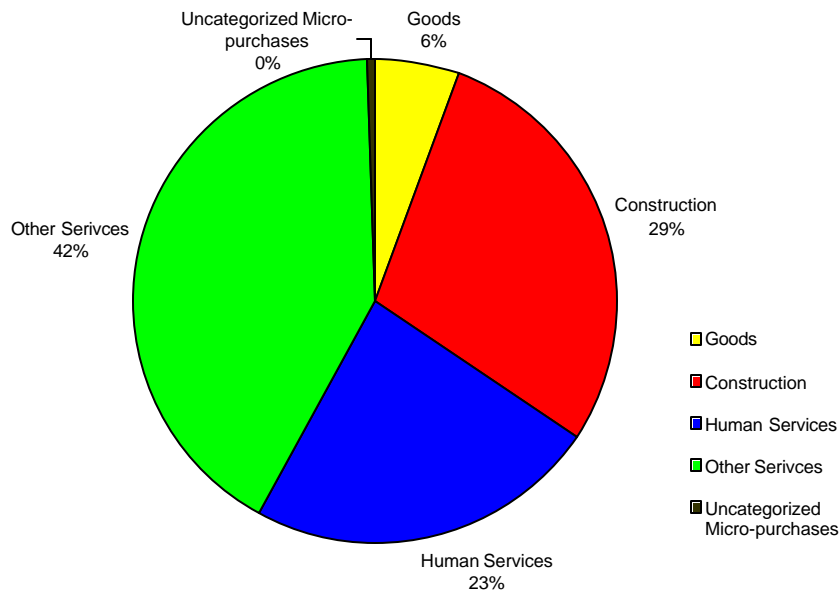


City of New York
Mayor's Office of Contract Services

AGENCY PROCUREMENT INDICATORS

Dollar Value of Citywide Procurements by Thing Procured
Total Dollar Value = \$ 11.4 Billion



Fiscal Year 2005 Annual Procurement Indicators: Executive Summary -- New York City Purchasing Facts At a Glance

- **Comprehensive procurement reform package of 14 legislative measures** took effect. Mayor Michael R. Bloomberg also issued Executive Order 48 streamlining procurement oversight.
- **Dollar value purchased by Mayoral agencies: \$11.4 billion, including \$646 million of goods (6%), \$2.7 billion of human services (23%), \$3.3 billion of construction and construction-related services (29%) and \$4.7 billion of other types of services (42%).**
- **Total number of procurements completed by Mayoral agencies: 48,247.** Total number of franchise agreements = 12. Total number of concession agreements = 229. Total number of revocable consents (sidewalk obstructions/cafes) = 466.
- **Top 3 agencies** by dollar value of total procurement: Department of Health & Mental Hygiene (**DOHMH**) at \$2 billion, Department of Environmental Protection (**DEP**) at \$2 billion, Department of **Law** at \$1 billion.
- **Top 2 contracts: \$1 billion DOHMH renewal** of contract with a centralized agent responsible for paying individual providers of early intervention services for children with special needs; **\$1 billion Law Department contract** with entity formed to insure NYC and its contractors for claims relating to the clean-up at Ground Zero.
- **Highest dollar volume of contracts (by procurement method): competitive sealed bids (32%),** followed by sole source (20%), requests for proposals (16%) and renewals (16%).
- **Highest number of contracts (by procurement method): micro-purchases ≤ \$5,000 (67%),** followed by small purchases ≤ \$100,000 (12%), construction contract change orders (4%) and City Council/Borough President line item contracts (4%).
- **Largest contracts (i.e., > \$3 million): 80% of dollar volume,** but 1% of total number of procurements completed. **Smaller contracts (i.e., ≤ \$100,000): 3% of dollar volume,** but 94% of total number of procurements completed.
- **Total dollar volume of construction contract change orders: \$292 million.** Average value of change orders relative to original contracts' value: 4%.
- **Total dollar volume of open, active subcontracts: \$2.8 billion.**
- **Subcontracts ≤ \$1 million: 87% by number of subcontracts, 51% by dollar value.**
- **Number of individual vendors enrolled on the Citywide bidder lists: 42,681.**

- **Top 5 areas of business for enrolled vendors: computer hardware/software and consulting services (13%), hardware/small tools (7%), professional services (7%), construction services (7%) and chemicals/paints/cleaning supplies (6%).**
- **Vendors achieving satisfactory or better performance evaluations: 96%** (81% had satisfactory or better with no below par sub-ratings).
- **Overall competitiveness level (i.e., ≥ 3 competitors): 86% for competitive sealed bids and construction contracts, 85% for requests for proposals (by total number of procurements completed).**
- Number of contracts noticed for public **hearings: 857.**
- **Average length of time to solicit, award and process competitive sealed bid contract: 118 days.** Average length of time to process construction contract change orders: 107 days.
- **Retroactive contracts (i.e., agencies did not complete processing of new contracts before their scheduled start dates): 37%. But agencies completed processing of contracts for the continuation of human services programs before their start dates (i.e., prior contracts' expiration) for 89% of RFP awards, 73% of renewals, 78% of negotiated acquisition extensions and 90% of amendment extensions. NYC authorized 110 cash flow loans, totaling more than \$11 million, to assist human services providers with expenses prior to the completion of contract processing.**

Fiscal Year 2006 -- Continuing Progress

- **Enhanced procurement opportunities – On September 9, 2005, Mayor Bloomberg issued Executive Order 71, inaugurating an expanded program to promote opportunities for Minority- and Women-Owned Businesses (M/WBEs) and other small businesses in City procurement. This program will broaden the pool of competitors for all NYC procurements, particularly targeting micro-purchases, small purchases, construction contracts \leq \$1 million, and construction subcontracts \leq \$1 million.**

The Procurement Challenge: Continuing Reform and Improving Value

In order to provide services to New Yorkers, City government purchases a wide array of goods and services through a process known as “procurement” – or contracting. The scale of New York City’s purchasing is very large, but our basic objectives are quite similar to those of any business or household operating on a budget: to obtain the best value possible.

For City agencies, best value means obtaining fair and reasonable prices for goods and services that achieve high quality performance and are delivered on a timely basis to meet the City’s need. Since tax dollars fund the City’s purchases, agencies must strive to achieve best value *and* to ensure that our business partners are responsible, from the standpoint of business integrity, financial capacity and performance ability. Agencies must also treat such business partners fairly, recognizing that City procurement represents an important opportunity for economic development and business growth in New York City and the surrounding region.

Fiscal Year 2005: Significant Legislative and Rulemaking Reforms

The City’s fiscal year runs from July 1st each year, through June 30th. Just before the start of Fiscal Year 2005, on June 3, 2004, Mayor Michael R. Bloomberg signed a package of twelve (12) procurement reform bills. These bills, along with two procurement reform resolutions, were passed by the City Council in May 2004. During Fiscal Year 2005, the City’s Procurement Policy Board (PPB), working with the Mayor’s Office of Contract Services (MOCS) developed and published the new regulations needed to implement these important measures.¹ Among the reforms already accomplished and/or moving through the rulemaking process at the conclusion of Fiscal Year 2005, were the following:

- **Local Law 11 and Resolution 13, implemented by several PPB Rule changes** – The City now posts the full text of all Requests for Proposals (RFPs), along with notices of all other contract opportunities, at www.nyc.gov/cityrecord, and is permitted to accept electronic bids and proposals, as appropriate. See Part I below, for a description of RFP purchasing and other procurement methods.
- **Local Law 13, implemented by PPR Rule 3-03(b)** – Before releasing an RFP for a new or substantially restructured human services program, the City now publishes a “concept report” describing the initiative, so that potential vendors and interested members of the public can have an opportunity to comment on program design. See Part I below, for a description of human services contracting.

¹ In addition to the measures highlighted above, the reform package included these measures: Local Law 12, which authorized a pilot program to test the City’s ability to use electronic “reverse auctions” to make purchases under New York State contracts, particularly of technology goods; Local Law 18 (implemented by PPB Rules 3-03(e) and 3-10(i)) and Local Law 23, which allowed the Mayor to delegate to agencies the power to approve various complex types of procurement; and Local Law 21, which streamlined the process for agencies to purchase unique goods.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

- ◆ **Local Law 16, implemented by PPB Rule 3-09(a)** – The City simplified its process for buying services, such as computer consulting, from state or federal contracts, so purchases can be made if prices are “fair and reasonable.” See Part I below, for a description of “intergovernmental” purchasing.
- ◆ **Local Law 17** – Since the City now relies primarily upon citywide bidder lists, this legislation eliminated an outdated Charter mandate for all agencies to keep prequalified lists of vendors, which are now used for more specialized kinds of procurements. See Part II below, for a description of vendor enrollment and bidder lists.
- ◆ **Local Law 19, implemented by PPB Rule 2-11(c)(3)** – When no member of the public wishes to testify, the City may cancel public hearings for procurements valued at \$1 million or less, to streamline processing of those purchases. See Part IV below, for a description of the hearings process.
- ◆ **Local Law 20, implemented (in part) by PPB Rule 2-11(b), with additional measures to come during Fiscal Year 2006, and Local Law 24, implemented by PPB Rule 2-04(c)** – Human services vendors have experienced difficulties in the past due to the City’s failure to complete the processing of their contracts before work under those contracts must begin, so these changes are designed to ensure timely contract processing, by exempting extensions of such contracts from public hearing requirements, by expanding the timing-related information published each year in the Human Services Plan, and by implementing mandatory schedules and related reforms. See Part III below, for a description of procurement cycle times and human services timeliness issues.
- ◆ **Local Law 22, implemented by PPB Rule 2-08(e)** – Vendors that conduct at least \$100,000 in annual business with the City (cumulatively) must file information relating to business integrity, financial capacity and performance ability for the City’s Vendor Information Exchange System, a data base referred to as “VENDEX.” This process was streamlined, to allow vendors to qualify for a full three years by a one-time filing. See Part II below, for a description of VENDEX.
- ◆ **Resolution 36, implemented by PPB Rule 3-08(a)** – City agencies may now use the expedited “small purchase” method to obtain goods, services and construction valued at up to \$100,000, opening additional opportunities to smaller suppliers. See Part V below, for a description of opportunities for small business vendors.

The full text of the PPB Rules described above may be viewed on the City’s web site, at www.nyc.gov/html/moc/ppb/downloads/pdf/rulescompletejuly2005.pdf.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

In this report, the *Agency Procurement Indicators for Fiscal Year 2005*, we present data reflecting the performance of those Mayoral operating agencies that are governed by Chapter 13 of the New York City Charter (Charter) and the rules and regulations of the PPB during Fiscal Year 2005. A list of the agencies represented in this report is attached as Appendix A.²

All told, during Fiscal Year 2005, the City bought approximately \$11.4 billion worth of goods and services. In this report, we have presented several new categories of procurement within that total procurement volume that we had not previously included in reports for earlier years. These include amendments valued at over \$100 million to extend human services contracts, amendments (called “change orders”) valued at nearly \$400 million to permit continuing work on construction projects, and micro-purchases (procurements made in increments of \$5,000 or less) valued at nearly \$60 million. During Fiscal Year 2005, the City also entered into two unusual contracts valued at about \$1 billion each, one that related to insurance for World Trade Center-related claims and the other that renewed a contract with a centralized agent responsible for paying individual providers of early intervention services that go to children with special needs. Together with the newly-reported categories of purchasing, these account for much of the difference between the total purchasing volume for Fiscal Year 2005 and that of prior years.

TOP 10 AGENCIES	Dollar Value of Procurements
DHMH	\$2 billion
DEP	\$2 billion
Law	\$1 billion
DDC	\$885 million
DHS	\$742 million
DSBS	\$726 million
HRA	\$724 million
DOT	\$586 million
DCAS	\$574 million
DSNY	\$560 million
All Others	\$1.5 billion

Appendix B to this report provides a listing of each Mayoral agency’s purchasing volume, both by dollar value and by number of procurement actions processed, and is identical to the table included in the web-based version of the Fiscal Year 2005 Mayor’s Management Report (MMR).

As detailed in Appendix B and as summarized in the table on this page, this year the Departments of Health and Mental Hygiene (DOHMH), Environmental Protection (DEP) and Law were top three agencies in overall dollar volume. However, for DOHMH and Law, this reflects the fact that these two agencies processed the two large contracts described above.

In total, in Fiscal Year 2005, almost 90% of the City’s total procurement volume by dollar value, and about 50% of the City’s total procurement volume by number of procurement actions, was processed by the top ten buying agencies shown in the above table. However, from the standpoint of the number of procurements processed, DEP leads the City’s agencies, with 5,739 actions, followed by the Department of Parks

² When the New York State legislature authorized Mayoral control of the City’s Department of Education (DOE), pursuant to 2002 N.Y. Laws Ch. 91, Section 34 (which amended Article 52-A of the New York Education Law, effective July 1, 2002), that legislation provided that DOE procurement would remain governed by state procedures and processes, not the Charter and PPB rules. Agencies, authorities and public benefit corporations such as the New York City Housing Authority (NYCHA), New York City Health and Hospitals Corporation (HHC), the School Construction Authority (SCA) and Economic Development Corporation (EDC) are also governed by separate rules and procedures. Accordingly, except as otherwise noted, procurement by these entities is not included in this report.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

and Recreation (DPR), with 5,310 actions, and then by the Police Department (NYPD) and DOHMH, which each completed more than 4,000 actions.

The remainder of this report presents detailed data concerning City purchases, organized into five key issue areas:

- ***What the City buys and how the City accomplishes such purchases*** – We present an overview, for each agency and the City as a whole, of how much the City buys of each general type of item (goods, construction, human services and other services), and of how the City accomplishes such purchases (e.g., competitive sealed bid, requests for proposals, etc.). This year, we present data showing how purchases are distributed by contract size – i.e., from contracts below \$100,000 to those above \$25 million. In addition, we also include information concerning the City’s franchise, concession and revocable consent agreements, which are not technically procurements, but are governed by rules similar to procurement in many ways, and also reflect partnerships between City agencies and business entities.
- ***How the process by which vendors obtain contracts works*** – Here we present data on the contracting process itself. This year, for the first time, we include an overview of the businesses, not-for-profit organizations and individuals who have enrolled on the City’s bidders lists. As in past years, we include data on the level of competitiveness achieved in the City’s major procurement categories, as well as statistics on bid protests and appeals. This year, we also include statistics concerning bidders and proposers disqualified as non-responsive (i.e., not meeting the terms of the solicitation) and those disqualified as non-responsible (i.e., lacking the requisite business integrity, financial capacity or performance ability), as well as data concerning the number of contract public hearings held by City agencies and the number of vendors who successfully file with the City’s VENDEX system, which is required for any contractor or subcontractor whose cumulative annual business with the City totals \$100,000 or more.
- ***How long it takes the City to complete contract processing for successful vendors*** – Here we present data concerning the typical length of time (“cycle time”) to process competitive sealed bids, as well as detailed data regarding the cycle time for human services continuation contracts.
- ***How the City administers ongoing contracts*** – While contracts are in effect, agencies and their vendors interact in a number of significant ways. As in past years, we present statistics concerning the performance evaluations agencies conduct on their vendors, vendor defaults, and agencies’ prompt payment of vendor invoices. This year, we add data concerning the size and timeliness of change orders, i.e., contract amendments that are processed for new work on the City’s construction projects that are already underway.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

- **Opportunities within City procurement for minority- and women-owned businesses and other small businesses** – On September 9, 2005, Mayor Bloomberg issued Executive Order 71, inaugurating an expanded program to promote opportunities for Minority- and Women-Owned businesses (M/WBEs) and other small businesses in City procurement. Accordingly, this year's report includes a section presenting data of particular interest to such businesses, as they seek opportunities to do business with the City. Here, we provide information concerning significant opportunities within the City's subcontracting portfolio, particularly for subcontracts up to \$1 million. We also present data showing the size of agency purchases at levels at or below \$100,000, where such formal processes as competitive sealed bidding are not required and the City instead uses expedited purchasing methods.

I. OVERVIEW : WHAT AND HOW THE CITY BUYS

Agency Procurement By Type of Item: What Agencies Buy

During Fiscal Year 2005, as depicted on the chart on the cover page to this report, City agencies bought approximately \$646 million of goods (6% of the total volume for the year), \$2.7 billion of human services (23% of the total volume), \$3.3 billion of construction and construction-related services (29% of the total volume) and \$4.7 billion of other types of services (42% of the total volume).³

In this section, we present each agency's procurements in each of those broad categories, and include data on the number and total dollar amounts of procurements awarded during Fiscal Year 2005. This report presents a more representative overview of agency purchasing, because we have included several previously unreported procurement methods this year (*i.e.*, human services contract amendment extensions, construction change orders and micro-purchases).⁴

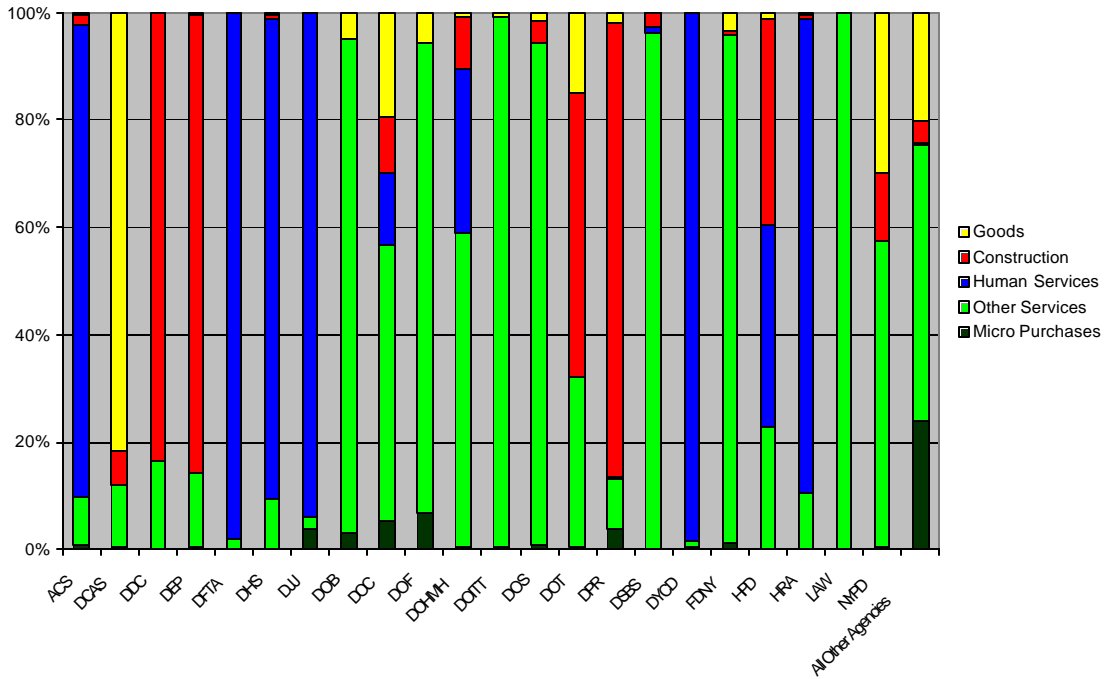
Appendix C to this report provides the agency-by-agency totals for each category, while the charts shown on the following pages reflect the top agencies (by dollar volume) in purchases made from each category reported. Those totals are summarized in the charts below.

³ Because of the way information is recorded in the City's Financial Management System (FMS), for approximately a half of one percent (.5%) of the City's purchasing volume by dollar value, is not characterized in the relevant data base as to its subject matter. Such purchases are mostly micro-purchases of goods.

⁴ Purchase orders and payments made on multi-year contracts awarded prior to Fiscal 2005 are excluded from these totals. FMS reflects the total dollar amount of a contract in the year it was registered. Depending upon when particular multi-year contracts expire and are re-let, FMS shows fluctuations in contracting activity whenever agencies use multi-year contracts. As described above, this year's report does include several previously-reported categories of procurement activity. Nevertheless, because of the use of multi-year contracts, particularly in human services and construction, both the overall total and the agency-by-agency totals should be viewed as snapshots in time, rather than as the full extent of procurement funded by the City during Fiscal Year 2005.

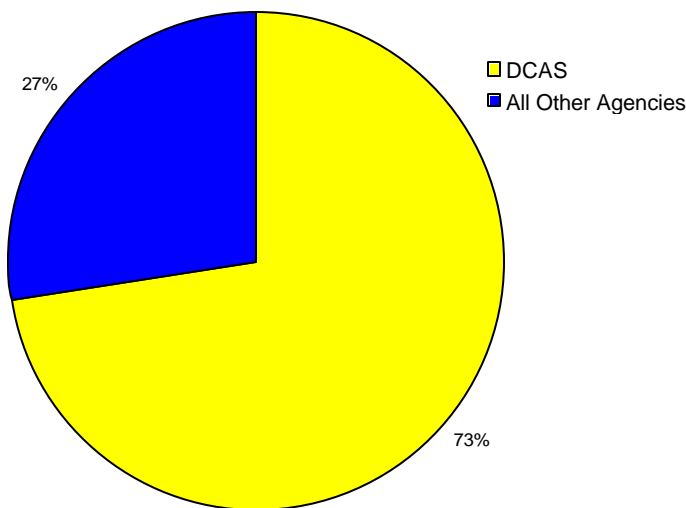
AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Agency Purchasing By Type



In the goods arena, the Department of Citywide Administrative Services (DCAS), the City's chief purchaser of commodities, accounts for 73% of the City's total goods volume. That proportion is down from the Fiscal Year 2004 level (89%), mainly because of the changes made to the City's small purchase rules. These changes,

Goods Contracts By Dollar Value
Total Dollar Value = \$646,172,269

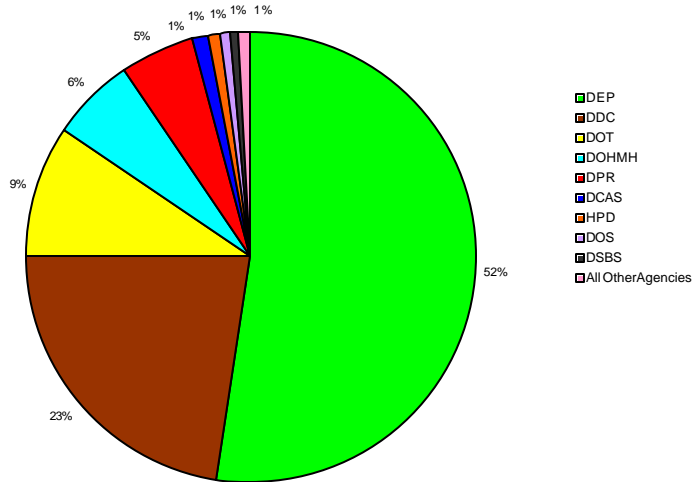


reflected in PPB Rule 3-08(a), coupled with delegation authority from DCAS, allowed agencies to purchase goods on their own up to and including \$100,000, using expedited purchasing methods. That, in turn, resulted in an expansion of opportunities for small businesses to participate in the City's procurement. (See Part V, below.) The agencies that purchase the higher volumes of goods on their own tend to be among the City's largest, with many widely dispersed facilities such as infrastructure facilities, police precincts and clinics.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

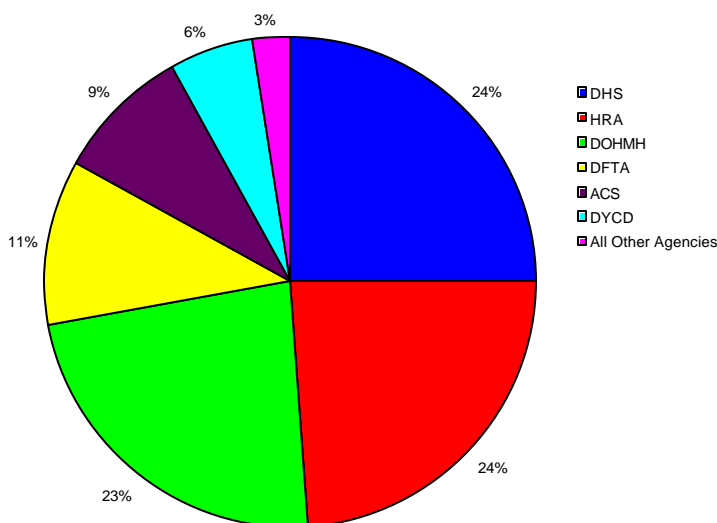
Construction contracts are heavily concentrated in City infrastructure agencies, with DEP, Department of Design and Construction (DDC) and Department of Transportation (DOT) at the top for dollar volumes, collectively accounting for 84% of the City's total. This fiscal year, mainly because of contracts relating to the expansion of facilities for the Office of the City Medical Examiner, DOHMH also appears as one of the larger construction agencies. Some agencies, such as the Department of Housing Preservation and Development (HPD), reflect a somewhat lower volume this year because they registered a series of very large construction contracts during Fiscal Year 2004, and they continue to operate under those contracts this year.

Construction & Construction Related Services Contracts (By Dollar Value)
Total Dollar Value = \$ 3,283,919,166



The human services category, similarly, reflects some year-to-year variation, because of multi-year contracts, which often run for three to six years. During Fiscal Year 2005, the Department of Homeless Services (DHS) became the top human services agency with \$663 million in new contracts, up from \$346 million last year.

Human Services Contracts By Dollar Value
Total Dollar Value = \$2,666,765,214

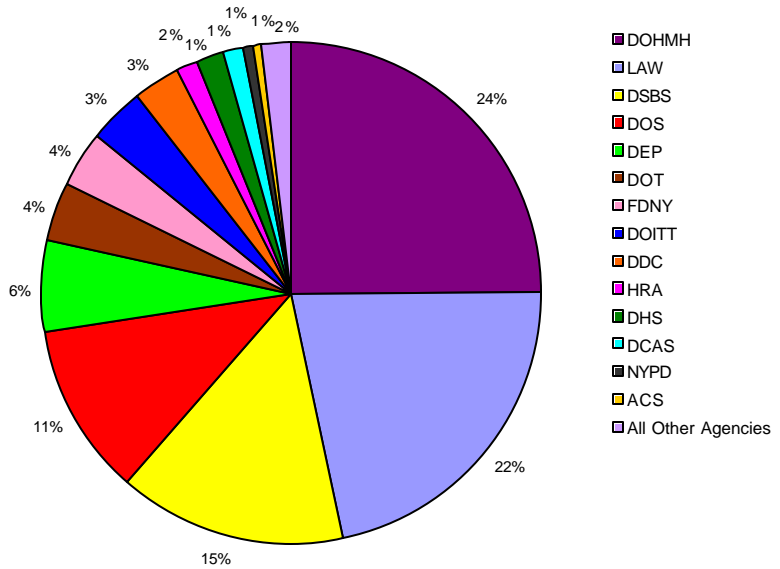


Other agencies with higher human services volumes this year include the Department for the Aging (DFTA), DOHMH, Department of Juvenile Justice (DJJ) and the Human Resources Administration (HRA). Last year's top human services volume agency, which was also at the top in total volume at \$2.4 billion, the Administration for Children's Services (ACS), registered fewer large contracts (\$237 million) during Fiscal Year 2005, due to a reduced number of renewals. See f.n. 4, above.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Lastly, in the area of other services, purchasing levels remained relatively constant from Fiscal Year 2004 to Fiscal Year 2005, with the exception of the two large contracts registered by the Law Department to insure the City for World Trade Center-related claims and by DOHMH for a payment service for its early intervention service program. This category includes such services as cleaning, security, maintenance, legal, accounting, technology, insurance and financial services.

Other Services Contracts By Dollar Value
Total Dollar Value = \$4,736,751,985



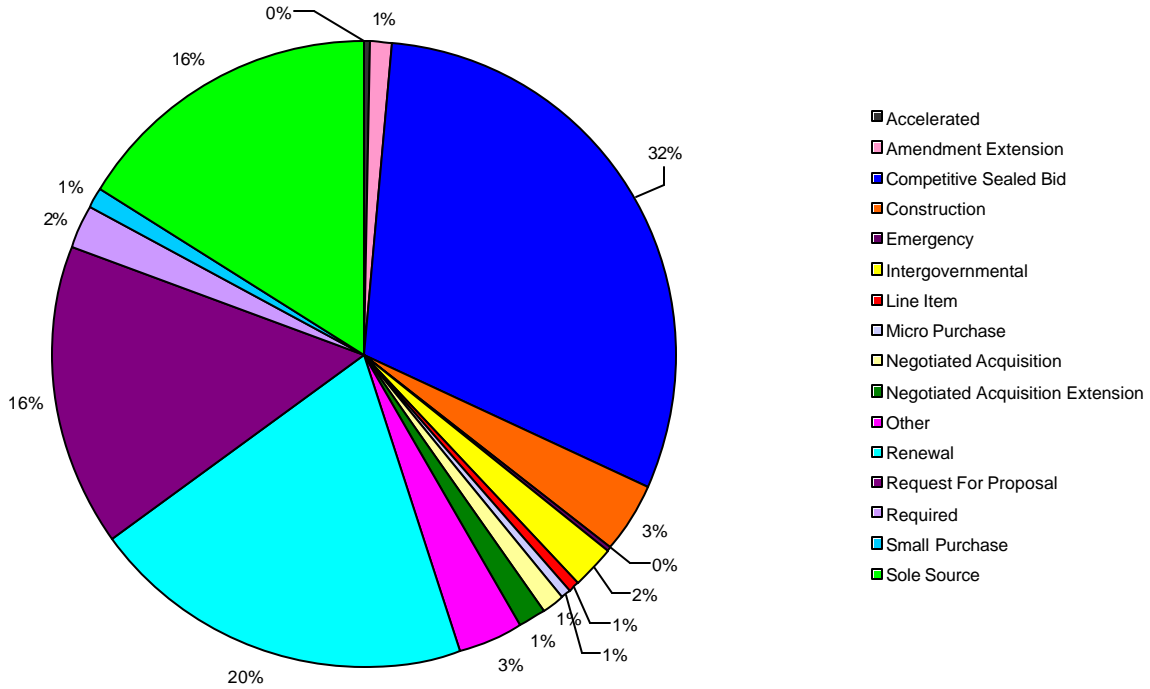
Agency Procurements By Method of Award: How Agencies Make Purchases

In this section, we provide a basic overview of the dollar value and volume of City procurement during Fiscal Year 2005 by the method of award, *i.e.*, to show how City purchases are accomplished.

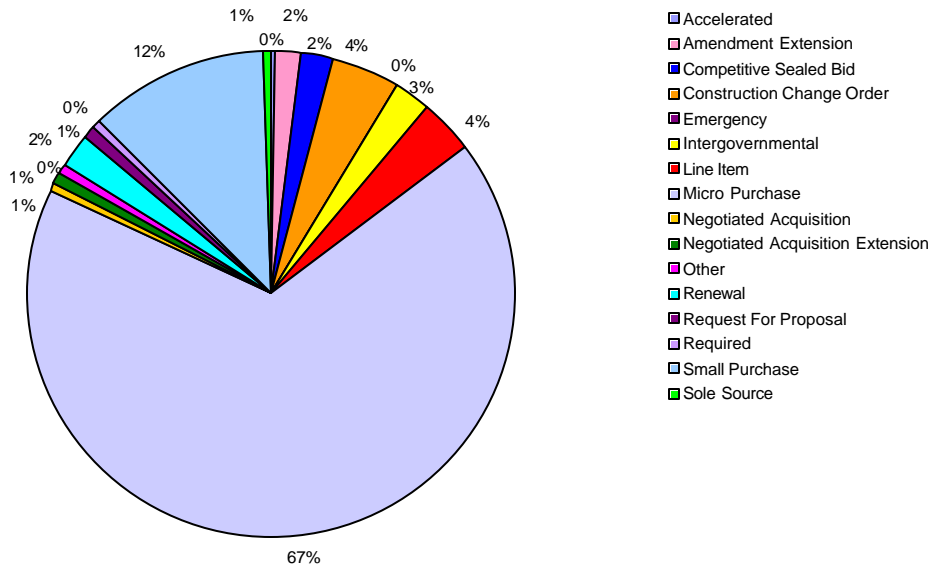
The charts on the following page reflect the dollar volumes and number of procurements conducted via each of the available methods, on a citywide basis.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Dollar Value of Contracts Citywide by Method of Procurement
Total Dollar Value = \$11,383,848,185



Number of Contracts Citywide by Method of Procurement
Total Number = 48,247



AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Highlights from the agency-by-agency totals in Appendix B are presented below.

Competitive Sealed Bid. This is the method most often used for purchasing goods, construction and services such as cleaning, printing or transportation, because the major basis for selecting a responsible vendor is the lowest price. During Fiscal Year 2005, DEP processed the largest dollar value of competitive bids for its large infrastructure projects (over \$1.6 billion worth, procured via 114 sealed bid contracts, many of them very large in size). But other agencies processed larger numbers of somewhat smaller bid contracts. For example, DCAS registered 453 bid contracts for goods and general services, while DPR and DDC, which both manage a variety of small, medium and large-sized construction projects, processed 171 and 131 bid contracts, respectively. City agencies processed over 1,100 contracts awarded by competitive sealed bid during Fiscal Year 2005.

Competitive Sealed Bid	
Agency	Value
DEP	\$1.635 billion
DCAS	\$457 million
DDC	\$412 million
DOT	\$370 million
DSNY	\$285 million

RFP	
Agency	Value
DHS	\$522 million
DOHMH	\$379 million
HRA	\$243 million
DDC	\$160 million
DEP	\$105 million

Requests for Proposals (RFPs). RFPs are used when an agency must balance the need for a fair price with consideration of other factors such as the vendor's experience and expertise, which is typically the case with human (i.e., client-based) services, information technology projects and various other consultants, such as architects or engineers. City agencies processed over 400 RFP awards during Fiscal Year 2005. DHS processed the largest dollar volume (slightly more than \$522 million), primarily with not-for-profit agencies serving the City's homeless. Likewise, HRA and DOHMH processed about \$243 million and \$379 million in RFP awards, respectively. HRA's contracts covered such services as medical examinations of public assistance clients to determine eligibility for the "welfare to work" program, congregate housing, financial advocacy services, and services for persons with AIDS; DOHMH's contracts covered correctional health services (a single contract valued at almost \$360 million), lead safe housing services, supportive housing for persons with AIDS, various public health education and training initiatives, and auditing services.

Emergency Purchases. This purchasing method is used sparingly, to obtain goods and services very quickly, in many instances without competition, when an agency must do so to address threats to public health or safety. As the accompanying chart shows, the top buying agencies in this category during Fiscal Year 2005 were those that manage the City's infrastructure and buildings, as they must deal with such problems as water main breaks and building collapses, and by HRA, which provides emergency assistance to New Yorkers in need.

Emergency Purchases	
Agency	Value
DEP	\$19.5 million
DOT	\$3.4 million
HPD	\$2.7 million
HRA	\$1.7 million
DCAS	\$1.6 million

Line Item Appropriations. As part of the City's budget process, the City Council and Borough Presidents provide funding to specific vendors, typically community-based human services organizations, cultural institutions or other not-for-profit groups. The contracts through which those funds flow are classified as line item,

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Line Item Appropriation	
Agency	Value
DYCD	\$33.8 million
DOHMH	\$24.6 million
DFTA	\$6.7 million
HPD	\$4.3 million
DOC	\$4.2 million

or discretionary, appropriations. The top five agencies, dollar volume-wise, that processed Line Item Appropriations during Fiscal Year 2005 are shown in the accompanying table. But this type of contract is noteworthy for its high volume of very small awards, some only a few thousand dollars. City agencies processed 1,720 Line Item Appropriation procurements during Fiscal Year 2005. On sheer volumes, the top three agencies were the Department of Youth and Community Development (DYCD), which registered 1,115 such contracts (65% of the citywide total), DFTA, which processed 233 (14% of the total) and DOHMH, which processed 207 (12%). In each instance, the agency processed significantly more contracts than in the prior year, although the dollar volume registered only a small increase.

Intergovernmental Purchases. This is a relatively fast-track method that enables City agencies to buy goods or services from a pre-existing contract between a vendor and another government agency. Agencies most often use it to purchase computers and other technology-related goods and services off of contracts that vendors have with New York State, as this method provides an efficient way to obtain high quality computer goods and services. During Fiscal Year 2005, for the first time, agencies were also able to use this method to purchase technology goods and services from vendors under contract to the federal General Services Administration (GSA). The Department of Information Technology and Telecommunications (DoITT) was the largest purchaser via intergovernmental contracts during Fiscal Year 2005 (at \$141 million). The NYPD and the Fire Department (FDNY) were also major purchasers in this category during Fiscal Year 2005 (with over \$60 million in such purchases, mostly as a result of a major initiative to modernize and upgrade the emergency response system). City agencies made over 1,200 intergovernmental purchases during Fiscal Year 2005.

Intergovernmental Purchases	
Agency	Value
DoITT	\$141.0 million
FDNY	\$47.8 million
HRA	\$16.5 million
DEP	\$16.1 million
NYPD	\$14.7 million

Small Purchases and Micro-Purchases. These two methods allow City agencies to buy goods and services on an expedited basis, using less formal means to achieve appropriate competition. The “small purchase” method is used for buying goods, services and construction valued at more than \$5,000, all the way up to (and including) \$100,000. It involves a fast-track competitive process, and already includes expanded opportunities for small and local businesses, and M/WBEs. These programs will be strengthened during Fiscal Year 2006, pursuant to Executive Order 71 of 2005. The “micro-purchase” method is used for quickly obtaining goods, services or construction valued at up to \$5,000; this method allows the agency to turn to any available vendor from which it can obtain a fair price, without formal competition. The top buying agencies in these categories tend to be those with responsibility for widely dispersed facilities such as infrastructure facilities, police precincts, parks and housing complexes. Additional details concerning these purchases may be found in Part V, below.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Small Purchases	
Agency	Value
DEP	\$16.1 million
DOHMH	\$13.8 million
NYPD	\$11.8 million
DCAS	\$11.4 million
FDNY	\$9.0 million
DOT	\$7.6 million
DOC	\$6.7 million
DPR	\$6.2 million
HRA	\$5.6 million
HPD	\$5.2 million

Micro-Purchases	
Agency	Value
DEP	\$9.0 million
DPR	\$8.3 million
NYPD	\$6.5 million
DOHMH	\$6.5 million
DSNY	\$4.0 million
Law	\$3.2 million
DOT	\$3.0 million
FDNY	\$2.5 million
DCAS	\$2.4 million
ACS	\$1.8 million

Renewal Contracts. As the name implies, the renewal method is used to continue operating under an existing contract that includes one or more options to renew. This year, one of the two largest City contracts, DOHMH's payment agent contract for providers of early intervention services to children with special needs, was a renewal contract. In total, City agencies processed more than 1,200 contract renewals during Fiscal Year 2005.

Required Source or Procurement Method. In some instances, an outside funding entity, typically a state or federal government agency or a private entity (such as a not-for-profit), that is assisting the City in making a particular purchase, mandates either the specific vendor to be used for the goods or services, or a specific process for selecting a vendor. During Fiscal Year 2005, DOHMH registered the largest volume (\$171 million) of this type of procurement mainly resulting from New York State funded programs.⁵

Sole Source Contracts. This procurement method, like emergency contracting, is typically used sparingly, as it requires a finding that only one vendor is available who can provide the required goods, services or construction. In most years, this category reflects mainly the City's "pass through" funds that support EDC and the capital construction projects of cultural institutions. But one of the two largest contracts during Fiscal Year 2005 was processed as a sole source award. That single procurement, which was in the amount of \$999.9 million, was funded by the Federal Emergency Management Agency (FEMA) and enabled the City to pay the premium for a single liability policy with the WTC Captive Insurance Company, Inc. That company, a not-for-profit entity established pursuant to federal and New York State legislation, was created in order to insure the City and its contractors and subcontractors at the City's FEMA-funded debris removal project located at and near Ground Zero.

Negotiated Acquisitions. City agencies may use this method of contracting when only a small number of vendors are available to provide the goods or services

⁵ This procurement category excludes contracts for which payments are not directly made by the City; during Fiscal Year 2005, DOHMH processed an additional total of 153 such contracts for its Early Intervention program via this method.

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needed, when there is limited time available or in other circumstances when a full competitive process is not feasible. Because of the time constraints, need for expertise and the sensitivity of litigation, the Law Department processed the largest number and the one of the highest dollar volumes of negotiated acquisition awards during Fiscal Year 2005 (285 such contracts, valued at nearly \$18 million) to obtain the services of attorneys and other in litigation support firms. Large dollar volumes of such contracts were also processed by DEP and DJJ, to continue major infrastructure construction projects and to add additional capacity for non-secure juvenile detention, respectively; DEP processed nearly \$50 million via eight contracts, while DJJ processed ten contracts at nearly \$27 million.

Negotiated Acquisition Extensions and Amendment Extensions. Somewhat like renewals, contract extensions are used when an agency needs to continue a contract (most often for the delivery of a human services program) that would otherwise expire, but has no other renewal provision that it can use. An amendment may be used to extend such a contract for up to one year. A negotiated acquisition is typically used when a renewal or amendment extension is unavailable, to provide the agency sufficient time to draft, issue and make new awards under an RFP for the program. These extensions ensure that services may continue uninterrupted. Negotiated acquisition extensions are also used to ensure the completion of ongoing construction projects that are not finished at the time of their contract's expiration. During Fiscal Year 2005, City agencies processed over 1,100 such extensions.

Construction Change Orders. Change orders are amendments to existing construction contracts that are used to implement necessary changes to ongoing construction projects, e.g., unanticipated conditions that are discovered in the field. City agencies processed over 2,000 change orders during Fiscal Year 2005.

Accelerated Procurements. This procurement method is used by DCAS for buying commodities, such as fuel, that must be obtained quickly due to significant shortages and/or short-term prices fluctuations in the marketplace.

Other Procurement Methods. Agencies may use certain other methods, such as innovative procurements, demonstration projects, buy-against procurements, and certain government-to-government procurements (*i.e.*, where a government agency itself acts as a vendor), in highly specialized circumstances. During Fiscal Year 2005, procurements in this category increased from the prior year, mainly because of procurements by DOHMH and DDC. In DOHMH's case, these purchases mainly represent a single \$190 million government-to-government contract between the Office of the Chief Medical Examiner (which is a part of DOHMH) and the Dormitory Authority of the State of New York for construction of a laboratory facility.

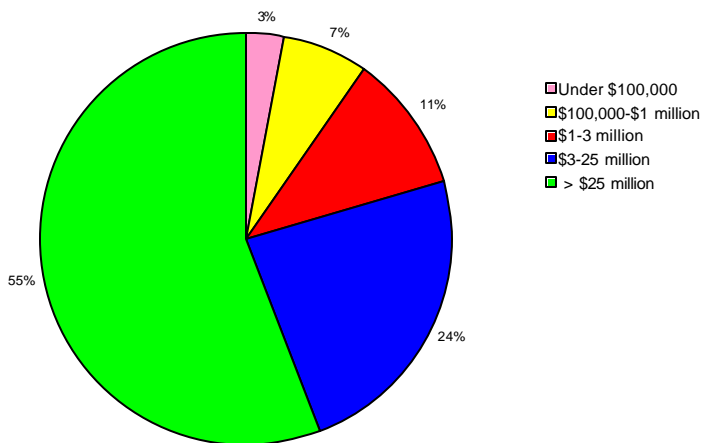
For DDC, the source of the increase in "other" procurements was a series of innovative methods the agency began using for its procurement of architecture and engineering services, as part of Mayor Bloomberg's "Design + Construction Excellence Initiative," announced at the outset of the fiscal year. In total, DDC registered 33 innovative procurement contracts for design-related services, at a total cost of \$114.5 million.

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City Procurement By Size of Contract

By dollar volume, the vast scale of New York City procurement exceeds that of all but a handful of states. To provide a better picture of this volume, we present for the first time data showing procurement at various dollar values. Appendix D and the two charts on this page illustrate the complex nature of City contracting.

Dollar Value of Contracts By Size



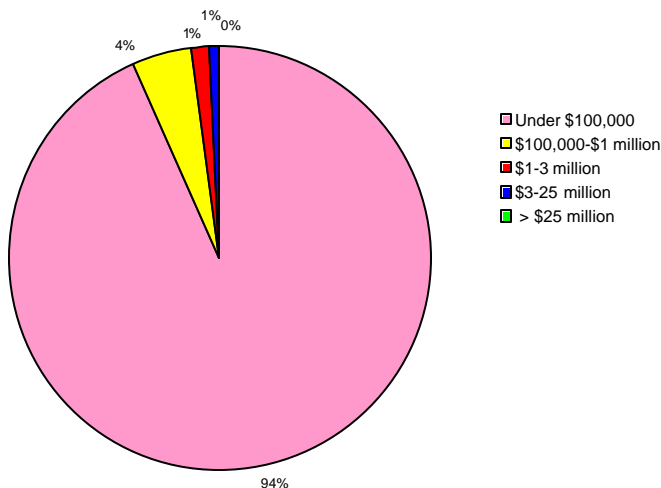
For example, during Fiscal Year 2005, contracts in excess of \$3 million (each) amounted to nearly 80% of the overall dollar volume, although they totaled less than 1% of the total number of procurements the agencies conducted.

Executive Order 71 of 2005, which aims to expand opportunities for M/WBEs and other small businesses, recognizes that the City must focus on capacity-building to ensure that firms that may have been

socially and economically disadvantaged in the past can compete more successfully for City business. Accordingly, this new program will both target programs to increase opportunities for such businesses to obtain small and medium-sized contracts and seek to remove barriers that may inhibit participation in larger procurements.

Purchases valued up to \$100,000 account for 3% of the total dollar value purchased, but fully 94% of the number of procurements processed, so the City will target significant M/WBE programs to this sector.

Number of Contracts By Contract Size



On the next page is a table listing the top five agencies that awarded the largest dollar value of procurements at various dollar thresholds. Contracts valued at or below \$3 million reflect human services, goods and construction projects such as parks and building rehabilitations; contracts valued at dollar levels higher than \$3 million reflect larger infrastructure projects, facilities construction and requirements contracts for large volume goods purchases. This year, as noted above, DOHMH and Law each had a \$1 billion procurement, and DSBS also registered the EDC operating contract, valued in excess of \$600 million.

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\$100,000 - \$1 million	\$1-\$3 million	\$3-\$25 million	> \$25 million
DFTA	DDC	DDC	DOHMH
DCAS	DFTA	DEP	DEP
DDC	DOITT	DHS	LAW
DEP	HRA	DCAS	DSBS
DYCD	DCAS	DOT	DSNY

Relevant details concerning agencies' purchases at dollar levels at or below \$100,000 are included in Part V below, along with additional information of particular interest to M/WBEs and other small businesses seeking to do business with the City.

City Franchises, Concessions and Revocable Consents
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This indicator, one of several new indicators this year, tracks the City's grants of franchises, concessions and revocable consents during Fiscal Year 2005.

- **Franchises** are grants of the right to occupy or to use the City's inalienable property (*e.g.*, streets or parks) to provide a *public* service, such as telecommunications or transportation services, for a period that usually runs to no more than 25 years, in return for adequate compensation to the City.
- **Concessions** are grants for the *private* use of city-owned property, *e.g.*, uses for food sales or recreational activity programs, with the City's compensation typically tied in some manner to the private user's receipts, in return for adequate compensation to the City.
- **Revocable consents** are grants, revocable at the City's will, for private use of city-owned property for purposes authorized in the Charter, *e.g.*, for cafés and other obstructions, usually for a term of up to 10 years, for adequate compensation to the City; in practice, the terms granted to unenclosed cafés are usually two years, and for enclosed cafés, less than four years.

City agencies grant franchises, concessions and revocable consents in accordance with Chapter 14 of the Charter. The granting of concessions is also subject to rules prescribed by the Franchise and Concession Review Committee (FCRC); the granting of certain revocable consents is subject to rules prescribed by either DOT or the Department of Consumer Affairs (DCA). Award methods for franchises and concessions are similar to those used in procurement, allowing the City to select the awardees; revocable consents are granted by a petition process initiated by the requesting entity. All franchises require the approval of the FCRC, as do all concessions that are awarded without full competition (*i.e.*, not by competitive sealed bid or RFPs), except those of a very temporary nature.

The FCRC is comprised of one appointee representing the Mayor, one additional appointee of the Mayor, one appointee representing the Law Department, one representing the Office of Management and Budget (OMB), one representing the

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Comptroller and one voting seat that is shared by the five Borough Presidents, who take turns voting in accordance with the location of the franchise or concession at issue.

Under the Charter, public notice is provided and the FCRC conducts a public hearing on all proposed franchises so that the public may comment before the item is awarded. Pursuant to the FCRC Rules, the FCRC and the responsible agency jointly conduct a public hearing on all proposed "significant" concessions (*i.e.*, those that are awarded via a method other than competitive sealed bid and *either* have a term of 10 years or more and/or will result in a projected annual income to the City of more than \$100,000, except for those of a very temporary nature). In addition, agencies bring concessions awarded via sole source to the FCRC for approval. For revocable consents, the responsible agency provides public notice and conducts the hearing.

During Fiscal Year 2005, 12 franchises and 27 concessions were brought before the FCRC by seven agencies and entities. Five of the awarding entities were Mayoral agencies – DCAS, DOITT, DPR, DOT and FDNY. The remaining two were EDC and the New York City Marketing Development Corporation (MDC), both City-affiliated local development corporations.

As shown on the accompanying summary chart, among the franchises that were awarded or continued during Fiscal Year 2005 were several private bus line routes and several telecommunications franchises, including broadband services for Lower Manhattan. The range of concessions spanned a broad array of services, including a licensing agreement for a FDNY calendar, the TKTS Discount Ticket Booth for theater tickets, the year-round tennis facility at Randall's Island, a number of outdoor cafés and food service operations and a wholesale farmers' market at Yankee Stadium.

Franchises, Consents and Revocable Consents					
Agency	Revocable Consents Granted	Concessions Awarded - Total	Concessions - Approved By FCRC	Franchises Awarded	Description
DCA	356	0			sidewalk cafes
DCAS		2	2	0	parking, equipment storage
DoITT		0	0	6	4 telecommunications franchise changes of control, franchise to use street/highway poles for telecommunications equip.), broadband franchise extension
DOT	110	0	0	6	110 consents for bridges/ conduits etc., 5 bus line franchises, 1 advertising franchise (bus shelters)
DPR		218	16	0	gas station; 112 restaurant/food service/markets/carts ; 3 sports/aquatic facilities; 2 specific merchandise vendors; 69 boat basin permits; 12 tennis pros; 11 holiday tree sales; 2 flower sales; 4 special events; carousel; advertising
EDC		6	6	0	3 parking, 3 vehicle and equipment storage
FDNY		1	1	0	licensed calendar
MDC		2	2	0	marketing licensing agreements
TOTAL	466	229	27	12	

During Fiscal Year 2005, DOT approved 110 revocable consents for bridges, conduits and other obstructions in or below streets and sidewalks, and DCA approved 356 revocable consents for cafés.

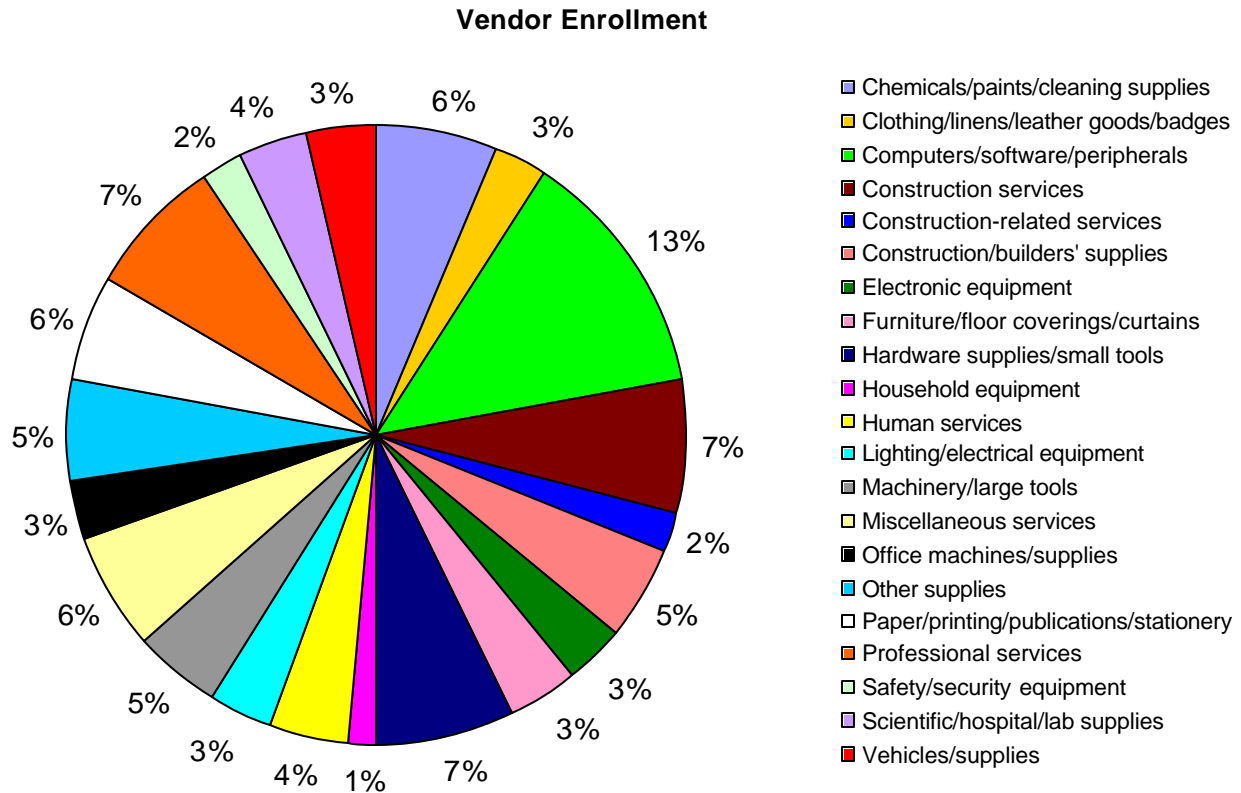
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II. HOW CONTRACTS ARE OBTAINED – VENDOR SELECTION

Vendors Enrolled to Do Business With the City: By Area of Business

Through the Vendor Enrollment Center (VEC), any business wishing to sell goods or services to the City may complete an enrollment form and be added to the citywide bidder lists used by all Mayoral agencies. The enrollment form may be obtained by calling VEC (at 212-857-1680) and may be downloaded on-line at www.nyc.gov/html/moc/html/bidderform.html.

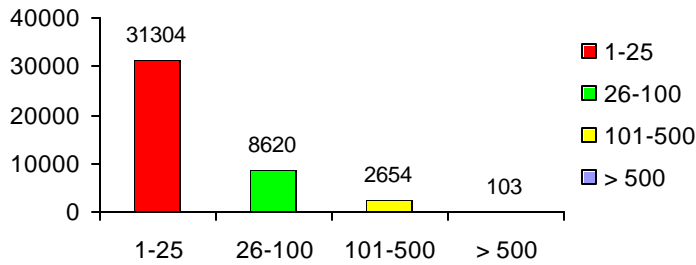
Grouped by general subject matter, the accompanying chart illustrates the types of businesses that have enrolled to receive notices of City procurement opportunities. As the chart reveals, the top five areas of business are computer hardware/software and consulting services (13%), hardware/small tools (7%), professional services (7%), construction services (7%) and chemicals/paints/cleaning supplies (6%).



The bidder lists are organized by subject matter, into 6,692 separate “commodity codes.” Vendors may enroll in those commodity codes that correspond to their respective areas of business. All told, at the conclusion of Fiscal Year 2005, 42,681 individual vendors had enrolled to do business with the City. Counting each vendor’s enrollment for each specific commodity code as a separate “enrollment” the citywide bidder lists included more than 1.2 million enrollments.

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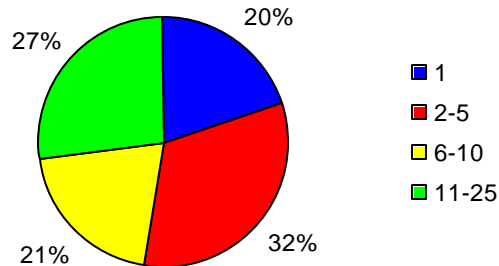
Vendor Enrollment: Number of Codes



As shown in the accompanying chart, the vast majority of City vendors (73%) enroll in 25 or fewer commodity codes, and fewer than 7% enroll in more than 100 codes. Of the 31,000 vendors who enroll in only a small number of commodity codes, about half enroll in five or fewer codes, and half enroll in 6-25.

The City does not encourage vendors to enroll in an excessively high number of commodity codes, but rather, to select those areas that most closely correspond to the areas where they are most likely to be able to supply the City's needs. Thus, enrolled vendors receive notice of the most appropriate procurement opportunities for their respective businesses.

Typical Vendor Enrollment: Number of Commodity Codes



Those few vendors who over-enroll in too large a number (e.g., more than 500) codes, do not improve their chances of success. All together, those who enrolled in more than 500 codes obtained only 349 contracts, amounting to barely 2/10 of one per cent of the City's total volume by dollar value.

The top 15 individual commodity codes – each of which reflects a bidders list totaling between 1700 and 2000 vendors – were: non-residential building construction; counseling; employment services/job training; education and training (including literacy) for clients; youth services/delinquency prevention and intervention; recreation services, computer systems integration consulting; youth services, violence prevention services and intervention; children's services (preventive, special needs, respite care); computer software consulting/internet; computer software consulting (PC/server); industrial building/warehouse construction; children's services (preventive/general), arts/cultural services; and employment services for youth. As is evident from that list, the City's bidders lists contain significant overlap and duplication.

During Fiscal Year 2005, the City began a multi-year initiative to modernize its vendor enrollment and procurement tracking technology systems, so that bidders lists will more truly reflect the names of vendors with the capacity to supply the City's needs, while ensuring vendors that the opportunities best suited to their businesses are promptly and effectively brought to their attention.

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Competitiveness: Agencies' Success in Attracting Bidders and Proposers

The City strives to ensure a high level of competitiveness in the procurement process, which this indicator measures by tracking whether agencies received at least three responses to solicitations. The issue of competitiveness is especially crucial in ensuring that the City receives fair prices and high quality for goods and services procured by competitive sealed bids or RFPs, and for contracts awarded in the construction arena, *i.e.*, for construction services and construction-related services, such as design.

The agency-by-agency tables included in Appendix E show that in aggregate terms, competitiveness declined somewhat in Fiscal Year 2005, relative to the prior year. For RFPs, competitiveness remained relatively stable by dollar value, declining from 90% in Fiscal Year 2004, to 85% this year. The decline was more pronounced in terms of total contract actions, falling from last year's high of 95% to 68% in Fiscal Year 2005. For competitive sealed bids, the circumstances were reversed, with the proportion of highly competitive contracts (*i.e.*, three or more responses) remaining quite steady by total number of contracts, which declined marginally from 90% to 86%, but falling more significantly, from 85% to 72%, in dollar value terms. Largely as a result of the decreased competitiveness for bids, the results for the construction arena show similar drop-offs, declining from 91% to 86% in terms of number of contracts, but by a much larger factor, from 85% to 69%, by dollar value.

The level of competitiveness generated each year by the various contract opportunities that City agencies offer to vendors necessarily fluctuates based the varying levels of specialization, expertise or financial management capacity required to handle those opportunities. Contracts vary in those respects widely from one year to another.

This year, the largest single factor resulting in the drop-off in competitiveness for competitive sealed bid and construction contracts was a single DEP contract valued at \$668 million, for the construction of the next phase of the City's Third Water Tunnel. It required highly specialized drilling work, and only a single bid was received. In addition, DEP awarded five contracts valued at more than \$76 million, relating to sludge treatment at the City's sewage plants; this work, too, is highly specialized and only a small number of bidders responded. Of the City's major construction agencies, DEP was the only one whose level of competitiveness fell below last year's 85% record for bid or construction contract competitiveness. Because of its specialized areas of work, DEP achieved just over 50% competitiveness during Fiscal Year 2005, for those two categories.

Additional contracts with low levels of competitiveness that contributed to the declines shown in the bid and/or construction areas were:

- **FDNY** - Three bid contracts valued in total at over \$15 million for the repair and maintenance of very specialized fire related equipment, including trucks, truck ladders and breathing air compressors.

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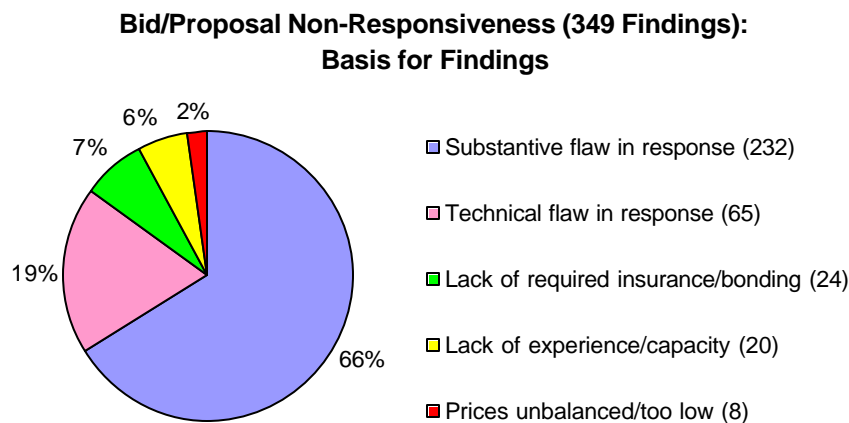
- **DOHMH** - Three bid contracts valued in total at \$13 million for services related to the West Nile Virus, a market in which there are only a limited number of qualified and experienced vendors.

- **ACS** – A bid contract valued at \$675,000 for food services for which the long-time incumbent contractor submitted the only bid, and a relatively short (12 month) contract valued at almost \$1.5 million to provide construction-related services for the Richmond Early Learning Center project, for which only two bids were received. In response to this year’s experiences, ACS is expanding its advertising of bid opportunities and discontinuing the practice of mandatory bid conferences, which sometimes discourage potential bidders.

In the RFP arena, overall dollar value competitiveness remained consistent with last year’s 85% level, but some agencies had a number of smaller, less competitive awards that contributed to a decline in competitiveness, measured by number of awards. Most notably, these included 93 DFTA contracts, averaging less than \$1 million each, for senior center services; competition for these program services has traditionally been low: typically, only the incumbent providers have made proposals. Under Executive Order 71 of 2005, MOCS will closely monitor RFPs to ensure that their vendor experience and qualification requirements do not unduly restrict competition, particularly competition by M/WBEs and other small businesses that wish to enter the City procurement arena.

Non-Responsiveness and Non-Responsibility: Protests and Appeals

In the process of competing for City contracts, a vendor whose bid or proposal does not conform to the terms set out by the City for a particular solicitation will be determined to be “non-responsive” and is then not further considered for the contract under competition.



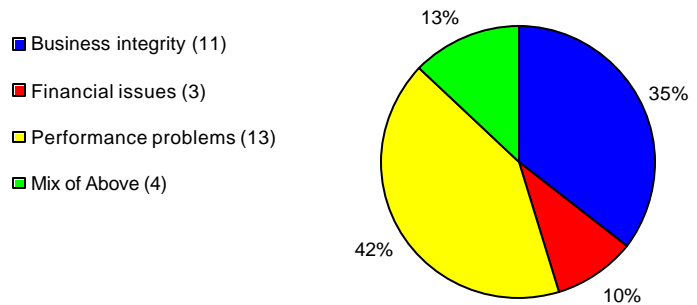
As shown on the accompanying chart, these findings are relatively rare, occurring a total of 349 times during Fiscal Year 2005, with the two major reasons being substantive flaws (such as failure to meet the bid’s specifications for quality or quantity), or technical flaws and omissions (such as missing forms or signatures).

The affected vendor may appeal a non-responsive determination to the head of the City agency responsible for the contract.

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A vendor who may otherwise have successfully bid or proposed, but who lacks the business integrity, financial capacity and/or ability to perform as required, so as not to warrant the award of public tax dollars, will be determined to be “non-responsible” and thus ineligible for the contract. As shown on the accompanying chart, these findings are even more rare (31 last year), with the two most common reasons being lack of business integrity and performance problems.

Non-Responsibility Determinations: 31 Findings



A vendor who is found non-responsible may appeal that determination to the head of the City agency responsible for the contract, and if not successful, to the City’s Chief Procurement Officer, at MOCS. One such appeal was decided at MOCS during Fiscal Year 2005, upholding the agency’s determination. Several other appeals were withdrawn or converted to a new proceeding, entitled “vendor rehabilitation.” In lieu of an appeal, or once an appeal has been concluded, a vendor who has had problems with vendor responsibility in the past, but who has taken steps to correct those problems and can prove readiness to be awarded new contracts, may also apply to MOCS for a declaration of rehabilitation. This process became available for the first time during Fiscal Year 2005, and resulted in three vendor rehabilitation declarations, one affecting a vendor in the human services arena, one for a goods vendor and one for a construction vendor. More than a dozen additional rehabilitation proceedings were ongoing at the conclusion of Fiscal Year 2005.

Lastly, except for accelerated procurements, emergency procurements and small purchases, a vendor who objects to any other aspect of a procurement award, such as the qualifications of the winning vendor, may file a vendor “protest” with the head of the City agency responsible for the contract.

The accompanying table reflects cumulative totals for non-responsiveness findings, non-responsibility determinations, appeals and bid protests. During Fiscal Year 2006, pursuant to Executive Order 71 of 2005, MOCS will take steps to ensure that considerations such as lack of access to insurance or bonds do not unduly burden M/WBEs and other small businesses in their efforts to obtain City contracts, and to review the City’s track record for bid protests and similar disputes to ensure fairness and equity in treatment of all vendors.

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AGENCY	Bid/Proposal Protests*	Non-Responsiveness Determinations	Non-Responsibility Determinations	Appeals to Agency Head**
ACS	1	1	0	0
DCAS	36	258	4	1
DDC	1	12	0	0
DEP	12	11	1	1
DHS	0	4	0	0
DOC	0	0	1	1
DOF	2	2	0	0
DOHMH	0	2	0	0
DoITT	0	1	0	0
DOT	0	10	6	4
DPR	0	22	14	7
DSNY	0	6	2	0
DYCD	13	1	0	0
FDNY	0	2	0	0
HPD	0	3	0	0
HRA	0	9	1	0
LAW	0	1	0	0
NYPD	1	3	2	1
Probation	0	1	0	0
TOTAL	66	349	31	15

* All bid protests were resolved in favor of the agency's initial determination.

** The agency's initial determinations were upheld by the agency head in all cases.

Vendor Selection Process – Contract Public Hearings

The City conducts public hearings on most contracts valued at more than \$100,000, except those procured by competitive sealed bid, emergency contracts, accelerated procurements, contracts that relate to or have an impact on litigation, and certain types of renewals and extensions where the essential terms of the contract remain unchanged.

The goal of the hearing process is to add transparency to the contracting process and provide the public an opportunity to comment (i.e., testify) on proposed contract awards. In order to speed up the contracting process and save the cost of holding a hearing, agencies are permitted to cancel public hearings, if, after they publish the required public notice, no member of the public indicates an interest in testifying within the stated time frame. Such a result is common, for example, when small-sized human services contracts are awarded to the same community-based organizations that have held them previously.

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CONTRACT PUBLIC HEARINGS			
AGENCY	# Contracts Noticed for Hearing	Dollar Value of Contracts Noticed for Hearing	# Contract Public Hearings Canceled (Pursuant to Statute)
ACS	20	\$71,400,000	0
DCAS	6	\$2,909,000	0
DDC	96	\$322,800,000	0
DEP	22	\$213,163,921	3
DFTA	23	\$8,854,550	14
DHS	35	\$418,729,000	0
DJJ	12	\$33,800,000	0
DOC	3	\$3,771,145	0
DOF	3	\$2,339,700	0
DOHMH	215	\$641,621,125	0
DOS	4	\$9,300,000	0
DOT	18	\$112,610,000	0
DPR	6	\$2,114,000	6
DSBS	17	\$689,620,000	0
DYCD	288	\$67,795,000	224
FDNY	4	\$21,100,000	0
HPD	17	\$25,535,300	5
HRA	54	\$231,650,000	0
LAW	5	\$12,600,000	0
NYPD	4	\$15,605,000	2
Other agencies	5	\$5,750,000	1
TOTAL	857	\$2,913,067,741	255

As shown in the above chart, during Fiscal Year 2005, the City held public hearings on 857 contracts with an aggregate dollar value of almost \$3 billion. DYCD published notices of the greatest number of contract public hearings (288 in total, *i.e.*, one-third of the citywide total), but their cumulative dollar value total was relatively low (only 2% of the total for which hearing notices were published), and all but 64 (25%) were canceled because of lack of testimony. With 215 hearing notices for \$642 million worth of contracts, DOHMH, on the other hand, accounted for 25% of the total notices and 22% of the dollar value. Other agencies with smaller numbers of hearing notices, but relatively large dollar volumes noticed for public hearing included DSBS (24% of total volume), DHS (14%) and DDC (11%).

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Vendor Responsibility – Filing with VENDEX System

Beginning with Fiscal Year 2005, MOCS assumed the responsibility for processing all vendors' submissions to the City's VENDEX data base. The vendor questionnaires are required to be completed by any vendor who obtains \$100,000 or more (on an annual basis) of city contracts and/or subcontracts, and by the top officials of any not-for-profit or for-profit corporation or partnership that acts as a City vendor.

The questionnaires are highly detailed, reflecting complex statutory requirements designed to document the vendor's business integrity, financial capacity and ability to perform. But MOCS took steps at the outset of Fiscal Year 2005 to simplify the process and reduce paperwork burdens upon vendors. Instead of separate questionnaires for not-for-profit and for-profit entities and their respective officials, the forms were consolidated into a single form for the business (regardless of its corporate structure) and a much shorter form for individuals – termed "principals" – who are required to file. Vendors are now asked to file once every three years – rather than separately for each new contract. As new contracts are awarded, so long as no information from the filing has changed, the vendors may file a simple "certificate" form, stating that the information on file remains current.

VENDEX Processing Totals	
Total Number of Filings Processed by MOCS:	22280
New Questionnaires:	17271
Principal Questionnaires:	11273
Vendor Questionnaires:	5998
Changed Questionnaires:	195
Certificates of No Change:	4814

During Fiscal Year 2005, MOCS processed over 22,000 VENDEX filings, including nearly 6,000 for businesses and 11,000 for their principals. About 22% were no-change certificates, a figure that should increase in years to come, with the three-year rule.

III. HOW LONG THE CONTRACT PROCESS TAKES – PROCUREMENT TIMELINESS

How Long City Agencies Take to Process Bid Contracts

In this section of the report, we present data for the average number of calendar days that City agencies spent in processing the most typical type of non-human services procurements, those done by competitive sealed bids, as well as similar procurements done by DCAS via the accelerated procurement method, which is used to buy commodities such as fuel.⁶

In order to ensure that this indicator reflects only typical processing times and reflects a meaningful average, information is included only where the agency in

⁶ For other procurement methods used in the non-human services arena, processing cycle time has not tended to be a significant factor either in timeliness or pricing. For RFP awards, such as those used for the procurement of professional services, including architecture or engineering services, selection is driven by a complex mix of factors. Agencies typically conduct price negotiations as the contract approaches completion, so the issue of the length of the procurement cycle matters less. With renewal awards, the contract's terms are already in place, so aggregate cycle time for those methods bears very little relationship to timeliness or price. See also, the discussion of contract retroactivity beginning on page 31.

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question handled more than three contract actions for the particular method reported. The aggregate processing cycle time for contracts awarded from “atypical” procurements, such as those that are substantially delayed due to litigation, investigations or problems with vendor integrity, is excluded from the cycle time calculations.

“Aggregate” processing cycle time simply means the total length of the process from start-to-finish, *i.e.*, from when the agency releases a solicitation to the public or notifies a vendor that it plans to renew an expiring contract, to the date that it submits the procurement to the Comptroller for review and registration. But a long aggregate cycle time does not necessarily indicate that an agency will fail to complete its procurement on time. One agency may have a longer aggregate cycle than another for completing a specific type of procurement because its solicitation is more complex, or because it chooses to begin the process earlier in an effort to ensure timely completion.

COMPETITIVE SEALED BIDS: PROCESSING TIME		
AGENCY	Number of Awards	Average # of Days
ACS	10	211
DCAS	439	97
DDC	119	116
DEP	71	146
DHS	27	121
DOC	8	207
DOHMH	12	262
DOT	48	114
DPR	113	114
DSNY	26	182
FDNY	14	164
HPD	8	148
HRA	28	222
NYPD	13	108
Total	936	118

It is important to ensure that bid cycle times do not grow too long -- as vendors have difficulty holding their prices when too much time passes between the date of a bid opening and the contract's registration. As the accompanying table reflects, for Fiscal Year 2005, the citywide average aggregate processing time for competitive sealed bid contracts – 118 days – was virtually identical to last year's figure of 117 days.

DCAS' average cycle time for its accelerated procurements, which are similar to competitive bids, rose slightly from 41 days last year to 50 days in Fiscal Year 2005; this increase stemmed from the need to resolve a number of difficult vendor responsibility issues that arose this year among those bidding for the accelerated procurements.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

The Human Services Procurement Process: Start-to-Finish

Over the course of the past two fiscal years, MOCS has used a detailed set of milestone indicators of agency performance on human services contract processing. These indicators were designed to pinpoint “bottlenecks” in the procurement process that may contribute to lateness, *i.e.*, an agency’s failure to register a contract before the date when the prior contract for the same program expires and the vendor must begin providing services under a new contract. The milestones focus on contracts that *continue* existing programs, as these are the contracts where vendors typically have staff, clients and overhead costs in place, and so depend upon their ability to receive timely payments. Most significantly, thus, the milestones focus on the portion of the process from an agency’s selection of a vendor until submission of the contract to the Comptroller for registration.

Fiscal Year 2005 represents the first time when MOCS has been able to collect sufficient data on the percentage of human services agencies achieving timely completion of their contract milestones, so as to be able to report agency-by-agency performance.

The tables shown on the following pages reflect agency and citywide averages for several of the key milestones, covering RFP awards, renewals, negotiated acquisition extensions, and amendments to extend the contract period (referred to here as “amendment extensions”). As was the case with non-human services bid cycle times, agencies are included in these tables only where their annual volumes included more than three contracts within the specific procurement method measured, so as to yield meaningful averages.

Processing Times for RFP Awards (Human Services/By Agency)							
MILESTONES	ACS	DFTA	DHS	HPD	HRA	DYCD	CITY AVG.
Average number of days between RFP issuance and expiration of prior contract	384	180	239	389	767	261	262
% of RFP awards for which RFP was issued at least 9 months before expiration of prior contract	100%	10%	29%	98%	100%	0%	35%
Average Number of Days between RFP Issuance and Vendor Selection	257	103	100	234	537	194	158
% of awards for which agency selected vendor at least 4.5 months before expiration of prior contract	100%	8%	79%	98%	100%	0%	39%
Average number of days between agency's selection of vendor and submission to Comptroller	102	42	129	145	202	145	86
% of awards for which agency submitted contract to Comptroller at least 30 Days before expiration of prior contract	67%	74%	4%	0%	0%	0%	46%
% of awards for which agency submitted contract to Comptroller before expiration of prior contract	94%	99%	93%	88%	100%	0%	89%

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

For RFPs, cycle times were longer than those for bids. Citywide, on average, RFPs were released by agencies 262 days prior to the expiration of the prior program contract (*i.e.*, the presumed start date of a new contract). Agencies averaged 86 days between vendor selection under an RFP to submission of the award to the Comptroller, a figure that ranged from 42 days at DFTA to 202 days at HRA. But both agencies achieved 100% success (or nearly so) in ensuring that their respective RFP awards were submitted to the Comptroller before the prior contracts' expiration. Citywide, that latter figure stood at 89% for Fiscal Year 2005, with 46% of such awards submitted to the Comptroller *at least 30 days prior* to contract expiration, a figure that represents a significant increase over last year's 19% figure.

For renewals, the picture was somewhat more mixed. The citywide average from vendor notification (of the intent to renew) to the expiration date of the prior contract was 110 days, with all agencies except for DYCD meeting the milestone target of notifying the vendor of the intent to renew at least three months prior to the expiration of the original contract. Citywide, about 73% of renewal awards were submitted to the Comptroller before the prior contracts' expiration during Fiscal Year 2005, but that figure reflected relatively low success with that milestone by both DOHMH and DYCD, at 67% and 64% respectively -- other human services agencies attained this milestone between 83% and 100% of the time.

Processing Times for Renewals (Human Services/By Agency)

MILESTONE	ACS	DFTA	DOHMH	DHS	HRA	DYCD	CITY AVG.
Average number of days between agency's selection/notification of vendor and expiration of prior contract	236	235	188	242	209	56	110
% of awards for which agency selected/notified vendor at least 3 months before expiration of prior contract	100%	100%	100%	100%	98%	5%	36%
Average number of days between agency's selection/notification of vendor and submission to Comptroller	199	184	199	212	213	62	106
% of awards for which agency submitted renewal to Comptroller at least 30 Days before expiration of prior contract	85%	100%	10%	65%	19%	0%	22%
% of awards for which agency submitted renewal to Comptroller before expiration of prior contract	97%	100%	67%	100%	83%	64%	73%

For negotiated acquisition extensions, the citywide average for submitting the new contract to the Comptroller before the prior contract's expiration stood at 78% for Fiscal Year 2005, while for amendment extensions it totaled 90%. DFTA achieved 100% submission of its extension contracts to the Comptroller before expiration of the prior contracts, while HRA, DHS and HPD also well exceeded the City average for these times.

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Processing Times for Negotiated Acquisition Extensions (Human Services/By Agency)

MILESTONE	ACS	DFTA	HRA	DYCD	CITY AVG.
Average number of days between agency's selection/notification of vendor and expiration of prior contract	125	95	157	48	73
% of awards for which agency selected/notified vendor at least 3 months before expiration of prior contract	100%	41%	89%	0%	22%
Average number of days between agency's selection/notification of vendor and submission to Comptroller	143	52	135	45	64
% of awards for which agency submitted extension to Comptroller at least 30 Days before expiration of prior contract	0%	94%	38%	0%	15%
% of awards for which agency submitted extension to Comptroller before expiration of prior contract	33%	100%	89%	74%	78%

Processing Times for Amendment Extensions (Human Services/By Agency)

MILESTONE	ACS	DFTA	DHS	HPD	DYCD	CITY AVG.
Average number of days between agency's selection/notification of vendor and expiration of prior contract	177	186	255	58	102	114
% of awards for which agency selected/notified vendor at least 3 months before expiration of prior contract	83%	100%	100%	0%	75%	52%
Average number of days between agency's selection/notification of vendor and submission to Comptroller	117	135	210	47	112	100
% of awards for which agency submitted amendment to Comptroller at least 30 Days before expiration of prior contract	83%	100%	100%	2%	75%	51%
% of awards for which agency submitted amendment to Comptroller before expiration of prior contract	100%	100%	100%	98%	75%	90%

During the time between vendor selection (in the case of RFP awards) or vendor notification (for renewals and extensions) and the agency's submission of the contract to the Comptroller, the agency conducts its vendor responsibility review and, if applicable, submits the procurement to review by the City's oversight agencies. As part of the responsibility determination, the agency responsible for the contract consults with the City's Department of Investigation (DOI), via what is termed a "Vendor Name Check" -- DOI determines whether the vendor or any of its affiliates or officials has been the subject of a DOI investigation. In addition, the agency also consults with the Division of Labor Services (DLS) within DSBS to determine if the vendor has complied required filings concerning its labor and equal employment opportunity policies.

As the accompanying table reflects, DOI's average processing time for human services was 36 days, and DLS' average was 33 days. But both agencies have significantly lower processing times for RFP awards, in particular. Further, in both cases, these averages include the time for back-and-forth exchanges with the contracting agency concerning missing information. Moreover, since these two

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

oversight checks occur at the same time that the contracting agency is researching the vendor's responsibility and negotiating the contract's terms and final budget, these two reviews rarely affect the overall length of the procurement process. Both agencies have procedures in place to expedite reviews in appropriate cases, such as when the contract expiration date is approaching (or past) and the agency wishes to rush a new contract to the Comptroller.

OVERSIGHT AGENCY PROCESSING TIMES (EXISTING HUMAN SERVICES PROGRAMS)		
AGENCY	Average No. of Days	Count of Items Included
LAW	29	465
DOI	36	1557
DLS	33	793
MOC	17	483
COMPTROLLER	23	1921

Another oversight review that occurs simultaneously, during the period between vendor selection/notification and submission to the Comptroller is that of the City's Law Department (Law). As shown on the accompanying table, Law averages 29 days for its review, which concerns the contract terms for RFP and negotiated acquisition extension awards; because the contract terms are identical to the prior terms, Law more seldom reviews renewals or amendment extensions. This average also *includes* time (often considerable) while Law awaits responses from

agencies to its requests for additional information and/or modifications to the contract. This consultation process represents the essential purpose of oversight review. Not all human services contracts (even for new awards) are required to undergo individualized review at Law: for large, multi-award programs, Law typically issues "standard class" approvals, allowing agencies to use form contracts repeatedly for all the awards in the entire program. Because Law's review occurs simultaneously with the agency's responsibility determination and contract budget development, its review time rarely has an impact upon the overall length of the procurement cycle.

Two oversight agency reviews occur at the conclusion of the procurement cycle, those of MOCS and OMB. While MOCS cannot give its final approval of a procurement until all processing steps, including OMB's review, have been completed, MOCS allows agencies to make submissions while such reviews are underway. Indeed, both MOCS and OMB often begin their reviews prior to when the agency has obtained sign-offs from DOI, DLS or Law. Both agencies have delegated to the contracting agencies a substantial amount of direct approval authority for contracts aimed at continuing human services programs, as a means of expediting the procurement process.

In this area, OMB's processing time compares favorably to other oversight averages, but OMB reviews a substantially lower volume of this type of procurements than the others, so the data universe is too low to calculate a meaningful average. Like the other oversights, OMB expedites its review in cases where its sign-off is the last remaining step and contract expiration is approaching (or past).

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As the accompanying table shows, MOCS' review time averages 17 days, which is down from 19 days the prior year. For some methods MOCS' averages even fewer days for review, e.g., negotiated acquisition extensions (9 days). While it reviews all new RFP awards, MOCS has delegated to the agencies substantial approval authority in many procurement categories, so its own review is generally required only for renewals or extensions of a very large size. During Fiscal Year 2005, MOCS reviewed a total of 1,493 procurement awards and determinations (about 730 of which fell within the human services area). That number covers all award methods, not only those reflected in the tables, and represents a 22% decline from the prior year's level -- mostly because of increased delegation of procurement approval authority to the agencies.

The last oversight step in the procurement process -- and the only one which cannot occur simultaneously with the others -- is the Comptroller's review of the award prior to contract registration. This step is necessary in order for the agency to be able to pay the vendor. As the accompanying chart reflects, during Fiscal Year 2005, the Comptroller's review time averaged 23 days; again, the Comptroller averaged even fewer days for some types of awards, e.g., 18 days for amendment extension awards. Like the Mayoral oversight agencies, the Comptroller, also expedites its approval process in appropriate cases.

MOCS collected all of the data reported in this section of the report from the agencies themselves, using after-the-fact data entry. Some agencies have electronic tracking systems for their procurement workflow, but others, including several with high volumes of procurements, do not. With the exception of MOCS, most oversight agencies lack electronic tracking systems, and none of the systems that exist are linked to one another to permit a fully transparent view into the procurement process. But during Fiscal Year 2005, MOCS and DOITT made significant progress in the design and development of a fully electronic, end-to-end system to keep track of procurement workflow for all agencies citywide and, ultimately, to enable vendors and members of the public to track the progress of contracts as they move through the approval process. During Fiscal Year 2006, we anticipate that the early phases of implementation of this new system, which will be closely linked to the City's Financial Management System (FMS), will be implemented. As these technology improvements roll out over time, they will greatly enhance City agencies' ability to track and manage their procurements and thus to continue to improve timeliness.

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Retroactivity – When the Process Is Not Completed by the Contract Start Date

The principal reason for tracking the length of the procurement process through measures like cycle time, is to try to reduce one of the common problems experienced by City vendors, particularly in the human services sector, *i.e.*, “retroactivity.” Retroactivity means that a contract has a start date that occurs before the completion of processing (*i.e.*, before registration by the Comptroller). This situation creates problems for vendors, as they cannot receive payments under new contracts until they are registered, but must provide services in anticipation of eventual payment. That eventuality adds costs to the City’s contracts, because vendors build delays into their costs. When such difficulties result in late payments to vendors who are already providing services, this lateness imposes severe burdens, as not-for-profit human providers with limited reserves struggle to meet their ongoing commitments to clients, staff members and communities. In general, retroactivity impairs the City’s ability to meet its programmatic objectives in an era of scarce resources.

Detailed agency-by-agency figures on retroactivity levels appear as Appendix F to this report, which lists the volume and dollar value of retroactive contracts and the average number of retroactive days (*i.e.*, days between the contract start date and the date the Comptroller completes the registration process). All new contracts awarded by bid, RFP, negotiated acquisition extension and similar methods and all renewal contracts are included in the calculations. Contracts delayed by such factors as litigation, vendor protests, criminal investigations, problems with vendor integrity or similar anomalies, are excluded, because such delays do not reflect upon agency processing efficiency.

Results from this indicator are decidedly mixed, but show positive trends in the human services sector, where it is most common that vendors provide services while waiting for contracts to be registered. In other business sectors, such as construction, professional services or other services, vendors are more likely to suspend performance until the City is able to catch up and complete its processing, or they can afford to continue performing because they have revenue streams from other business partners. (In general, the City pays more regularly and more quickly than many private sector business partners.) While retroactivity in the for-profit arena increases the City’s costs, in time, money and efficiency, the resulting hardship to vendors is less pronounced than in human services, where vendors are often responsible for fragile client populations and tend to lack alternative revenue streams.

During Fiscal Year 2005, the overall percentage of retroactive contracts (by dollar value) decreased slightly from 38% to 37%, although it increased when measured by number of contract actions, from 46% to 55%. However, the average length of time a contract was retroactive increased from 74 days last year to 83 days during Fiscal Year 2005. This, in turn, meant that the percentage of contracts (by dollar value) that showed retroactivity of longer than 15 days increased from last year’s 28% to 32% in Fiscal Year 2005, and the percentage retroactive for more than 30 days rose from 14% to 25% citywide.

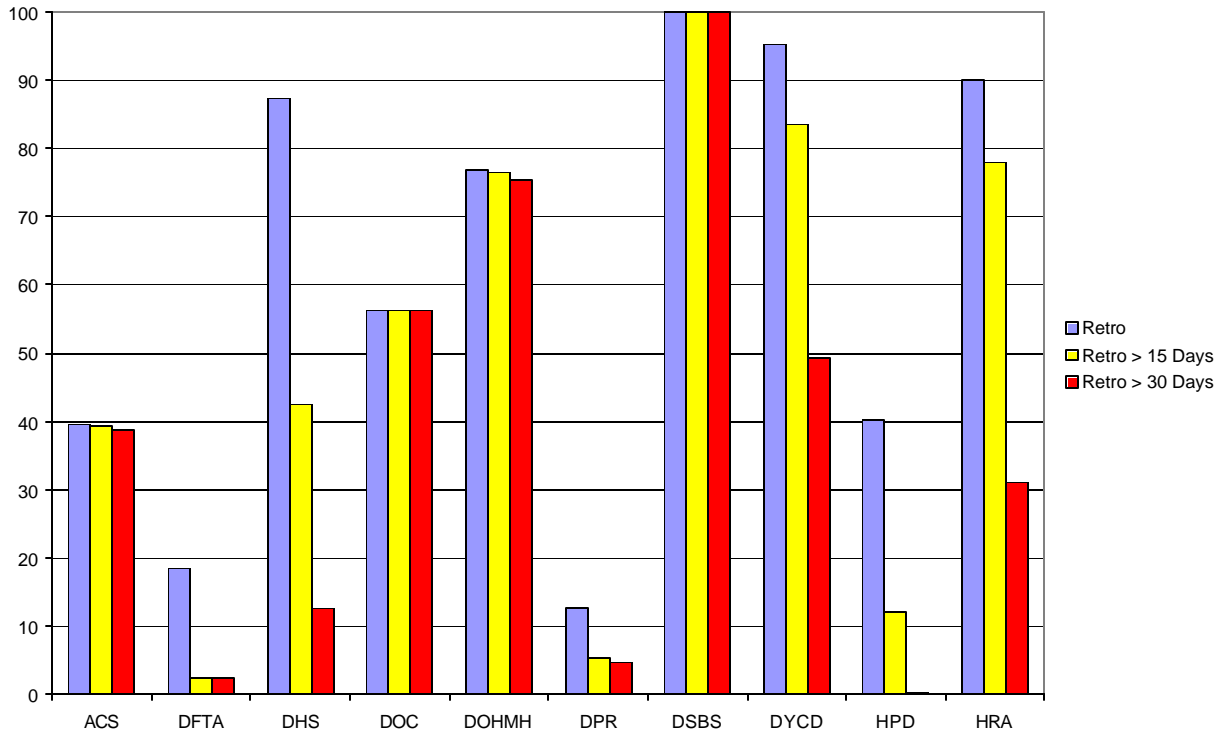
However, as Appendix F shows, within the human services sector, there are distinct signs of improvement in tackling this difficult problem.

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DFTA, which has generally been very timely in its processing, further reduced retroactivity overall from 28% last year to 19% this year, and long-term retroactivity (more than 30 days) from 3% to 2% by dollar value, during Fiscal Year 2005. HPD, DJJ and HRA all showed considerable improvement, with large declines in long-term retroactivity by dollar value, *i.e.*, from 42% to below 1%, 66% to below 1% and 71% to 31%, respectively. In HRA's case, even the 31% figure is somewhat misleading, as a large proportion of HRA's retroactive contracts are in the homemaker/housekeeping services arena, where payments to the vendors flow from the State and are not affected by retroactivity. DHS, which had had a relatively low level of long-term retroactivity last year (19%), made further gains in Fiscal Year 2005, falling to 13% in that category, measured by dollar value.

DYCD, which continues to have a very significant rate of retroactivity – mainly owing to its exceedingly high volume of small contracts, a volume that includes, as noted above, over 1,100 line item appropriation procurements – cut its long-term retroactivity rate nearly in half, from 92% to 49% (by dollar value), and reduced its average number of retroactive days from 77 to about 31.

Major Human Service Agencies -- Contract Retroactivity (By Dollar Value)



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DOHMH, which reduced its overall retroactivity rate overall from 91% to 77% (measured by dollar value), did also increase its long-term retroactivity from 67% to 76% in Fiscal Year 2005, as its average number of retroactive days climbed from 90 to 115. Although some contracts were with large medical institutions accustomed to receiving payment long after services are rendered, many mental hygiene services contracts were with small community-based providers, ill-equipped to weather payment delays. During Fiscal Year 2006, DOHMH has already made significant progress and will work closely with MOCS, striving to increase its procurement timeliness.

ACS, similarly, experienced mixed results, reducing overall retroactivity substantially, from 60% to 40% (by dollar value), while long-term retroactivity spiked from 6% last year to 39% in Fiscal Year 2005, as the average number of retroactive days climbed from 39 to 60. In the case of ACS, this reflected the complexity of the awards this year, relative to the awards last year, which were concentrated in the day care sector. ACS, too, will work closely with MOCS this coming fiscal year, to ensure that performance improves on this important indicator.

As shown in the prior section of this report, the Comptroller routinely processes human services contracts, especially those likely to be retroactive, in substantially less time than the 30 days allowed under the Charter.

Since late contracting has been a procurement reality for some time, MOCS has a number of “safety valve” processes in place. In addition to the ability to expedite oversight review and/or the registration process (with the assistance of the Comptroller), MOCS oversees a revolving grant fund, administered through the Fund for the City of New York (FCNY), used to mitigate against severe budget strains for vendors whose contracts are processed late. Vendors may receive no-interest 90-day cash flow loans once their contracts have been submitted to the Comptroller. While all vendors are eligible for this program, utilization is concentrated in the not-for-profit, human services sector. Processing time for the cash flow loans is approximately two business days.

Cash Flow Returnable Grant Program: Fund for the City of New York (FCNY)	
Fiscal Year 2005 Totals	
Number of loans issued:	110
Total dollar value of loans issued:	\$11.2 million
Average dollar value of loans issued (per loan):	\$101,863
Total dollar value of loans repaid:	\$10.2 million
Average dollar value of funds in circulation:	\$1.64 million
Highest total dollar value of funds circulated:	\$5.15 million
Net return to NYC (interest earned by FCNY on invested portion of funds):	\$70,414

During Fiscal Year 2005, MOCS expanded eligibility for cash flow loans to cover a wider range of not-for-profit vendors at earlier points in the process. Once a contracting agency has determined that a proposed vendor is responsible, the vendor may obtain a cash flow loan, regardless of the type of program, if it is a small community-based provider, *i.e.*, annual budget of \$2 million or less. It may also receive a loan, regardless of its size, for specific programs such as summer youth employment and school-year out-of-school youth services programs funded through DYCD.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

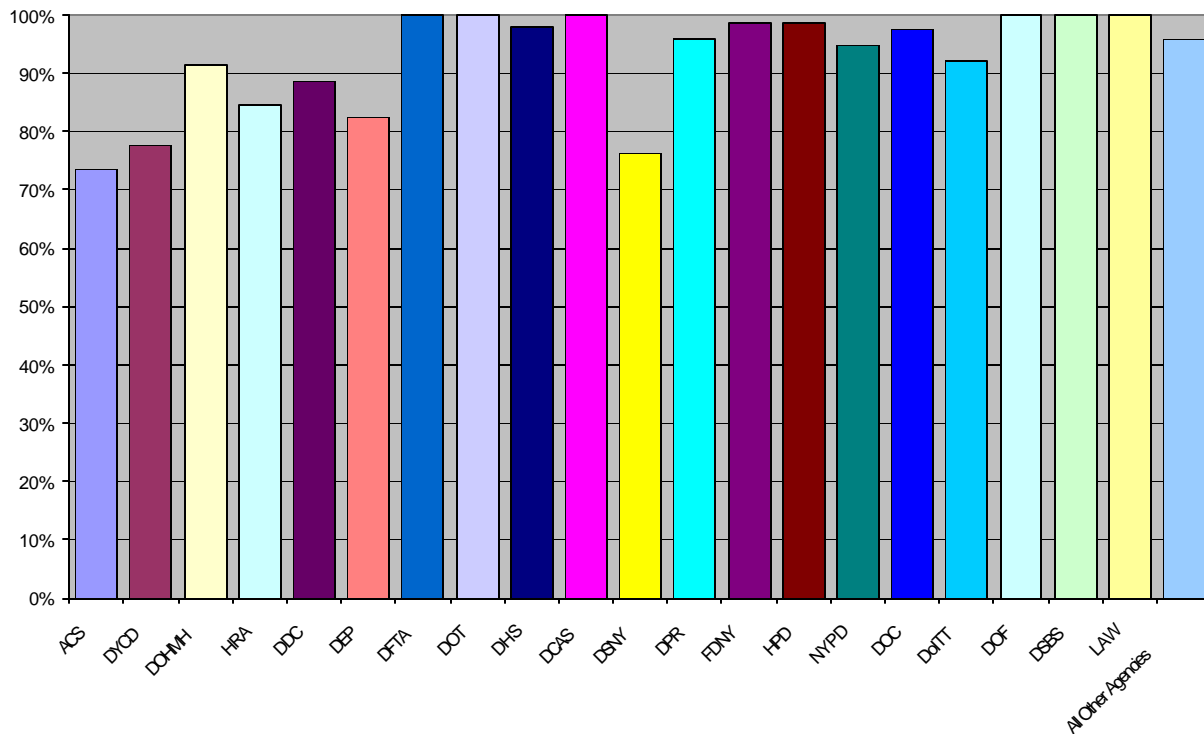
As the above table reflects, during Fiscal Year 2005, this fund made a total of 110 loans at a per loan average of just over \$100,000. Cumulatively, the loans totaled more than \$11 million. On average, the fund had \$1.6 million in circulation at any one point. FCNY collects a small administrative fee for handling the loans, but during Fiscal Year 2005, the interest received on the portion of the funds not in circulation resulted in a net return to the City of just over \$70,000.

IV. ISSUES IN CONTRACT ADMINISTRATION

Vendor Evaluations – Documenting Vendors’ Satisfactory Performance

During Fiscal Year 2005, agency track records improved for the completion of performance evaluations to document their vendors’ records of satisfactory or unsatisfactory performance. The Charter, Administrative Code and PPB Rules require agencies to prepare comprehensive, fully documented evaluations of contractor performance for submission to the VENDEX data base system for most types of contracts, not including the small purchases or the purchase of goods via competitive sealed bids, for which performance evaluations are mandated only when the vendor performs unsatisfactorily.

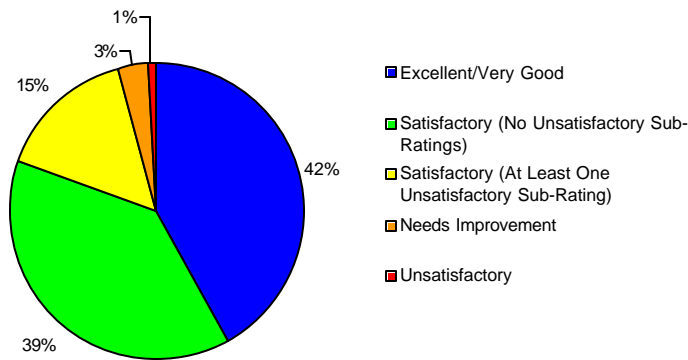
Vendor Performance Evaluations (% Completed by Agency)



AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Performance evaluation completion is critical so that agencies have the information they need in time to determine whether to renew, extend or terminate existing contracts that are scheduled to continue, and, if continued, whether there is a need for the vendor to develop and implement a corrective action plan to address identified problems. As shown above and detailed in Appendix G, during Fiscal Year 2005, agencies completed 87% of the required evaluations, up from the prior year's figure of 85%. As shown on the accompanying chart, most agencies exceeded that figure. Three of the City's major procurement agencies, DCAS, DOT and Law, achieved 100% completion rates, and five others (DFTA, DHS, FDNY, HPD, and NYPD) met or exceeded 95%. The two agencies with the lowest completion rates, ACS and DSNY, both of which had completion rates near 75% for Fiscal Year 2005, have had consistent difficulty in meeting the performance evaluation mandate. During the upcoming year, MOCS will work with them more closely on this point, to identify the causes of this lag and to correct it.

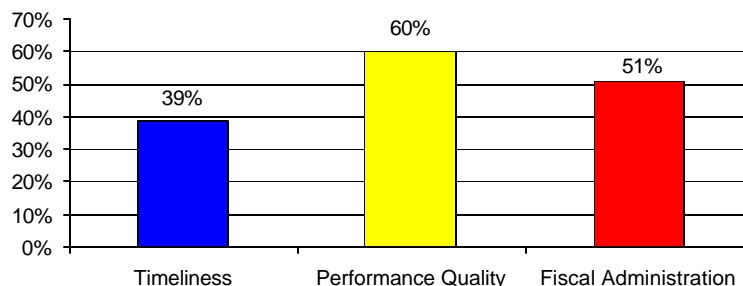
Vendor Performance Evaluations



Vendors continue to achieve generally satisfactory performance on their contracts, with 42% receiving a rating of excellent or very good, and 81% receiving overall evaluations of satisfactory or better with no below-par sub-ratings on any of the criteria used in the evaluation process.

Another 15% received an overall rating of satisfactory, but also had at least one identified problem area for at least one of the criteria used in the evaluation. For those vendors, problems with performance quality were the most frequently-cited reasons for the poor sub-ratings, followed by fiscal administration and timeliness. (Totals exceed 100% because some vendors had more than one unsatisfactory sub-rating.)

Performance Evaluations With Unsatisfactory Sub-Ratings



AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Contract Defaults – Agency Decisions to Terminate Poorly Performing Vendors

Defaults	
Agency	Number
DEP	3
DPR	9
DSNY	1
HRA	2
Total	15

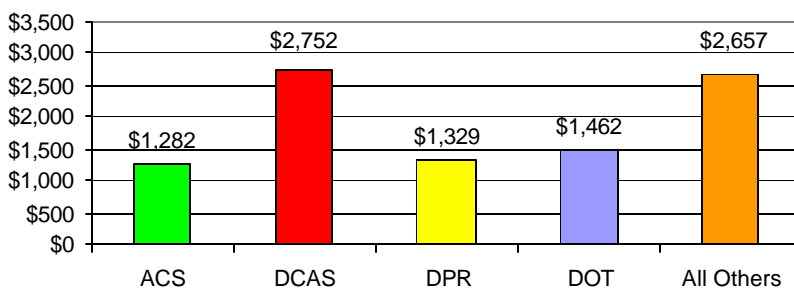
This indicator shows the frequency of agencies' declarations of contract defaults, which are typically based upon the vendors' poor performance or inability to continue to perform. The total number of defaulted contracts, 15, not only remains quite modest, but also has significantly decreased from Fiscal Year 2004 in which 32 contract defaults were declared.

Prompt Payment – Agencies' Efforts to Pay Vendors' Invoices on Time

Just like any business or household, the City strives to pay its bills on time. We measure agencies' success at meeting this goal by reviewing the amount of interest each agency was required to pay during Fiscal Year 2005, as a result of late-paid invoices. The Charter requires prompt payment. PPB Rule § 4-06 requires that all City contracts include language informing vendors of the City's policy to pay invoices in a timely fashion and to pay interest when payments are late, and establishes a maximum time for payment once a vendor completes performance, an agency finds that performance satisfactory and the vendor submits an appropriately documented invoice. The rule specifies how long an agency may take to make its determinations, and mandates that the agency process the payment within 30 calendar days thereafter (or 60 days for contract changes and for substantial completion or final payments for construction contracts). Time to resolve contract or payment disputes is excluded.

During Fiscal Year 2005, agencies again improved prompt payment performance. As the accompanying chart shows, only \$9,482 in interest was paid (down by 31% from the prior year). That figure was mainly attributable to four agencies, none of which paid significant interest.

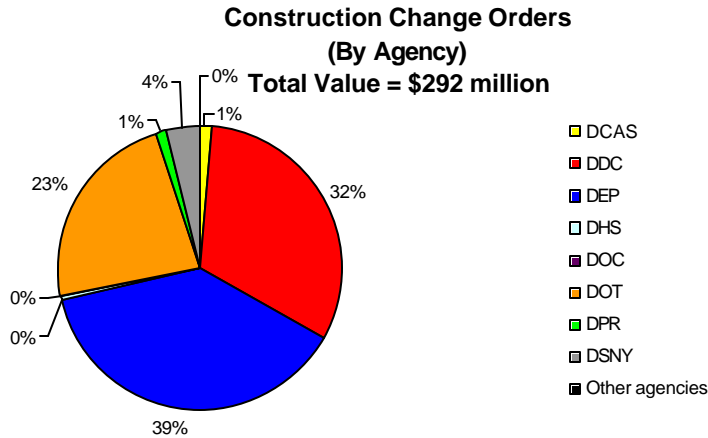
Interest Paid by Agencies
(Late Payment of Invoices)
Total: \$9,482



Construction Change Orders – Streamlining the Approval Process

Change orders are formal amendments to existing construction contracts that authorize performance of additional work necessary to complete the project or work covered by the original contract or to add work that does not amount to a material change to the contract scope (as a material change in scope requires a new competitive procurement).

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005



In this section, we present data on the six major “construction agencies” – DEP, DDC, DOT, DSNY, DPR and DCAS – along with four additional agencies with significant capital programs, *i.e.*, DHS, HPD, NYPD and FDNY. As shown in the accompanying table and charts, these agencies processed over 2,000 change orders during Fiscal Year 2005, for a total dollar value of nearly \$292 million, over 99% of which comes from the six major agencies.

On average, the change orders processed during Fiscal Year 2005 were relatively modest in size, as they resulted in an average increase to the underlying contracts amounting to about 4% of their original dollar value. Individual agencies ranged from 2% of original contract value (NYPD) to 24% (FDNY). Both of those agencies had relatively low change order volumes overall. The larger construction agencies ranged from 3% of the original contract value (DEP) to 11% (DPR).

CONSTRUCTION CHANGE ORDER PROCESSING							
Agency	Number of Change Orders	Dollar Value of Original Contracts	Dollar Value of Change Orders	Change Orders As % of Original Contracts	Processing Time		
					MOCS	Agency	Comptroller
DCAS	152	\$97,659,366	\$6,692,047	7%	25	140	23
DDC	960	\$2,259,000,000	\$114,348,368	5%	19	65	18
DEP	409	\$2,725,177,777	\$88,014,574	3%	34	154	25
DHS	17	\$12,371,721	\$2,017,620	16%	26	78	21
DOT	248	\$1,666,067,343	\$61,287,648	4%	21	126	16
DPR	216	\$79,098,223	\$8,482,299	11%	16	71	21
DSNY	79	\$276,938,026	\$8,905,757	3%	28	146	20
FDNY	10	\$8,316,609	\$1,967,129	24%	15	62	18
HPD	15	\$2,545,476	\$136,961	5%	NA	127	9
NYPD	9	\$2,243,668	\$40,183	2%	NA	100	18
CITYWIDE	2115	\$7,129,418,207	\$291,892,586	4%	21	107	20

The processing time required for change orders has been of concern for some time. As was the case with retroactive contracts in the human services sector, described in Part III above, the result of lengthy delays in the approval process for change orders can be that construction vendors who are expending substantial monies for labor and materials costs on City jobs must wait long periods of time before their change order-related invoices can be paid. On June 17, 2004, just before the start of

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Fiscal Year 2005, Mayor Bloomberg issued Executive Order 48 of 2004, eliminating the former Office of Construction within the Mayoralty, and consolidating policy development and oversight for all construction procurement, including change orders, at MOCS.

Working with the construction agencies, MOCS then aimed to expedite the approval process for change orders. Early in Fiscal Year 2005, MOCS delegated increased change order approval authority to each of the major construction agencies, so that MOCS' approval was only required for 271 of the 2,115 change orders registered by the agencies during the year (about 13%).

While there is no comparable data for prior years, the resulting impact on change order processing appears to be positive in direction. As shown on the above table, the citywide average processing time for change orders – from the date they are initiated in the field, *i.e.*, the point that the processing of paperwork begins, to the date they are submitted to the Comptroller, was 107 days over the course of Fiscal Year 2005. This processing time, which includes the time for MOCS approval (a process that averaged 21 days over the course of Fiscal Year 2005), ranged from a low of a 62 day average at FDNY, to a higher average processing time of 140 and 154 days, respectively, at DCAS and DEP.

The Comptroller, for whom the Charter provides a 30 day review period, also averaged a processing completion time for change orders of 21 days, thereby contributing to the trend of expediting these actions.

V. M/WBE AND SMALL BUSINESS OPPORTUNITIES IN CITY PROCUREMENT

Agencies' Subcontracting Opportunities – By Size and Type

Another opportunity for small businesses, especially in the construction arena, is the opportunity to become a subcontractor to the City. All of the City's prime contractors are required to obtain City approval for any subcontractor they may wish to use on a City job, so this also represents an opportunity for small businesses to market themselves by ensuring that the agencies most active in their areas of specialization are aware of their capabilities and track records of good performance.

As shown on the table below, during Fiscal Year 2005, City agencies had open, active subcontracts with more than 7,000 subcontractors, at a total dollar value of nearly \$2.8 billion, overwhelmingly concentrated in the construction arena.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

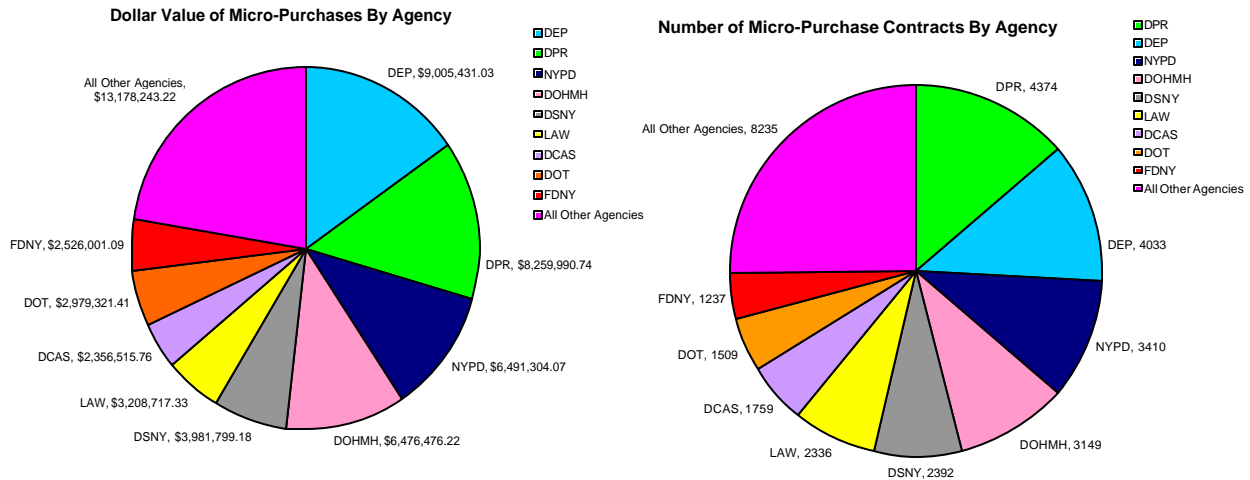
OPEN SUBCONTRACTS (BY AGENCY)						
Agency	Number of Subcontracts	Dollar Value of Subcontracts	Dollar Value of Subcontracts (as % of Prime Contract Value)	Subcontracts Valued at = \$1M		
				Number	As % of Total Number of Subcontracts	As % of Dollar Value of All Subcontracts
DCAS	77	\$16,070,644	3%	71	92%	57%
DDC	1084	\$364,876,131	11%	996	92%	34%
DEP	3253	\$1,761,658,739	18%	2925	90%	26%
DHS	31	\$6,186,537	6%	30	97%	26%
DSNY	617	\$372,789,163	15%	515	83%	28%
DOT	153	\$141,557,749	5%	129	84%	19%
DPR	810	\$47,916,789	13%	809	100%	98%
FDNY	34	\$15,360,500	4%	29	85%	45%
HPD	947	\$61,148,954	25%	933	99%	57%
HRA	8	\$331,315	0%	8	100%	100%
NYPD	14	\$22,298,717	17%	12	86%	17%
DOHMH	102	\$89,482,153	4%	72	71%	24%
DCP	9	\$1,183,500	35%	9	100%	100%
DOF	4	\$15,259,516	7%	1	25%	6%
DOB	1	\$618,000	2%	1	100%	100%
PROB	9	\$1,847,260	23%	9	100%	100%
DoITT	63	\$50,377,194	5%	49	78%	22%
CITYWIDE	7216	\$2,968,962,861	11%	6598	87%	51%

Of those subcontracts, fully 87% by count and 51% by dollar volume were valued individually at or below \$1 million, thus making them appropriate for smaller construction firms and other new entrants to the City procurement arena. Under Executive Order 71 of 2005, the City will target substantial efforts at promoting participation by M/WBEs and other small businesses in this \$1.5 billion segment of the City's procurement portfolio.

Agencies' Micro-Purchases and Small Purchases: By Size and Type

As noted in Part I above, while only about 1.5% of all City purchases by dollar volume are accomplished by use of the small purchase or micro-purchase methods, these opportunities do account for 79% of the total number of procurements undertaken by City agencies, for a total volume of more than \$175 million during Fiscal Year 2005.

AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005



For M/WBEs and other small businesses that wish to market goods and services to City agencies, the micro-purchase level (up to \$5,000) represents an excellent starting point. Agencies are not required to engage in any formal price competition at that level. Thus, while they continue to attempt to obtain good value, by measures that include low prices, other factors, such as convenience and efficiency are also very important. Under Executive Order 71 of 2005, City agencies will be encouraged to increase their micro-purchases from M/WBEs and small businesses.

As shown on the above charts, DEP, DPR, NYPD and DOHMH were the top agencies in the small purchase range (greater than \$5,000 up to and including \$100,000). M/WBEs and other small businesses seeking increased City procurement would do well also to seek out those agencies' procurement offices.

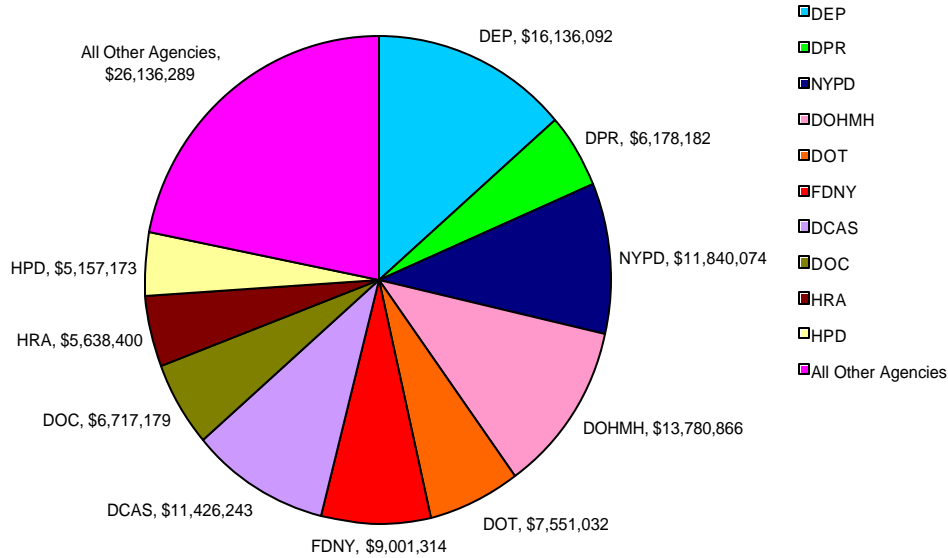
The City posts contact information for agency contract offices on its web site at www.nyc.gov/html/selltonyc/html/acco.html. Vendors may also call 3-1-1.

At the small purchase level, *i.e.*, those in amounts greater than \$5,000, up to and including \$100,000, agencies are required to engage in informal competition. Typically, this process involves the agencies' drawing a random sample of bidders (at least 5) from the relevant citywide bidder list for the commodity code corresponding to the goods or services the agency wishes to purchase.

As a result of Executive Order 36 of 2003, for each small purchase bidder list that an agency creates, the system draws from the lists maintained by DSBS an equal number of small businesses and/or certified M/WBEs. This system, called "5+5" because the minimum number of random vendors is five (which are now matched by five M/WBEs or small businesses), is intended to create enhanced opportunities for these businesses to succeed in competing for the City's small purchase volumes. During Fiscal Year 2006, as a result of Executive Order 71 of 2005, the City will take steps to strengthen this system, to increase the opportunities for M/WBEs and other small businesses to succeed at this level.

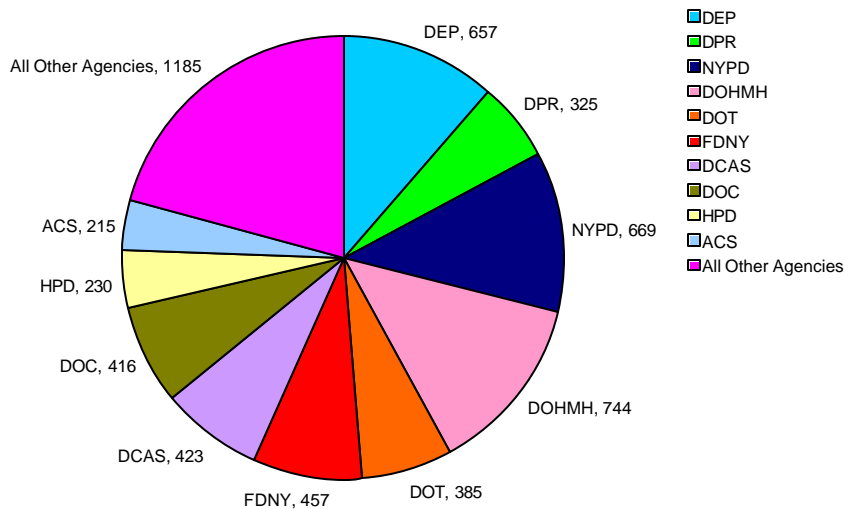
AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

Dollar Value of Small Purchase Contracts By Agency



As shown on the charts on this page, DOHMH, NYPD, DEP, FDNY and DCAS made the most small purchases by dollar value and number of purchases. Businesses seeking to obtain City contracts at this level should enroll under the commodity code best describing the goods or services they provide, especially where their products and services coincide with a type the City buys in larger amounts.

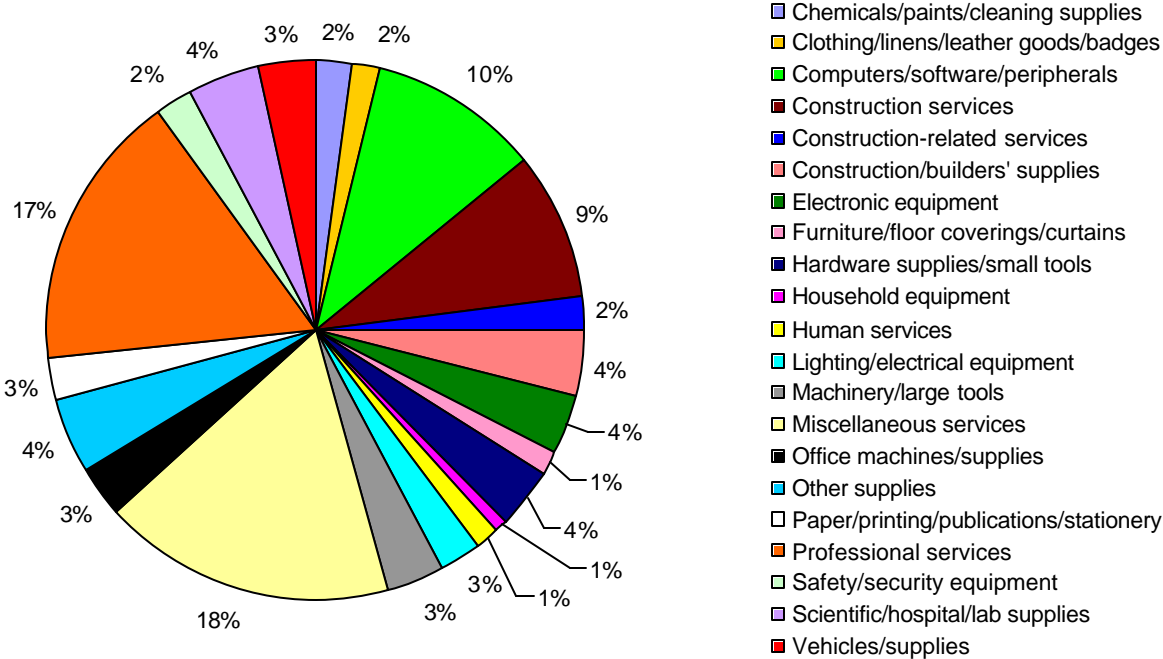
Number of Small Purchase Contracts By Agency



AGENCY PROCUREMENT INDICATORS FISCAL YEAR 2005

As shown below, the small and micro-purchases made by City agencies are spread out across a wide array of goods and services.

Small and Micro-Purchases By Commodity Type



Some areas of procurement are less often purchases as small or micro-purchases. Although computer related goods and services account for 10% of City purchases in these dollar ranges, as noted in Part I above, the City buys much of those items through state contracts (intergovernmental purchasing). In addition, many common items that would be encompassed by such categories as paper or furniture, are covered by citywide “requirements contracts,” so City agencies are required to make all their purchases through a single vendor or group of vendors that won competitive bid contracts for large-scale purchases of those types – such as for office supplies and furniture.

M/WBEs and other small businesses active in these areas should consult with DSBS and with the various City agencies, to ensure that they emphasize those products that agencies are more likely to be able to purchase independently. As a result of Executive Order 71, DSBS and MOCS will also examine the City’s requirements contract portfolio and similarly bundled procurements, to ensure that such contracts are used appropriately and preserve opportunities for new competitors to enter the market to supply the City’s needs.

APPENDIX A Fiscal Year 2005

List of New York City Agencies and Acronyms

Agency	Acronym
Administration for Children's Services	ACS
City Civil Service Commission	CCSC
City Commission on Human Rights	CHR
Civilian Complaint Review Board	CCRB
Department for the Aging	DFTA
Department of Buildings	DOB
Department of City Planning	DCP
Department of Citywide Administrative Services	DCAS
Department of Consumer Affairs	DCAS
Department of Correction	DOC
Department of Cultural Affairs	DCA
Department of Design & Construction	DDC
Department of Emergency Management	OEM
Department of Environmental Protection	DEP
Department of Finance	DOF
Department of Health and Mental Hygiene	DOHMH
Department of Homeless Services	DHS
Department of Housing Preservation & Development	HPD
Department of Information Technology & Telecommunications	DoITT
Department of Investigation	DOI
Department of Juvenile Justice	DJJ
Department of Parks & Recreation	DPR
Department of Probation	DOP
Department of Records and Information Services	DORIS
Department of Sanitation	DSNY
Department of Small Business Services	DSBS
Department of Transportation	DOT
Department of Youth & Community Development	DYCD
Economic Development Corporation	EDC
Fire Department	FDNY
Human Resources Administration	HRA
Landmark Preservation Commission	LPC
Law Department	LAW
Marketing Development Corporation	MDC
Mayor's Office of Contract Services	MOCS
Office of Management and Budget	OMB
Police Department	NYPD
Taxi & Limousine Commission	TLC

APPENDIX B

Fiscal Year 2005

AGENCY PROCUREMENT ACTIONS BY METHOD OF AWARD

Agency and Award Method	Number of Contract Actions	Value of Contract Actions (Maximum Amount at Registration)
HEALTH, EDUCATION AND HUMAN SERVICES		
Department of Health and Mental Hygiene	4389	\$2,032,077,593
Competitive Sealed Bid	12	\$18,825,760
Other Than Competitive Sealed Bid:		
Request for Proposal	23	\$379,269,282
Renewal	51	\$1,202,470,758
Sole Source	44	\$13,658,790
Emergency	1	\$10,000
Line-Item Appropriation*	207	\$24,636,758
Negotiated Acquisition	4	\$2,755,528
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	18	\$3,964,867
Required Source or Procurement Method***	77	\$171,341,058
Small Purchase	744	\$13,780,866
Accelerated	0	\$0
Amendment Extension	37	\$239,882
Construction Change Order	1	\$3,231,499
Micro Purchase	3149	\$6,476,476
Other****	21	\$191,416,069
Human Resources Administration	1466	\$724,181,910
Competitive Sealed Bid	30	\$25,657,143
Other Than Competitive Sealed Bid:		
Request for Proposal	12	\$243,430,214
Renewal	63	\$297,865,498
Sole Source	4	\$1,019,065
Emergency	1	\$1,701,810
Line-Item Appropriation*	15	\$2,074,000
Negotiated Acquisition	5	\$4,687,104
Negotiated Acquisition Extension**	56	\$53,413,599
Intergovernmental	85	\$16,541,631
Required Source or Procurement Method***	56	\$44,635,019
Small Purchase	180	\$5,638,400
Accelerated	0	\$0
Amendment Extension	85	\$25,777,728
Construction Change Order	3	\$190,365
Micro Purchase	871	\$1,550,334
Other****	0	\$0

Administration for Children's Services	1370	\$270,666,613
Competitive Sealed Bid	14	\$7,515,804
Other Than Competitive Sealed Bid:		
Request for Proposal	20	\$44,549,882
Renewal	34	\$131,705,192
Sole Source	2	\$36,489,464
Emergency	0	\$0
Line-Item Appropriation*	1	\$1,000,000
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	16	\$20,022,226
Intergovernmental	38	\$1,354,709
Required Source or Procurement Method***	0	\$0
Small Purchase	215	\$4,407,083
Accelerated	0	\$0
Amendment Extension	55	\$19,955,689
Construction Change Order	0	\$0
Micro Purchase	971	\$1,769,641
Other****	4	\$1,896,923
Department of Homeless Services	1035	\$741,776,036
Competitive Sealed Bid	29	\$45,485,799
Other Than Competitive Sealed Bid:		
Request for Proposal	44	\$522,231,443
Renewal	15	\$103,404,099
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	2	\$30,500
Negotiated Acquisition	1	\$244,858
Negotiated Acquisition Extension**	4	\$26,317,010
Intergovernmental	17	\$1,092,997
Required Source or Procurement Method***	22	\$17,734,339
Small Purchase	195	\$3,615,312
Accelerated	0	\$0
Amendment Extension	13	\$17,959,833
Construction Change Order	11	\$2,014,485
Micro Purchase	681	\$1,045,360
Other****	1	\$600,000
Department for the Aging	728	\$292,043,368
Competitive Sealed Bid	1	\$99,840
Other Than Competitive Sealed Bid:		
Request for Proposal	102	\$82,037,592
Renewal	214	\$152,080,212
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	233	\$6,690,983
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	20	\$42,191,184
Intergovernmental	1	\$940,692
Required Source or Procurement Method***	0	\$0
Small Purchase	61	\$1,363,952
Accelerated	0	\$0
Amendment Extension	53	\$6,513,840
Construction Change Order	0	\$0
Micro Purchase	43	\$125,073
Other****	0	\$0

Department of Youth & Community Development	2476	\$149,780,579
Competitive Sealed Bid	3	\$1,351,177
Other Than Competitive Sealed Bid:		
Request for Proposal	75	\$10,997,036
Renewal	658	\$69,789,996
Sole Source	19	\$266,735
Emergency	0	\$0
Line-Item Appropriation*	1115	\$33,823,233
Negotiated Acquisition	6	\$1,771,653
Negotiated Acquisition Extension**	268	\$27,282,827
Intergovernmental	3	\$24,000
Required Source or Procurement Method***	1	\$45,000
Small Purchase	26	\$416,288
Accelerated	0	\$0
Amendment Extension	71	\$3,522,412
Construction Change Order	0	\$0
Micro Purchase	227	\$450,542
Other****	4	\$39,680

INFRASTRUCTURE, ADMINISTRATIVE AND COMMUNITY SERVICES

Department of Environmental Protection	5739	\$2,024,453,125
Competitive Sealed Bid	114	\$1,634,845,621
Other Than Competitive Sealed Bid:		
Request for Proposal	18	\$105,319,088
Renewal	32	\$22,058,718
Sole Source	49	\$4,908,859
Emergency	2	\$19,486,135
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	8	\$49,939,724
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	263	\$16,098,483
Required Source or Procurement Method***	2	\$4,892,761
Small Purchase	657	\$16,136,092
Accelerated	0	\$0
Amendment Extension	83	\$6,620,313
Construction Change Order	466	\$113,721,486
Micro Purchase	4033	\$9,005,431
Other****	12	\$21,420,413

Department of Transportation	2174	\$585,621,101
Competitive Sealed Bid	54	\$369,942,789
Other Than Competitive Sealed Bid:		
Request for Proposal	9	\$35,318,164
Renewal	20	\$13,374,526
Sole Source	4	\$357,631
Emergency	6	\$3,419,832
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	1	\$1,200,000
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	1	\$2,000,000
Required Source or Procurement Method***	0	\$0
Small Purchase	385	\$7,551,032
Accelerated	0	\$0
Amendment Extension	45	\$5,928,110
Construction Change Order	137	\$125,075,623
Micro Purchase	1509	\$2,979,321
Other****	3	\$18,474,073
Department of Buildings	540	\$14,837,616
Competitive Sealed Bid	3	\$11,168,964
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	2	\$1,812,248
Sole Source	1	\$25,000
Emergency	0	\$0
Line-Item Appropriation*	1	\$25,000
Negotiated Acquisition	1	\$84,000
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	71	\$486,484
Required Source or Procurement Method***	0	\$0
Small Purchase	47	\$768,339
Accelerated	0	\$0
Amendment Extension	2	\$34,226
Construction Change Order	0	\$0
Micro Purchase	412	\$433,355
Other****	0	\$0

Department of Housing Preservation & Development	572	\$68,479,051
Competitive Sealed Bid	14	\$17,054,631
Other Than Competitive Sealed Bid:		
Request for Proposal	45	\$20,938,826
Renewal	28	\$8,975,558
Sole Source	0	\$0
Emergency	45	\$2,719,991
Line-Item Appropriation*	77	\$4,287,267
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	2	\$30,053
Required Source or Procurement Method***	1	\$5,355,987
Small Purchase	230	\$5,157,173
Accelerated	0	\$0
Amendment Extension	104	\$1,476,717
Construction Change Order	16	\$148,013
Micro Purchase	7	\$14,035
Other****	3	\$2,320,800
Department of Design & Construction	1730	\$884,815,433
Competitive Sealed Bid	131	\$411,777,568
Other Than Competitive Sealed Bid:		
Request for Proposal	28	\$160,075,065
Renewal	5	\$10,500,000
Sole Source	41	\$68,500,846
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	5	\$985,237
Required Source or Procurement Method***	0	\$0
Small Purchase	89	\$1,639,527
Accelerated	0	\$0
Amendment Extension	29	\$1,545,866
Construction Change Order	960	\$114,348,368
Micro Purchase	406	\$650,554
Other****	36	\$114,792,403

Department of Citywide Administrative Services	3124	\$574,152,168
Competitive Sealed Bid	453	\$457,475,941
Other Than Competitive Sealed Bid:		
Request for Proposal	2	\$4,200,000
Renewal	12	\$37,658,566
Sole Source	11	\$3,104,404
Emergency	3	\$1,597,719
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	3	\$1,467,376
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	76	\$5,286,473
Required Source or Procurement Method***	0	\$0
Small Purchase	423	\$11,426,243
Accelerated	155	\$33,926,594
Amendment Extension	48	\$2,176,112
Construction Change Order	157	\$6,807,425
Micro Purchase	1759	\$2,356,516
Other****	22	\$6,668,801
Department of Information Technology & Telecommunications	434	\$164,122,615
Competitive Sealed Bid	8	\$6,190,460
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	5	\$2,050,742
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	2	\$190,000
Intergovernmental	62	\$141,052,767
Required Source or Procurement Method***	0	\$0
Small Purchase	66	\$1,553,119
Accelerated	0	\$0
Amendment Extension	19	\$12,420,193
Construction Change Order	0	\$0
Micro Purchase	267	\$595,085
Other****	5	\$70,249

Department of Records and Information Services	109	\$176,254
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	1	\$339
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	9	\$80,351
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	0	\$0
Micro Purchase	99	\$95,564
Other****	0	\$0
Department of Sanitation	2697	\$560,378,070
Competitive Sealed Bid	26	\$284,801,839
Other Than Competitive Sealed Bid:		
Request for Proposal	6	\$76,486,578
Renewal	19	\$178,420,673
Sole Source	1	\$21,403
Emergency	1	\$37,000
Line-Item Appropriation*	1	\$300,000
Negotiated Acquisition	1	\$49,600
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	31	\$852,890
Required Source or Procurement Method***	0	\$0
Small Purchase	105	\$4,168,375
Accelerated	0	\$0
Amendment Extension	45	\$1,329,035
Construction Change Order	69	\$9,928,878
Micro Purchase	2392	\$3,981,799
Other****	0	\$0

Department of Parks & Recreation	5310	\$211,579,551
Competitive Sealed Bid	171	\$162,929,968
Other Than Competitive Sealed Bid:		
Request for Proposal	1	\$23,350
Renewal	24	\$16,234,430
Sole Source	40	\$2,769,558
Emergency	3	\$269,776
Line-Item Appropriation*	55	\$1,202,946
Negotiated Acquisition	1	\$500,000
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	70	\$2,949,994
Required Source or Procurement Method***	0	\$0
Small Purchase	325	\$6,178,182
Accelerated	0	\$0
Amendment Extension	8	\$45,000
Construction Change Order	233	\$10,114,467
Micro Purchase	4374	\$8,259,991
Other****	5	\$101,888
Department of City Planning	1	\$60,000
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	0	\$0
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	1	\$60,000
Micro Purchase	0	\$0
Other****	0	\$0
Landmark Preservation Commission	65	\$197,520
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	7	\$109,830
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	0	\$0
Micro Purchase	57	\$72,690
Other****	1	\$15,000

City Civil Service Commission	1	\$834
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	0	\$0
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	0	\$0
Micro Purchase	1	\$834
Other****	0	\$0
PUBLIC SAFETY & LEGAL AFFAIRS		
Police Department	4441	\$66,982,758
Competitive Sealed Bid	17	\$7,390,020
Other Than Competitive Sealed Bid:		
Request for Proposal	3	\$6,407,111
Renewal	6	\$5,943,858
Sole Source	3	\$12,771,278
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	322	\$14,690,109
Required Source or Procurement Method***	0	\$0
Small Purchase	669	\$11,840,074
Accelerated	0	\$0
Amendment Extension	7	\$1,349,964
Construction Change Order	4	\$99,040
Micro Purchase	3410	\$6,491,304
Other****	0	\$0

Fire Department	1797	\$180,165,370
Competitive Sealed Bid	17	\$32,356,198
Other Than Competitive Sealed Bid:		
Request for Proposal	3	\$85,077,451
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	1	\$68,880
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	60	\$47,846,612
Required Source or Procurement Method***	0	\$0
Small Purchase	457	\$9,001,314
Accelerated	0	\$0
Amendment Extension	13	\$567,790
Construction Change Order	7	\$357,424
Micro Purchase	1237	\$2,526,001
Other****	2	\$2,363,700
Department of Correction	1461	\$31,437,088
Competitive Sealed Bid	10	\$8,057,490
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	9	\$5,737,493
Sole Source	16	\$253,059
Emergency	2	\$20,348
Line-Item Appropriation*	6	\$4,157,870
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	11	\$3,919,358
Required Source or Procurement Method***	2	\$50,000
Small Purchase	416	\$6,717,179
Accelerated	0	\$0
Amendment Extension	4	\$581,020
Construction Change Order	3	\$92,167
Micro Purchase	976	\$1,690,439
Other****	6	\$160,666
Department of Probation	353	\$1,941,148
Competitive Sealed Bid	8	\$84,025
Other Than Competitive Sealed Bid:		
Request for Proposal	1	\$20,300
Renewal	0	\$0
Sole Source	0	\$0
Emergency	2	\$17,000
Line-Item Appropriation*	7	\$129,173
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	4	\$146,125
Required Source or Procurement Method***	1	\$249,285
Small Purchase	31	\$854,097
Accelerated	0	\$0
Amendment Extension	1	\$0
Construction Change Order	0	\$0
Micro Purchase	298	\$441,143
Other****	0	\$0

Department of Juvenile Justice	829	\$30,617,598
Competitive Sealed Bid	1	\$32,386
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	6	\$29,177
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	10	\$26,885,408
Negotiated Acquisition Extension**	1	\$100,000
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	47	\$616,212
Accelerated	0	\$0
Amendment Extension	5	\$1,743,465
Construction Change Order	0	\$0
Micro Purchase	759	\$1,210,950
Other****	0	\$0
Civilian Complaint Review Board	112	\$291,535
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	6	\$56,099
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	11	\$128,187
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	0	\$0
Micro Purchase	94	\$95,545
Other****	1	\$11,704
Law Department	2773	\$1,029,597,982
Competitive Sealed Bid	2	\$603,590
Other Than Competitive Sealed Bid:		
Request for Proposal	1	\$1,400,000
Renewal	1	\$525,000
Sole Source	8	\$1,000,007,729
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	285	\$17,726,280
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	47	\$2,076,670
Required Source or Procurement Method***	3	\$150,000
Small Purchase	69	\$1,268,996
Accelerated	0	\$0
Amendment Extension	20	\$2,381,000
Construction Change Order	0	\$0
Micro Purchase	2336	\$3,208,717
Other****	1	\$250,000

Department of Investigation	204	\$862,003
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	1	\$196,560
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	14	\$38,325
Required Source or Procurement Method***	0	\$0
Small Purchase	13	\$201,768
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	0	\$0
Micro Purchase	151	\$235,348
Other****	25	\$190,003
City Commission on Human Rights	108	\$271,779
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	19	\$158,455
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	0	\$0
Micro Purchase	89	\$113,324
Other****	0	\$0
Department of Emergency Management	490	\$2,061,796
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	1	\$110,000
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	1	\$749,382
Negotiated Acquisition Extension**	1	\$150,000
Intergovernmental	2	\$86,874
Required Source or Procurement Method***	1	\$34,500
Small Purchase	32	\$448,521
Accelerated	0	\$0
Amendment Extension	2	\$0
Construction Change Order	0	\$0
Micro Purchase	450	\$482,520
Other****	0	\$0

BUSINESS AND CULTURAL AFFAIRS

Department of Finance	622	\$10,554,532
Competitive Sealed Bid	2	\$736,781
Other Than Competitive Sealed Bid:		
Request for Proposal	1	\$262,239
Renewal	1	\$3,875,706
Sole Source	8	\$2,408,782
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	1	\$15,000
Required Source or Procurement Method***	0	\$0
Small Purchase	64	\$1,013,063
Accelerated	0	\$0
Amendment Extension	5	\$56,400
Construction Change Order	0	\$0
Micro Purchase	537	\$731,795
Other****	3	\$1,454,766
Department of Consumer Affairs	248	\$1,223,744
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	2	\$18,548
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	64	\$887,956
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	0	\$0
Micro Purchase	182	\$317,241
Other****	0	\$0

Department of Small Business Services	400	\$725,774,244
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	6	\$8,659,720
Renewal	1	\$6,500,000
Sole Source	7	\$699,325,450
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	1	\$273,618
Intergovernmental	3	\$23,757
Required Source or Procurement Method***	0	\$0
Small Purchase	27	\$824,019
Accelerated	0	\$0
Amendment Extension	1	\$0
Construction Change Order	0	\$0
Micro Purchase	350	\$542,680
Other****	4	\$9,625,000
Department of Cultural Affairs	115	\$1,371,306
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	3	\$31,395
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	13	\$248,614
Required Source or Procurement Method***	0	\$0
Small Purchase	49	\$826,767
Accelerated	0	\$0
Amendment Extension	0	\$0
Construction Change Order	1	\$3,800
Micro Purchase	37	\$89,608
Other****	12	\$171,121

ADDITIONAL AGENCIES

Taxi & Limousine Commission	334	\$1,295,864
Competitive Sealed Bid	0	\$0
Other Than Competitive Sealed Bid:		
Request for Proposal	0	\$0
Renewal	0	\$0
Sole Source	0	\$0
Emergency	0	\$0
Line-Item Appropriation*	0	\$0
Negotiated Acquisition	0	\$0
Negotiated Acquisition Extension**	0	\$0
Intergovernmental	0	\$0
Required Source or Procurement Method***	0	\$0
Small Purchase	63	\$786,073
Accelerated	0	\$0
Amendment Extension	1	\$85,208
Construction Change Order	0	\$0
Micro Purchase	270	\$424,583
Other****	0	\$0
TOTAL, ALL AGENCIES	48247	\$11,383,848,185
Competitive Sealed Bid	1120	\$3,504,383,794
Other Than Competitive Sealed Bid:		
Request for Proposal	403	\$1,786,734,737
Renewal	1201	\$2,271,093,274
Sole Source	273	\$1,845,992,213
Emergency	66	\$29,279,612
Line-Item Appropriation*	1720	\$78,357,730
Negotiated Acquisition	329	\$108,326,353
Negotiated Acquisition Extension**	369	\$169,940,464
Intergovernmental	1220	\$262,752,720
Required Source or Procurement Method***	166	\$244,487,948
Small Purchase	5795	\$119,562,845
Accelerated	155	\$33,926,594
Amendment Extension	756	\$112,309,804
Construction Change Order	2069	\$386,193,038
Micro Purchase	32434	\$58,463,800
Other****	171	\$372,043,258

Notes:

* Allocation made during the budget process by Borough Presidents and Council Members for a contractor-specific line item budget appropriation.

** Contract actions in this category include procurements done under PPB Rules 3-04 (b) (iii) and (v), typically reflecting continuations of human services programs.

*** Vendor selection or procurement process mandated by outside entity, typically state or federal agency or other funding entity.

**** Contract actions in this category may include the following methods of award: innovative procurements, buy-against procurements, demonstration projects, and certain government-to-government procurements.

APPENDIX C

Fiscal Year 2005

PROCUREMENT ACTIONS BY TYPE OF ITEM PROCURED

Number and Dollar Value of Awards

Agency	Goods	Construction/ Related Services	Human Services	Other Services	MicroPurchase	Agency Total
Administration for Children's Services	68	11	72	248	971	1370
	\$964,223.89	\$5,678,534.77	\$237,414,814.00	\$24,839,398.75	\$1,769,641.48	\$270,666,612.89
City Civil Service Commission	0	0	0	0	1	1
	\$0.00	\$0.00	\$0.00	\$0.00	\$834.00	\$834.00
City Commission on Human Rights	13	0	0	6	89	108
	\$95,274.88	\$0.00	\$0.00	\$63,179.67	\$113,324.07	\$271,778.62
Civilian Complaint Review Board	10	0	0	11	91	112
	\$108,674.45	\$0.00	\$0.00	\$97,040.26	\$85,820.10	\$291,534.81
Department for the Aging	26	0	598	100	4	728
	\$647,723.03	\$0.00	\$286,025,457.00	\$5,363,228.04	\$6,960.00	\$292,043,368.07
Department of Buildings	56	0	0	38	446	540
	\$721,828.83	\$0.00	\$0.00	\$13,638,853.31	\$476,933.58	\$14,837,615.72
Department of City Planning	0	1	0	0	0	1
	\$0.00	\$60,000.00	\$0.00	\$0.00	\$0.00	\$60,000.00
Department of Citywide Administrative Services	1041	199	0	194	1690	3124
	\$468,761,988.53	\$37,239,915.05	\$0.00	\$66,006,468.37	\$2,143,796.44	\$574,152,168.39
Department of Consumer Affairs	0	0	0	67	181	248
	\$0.00	\$0.00	\$0.00	\$910,903.67	\$312,840.04	\$1,223,743.71
Department of Correction	362	35	7	80	977	1461
	\$6,144,620.15	\$3,300,543.65	\$4,167,369.98	\$16,132,315.51	\$1,692,239.05	\$31,437,088.34
Department of Cultural Affairs	51	8	0	23	33	115
	\$697,469.37	\$170,556.50	\$0.00	\$427,865.92	\$75,414.12	\$1,371,305.91
Department of Design & Construction	5	1171	0	150	404	1730
	\$153,115.73	\$739,742,551.80	\$0.00	\$144,275,210.91	\$644,554.39	\$884,815,432.83
Department of Emergency Management	8	0	0	32	450	490
	\$255,770.46	\$0.00	\$0.00	\$1,323,506.09	\$482,519.55	\$2,061,796.10
Department of Environmental Protection	734	653	0	337	4015	5739
	\$11,631,015.93	\$1,726,164,274.74	\$0.00	\$277,709,870.37	\$8,947,963.98	\$2,024,453,125.02
Department of Finance	33	0	0	52	537	622
	\$597,221.56	\$0.00	\$0.00	\$9,225,515.90	\$731,794.63	\$10,554,532.09
Department of Health and Mental Hygiene	623	18	338	315	3095	4389
	\$17,587,023.08	\$194,290,641.85	\$624,203,816.32	\$1,189,717,201.87	\$6,278,909.43	\$2,032,077,592.55
Department of Homeless Services	663	32	85	73	182	1035
	\$3,341,585.32	\$4,374,833.00	\$663,290,435.00	\$70,528,003.61	\$241,178.88	\$741,776,035.81
Department of Housing Preservation & Development	59	164	203	143	3	572
	\$838,863.30	\$26,231,771.75	\$25,779,115.00	\$15,627,808.12	\$1,492.99	\$68,479,051.16
Department of Information Technology & Telecommunications	54	0	0	115	265	434
	\$1,386,916.58	\$0.00	\$0.00	\$162,148,153.38	\$587,545.38	\$164,122,615.34
Department of Investigation	32	0	0	21	151	204
	\$172,890.86	\$0.00	\$0.00	\$453,764.35	\$235,348.10	\$862,003.31
Department of Juvenile Justice	10	0	16	52	751	829
	\$41,266.40	\$0.00	\$28,728,873.00	\$668,508.71	\$1,178,949.77	\$30,617,597.88
Department of Parks & Recreation	271	433	34	200	4372	5310
	\$3,740,912.64	\$179,328,416.86	\$654,700.00	\$19,607,114.67	\$8,248,406.72	\$211,579,550.89
Department of Probation	12	5	1	39	296	353
	\$211,585.22	\$75,665.00	\$54,000.00	\$1,166,754.52	\$433,143.38	\$1,941,148.12
Department of Records and Information Services	1	0	0	9	99	109
	\$339.15	\$0.00	\$0.00	\$80,351.03	\$95,563.77	\$176,253.95

APPENDIX C

Fiscal Year 2005

PROCUREMENT ACTIONS BY TYPE OF ITEM PROCURED

Number and Dollar Value of Awards

Agency	Goods	Construction/ Related Services	Human Services	Other Services	MicroPurchase	Agency Total
Department of Sanitation	79	107	0	129	2382	2697
	\$9,193,789.14	\$21,944,340.74	\$0.00	\$525,291,208.11	\$3,948,732.06	\$560,378,070.05
Department of Small Business Services	4	1	8	38	349	400
	\$258,691.26	\$18,189,000.00	\$9,648,338.00	\$697,139,445.91	\$538,769.28	\$725,774,244.45
Department of Transportation	246	146	0	273	1509	2174
	\$87,733,278.71	\$310,833,726.06	\$0.00	\$184,074,775.02	\$2,979,321.41	\$585,621,101.20
Department of Youth & Community Development	9	0	2196	45	226	2476
	\$109,456.32	\$0.00	\$147,302,917.00	\$1,922,663.65	\$445,542.45	\$149,780,579.42
Fire Department	390	38	0	158	1211	1797
	\$6,087,800.15	\$1,492,472.61	\$0.00	\$170,152,628.25	\$2,432,468.77	\$180,165,369.78
Human Resources Administration	117	13	213	258	865	1466
	\$3,706,214.26	\$6,174,163.24	\$639,493,128.39	\$73,280,301.17	\$1,528,102.82	\$724,181,909.88
Landmark Preservation Commission	1	4	0	4	56	65
	\$15,000.00	\$90,625.00	\$0.00	\$22,205.14	\$69,690.11	\$197,520.25
Law Department	16	1	0	637	2119	2773
	\$585,544.66	\$250.00	\$0.00	\$1,026,304,940.05	\$2,707,247.37	\$1,029,597,982.08
Police Department	3111	65	1	897	367	4441
	\$19,973,076.85	\$8,536,883.82	\$2,250.00	\$38,081,434.00	\$389,113.50	\$66,982,758.17
Taxi & Limousine Commission	23	0	0	43	268	334
	\$409,108.57	\$0.00	\$0.00	\$471,366.90	\$415,388.50	\$1,295,863.97
TOTAL	8128	3105	3772	4787	28455	48247
	\$646,172,269.28	\$3,283,919,166.44	\$2,666,765,213.69	\$4,736,751,985.23	\$50,239,550.12	\$11,383,848,184.76

APPENDIX D

Fiscal Year 2005

AGENCY PROCUREMENT ACTIONS BY DOLLAR VALUE OF ITEM PROCURED

Number and Dollar Value of Awards

Agency	<\$100K		\$100K - \$1M		\$1M - \$3M		\$3M - \$25M		> \$25M		Agency Totals	
	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value
Administration for Children's Services	1272	\$8,038,726	37	\$13,634,550	44	\$85,573,616	15	\$84,120,390	2	\$79,299,332	1370	\$270,666,613
City Civil Service Commission	1	\$834	0	\$0	0	\$0	0	\$0	0	\$0	1	\$834
City Commission on Human Rights	108	\$271,779	0	\$0	0	\$0	0	\$0	0	\$0	108	\$271,779
Civilian Complaint Review Board	112	\$291,535	0	\$0	0	\$0	0	\$0	0	\$0	112	\$291,535
Department for the Aging	364	\$7,578,780	273	\$112,711,847	81	\$127,637,857	10	\$44,114,884	0	\$0	728	\$292,043,368
Department of Buildings	537	\$1,930,549	0	\$0	1	\$1,738,102	2	\$11,168,964	0	\$0	540	\$14,837,616
Department of City Planning	1	\$60,000	0	\$0	0	\$0	0	\$0	0	\$0	1	\$60,000
Department of Citywide Administrative Services	2701	\$31,551,449	324	\$111,519,242	56	\$99,107,361	41	\$277,990,024	2	\$53,984,093	3124	\$574,152,168
Department of Consumer Affairs	248	\$1,223,744	0	\$0	0	\$0	0	\$0	0	\$0	248	\$1,223,744
Department of Correction	1433	\$9,335,702	23	\$10,027,953	4	\$8,932,433	1	\$3,141,000	0	\$0	1461	\$31,437,088
Department of Cultural Affairs	115	\$1,371,306	0	\$0	0	\$0	0	\$0	0	\$0	115	\$1,371,306
Department of Design & Construction	1389	\$18,013,152	192	\$79,622,663	109	\$244,889,671	59	\$442,289,946	1	\$100,000,000	1730	\$884,815,433
Department of Emergency Management	487	\$1,052,414	3	\$1,009,382	0	\$0	0	\$0	0	\$0	490	\$2,061,796
Department of Environmental Protection	5405	\$41,984,844	216	\$79,571,548	55	\$96,032,026	51	\$438,651,625	12	\$1,368,213,082	5739	\$2,024,453,125
Department of Finance	614	\$2,216,451	6	\$2,571,251	1	\$1,891,124	1	\$3,875,706	0	\$0	622	\$10,554,532
Department of Health and Mental Hygiene	4193	\$29,132,763	114	\$53,446,896	51	\$80,227,430	28	\$179,999,939	3	\$1,688,270,565	4389	\$2,032,077,593
Department of Homeless Services	915	\$5,660,325	54	\$23,126,092	23	\$35,418,061	36	\$321,975,112	7	\$355,596,446	1035	\$741,776,036
Department of Housing Preservation & Development	472	\$9,783,873	86	\$20,455,264	10	\$14,312,587	4	\$23,927,327	0	\$0	572	\$68,479,051
Department of Information Technology & Telecommunications	378	\$3,419,256	13	\$5,197,450	37	\$108,641,945	6	\$46,863,964	0	\$0	434	\$164,122,615
Department of Investigation	203	\$665,443	1	\$196,560	0	\$0	0	\$0	0	\$0	204	\$862,003
Department of Juvenile Justice	815	\$2,020,305	4	\$1,711,885	10	\$26,885,408	0	\$0	0	\$0	829	\$30,617,598
Department of Parks & Recreation	5120	\$23,185,897	156	\$71,637,105	30	\$49,312,462	3	\$13,238,118	1	\$54,205,968	5310	\$211,579,551
Department of Probation	352	\$1,691,863	1	\$249,285	0	\$0	0	\$0	0	\$0	353	\$1,941,148
Department of Records and Information Services	109	\$176,254	0	\$0	0	\$0	0	\$0	0	\$0	109	\$176,254
Department of Sanitation	2638	\$10,960,841	30	\$9,260,909	9	\$15,106,571	13	\$164,253,085	7	\$360,796,664	2697	\$560,378,070
Department of Small Business Services	382	\$1,397,906	3	\$1,424,618	8	\$13,819,720	5	\$43,152,000	2	\$665,980,000	400	\$725,774,244
Department of Transportation	2013	\$13,711,017	85	\$29,069,506	39	\$67,447,406	35	\$254,231,065	2	\$221,162,108	2174	\$585,621,101
Department of Youth & Community Development	2162	\$52,176,985	303	\$74,677,092	10	\$12,426,502	1	\$10,500,000	0	\$0	2476	\$149,780,579
Fire Department	1787	\$12,888,856	16	\$5,618,853	6	\$10,732,847	6	\$54,938,811	2	\$95,986,003	1797	\$180,165,370
Human Resources Administration	1234	\$11,213,090	129	\$51,368,286	60	\$99,352,141	38	\$249,461,191	5	\$312,787,203	1466	\$724,181,910
Landmark Preservation Commission	65	\$197,520	0	\$0	0	\$0	0	\$0	0	\$0	65	\$197,520
Law Department	2750	\$11,504,791	16	\$4,348,976	5	\$9,470,000	1	\$4,374,216	1	\$999,900,000	2773	\$1,029,597,982
Police Department	4405	\$22,603,400	23	\$8,289,308	10	\$15,761,988	3	\$20,328,063	0	\$0	4441	\$66,982,758
Taxi & Limousine Commission	334	\$1,295,864	0	\$0	0	\$0	0	\$0	0	\$0	334	\$1,295,864
CITYWIDE TOTAL	45074	\$338,607,514	2108	\$770,746,521	659	\$1,224,717,256	359	\$2,692,595,430	47	\$6,357,181,464	48247	\$11,383,848,185

APPENDIX E-1

Fiscal Year 2005

COMPETITIVENESS IN PROCUREMENTS:

CONTRACTS FOR CONSTRUCTION AND/OR CONSTRUCTION-RELATED SERVICES*

Agency	Total Contracts	Total Value	Contracts Awarded with 3 or More Responses			
			Quantity	% of Total Contracts	Value	% of Total Value
Administration for Children's Services	5	\$5,368,123.22	3	60%	\$3,749,612.72	70%
City Civil Service Commission	0	\$0.00	0	N/A	\$0.00	N/A
City Commission on Human Rights	0	\$0.00	0	N/A	\$0.00	N/A
Civilian Complaint Review Board	0	\$0.00	0	N/A	\$0.00	N/A
Department for the Aging	0	\$0.00	0	N/A	\$0.00	N/A
Department of Buildings	0	\$0.00	0	N/A	\$0.00	N/A
Department of City Planning	0	\$0.00	0	N/A	\$0.00	N/A
Department of Citywide Administrative Services	15	\$28,471,043.00	13	87%	\$26,551,229.00	93%
Department of Consumer Affairs	0	\$0.00	0	N/A	\$0.00	N/A
Department of Correction	2	\$353,432.00	2	100%	\$353,432.00	100%
Department of Cultural Affairs	1	\$9,825.00	1	100%	\$9,825.00	100%
Department of Design & Construction	150	\$556,352,632.69	134	89%	\$509,979,178.35	92%
Department of Emergency Management	0	\$0.00	0	N/A	\$0.00	N/A
Department of Environmental Protection	79	\$1,569,648,083.06	63	80%	\$840,630,896.25	54%
Department of Finance	0	\$0.00	0	N/A	\$0.00	N/A
Department of Health and Mental Hygiene	0	\$0.00	0	N/A	\$0.00	N/A
Department of Homeless Services	15	\$2,141,055.00	14	93%	\$2,131,255.00	100%
Department of Housing Preservation & Development	8	\$8,783,672.75	8	100%	\$8,783,672.75	100%
Department of Information Technology & Telecommunications	0	\$0.00	0	N/A	\$0.00	N/A
Department of Investigation	0	\$0.00	0	N/A	\$0.00	N/A
Department of Juvenile Justice	0	\$0.00	0	N/A	\$0.00	N/A
Department of Parks & Recreation	162	\$159,442,109.70	137	85%	\$147,095,831.90	92%
Department of Probation	4	\$40,000.00	0	0%	\$0.00	0%
Department of Records and Information Services	0	\$0.00	0	N/A	\$0.00	N/A
Department of Sanitation	17	\$11,135,780.20	16	94%	\$11,092,494.20	100%
Department of Small Business Services	0	\$0.00	0	N/A	\$0.00	N/A
Department of Transportation	5	\$166,196,489.99	4	80%	\$164,718,477.99	99%
Department of Youth & Community Development	0	\$0.00	0	N/A	\$0.00	N/A
Fire Department	0	\$0.00	0	N/A	\$0.00	N/A
Human Resources Administration	4	\$5,605,417.86	4	100%	\$5,605,417.86	100%
Landmark Preservation Commission	0	\$0.00	0	N/A	\$0.00	N/A
Law Department	0	\$0.00	0	N/A	\$0.00	N/A
Police Department	13	\$6,161,098.00	13	100%	\$6,161,098.00	100%
Taxi & Limousine Commission	0	\$0.00	0	N/A	\$0.00	N/A

* Awarded by Competitive Sealed Bid, Request for Proposal, or Negotiated Acquisition methods

APPENDIX E-2

Fiscal Year 2005

**COMPETITIVENESS IN PROCUREMENTS:
CONTRACTS AWARDED BY COMPETITIVE SEALED BID**

Agency	Total Contracts	Total Value	Contracts Awarded with 3 or More Responses			
			Quantity	% of Total Contracts	Value	% of Total Value
Administration for Children's Services	14	\$7,515,804.07	11	79%	\$5,222,146.22	69%
City Civil Service Commission	0	\$0.00	0	N/A	\$0.00	N/A
City Commission on Human Rights	0	\$0.00	0	N/A	\$0.00	N/A
Civilian Complaint Review Board	0	\$0.00	0	N/A	\$0.00	N/A
Department for the Aging	1	\$99,840.00	1	100%	\$99,840.00	100%
Department of Buildings	2	\$11,168,964.30	2	100%	\$11,168,964.30	100%
Department of City Planning	0	\$0.00	0	N/A	\$0.00	N/A
Department of Citywide Administrative Services	453	\$457,475,941.15	427	94%	\$389,179,636.85	85%
Department of Consumer Affairs	0	\$0.00	0	N/A	\$0.00	N/A
Department of Correction	10	\$8,057,490.00	4	40%	\$687,582.00	9%
Department of Cultural Affairs	0	\$0.00	0	N/A	\$0.00	N/A
Department of Design & Construction	131	\$411,777,567.69	116	89%	\$380,404,113.35	92%
Department of Emergency Management	0	\$0.00	0	N/A	\$0.00	N/A
Department of Environmental Protection	114	\$1,634,845,621.22	85	75%	\$858,606,601.04	53%
Department of Finance	2	\$736,781.00	2	100%	\$736,781.00	100%
Department of Health and Mental Hygiene	12	\$18,825,759.70	5	42%	\$3,794,526.70	20%
Department of Homeless Services	29	\$45,485,799.45	25	86%	\$35,712,734.45	79%
Department of Housing Preservation & Development	13	\$11,832,990.75	11	85%	\$10,510,400.75	89%
Department of Information Technology & Telecommunications	8	\$6,190,460.20	6	75%	\$671,792.20	11%
Department of Investigation	0	\$0.00	0	N/A	\$0.00	N/A
Department of Juvenile Justice	1	\$32,386.00	1	100%	\$32,386.00	100%
Department of Parks & Recreation	171	\$162,929,967.63	140	82%	\$147,728,509.38	91%
Department of Probation	8	\$84,025.00	0	0%	\$0.00	0%
Department of Records and Information Services	0	\$0.00	0	N/A	\$0.00	N/A
Department of Sanitation	26	\$284,801,839.20	24	92%	\$284,531,553.20	100%
Department of Small Business Services	0	\$0.00	0	N/A	\$0.00	N/A
Department of Transportation	54	\$369,942,789.01	45	83%	\$342,214,153.01	93%
Department of Youth & Community Development	3	\$1,351,177.00	2	67%	\$166,435.00	12%
Fire Department	17	\$32,356,197.70	11	65%	\$15,705,256.70	49%
Human Resources Administration	30	\$25,657,143.15	27	90%	\$24,562,741.92	96%
Landmark Preservation Commission	0	\$0.00	0	N/A	\$0.00	N/A
Law Department	2	\$603,590.00	2	100%	\$603,590.00	100%
Police Department	17	\$7,390,019.64	15	88%	\$7,103,088.00	96%
Taxi & Limousine Commission	0	\$0.00	0	N/A	\$0.00	N/A

APPENDIX E-3

Fiscal Year 2005

**COMPETITIVENESS IN PROCUREMENTS:
CONTRACTS AWARDED BY COMPETITIVE SEALED PROPOSAL**

Agency	Total Contracts	Total Value	Contracts Awarded with 3 or More Responses			
			Quantity	% of Total Contracts	Value	% of Total Value
Administration for Children's Services	19	\$37,896,860.00	19	100%	\$37,896,860.00	100%
City Civil Service Commission	0	\$0.00	0	N/A	\$0.00	N/A
City Commission on Human Rights	0	\$0.00	0	N/A	\$0.00	N/A
Civilian Complaint Review Board	0	\$0.00	0	N/A	\$0.00	N/A
Department for the Aging	102	\$82,037,592.00	10	10%	\$9,301,632.00	11%
Department of Buildings	0	\$0.00	0	N/A	\$0.00	N/A
Department of City Planning	0	\$0.00	0	N/A	\$0.00	N/A
Department of Citywide Administrative Services	2	\$4,200,000.00	1	50%	\$4,000,000.00	95%
Department of Consumer Affairs	0	\$0.00	0	N/A	\$0.00	N/A
Department of Correction	0	\$0.00	0	N/A	\$0.00	N/A
Department of Cultural Affairs	3	\$31,395.00	2	67%	\$12,045.00	38%
Department of Design & Construction	28	\$160,075,065.00	27	96%	\$145,075,065.00	91%
Department of Emergency Management	0	\$0.00	0	N/A	\$0.00	N/A
Department of Environmental Protection	17	\$105,252,088.22	16	94%	\$101,924,088.22	97%
Department of Finance	0	\$0.00	0	N/A	\$0.00	N/A
Department of Health and Mental Hygiene	23	\$379,269,282.00	10	43%	\$374,514,559.00	99%
Department of Homeless Services	33	\$142,031,002.00	32	97%	\$134,123,036.00	94%
Department of Housing Preservation & Development	45	\$20,938,826.00	44	98%	\$11,338,826.00	54%
Department of Information Technology & Telecommunications	0	\$0.00	0	N/A	\$0.00	N/A
Department of Investigation	0	\$0.00	0	N/A	\$0.00	N/A
Department of Juvenile Justice	0	\$0.00	0	N/A	\$0.00	N/A
Department of Parks & Recreation	1	\$23,350.00	0	0%	\$0.00	0%
Department of Probation	1	\$20,300.00	0	0%	\$0.00	0%
Department of Records and Information Services	0	\$0.00	0	N/A	\$0.00	N/A
Department of Sanitation	6	\$76,486,578.33	5	83%	\$74,861,215.00	98%
Department of Small Business Services	6	\$8,659,720.00	6	100%	\$8,659,720.00	100%
Department of Transportation	9	\$35,318,163.79	8	89%	\$29,458,483.22	83%
Department of Youth & Community Development	75	\$10,997,036.00	72	96%	\$10,118,234.00	92%
Fire Department	3	\$85,077,451.18	0	0%	\$0.00	0%
Human Resources Administration	12	\$243,430,214.00	12	100%	\$243,430,214.00	100%
Landmark Preservation Commission	0	\$0.00	0	N/A	\$0.00	N/A
Law Department	1	\$1,400,000.00	1	100%	\$1,400,000.00	100%
Police Department	3	\$6,407,111.00	1	33%	\$4,725,000.00	74%
Taxi & Limousine Commission	0	\$0.00	0	N/A	\$0.00	N/A

APPENDIX F
Fiscal Year 2005

Retroactive Contracts*

Contracts with a Start Date before their Registration

Agency	Total Contracts	Total Value	All Retroactive Contracts				More Than 15 Days Retroactive				More Than 30 Days Retroactive				
			Quantity	% of Total Contracts	Value	Avg. Days Retro	Quantity	% of Total Contracts	Value	% of Total Value	Quantity	% of Total Contracts	Value	% of Total Value	
Administration for Children's Services	126	\$174,331,979.30	52	41%	\$68,938,946.90	40%	60	50	40%	\$68,817,942.90	39%	44	35%	\$67,722,911.90	39%
Department for the Aging	390	\$282,922,668.00	64	16%	\$52,557,425.00	19%	41	30	8%	\$7,379,906.00	3%	28	7%	\$7,030,066.00	2%
Department of Buildings	8	\$13,099,438.47	1	13%	\$29,400.00	0%	8	0	0%	\$0.00	0%	0	0%	\$0.00	0%
Department of Citywide Administrative Services	513	\$491,853,112.45	90	18%	\$131,500,367.98	27%	51	64	12%	\$79,326,116.35	16%	53	10%	\$63,669,503.50	13%
Department of Correction	21	\$11,859,303.51	13	62%	\$6,675,513.51	56%	174	13	62%	\$6,675,513.51	56%	12	57%	\$6,675,513.51	56%
Department of Design & Construction	192	\$579,898,498.84	23	12%	\$31,157,552.75	5%	269	21	11%	\$28,372,552.75	5%	20	10%	\$19,101,674.72	3%
Department of Emergency Management	5	\$1,009,382.00	4	80%	\$1,009,382.00	100%	82	4	80%	\$1,009,382.00	100%	4	80%	\$1,009,382.00	100%
Department of Environmental Protection	253	\$1,813,969,465.10	78	31%	\$51,443,011.89	3%	119	69	27%	\$41,365,239.39	2%	53	21%	\$36,451,925.39	2%
Department of Finance	9	\$4,931,126.00	4	44%	\$502,488.00	10%	15	2	22%	\$0.00	0%	0	0%	\$0.00	0%
Department of Health and Mental Hygiene	127	\$1,603,561,209.90	113	89%	\$1,232,497,921.90	77%	115	102	80%	\$1,225,907,832.90	76%	82	65%	\$1,210,727,426.90	76%
Department of Homeless Services	87	\$232,107,675.40	53	61%	\$202,717,899.60	87%	28	29	33%	\$98,612,308.60	42%	11	13%	\$29,457,340.24	13%
Department of Housing Preservation & Development	173	\$39,614,110.11	67	39%	\$15,969,876.12	40%	12	21	12%	\$4,859,474.50	12%	2	1%	\$161,791.00	0%
Department of Information Technology & Telecommunications	30	\$15,005,131.40	20	67%	\$14,363,935.20	96%	73	15	50%	\$11,888,935.20	79%	13	43%	\$11,840,935.20	79%
Department of Juvenile Justice	17	\$28,761,259.00	4	24%	\$3,001,001.00	10%	39	3	18%	\$2,969,421.00	10%	1	6%	\$100,000.00	0%
Department of Parks & Recreation	200	\$176,722,895.64	52	26%	\$22,891,063.47	13%	83	27	14%	\$9,763,637.92	6%	19	10%	\$8,425,132.92	5%
Department of Probation	10	\$104,325.00	4	40%	\$43,250.00	41%	32	2	20%	\$10,000.00	10%	2	20%	\$10,000.00	10%
Department of Sanitation	94	\$540,528,069.49	27	29%	\$8,979,963.33	2%	129	19	20%	\$1,749,963.33	0%	15	16%	\$74,600.00	0%
Department of Small Business Services	8	\$12,548,338.00	8	100%	\$12,548,338.00	100%	160	8	100%	\$12,548,338.00	100%	8	100%	\$12,548,338.00	100%
Department of Transportation	128	\$425,231,768.61	68	53%	\$125,884,076.87	30%	171	52	41%	\$79,916,225.09	19%	42	33%	\$58,114,086.68	14%
Department of Youth & Community Development	1034	\$109,323,810.00	996	96%	\$104,011,310.00	95%	31	763	74%	\$91,346,821.00	84%	329	32%	\$53,954,156.00	49%
Fire Department	34	\$118,070,318.88	11	32%	\$70,840,512.40	60%	109	11	32%	\$70,840,512.40	60%	9	26%	\$453,040.00	0%
Human Resources Administration	226	\$560,006,159.95	157	69%	\$504,262,832.74	90%	85	122	54%	\$436,208,635.46	78%	85	38%	\$174,060,768.46	31%
Law Department	309	\$22,622,869.86	306	99%	\$22,235,779.86	98%	235	300	97%	\$21,956,784.86	97%	295	95%	\$21,926,894.86	97%
Police Department	33	\$23,343,276.99	12	36%	\$9,566,146.35	40%	169	12	36%	\$9,566,146.35	40%	11	33%	\$8,466,146.35	36%
TOTAL	4027	\$7,281,426,191.90	2227	55%	\$2,693,226,294.87	37%	83	1739	43%	\$2,310,891,689.51	32%	1138	28%	\$1,791,981,623.63	25%

* Includes new contracts procured through Competitive Sealed Bid, RFP, and Negotiated Acquisition methods as well as Renewals, Negotiated Acquisition Extensions, and Amendment Extensions. Certain contracts have been excluded from consideration based on the particular circumstances of the procurement.

APPENDIX G
Fiscal Year 2005

CONTRACT PERFORMANCE EVALUATIONS*

Agency	Total Required	Total Completed		Total Completed with an Overall Rating of Excellent or Very Good		Total Completed with an Overall Rating of Satisfactory		Completed with an Overall Rating of Satisfactory or Better										Total Completed with an Overall Rating of Needs Improvement		Total Completed with an Overall Rating of Unsatisfactory	
		#	%	#	%	#	%	#	%	With Unsatisfactory Sub-rating(s)				#	%	#	%	#	%		
										Any Type		Timeliness-related								Quality-related	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Administration for Children's Services	727	534	73%	433	81%	87	16%	520	97%	5	1%	5	100%	4	80%	3	60%	12	2%	2	0%
Department for the Aging	285	285	100%	18	6%	244	86%	262	92%	167	64%	76	46%	80	48%	103	62%	21	7%	2	1%
Department of Buildings	8	8	100%	5	63%	2	25%	7	88%	1	14%	0	0%	0	0%	1	100%	0	0%	1	13%
Department of City Planning	1	0	0%	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A	0	N/A
Department of Citywide Administrative Services	144	144	100%	13	9%	119	83%	132	92%	55	42%	27	49%	35	64%	33	60%	8	6%	4	3%
Department of Correction	40	39	98%	17	44%	22	56%	39	100%	12	31%	1	8%	2	17%	9	75%	0	0%	0	0%
Department of Cultural Affairs	1	1	100%	0	0%	1	100%	1	100%	1	100%	1	100%	1	100%	1	100%	0	0%	0	0%
Department of Design & Construction	332	294	89%	22	7%	264	90%	286	97%	76	27%	23	30%	49	64%	42	55%	7	2%	1	0%
Department of Emergency Management	2	2	100%	2	100%	0	0%	2	100%	0	0%	0	N/A	0	N/A	0	N/A	0	0%	0	0%
Department of Environmental Protection	331	273	82%	63	23%	196	72%	259	95%	44	17%	13	30%	33	75%	19	43%	7	3%	7	3%
Department of Finance	26	26	100%	18	69%	7	27%	25	96%	5	20%	3	60%	4	80%	2	40%	1	4%	0	0%
Department of Health and Mental Hygiene	460	421	92%	193	46%	196	47%	389	92%	5	1%	2	40%	2	40%	1	20%	31	7%	1	0%
Department of Homeless Services	240	235	98%	104	44%	130	55%	234	100%	32	14%	8	25%	27	84%	8	25%	1	0%	0	0%
Department of Housing Preservation & Development	71	70	99%	35	50%	32	46%	67	96%	15	22%	4	27%	8	53%	10	67%	3	4%	0	0%
Department of Information Technology & Telecommunications	38	35	92%	28	80%	7	20%	35	100%	4	11%	2	50%	1	25%	4	100%	0	0%	0	0%
Department of Juvenile Justice	5	5	100%	0	0%	5	100%	5	100%	1	20%	0	0%	1	100%	1	100%	0	0%	0	0%
Department of Parks & Recreation	97	93	96%	19	20%	66	71%	85	91%	10	12%	5	50%	5	50%	3	30%	4	4%	4	4%
Department of Probation	6	6	100%	3	50%	3	50%	6	100%	0	0%	0	N/A	0	N/A	0	N/A	0	0%	0	0%
Department of Sanitation	114	87	76%	26	30%	54	62%	80	92%	20	25%	7	35%	10	50%	15	75%	6	7%	1	1%
Department of Small Business Services	21	21	100%	15	71%	4	19%	19	90%	1	5%	1	100%	0	0%	0	0%	2	10%	0	0%
Department of Transportation	267	267	100%	38	14%	217	81%	255	96%	24	9%	13	54%	16	67%	9	38%	9	3%	3	1%
Department of Youth & Community Development	643	499	78%	362	73%	124	25%	486	97%	41	8%	17	41%	21	51%	16	39%	10	2%	3	1%
Fire Department	76	75	99%	40	53%	32	43%	72	96%	5	7%	0	0%	5	100%	1	20%	1	1%	2	3%
Human Resources Administration	370	313	85%	89	28%	218	70%	307	98%	45	15%	7	16%	35	78%	8	18%	5	2%	1	0%
Law Department	20	20	100%	16	80%	4	20%	20	100%	2	10%	1	50%	1	50%	1	50%	0	0%	0	0%
Police Department	56	53	95%	38	72%	14	26%	52	98%	5	10%	3	60%	2	40%	3	60%	1	2%	0	0%
Taxi & Limousine Commission	1	1	100%	1	100%	0	0%	1	100%	0	0%	0	N/A	0	N/A	0	N/A	0	0%	0	0%
TOTAL	4382	3807	87%	1598	42%	2048	54%	3646	96%	576	16%	219	38%	342	59%	293	51%	129	3%	32	1%

* Includes contracts for which comprehensive, fully documented evaluations of contractor performance were required to be completed.



OFFICE OF THE MAYOR

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