

*City of Alexandria, Virginia*

MEMORANDUM

DATE: MARCH 29, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO # 58 : ORGANIZATIONAL CHANGES REGARDING THE FINANCE DEPARTMENT

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In a February 12, 2009 memo, the City Manager outlined some organizational changes relating to the Finance Department.

First, as part of the reorganization, beginning in February 2009, the Purchasing program became the Office of Procurement. It is no longer part of the Finance Department. The Director of the Office of Procurement reports directly to the Chief Financial Officer. The Office of Procurement has been established to give it needed attention and visibility. An efficiency study of the Office of Procurement is also underway. The budget changes to affect this reorganization will occur in FY 2010. The creation of a new Procurement Office will reduce the Finance Department's budget by \$836,215. There will be no net effect on the overall FY 2010 budget.

Second, the Risk Management Office, now located in the City Attorney's Office, has moved to the Finance Department. It is believed that the realignment of this office into the Finance Department and under the Chief Financial Officer will serve as a better model for increased communication and accountability. The budget changes to affect this reorganization will occur in FY 2010 as well. The transfer of this function will increase the Finance Department's budget by \$350,807 and reduce the City Attorney's Office budget by the same amount. There will be no net effect on the overall FY 2010 budget.