycle times** in mind are all critical to success. Additionally, a fiscal lens requires predicting costs which may be extrapolated from historical bid and negotiated prices as well as current market and participating vendor pool estimates. This information can all be factored into agency and citywide planning efforts.

Greater access to data along with clearly defined sets of procurement metrics enables agencies to manage their business more effectively. However, the benefits of “democratizing the data” can be limited by a lack of analytical resources and skills within a particular agency’s procurement shop. If procurement leaders and staff do not know how to utilize the information available to them, less value will be captured.

To mitigate these concerns, there is appetite for the adoption of a distributed (local and centralized) approach to enriching the City’s data access and analysis capabilities—the goals of which would be to: 1) provide data to agencies to address key questions and issues locally; and 2) strengthen the central capability to analyze complex trends and findings.

Accessibility: “From the management perspective, we need much more granular data—such as times for each step—so we can build a strategy and know how to prioritize certain steps. That’s how we shrink our timelines.”

Accountability: “If agencies see [KPIs] showing they are behind and are not doing well compared to other agencies and peers, it will get them to ask why and seek out help.”

Industry Point of View

Data and Analytics are Critical for Procurement Mastery

The use of analytics to improve business decision-making has grown exponentially in the past decade. An Accenture survey has found that one-third of companies are aggressively using analytics across the entire enterprise. The use of predictive analytics has nearly tripled since 2009 (from 12% to 33%). Fewer than 10% of companies surveyed reported that their organizations are not making any use of analytics.

This expansion in the use of analytics thus far has left procurement on the outside looking in, as efforts have been concentrated in other operational and public-facing functions. In fact, according to the same Accenture survey, **companies today are least likely to use advanced analytics in procurement (beyond reporting) compared with the other core functions** of their organization. However, recently the analytics landscape in procurement is changing dramatically. More procurement teams will increasingly take advantage of analytics in very significant ways—largely because of the chief procurement officer’s ascent in the executive ranks and **the need to use a data-driven process for effective decision-making**.

Accenture has been studying nearly 200 major organizations for over a decade to identify the characteristics of **Procurement Mastery** - mature and effective procurement operations. The organizations Accenture surveyed are characterized as “**Laggards**”, “**Contenders**”, or “**Masters**” in various capabilities deemed necessary to demonstrate Procurement Mastery, such as Procurement Strategy, Sourcing Management, Digital Technologies, and Insights/Analytics. Below are the key characteristics of the organizations who demonstrate mastery in the domain of Insight and Analytics:

- Masters are **67% more likely to have a single set of KPI’s** which accurately measure Procurement’s success at delivering value to business partners.
- Masters are **94% more likely to use advanced analytics** to identify trends, future risks, and opportunities, which ultimately unlock value for the organization.

Capitalize on a Robust Analytics Capability

While the significant benefits of advanced analytics are evident, the executives Accenture spoke with in its research acknowledged they have a lot of work to do to capitalize on the technology. According to this research, most organizations will focus their efforts on two critical areas: 1) **Data and technology infrastructure**, and 2) **The analytical team structure**.

Data and Technology Infrastructure

To use analytics in a predictive way, an organization needs four essential elements: **historical data, a set of algorithms, a set of business rules, and an external event or data (e.g., a “trigger”)**. In the coming years, organizations will make great headway in strengthening all these elements—especially the most basic of them, historical data—so they can take greater advantage of descriptive analytics.

While having good historical data is one component of success, maintaining clean master data is equally important—and frequently hard to do. Even organizations that do have insight into their historical transactions often find that this data is misclassified and thereby difficult to tag to the right procurement category. **Without clean master data, decision-making is compromised.**

Procurement organizations are developing the capability to not only use and maintain clean internal data, but also to incorporate Big Data—vast amounts of structured and unstructured data from a variety of sources—in procurement analytics. When an organization relies primarily on internal systems for data, its ability to conduct supply chain analytics is limited. However, when technology can pull in data from external sources, **opportunities for supply, price, risk, and other analyses expand dramatically**. These external sources of data include the Internet of Things, cloud-based supplier networks, and current events, to name a few. Bundling analyses into a dashboard and **making it easy for business stakeholders and procurement to understand, interpret and make decisions** will become vital.

From a technology perspective, the future trend is clearly toward **ever-greater automation to support more robust analytics**. For descriptive analytics targeting largely transactional data, that means allowing programs to effectively handle (and optimize) the processing of routine analysis. For more complex, predictive analysis, that involves the emergence of **“cognitive engines”** that can make better decisions on their own—and learn from their experiences.

The Analytical Team Structure

Yet even with the right data and technology, organizations still need the human element to generate value from analytics. **Without the right people—people who bring business intelligence to the table and know which questions to ask—all an organization has is data massaged by a tool.**

Accordingly, procurement organizations will work within the team analytics structure in the future to focus on bringing together the right combination of skills in two distinct dimensions.

The first is the **“mechanical” dimension**, which is concerned with ensuring that the output of the analytics is right. This requires what has been referred to as the **“analytics trifecta”**:

Functional Experts

Procurement or Finance experts with the right knowledge to define the problems they want to solve

Statisticians

Create the right analytic models and algorithms to uncover the answers to those problems

IT Specialists

Ensure the analytics technology is integrated with the right enterprise systems and other data sources and provided to the right person at the right time

The second dimension is the *“interpretation” dimension*, which requires people with deep industry knowledge of both procurement and NYC’s procurement ecosystem to translate and apply the output of analytics to improve overall performance.

According to Accenture research, for most organizations, the *“analytics trifecta”* likely currently resides in a formal core team dedicated to developing and deploying advanced analytics capabilities. In organizations that are starting with no analytics capabilities, this team will likely be built to support all areas of the organization (e.g., agencies throughout the City). As analytics capabilities mature over time, individuals in the centralized team will become more embedded in their respective functional areas of the organization. In the case of a federated city model, this maturation could help drive the growth and support of smaller Mayoral-Agency-level analytics teams in key strategic places throughout the City.

When assembling these small, specialized teams, organizations will adjust their *recruiting practices* to include a *focus on finding the increasingly scarce data scientists and other analytics experts who are vital to the team effectiveness*. They will also develop the right supporting structure and formal career paths for these individuals, so analytics professionals feel as if they “have a home” in the organization and understand what they need to learn and do to progress in their chosen roles.

Measuring Performance against an Updated Procurement Operating Model

With an analytics infrastructure in place, organizations can focus on defining successful procurement outcomes using *Key Performance Indicators (KPIs)*. It is these clearly articulated metrics and insights that will enable organizations to effectively assess current operations.

Accenture research shows that organizations, both public and private, are being disrupted more quickly than ever before by *rapid changes in business and technology*, and yet, the procurement organization’s value proposition and associated operating models are failing to keep pace. In response, procurement organizations must proactively confirm and refine their value proposition and outcomes against the organization’s overall objectives and expectations. While in the past, being good stewards of spend was procurement’s principal charge, today procurement must contribute to more elements to be successful – financial, compliance, speed, sustainability, and trust. Most procurement organizations aren’t equipped to deliver value across all of these, largely because they’re still underpinned by sub-optimal operating models and supporting technologies.

The City of New York has invested wisely in updating its procurement technology and is evaluating how to refine its overall Procurement Operating Model. It will be important for procurement to work with City leadership to validate the Procurement Strategy and Goals and confirm that their KPI’s and metrics align with those objectives. Ideally, there would be metrics to cover all areas of City procurement, including those that are operational, strategic, and predictive.

An example of organizing procurement metrics is contained in *Appendix II*. Regardless of the framework or tools used to define the metrics, the key for the City is to align metrics with the organization's strategy and build an understanding of and fluency in the data that helps leaders manage towards that strategy.

Detailed Recommendations

- ❖ ***Strengthening Analytic Capabilities:*** Construct data repositories to house, organize and clean both structured and unstructured data generated from PASSPort and other sources. This, coupled with a strong governance model, will enable MOCS to generate both descriptive and predictive analytics which helps agencies and MOCS deliver on shared outcomes and mature the data science practice in the procurement domain. Recruitment of hard-to-source talent must be a priority, along with nurturing a sustainable data analytics infrastructure.
- ❖ ***Establishing Success Metrics:*** Define key procurement metrics that can be articulated and measured utilizing the new analytics infrastructure. This will take place both at MOCS and at city agencies, and it will involve procurement teams working with other organizational leaders to jointly determine the value that procurement should be delivering with clearly defined and measurable outcomes. This means understanding strategic objectives and subsequently measuring performance against those objectives. In addition to measuring what was achieved in the past, key measures should also help define what the City hopes to achieve in the future.
- ❖ ***Increasing Citywide Accessibility and Fluency:*** Enrich and make data available to City leaders and the public to set expectations, highlight progress and galvanize support for ongoing improvement. PASSPort has enabled a tremendous opportunity to use data more effectively and transparently. A robust awareness, education and change management campaign must be managed to ensure that stakeholders fully understand and can readily utilize the data to manage their own operations and partner with others effectively.

Recommendation 2: Enhance the City’s Digital Platform

Recommendation Synopsis

The Mayor’s Office of Contract Services (MOCS) should continue focusing on new ways to elevate the City’s procurement digital platform—from enhancing PASSPort to adopting additional industry-proven technologies. Defining a technological strategy for City procurement will enable MOCS to fully advance its business intelligence and analytical capabilities. It also will enable the City to better assess and re-position its operating model within a more digitized procurement ecosystem.

In the short term, MOCS should take steps to compile the [list of expected enhancements](#) for future releases of PASSPort, prioritize them by demand and expected impact. Then, leadership should develop a [timeline to deploy additional procurement capabilities](#), while also continuing to capture input and validation by City agencies and vendors. This blueprint can stem from a more formal review of potential functionalities and enhancements that could drive the greatest business value if included in PASSPort.

What We Heard

PASSPort has delivered a remarkable foundation for Citywide procurement, already demonstrating significant improvements in procurement activity cycle time and transparency.

Expanding PASSPort: “PASSPort is a great start”

Despite the progress in centralizing procurement through PASSPort, the complexity and decentralized nature of New York City procurement means that disparate agency practices and tools still remain. Where possible, agencies expressed a value-add in creating additional integrations with their specific systems or enhancing datasets available through PASSPort to plug into their unique process. Some technical tools for niche aspects of the procurement process should by necessity continue to reside with their natural managers, but agencies have also continued to share functional enhancements that would help improve the efficiency and effectiveness of procurement operations.

Industry Point of View

Accenture’s study of Performance Mastery, referenced earlier, tells us that [leading procurement organizations consistently use technology to enable processes, streamline transactional activities, and collaborate with ecosystem partners](#). This allows them to connect the enterprise for sharing increasingly complex data between different parts of the business.

In the domain of Technology and Digital Solutions, these leading organizations demonstrate examples of pioneering behaviors by reinventing the “Essential Capabilities.” Some characteristics of organizations that are Masters in the area of technology include:

- *Automation of procurement steps where software can mimic human actions; Areas organizations typically employ this to include PO processing, Intelligent Inventory management, and Compliance Automation*
- *Purchasing behavior governed by Content and Business Rules powered platform*
- *Fully integrated supply chain through internet of things*
- *Next Generation internal and external Collaboration (via Social Media Platforms)*
- *Predictive insights through Supply Analytics*
- *Virtual Assistant to address high volume user questions and relieve pressure on the helpdesk*
- *Incorporate Cognitive Computing (Artificial Intelligence) to drive sourcing and helpdesk efficiencies*
- *Explore technology solutions that expand upon a Source-to-Pay suite (Risk Management, Predictive Analytics, Supplier Management Robotic Process Automation (RPA), etc.)*

Accenture research shows that Masters are 59% more likely to have a digital strategy aligned with Corporate IT Strategy and based on a Capability Management Model. Their technology strategy is underpinned by a Business Case and communicates the value add of Procurement IT.

Masters are 52% more likely to have an IT landscape aligned with business priorities. They have integration of down- and upstream processes to allow end-to-end visibility. Masters have an increased focus on transition to the cloud.

Masters have a master data approach clearly defined with consistent data structures and ownership of data. Data quality is ensured by internal governance.

Additionally, it needs to be recognized that as technology-enabled operating and business models are adopted, there are new cyber risks that are introduced. To manage risks, organizations need to weave cyber protection into everything they do today and plan to do in the future. A “security-first” mindset needs to be instilled, making security everybody’s job and connecting security to the business. Organizations can start by developing a coherent cyber strategy that focuses on the key issues of data governance and protection.

Detailed Recommendations

Please see Appendix III for specific enhancements identified by MOCS and Agencies.

Recommendation 3: Refine the Procurement Operating Model

Recommendation Synopsis

For the Mayor's Office of Contract Services (MOCS) to continue to be effective in transforming NYC's procurement system, it is incumbent on the agency to contemporize its operating model.

In reforming the operating model, MOCS should **strengthen its centralized procurement team** comprised of specialized talent designed to identify and lead differentiated procurement activities best suited for tighter ownership. This team will be leveraged to train and support the larger body of procurement staff—both internally and externally— as both groups will combine to progress towards the realization of a digitally driven, strategically focused organization. Within this model, city agencies will capture greater value if they more **strategically position procurement teams within their agency by requiring direct reporting of procurement oversight to agency leadership**.

At this stage in the adoption of PASSPort, MOCS should refocus its change management efforts to **equip and empower city agencies** to internally own the enterprise adoption process. By analyzing existing points of friction or resistance in the procurement system transformation, MOCS should be able to identify and prioritize agencies to either **champion** their successes or **partner** with them to drive change. The goal should be increasing self-sufficiency within the agencies.

MOCS should also consider **conducting an assessment of newly required skills for the City's procurement workforce**. By articulating the required skillsets and knowledge bases stemming from the adoption of new technologies, the City will be in a better position to recruit and train existing staff to match these newer needs.

Ultimately, these proposed actions provide a larger opportunity for MOCS to enhance its impact as a leader within the NYC procurement ecosystem. As the City's procurement expert, MOCS should continue to play a strong role in stakeholder engagement by fostering and leveraging agency and vendor partnerships to drive procurement model refinement and amplify positive network effects.

What We Heard

Agency Procurement Leadership

There are a variety of models across City agencies for how procurement professionals align organizationally with Agency Executive Leadership. Consistent feedback indicates that **procurement organizations report greater effectiveness when they report directly to Agency Executive Leadership**. This helps them plan for and shape agency initiatives while preparing procurement staff to support those initiatives most effectively. This also provides them with the stature needed to effectively facilitate the involvement of program, legal, and fiscal teams in delivering effective procurements.

Role of ACCO: “So much of our mission as an agency is based on procurement, the ACCO has a stronger role...In some agencies, there are three to five layers between [the ACCO and Agency Leadership]. Every agency is a procurement agency, but [some agencies] just don’t think of it that way, so the ACCO is seen as an administrative function.”

Elevating Procurement Teams: “Truly elevating the Procurement people—ACCO, Legal, Finance person. Coordination between those three is important. You don’t just elevate the roles, it’s also making the data available and reviewed with the Executive Team... Contracts and budget are the first thing we go over in the Executive Team meetings.”

There is not a one-size fits all organizational structure. Some agencies are much larger than others or perform a greater number of procurements. However, there was consistent support for the concept that at larger or more procurement-focused agencies, the procurement function should have a senior role at each agency, with a position similar to a CFO or CIO. Additionally, it is recommended for there to be a high level of coordination and accountability between the ACCO, legal, and fiscal teams. If there is not an alignment between the players, the planning of procurements (specifically timelines) suffers.

Agency / MOCS Workforce and Skills

The introduction of PASSPort has fundamentally impacted the day-to-day activities of many procurement staff. Technology has automated some compliance and routine activities formerly completed manually while

Organizational Assessment: “Agencies have not really started to do the work to understand how PASSPort (workflow, order of operations, etc.) should be shifting their organizational structure, communications, check-ins, etc.”

creating the opportunity for tasks to support greater management of procurement outcomes. This will likely necessitate a shift in the organizational structure of agency procurement functions. There was also recognition, often noted by vendors, of a disparity in the level of procurement knowledge and skills across various agencies (and within an agency).

MOCS' Role in a Distributed Procurement Model

There is a wide range of expectations and experiences for how agencies interact with MOCS and what leadership and support they believe MOCS should provide to improve the effectiveness of procurement Citywide.

While MOCS often provides central guidance relating to procurement activities for city

stakeholders, such as the Law Department, City Hall, and City agencies, MOCS is sometimes viewed synonymously with PASSPort. **Blending facilitative support with traditional oversight will continue to define MOCS' future path.**

Leveraging Expertise: *"It makes sense to have a standard to how we do things...MOCS could take that role. There isn't another agency equipped to play that role and who has the expertise to play that role."*

Additionally, it was noted that MOCS is in a great position to help create consistency amongst agencies regarding vendor interactions, **helping to promote a "one city" feel.** MOCS can also help drive non-PASSPort initiatives, such as expanding pre-qualification programs or identifying contracts that are ripe for consolidation into Master Service Agreements.

Assessing PASSPort Adoption

The digitization of NYC's Procurement through PASSPort was a **major step forward** in delivering a more effective and timely experience for agencies and vendors.

However, there are not enough deep skills to assist agencies in better adoption of PASSPort. **Coordination and expansion of skilled resources is needed** to focus on areas

that need the most assistance. With other

large transformation programs in the past, a SWAT team approach was used to bring scarce support resources to the agencies most in need of assistance. This is something that could be coordinated by MOCS.

Promoting PASSPort: *"PASSPort caused a job change. We need to convince staff it was a change for the better. That it makes for smarter workers."*

Celebrating Champions: *"There are definitely champions out there, but they don't talk. They just get the work done...We need to celebrate them."*

Agencies are **continuing to learn how to use PASSPort more effectively to fully unlock its benefits.** Most agencies have not had the opportunity to fully understand how PASSPort could impact, and is impacting, their organizational structure, communication channels, and the skills their staff need to be most successful. Some require additional support in making changes to their organizations and processes to best gain the benefits from PASSPort.

Industry Point of View

Procurement Organizational Model

A New Digitally Driven, Strategically Focused Procurement Organization

Accenture research foresees a **dramatic change** in how procurement organizations, and their respective operating models, are managed across both public and private sectors. In recent years, there has been a push to evolve the procurement operating model into a new structure designed to augment current

workforce competencies by establishing a centralized strategic procurement team. This model is predicated on the segmentation of procurement activities and workforce skills—some of which will be new and more **strategically focused**.

In terms of groups, the structure will include a larger body of procurement staff performing compliance-type activities, and they will be connected with a smaller, core decision-making team comprised of more specialized talent.

The first, and larger, of the two groups will benefit and continually improve from both the support of technology and the core team, since the two teams will work in conjunction. For example, the organization’s data strategy will be set by the second, more specialized team. It will then be propagated to the broader procurement staff—effectively equipping the first group with the necessary resources and tools to develop the data literacy needed to capture greater value throughout the procurement process.

The smaller, core team will concentrate on tackling higher-level procurement frameworks. Aside from formulating a comprehensive data strategy, other differentiated activities may include the following:

Procurement Strategy	<i>Identifying and prioritizing ways in which the organization can better drive value. For MOCS, it can include analyzing the current contract landscape to assess potential for greater competition or more beneficial agreements.</i>
Policy Parameters	<i>Effectuating procurement policy across the organization. For MOCS, it may include managing the current, citywide policy portfolio as well as formulating a long-term legislative agenda.</i>
Internal Stakeholder Management	<i>In a federated procurement organization operating in the public sector, this involves overseeing agency-level procurement leadership. For MOCS, it can also include elevating the level of coordination amongst the key business and financial partners of NYC Procurement (i.e., OMB, Comptroller’s Office).</i>
Vendor Management	<i>This involves identifying & strengthening the organization’s unique, strategic relationships. This can include organizing M/WBE and Small Business outreach initiatives in efforts to align city priorities with the vendor community. It can also build upon successes partnering with the non-profit sector where administrative reforms and creative collaboration using data to guide efforts resulted in groundbreaking improvements. (more information is available on www.NYC.gov/nonprofits.)</i>

Given the more strategic focus of this core team, personnel will require more advanced and diverse skills. This new professional will need to be, at once, a change agent, collaborator and risk advisor who is technically savvy, has deep financial knowledge, understands City Procurement, and is adept at building relationships.

Procurement Workforce and Skills Assessment

Almost every commercial and public sector organization is faced with the challenge to **evolve the skills profiles of their workforce**. Procurement work will become increasingly digital and automated. There is a need to focus on developing a more forward-looking people strategy to enable the workforce of the

future. Understanding the current workforce is necessary to identify opportunities and plan the journey to shape an organization’s Talent Strategy to address immediate and future talent needs.

Some enablers of moving to a Digital Workforce include:



**Digital Workforce
Strategy**



**Strategic Workforce
Planning**



**Digital Learning Strategy
(Upskilling & Reskilling)**



**Investment in
Automation**

Together with Accenture and NEOGOV, the National Association of State Chief Administrators (NASCA) surveyed state Chief Administrators to understand critical workforce goals and challenges. In 2020, state governments were faced with COVID-19, and every state had to re-examine their workforce policies. This year’s unique challenges underscore state governments’ needs for skilled and flexible workforces – talent that can respond and adapt quickly.

Strategic Workforce Planning.

As the economy reopens, state and local governments can take the opportunity to rethink their own workforces – developing a plan for the skills they need in an age of automation and how those skills might be shared across the entire enterprise. In the future, procurement professionals won’t follow yesterday’s standard career path with a process or category focus. Key procurement skills will still be important, but professionals will also need to be able to interpret AI-generated insights and use digital technologies to solve business problems. They’ll need to be entrepreneurial, collaborative, analytical, business-oriented, and responsible, with strong communication skills. They’ll also need to be able to scout and grow relationships with ecosystem partners.

Training and Learning.

Continuous upskilling is crucial not just for ensuring you have the skills you need but also for retaining your best workers. Already, 61% of government executives have indicated that they struggle to keep workforce skills relevant in the face of rapid technological advancement.¹ Meanwhile, respondents in the Center for State and Local Government study rated training (67%) and funds for training (63%) as the second- highest techniques for retaining workers.²

Post-Implementation Change Management

Government organizations often face unique challenges when experiencing technological transformations, including those that are “organizational, technical, structural, and talent/skills

¹ IBM – “A Two Front Crisis, How governments can prevail in face of the global skills crisis”

² Center for State and Local Government, *State and Local Government Workforce: Survey 2019*

related.”³ For example, research studies have pointed to insufficient communication (59%) and lack of leadership (56%) as the primary reasons for transformation failures.⁴ To avoid such failures, it is important to have buy-in from the Chief Procurement Officers, along with other executive leadership, and to provide support to these leaders in the form of direct reports.

According to Accenture research, change adoption metrics are essential to 1) informing the organization and its leadership about its performance on various success drivers, 2) engaging and updating the respective stakeholders, and 3) measuring the target objectives versus actual achievement metrics of the program. These metrics are most effective when organized into the following three categories:

Business-Specific

Business adoption metrics are related to the operational, financial, business performance-oriented targets (e.g., improvements in cycle time).

System-Specific

System adoption metrics define the usage and/or the outputs of the tool that is being implemented.

People-Specific

People adoption metrics measure user acceptability of the new technology, tools, processes & operating model. They capture change in perspectives and can include desired behaviors assessment (e.g., Skills and competency assessment, individual attainment of KPIs).

In addition, organizations must be cognizant of the cultural changes since organizational culture within the government tends to be risk averse and the operation models are often “highly structured and change resistant.”⁵ It is no coincidence that approximately 60% of transformation projects deemed to be successful attribute their success to focusing change management initiatives largely on changing mindsets.⁶ This effort in changing mindsets can be accomplished through managing sources of friction and change resistance. Organizations should be aware of network effects. The adoption process of new systems often takes on a ‘follow-the-herd’ pattern, and it can be difficult being one of the early adopters. Organizations can respond to the network effect from three different angles by separately addressing it from the points of view of the individual staff members, leadership, and agency procurement teams.

The organization can implement a mentoring network for those lagging in system adoption. These efforts create positive impact by role modeling and championing successes. Activating leaders and empowering peer networks across agencies will shift mindsets and behaviors as well as align formal organization in the process.

³ Rubel, T., Bloom, E., (2019). Driving IT Organization Transformation to Support Changing Public Sector IT Operating Models. IDC

⁴ Cabrey, T.S., and Haughey, A (2014). PMI’s Pulse of the Profession In-Depth Report: Enabling Organizational Change Through Strategic Initiatives. PMI

⁵ Ibid., IDC

⁶ Keller, S., Meany, M., and Pung, C (2010). What Successful Transformations Share: McKinsey Global Survey Results

Detailed Recommendations

- ❖ ***Strengthening the Role and Impact of MOCS by Playing to Its Core Competencies:*** Reinforce the posture of MOCS as the City's procurement management leader as well as the principal provider of procurement expertise and driver for standardization (including training, certification, and communication). This includes dedicating MOCS resources to **focusing on creating and nurturing partnerships with agency leaders and vendor community**. By continuing to cultivate stakeholder partnerships, MOCS will be in a better position to 1) strengthen cross-agency operations coordination, 2) integrate procurement officers into citywide planning activities, and 3) spark the positive network effects of PASSPort adoption across the procurement ecosystem.
- ❖ ***Integrating Procurement Leaders into Planning and Operations Decisions:*** Update governance and planning processes to ensure **early and full engagement of procurement officers**. Procurement is a result of expressed organizational needs and impacts effectiveness of program implementation. Agency heads and department executives will benefit from enhanced coordination across legal, fiscal, and administrative procurement teams, as well as tactical planning that explores how to use all available sourcing and contract management tools.
- ❖ ***Performing Current Workforce Assessment:*** Conduct a **procurement knowledge and skills assessment**. Update procurement job descriptions and skills development plans as needed. A specific area of focus is to deepen project management capacity, utilize performance management tools, and foster ongoing professional development across the procurement workforce. Identify and define the skillsets and specializations that will enable the City to approach procurement more strategically.
- ❖ ***Fostering Continuous Improvement: Equip agencies to internally lead their own procurement transformations.*** Targeted change management assessments can be completed to identify remaining points of friction, drivers of adoption hesitancy, and opportunities to celebrate agency champions who deliver measurable value to procurement operations. In addition, MOCS should formulate a **specialized procurement support team** focused on providing additional assistance to agency procurement shops facing the greatest challenges integrating PASSPort into their operations or who perhaps are facing resource shortages.
- ❖ ***Examining the Degree of Federation and Specialization:*** Review the degree to which core procurement processes have federated ownership. With the growth of Citywide technology platforms and transformations in the procurement process, there is a **renewed opportunity** to assess the degree of federation that currently exists. This will enable MOCS to identify procurement activities best suited for smaller, more specialized teams to own.

Recommendation 4: Review Procurement Rules and Policies

Recommendation Synopsis

As the City's Procurement System becomes more digitized and transparent, MOCS should conduct a **comprehensive review of existing policies, rules, and statutes** that may no longer serve the City's best interests in today's business and technology environment. The focus of the review is whether all parts of the current regulatory framework continue to support the City's desired procurement outcomes and risk tolerances. Throughout this process, it will be essential to **leverage industry and sector partnerships** to collect insights, identify opportunities and increase stakeholder buy-in across all corners of the NYC procurement ecosystem.

What We Heard

There is widespread acknowledgement that the City's procurement policies and processes evolved as a piecemeal result of decades of well-intended rules and responses to challenging situations. However, over this same period, there were many business-driven and technology-driven disruptions that have changed the procurement landscape. Many described a similar pain point – **bureaucratic barriers stemming from comprehensive or antiquated procurement rules**. There is strong support for the need to validate that certain policies and processes deliver the City's desired procurement outcomes in this greatly changed business and technological environment.

Participants noted the large contrast between the timelines of conventional City procurement methods and an Emergency Procurement method. **They questioned whether recent experiences have created justification for greater flexibility** in the procurement rules, as they are observed to be too rigid as well as piecemealed in their constitution. It was noted that during the pandemic there was an insignificant amount of fraud and waste that resulted from the Emergency Procurement protocols, under which a large amount of spend occurred. This experience is being used by some to advocate that some of the existing procurement reviews and controls could possibly be adjusted.

However, the standard for successful procurement during the pandemic was not the same as in steady state. It may not be realistic to extrapolate the relatively positive experience of Emergency Procurements over the past year into an ongoing approach and expect the same outcomes.

Re-aligning with Technology: *"The dichotomy [between standard and emergency procurements] is so large, and it shows you the procurement rules haven't kept up with the technology."*

Existing Policy Disparity: *"It's either normal or emergency—13 months of procurement or it's done overnight—but there is nothing in between."*

Industry Point of View

Public Sector Procurement Policy Review

Many public sector procurement organizations are governed by a complex set of statutes, rules, and policies. Like their commercial counterparts, their comprehensive set of policies and practices evolved over time. However, **public sector organizations face unique challenges** (including political pressure, competing stakeholder perspectives, and general risk aversion) in changing or eliminating practices that may no longer serve the best needs of the organization.

Several government organizations have embarked upon a proactive review of statutes, rules, and policies to make changes that accommodate procurement leading practice and innovations in technology. They perform these assessments to identify ways to address business challenges such as long procurement cycle times, the need to reduce government total costs, or the need to increase visibility, equity, and competitiveness within the supply base.

A common finding of these reviews is **the need to recalibrate the risk/benefit proposition of certain statutes, rules, and policies**. For example, many organizations find it makes business sense to focus more heavily on procurement transaction monitoring and supplier performance management to manage risk, minimizing upfront reviews and approval gates that elongate procurement cycle times. Organizations have also reviewed and increased the thresholds that govern when formal competitive procurements are required that were often established decades ago. This has helped constrained procurement and business resources focus their efforts on procurements that pose higher risk to the organization and allow innovations in technology to streamline the procurement of smaller and lower risk procurements.

The reality of affecting change in a government setting means that organizations often find it challenging to implement some of the recommendations, even if they present a solid business case on paper. However, the rigor of routine policy review and evaluation has helped them better articulate their desired business outcomes. This, over time, still provides a beacon in their gradual journey of modernizing and streamlining their procurement processes.

Below is a case study of one such Procurement Policy Assessment.



State of North Carolina, Department of Administration

The Department of Administration acts as the business manager for the State of North Carolina. The Department oversees government operations such as building construction, purchasing, and contracting for goods and services, managing state vehicles, acquiring and disposing of real property, operating auxiliary services, and the sale of state and federal surplus property.

The State of North Carolina Procurement Transformation Project focused on transforming the State's procurement function to operate more efficiently, better serve the needs of internal and external customers, and generate total cost savings. The project focused on all aspects of procurement including strategy, processes, organization and people, and technology. The Assessment and Design Phase of the project holistically reviewed the current state of the State's procurement function, made tangible improvement recommendations, and developed a roadmap for the implementation of those recommendations.

Part of this initial six-month phase compared the State's current state to leading practices to identify improvement opportunities. This included recommending changes to statutes and administrative codes to support procurement transformation and be used in the legislative process. The goal of the recommended procurement related statute and administrative code changes was to:

- *Increase the ability of the procurement function to drive best value outcomes efficiently and effectively*
- *Consolidate and streamline relevant statutes and administrative codes making the legislation for the procurement of goods and services easier to understand and comply with*
- *Reduce the number of limited value-added processes that are currently required in statute beyond the core procurement function*
- *Clarify rules and exemptions to statutes reducing the room for error and improving compliance*

The process that was followed during this assessment is as follows:

- *Summarized the content of 131 procurement related statutes, administrative codes, and executive orders*
- *Validated the list of statutes, administrative codes, and executive orders for accuracy and comprehensiveness with key stakeholders*
- *Summarized the identified opportunities to improve statutes and administrative codes*
- *Conducted a Procurement Guiding Principles workshop*
- *Developed a list of recommended changes to statutes and administrative codes (categorized by priority to the procurement transformation: Critical, High, Medium, Low)*
- *Reviewed the recommendations with key stakeholders; updated recommendations as needed*

Examples of the recommendations from the assessment include:

- *Create a Central Procurement Authority*
- *Expand the Best Value Procurement Concept*
- *Require Regular Delegation Reviews*
- *Allow Non-Value-Added Review/Approval Organization to Expire*



State of North Carolina, Department of Administration

The Implementation Phase activities included the following: 1) establishment of a new organizational structure within the Division of Purchase and Contract (P&C) focused on deeper resource specialization and greater segmentation of responsibilities; 2) a redesign of P&C's standard operating processes and procedures; and 3) implementation of a strategic sourcing program which has generated over \$57 million in three year savings across seven categories of spending, representing a 10% savings from historical purchases.

Over 230 individual recommendations were made to improve the State's procurement function in the form of a detailed future state design - key recommendations/designs included:

- *Procurement governance structure to manage the procurement function across the State*
- *Procurement governance scorecard that included 26 key metrics to track the overall health and success of the procurement function*
- *Statute change recommendations to enable the procurement function to operate more efficiently*
- *Operating model definition that including definition of 12 major process groups which encompass all procurement activity*
- *Strategic sourcing plan which identified, quantified, and prioritized strategic sourcing opportunities which if implemented are estimated to generate between \$45 - \$95 million in annual savings*
- *Technology capability recommendations to automate and support the newly defined processes*

Numerous statute, rule, and policy changes were enacted based on the recommendations from the project.

Detailed Recommendations

New York City's governance and operating framework evolved to strengthen public trust in procurement. There is now an opportunity to take another comprehensive look at existing policies and rules since billions of goods and services deliver real value to New Yorkers, with comparably few nefarious cases, and modern tools now deployed to increase transparency and account for key compliance checks.

- ❖ **Revising Procurement Rules and Policies:** MOCS should conduct a comprehensive review of the [existing procurement regulatory framework](#) to determine which rules or policies continue to perform their intended role, and which may simply create additional hurdles for contracting. Reforms should include perennial issues such as agility and use of various procurement methods, public notice requirements, delegation of reviews and audit standards. For instance, some reporting requirements add waiting periods to move forward with procurement when the requirements aren't precisely met at various stages of the process. Additionally, PASSPort creates the opportunity to more extensively delegate oversight review on common process steps, which could also reduce time spent on routine process work. These criteria and others

should form the basis of an analysis that fundamentally asks how much risk is being mitigated with various regulations and at what cost to speed.

- ❖ ***Leverage Sector Partnerships to Continuously Iterate on Administrative Policy:*** Partnerships built with the non-profit sector led to significant policy reforms and improvement in service quality at MOCS and other agencies. Examples include the Indirect Cost Rate Initiative, standardized cost manual, and automatic cash advance policy, all of which served to streamline the process for doing business with the City while strengthening the health of this critical sector. **MOCS should continue to leverage these partnerships**, especially with the greater transparency enabled by PASSPort, **to expand on these policy gains and further embed the sector’s voice in City operations.** For example, City Council discretionary funding in particular is an area of procurement with strong potential to benefit from digitization – MOCS should continue to iterate on process and functionality supporting the small non-profits who often receive these awards and have now moved into PASSPort.

- ❖ ***Mobilizing City Partners with Reform Agenda:*** **MOCS should continue to mobilize legislative stakeholders** with a shared interest in reforming the City’s procurement ecosystem **to support full digitization and removing outdated legislative barriers** to that end. Partnering with legislators at the City and State level who are interested in reform and technological progress can also support this goal, as digital transformation is widely agreed upon as a shared goal for how procurement should be run in NYC. In working with the New York City Council, MOCS should continue to demonstrate progress and value-add from digital transformation, while seeking to reduce administrative burdens in meeting regular reporting requirements through access and distribution of now-centralized data.

Appendix I: Dashboard Examples

Exhibit A: PASSPort Cycle Time Metrics Dashboard (Additional Sample)

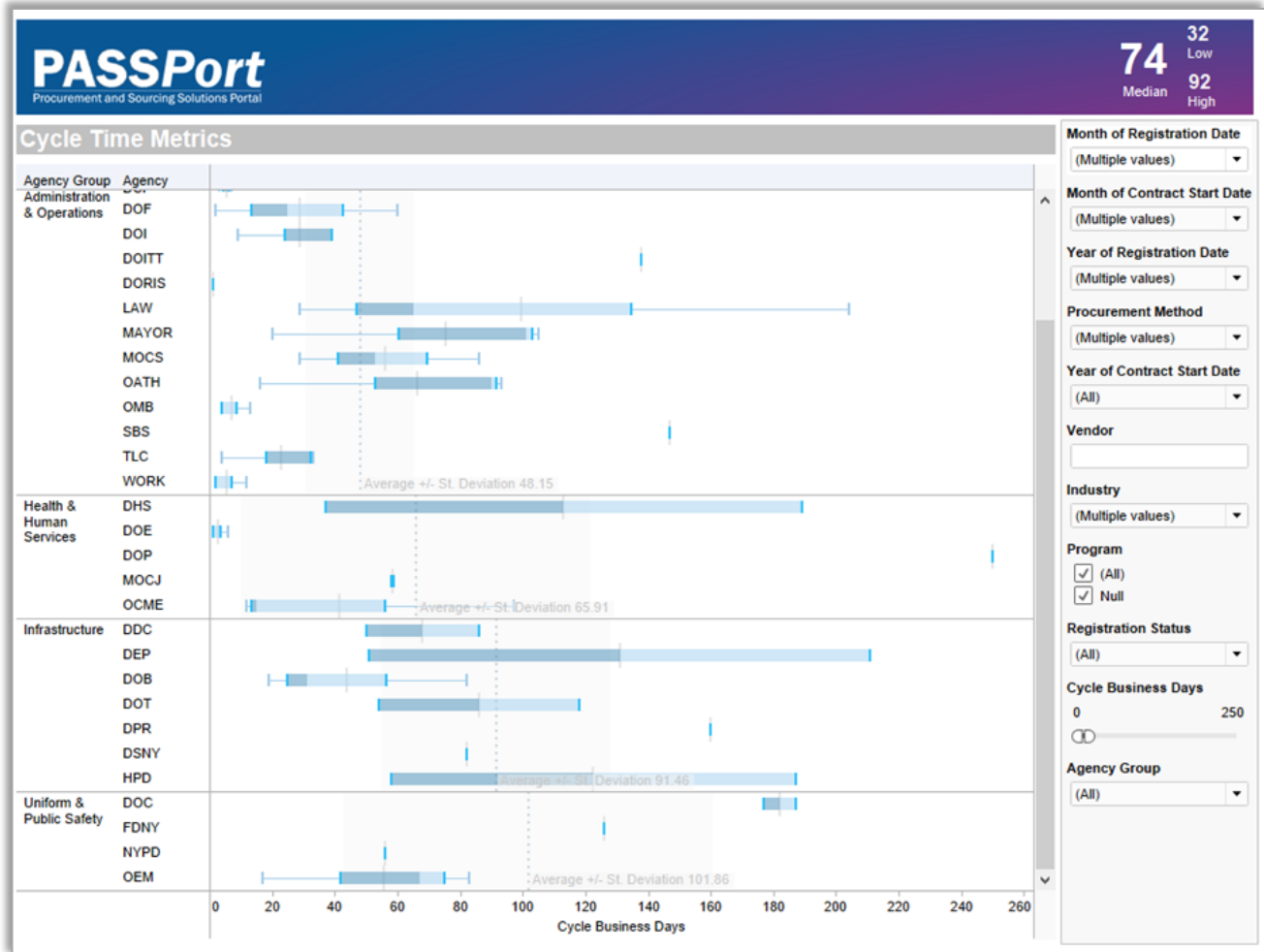
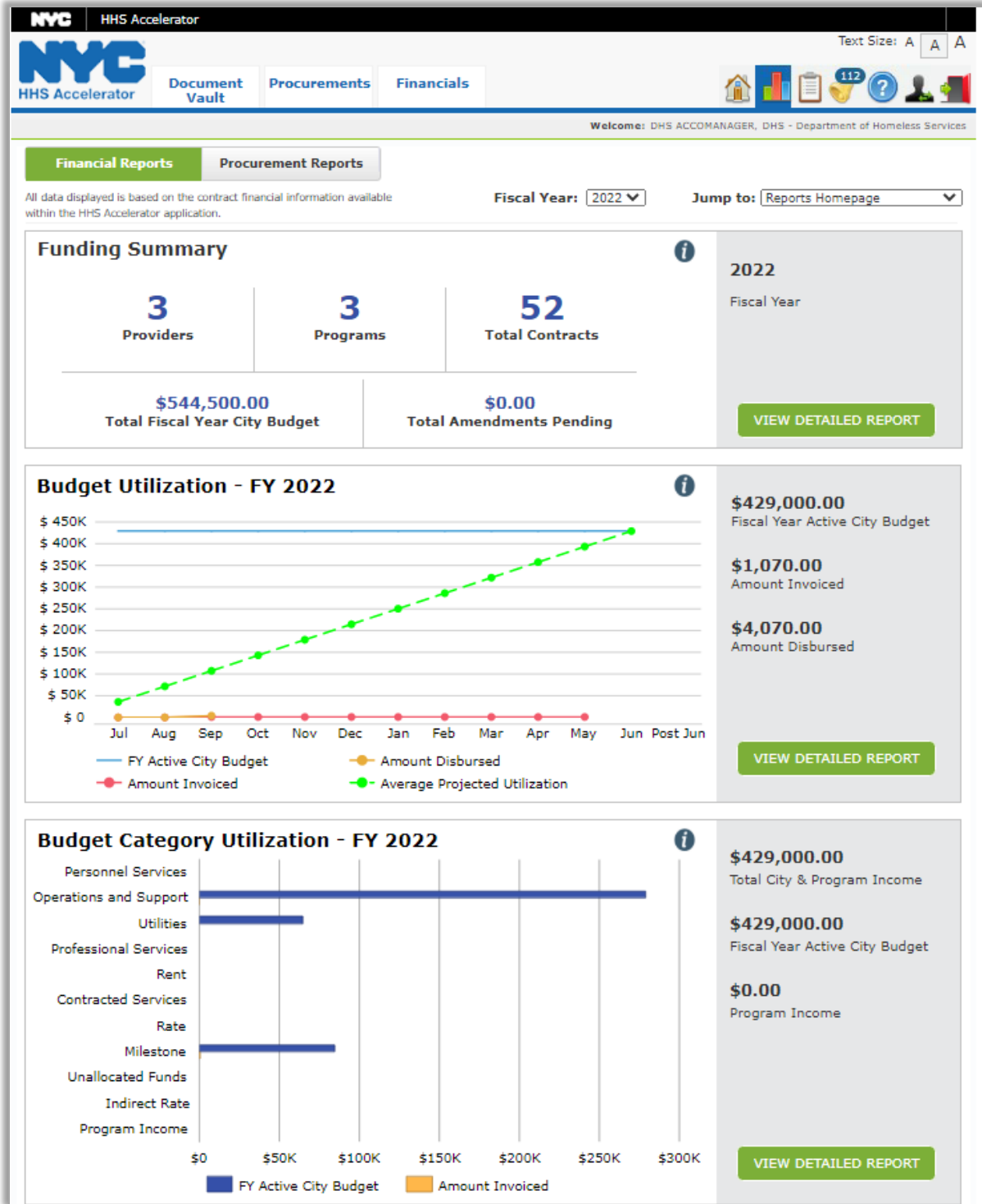


Exhibit B: PASSPort Award Milestone Tracker -Vendor View (Mock-up)

Status	Detail	Start Date	Completion Date	Cycletime Avg. (Agency)
✓	Award Creation	Aug 27 2021 6:34PM	Aug 27 2021 9:25PM	
✓	Agency Award Documentation	Aug 27 2021 9:25PM	Oct 28 2021 6:45PM	
✓	ACCO Approval Award Documentation	Aug 27 2021 9:25PM	Oct 28 2021 6:45PM	
✓	Vendor Documents Request	Aug 27 2021 9:25PM	Sep 6 2021 12:45PM	
✓	Vendor Documentation Submission	Sep 6 2021 12:45PM	Sep 7 2021 7:15PM	
✓	Responsibility Determination	Aug 27 2021 9:25PM	Oct 14 2021 3:12PM	
✓	Vendor Filing Status	Aug 27 2021 6:34PM	Aug 27 2021 9:25PM	
✓	Agency Draft Financial Allocations	Sep 7 2021 7:15PM	Sep 21 2021 9:56AM	
✓	Agency Certification of Funds	Sep 21 2021 9:56AM	Sep 25 2021 11:32AM	
✓	Agency Contract Drafting	Aug 27 2021 6:34PM	Aug 27 2021 9:25PM	
✓	Vendor Contract Review	Sep 6 2021 12:45PM	Oct 14 2021 3:12PM	
●	LAW Department Contract Review			
⚠	Contract Signature	Oct 30 2021 2:15PM		
✓	Public Hearing Request Submission	Sep 7 2021 7:15PM	Sep 14 2021 10:55AM	
✓	MOCS Public Hearing Approval	Sep 14 2021 10:55AM	Sep 15 2021 1:56PM	

Exhibit C: HHS Accelerator – Financial and Operational Reports



Financial Cycle Times

The following graphs illustrate cycle times and volume for budget and invoice processing across the 10 agencies that are managing contracts in HHS Accelerator Financials. The citywide, agency, and per level of review cycle along with the number for returns and time with providers are all tracked in HHS Accelerator to improve agency processing cycle times.

FY20 Agency Median Number of Days - Invoice Cycle Time (Invoice Submission to Approval)

Fiscal 2020 Citywide Total Invoices by Month

Agency	Median
ACS	4
DCA	10
DFTA	6
DHS	8
DOC	3
DOE	3
DOHMH	4
DOP	15
DYCD	3
HPD	4
HRA	2
MOCJ	5
SBS	2
Citywide	4

Invoice Cycle Time

Returns	Percent
Approved with no return	70%
1 return	20%
2 returns	6%
3+ returns	4%

Budget Review Between Providers and Agencies

Agency/Provider	Percent
Time with Agency	72%
Time with Provider	28%

Median number of calendar days from budget submission to approval: 13 days.

Appendix II: Examples of Procurement KPIs

Business Outcome	Lever	Business Outcome Indicators
<p>IMPROVED EFFICIENCY AND OPERATIONAL BUDGET SAVINGS</p>	<p>Self Service Requisitioning</p>	<p>% of Touchless Requisitions</p>
	<p>eInvoicing</p>	<p>% of Spend through Compliant Buying Channels</p>
	<p>Touchless Invoice Processing</p>	<p>% of Transactions through Compliant Buying Channels</p>
<p>INCREASED SAVINGS AND COMPLIANCE</p>	<p>Vendor Compliance</p>	<p>% of invoices received electronically</p>
	<p>Spend under management and Spend Compliance</p>	<p>First Time Match Rate</p>
		<p>% Transactions with M/WBEs</p>
	<p>Spot Buy/Tail Spend</p>	<p>% Spend with Preferred Suppliers</p>
<p>IMPROVED WORKING CAPITAL</p>	<p>Reduce Payment Leakage</p>	<p>% Transactions on Contract</p>
		<p>% Spend on Contract</p>
	<p>Optimize DPO</p>	<p>% Transactions on PO</p>
<p>% Spend on PO</p>	<p>% Spot Buy Savings</p>	
<p>% Tail Spend as a % of Total Spend</p>	<p>% Invoices where late payments were incurred</p>	
<p>% Duplicate Payments</p>	<p>% Invoices Paid on Time</p>	

Appendix III: Examples of Capabilities to add to PASSPort

The following list of PASSPort enhancements have been identified as high-value drivers for system improvement.

Functionality	Description
Comptroller Review	Currently, the Comptroller reviews contracts in its system, OAISIS, and then moves to FMS to register the contract. The registration review and action to register could occur in PASSPort, eliminating the need for an integration and the need to 'swivel chair' into FMS all while providing the opportunity for streamlined analytics.
LL63 Procurement Plans	While LL63 plans IDs are referenced in PASSPort, the system for collecting Local Law 63 plans for procurement remains offline and arduous for agencies.
LL1 Plans	Agencies are required by law to develop a Local Law 1 procurement plan by the start of each fiscal year. The procurement plans must include a list of forthcoming procurements that would be subject to local law 1 and their percentage targets.
Fast Track/Electronic Registration Package Submission	Introduce functionality to support DCLA grants and emergency contracts that follow different rules and different workflow paths.
Vendor Contract Budget	Allow for the submission of contract budgets from vendors to improve the user experience for our Citywide vendors and to ease the management of contract budgets for agencies.
Real Estate Liens/ECB Violations Responsibility Determination Upgrade	Allow DOF to send real estate liens to PASSPort and review vendors for compliance as part of the responsibility determination workflow.
Bulk Processing Upgrades	Allow for the bulk creation of transactions in the system due to their large volume of contract-related transactions. Possible other bulk transactions to consider include Certification of Funds, Invoice, Contract Budget, Purchase Order, Award Documents, Set up Team, Public Hearing, NAEs and Required Method/Required Source.
Requisition Management	Introduce functionality to set-up and incur pre-encumbrance transactions for various types of contracts and hold funding in their budget that is marked for a forthcoming contract.
Public Posting of Procurement and Contract Transactions	Enhance the public facing portal of PASSPort to include additional information about upcoming procurements. This procurement roadmap is intended to encourage more supplier diversity by providing transparency into the procurement process while also allowing for ease of required City Record transactions by posting directly to this front facing website.
Mixed Funding Contract Submissions	Enhance functionality in PASSPort to combine expense and capital funded transactions and allow for one submission to FMS and the Comptroller.

Functionality	Description
RFx and Evaluation Upgrades	<p>Introduce additional functionality to allow for:</p> <ul style="list-style-type: none"> ○ Expanded import functionality for item grid set-up and item grid response for agencies and vendors, respectively ○ Large file size submissions (>2 GB) to be able to submit as a response ○ Job Order Contracts and Allowances ○ Documents and questions to be changed without releasing a new round"
Franchises and concessions	Allow for new procurement methods for franchise and concessions.
Rotational Task Orders	Enhance existing functionality to automatically select the “next” vendor for awards that use a Master Agreement that rotates through contracted vendors.
Capital Project Management	Introduce functionality that allows for retainage calculations to be captured and sent to FMS. Additionally, allow for imports of budget lines and enhance the existing import for payment packages.
Fuel Pricing/Blanket Order	Introduce functionality that allows for immediate submissions to vendors upon identifying a need for fuel due to the rapid turnaround time required for fuel deliveries (reduce need for strict approvals and allowing for pricing flexibility).
Integrations	Introduce additional integrations including fuel pricing, DO1 submission, PRC2 integrations, RQC1, address validation, ECB Violations, connections to the data warehouse, subcontractor detail, revenue contract submission, and charities bureau.
OMB Certificate to Proceed	The Certificate to Proceed (CP) approval process that occurs between agencies and OMB task forces is a manual process. Capturing the process in a workflow system like PASSPort and connecting it to the procurements that the CPs relate to along with the approvals can shed light on the process, providing opportunities to improve them.
User Experience	PASSPort has not been designed to mimic FMS, but rather, it has been integrated with FMS to enable contract registration and encumbrance management without requiring users to ‘swivel chair’ between multiple systems to complete their activities. Still, agencies struggle with understanding procurement accounting and how data flows between the systems. Increasing the real-time nature of integrations, where appropriate, can reduce the lag between systems and enhance the overall interaction for the user. For example, Delivery Orders are currently a single day batch process – meaning that for an agency to encumber and order off a master agreement, they must submit a day-long encumbrance to FMS.
Existing Functionalities	Continue to add and build upon existing functionalities in PASSPort to limit the need for outside systems throughout the Procurement process. For example, introducing HHS-specific functionalities into PASSPort will allow for a more expedited decommissioning of HHS-Accelerator (e.g., Budget & Invoice Granularity; Document Vault).
Design-Build	Enhance the system to allow agencies to adopt PASSPort for the use of Design-Build procurements.

Functionality	Description
Proposal Evaluation	<i>Introduce functionality to support the randomization of role assignments for proposal review.</i>