



GOVERNMENT OF PUERTO RICO  
General Service Administration

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# **General Service Administration for the Government of Puerto Rico**

**FY19 – FY22  
Strategic Plan**

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## Message from the Administrator



I am honored that the Governor of Puerto Rico, the Hon. Ricardo Roselló Nevares, appointed me to serve as the Administrator of the General Services Administration (ASG) of the Government of Puerto Rico.

ASG begins a new chapter in an effort to transform the agency to more effectively execute its mission and its vision to serve the General Service function for the Government of Puerto Rico within the Office of the Chief Financial Officer (CFO). This effort could not come at a more important time given the fiscal and operational challenges that the Government of Puerto Rico is facing today, which is why I am expressly committed to undergoing this

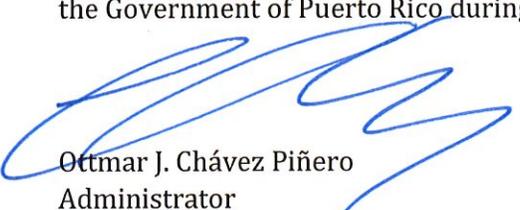
transformational effort.

ASG was created to integrate and simplify the services provided to agencies across the Government of Puerto Rico. However, we must recognize that over the years the ASG has suffered from inadequate technology and a lack of accountability, which is what we will directly address and change.

This transformation will also require a change in culture. Our transformation will be rooted in the values of Transparency, Accountability, and Customer Focus. These values will guide our activities and drive us to better execute the ASG mission for the Government of Puerto Rico.

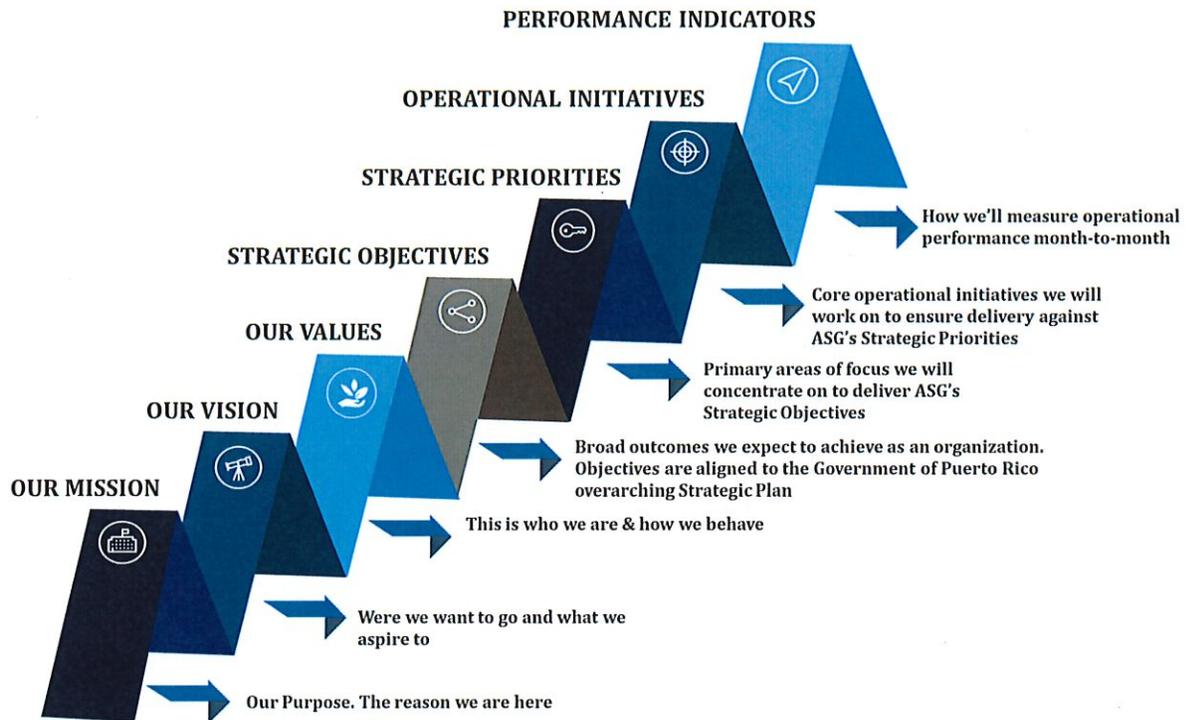
This Strategic Plan is designed to build the policies, processes, and organizational capabilities to provide the rest of our government with efficient and effective support services.

I will work hard to serve Puerto Rico, and will use my experience, leadership, and knowledge to contribute to this agency's transformation. I look forward to working with my colleagues throughout the Government of Puerto Rico during this next fiscal year and beyond.



Ottmar J. Chávez Piñero  
Administrator  
General Services Administration - Government of Puerto Rico  
Office of the Chief Financial Officer (CFO)

# ASG Strategy Framework





## OUR MISSION

Deliver Service Excellence, Compliance, and Maximum Return on Investment



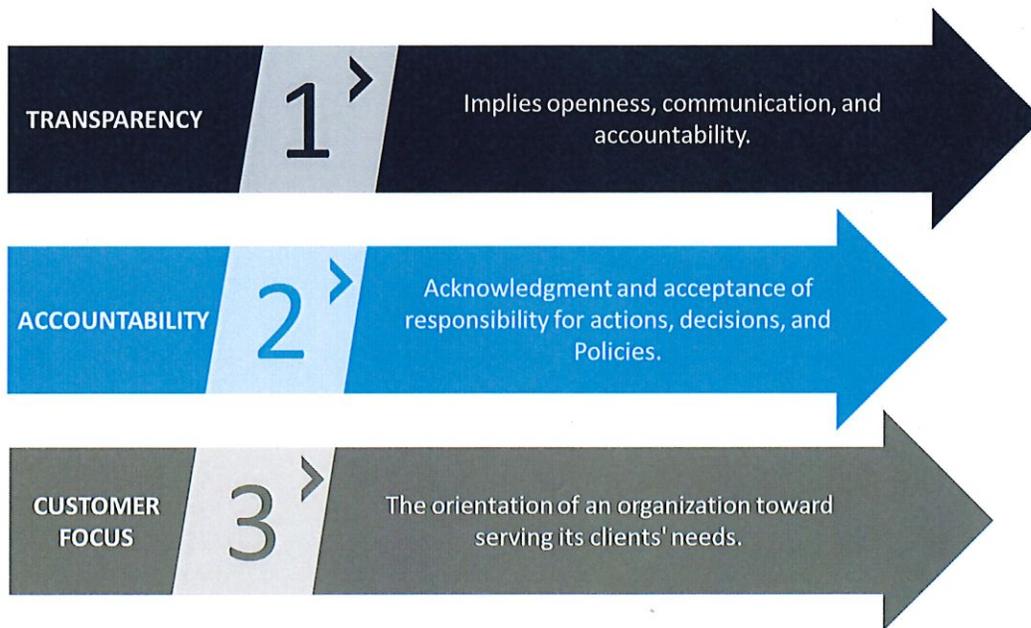
## OUR VISION

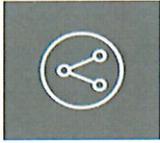
Transparent, Efficient, and Centralized General Services for the Government of Puerto Rico



## OUR VALUES

These fundamental values guide the overall strategy and are reflected, as appropriate, in the strategic goals and associated objectives. We aim to achieve the best agreements, the right quality, and support agencies with excellent service as they procure the goods & services that they need. The better our agency performs, the more our agencies and instrumentalities can ensure Puerto Rico's security, protect public health, and strengthen communities.





## Strategic Objectives

This strategic plan is the blueprint for how ASG will fulfill its mission on behalf of GPR. ASG has set out five ambitious strategic goals with corresponding objectives to create actionable ways in which we can advance the agency's mission and vision for the future. ASG recognizes that there must be an improvement in current services, an expansion into new areas, and a transformation of how customer service is conducted.

<b>Governance &amp; Financial Management</b>	Strengthen cross-functional controls to deliver compliant operational and financial processes
<b>Business Transformation</b>	Continue to improve commercial capability and organizational efficiency
<b>Service Delivery</b>	Deliver services in a simple and efficient manner while increasing spend through a Centralized Operating Model
<b>Policy Delivery</b>	Deliver the Government of Puerto Rico's objectives on Procurement Reform
<b>Savings Delivery</b>	Deliver savings for the Government of Puerto Rico and its instrumentalities

## Strategic Objectives Summary

### **Governance & Financial Management**

An internal governance and financial management effort will regularly occur to ensure compliance in all agency activities. ASG will continuously improve governance, internal controls, and financial management. Through dedicated resources and improved processes there will be better business planning and earlier detection of risks. ASG internal controls and processes will be appropriate and effective in order to promote transparency, efficiency, and sustainability.

### **Business Transformation**

ASG business processes will undergo evaluation and significant change in order to ensure more effective and efficient functionality. This transformation will enable savings across the GPR Instrumentalities to realized as outlined in the 2018 Fiscal Plan. ASG will constantly be working to improve the agency's ability to conduct business, and increase organizational capacity through agency-wide transformation efforts. The ASG transformational effort will make it easier to do business with GPR by simplifying processes and streamlining access for customers and suppliers.

### **Service Delivery**

ASG will undertake services that can be delivered in an efficient manner in order to meet the needs of agencies, instrumentalities, and municipalities. Improvements to agency contracting, purchasing, and inventory management will ensure quality service delivery for normal and emergency related activities.

### **Policy Delivery**

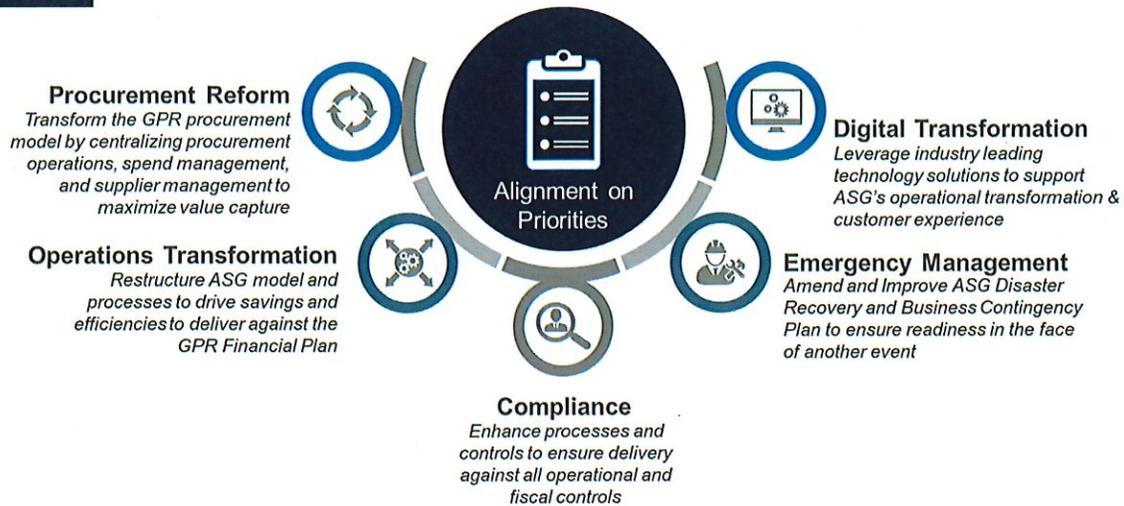
ASG will achieve GPR objectives through procurement policies and regulations. ASG will collaborate closely with other parts of the GPR to ensure that there are policies and regulations in place that can enable successful centralization of procurement efforts. ASG will promote adoption of centralized procurement and support services by agencies and instrumentalities through policy and guidance. The initiatives supporting this strategic objective address the concerns outlined in the *Plan for Puerto Rico* and will improve accountability, transparency, and uniformity in GPR activities.

### **Savings Delivery**

ASG will design and deliver products and services that yield measurable savings while aligning customer focused objectives and changing market demand. These initiatives are designed to enable ASG and the Government of Puerto Rico to realize year over year savings targets.



## Strategic Priorities



<b>Procurement Reform</b>	ASG is taking immediate action to reform and centralize procurement for GPR. This centralization will directly support the ASG Funding Model and drive savings and efficiency for the Government of Puerto Rico. ASG will be able to leverage the GPR’s purchasing volume to negotiate the best terms for agencies.
<b>Operations Transformation</b>	ASG will evaluate the current internal organizational structure, operations, and programs to ensure that the agency is organized and focused on delivering mission requirements. The operations transformation initiative will address these structural, operational, and programmatic improvements, and will align capabilities with emerging organizational needs.
<b>Compliance</b>	ASG will conduct a thorough review of accounting systems, and examine policies and procedures that pose organizational risks. ASG will engage in regular compliance assessments and risk mitigation planning.
<b>Emergency Management</b>	ASG will develop and implement a new Emergency / Disaster Operating plan to guarantee full alignment with the Government of Puerto Rico's overarching Disaster Recovery plan, while enhancing internal processes to drive operational readiness.
<b>Digital Transformation</b>	ASG technological improvements will leverage industry leading technologies to drive process simplification and automation for improved customer service, monitor and track spending, and use data to generate analytics needed to help the agency realize savings.



## Operational Initiatives

To deliver against ASG Strategic Priorities, specific initiatives have been designed and tailored to meet the Government of Puerto Rico and ASG goals and objectives. Each initiative is aligned with a Strategic Objective to ensure effective strategy cascading down to the executional level.

Operational Initiatives Outline	
<b>Implement Category Management &amp; Strategic Sourcing</b>	Complete a full review of government spending within the scope of ASG's mission, and create common categories of products and services across agencies. Leverage full category volume and spend to negotiate best price and terms for the Government of Puerto Rico.
<b>New Procurement Legislation &amp; Regulations</b>	Full centralization mechanism to ensure savings and purchasing against procurement reform contracts at ASG while new regulatory framework is created. Assist with the proposal of legislation and regulation that standardizes the legal framework of the procurement processes and formal auctions.
<b>Procurement Shared Service (Centralized Operating Model)</b>	Develop a centralized operating model that effectively leverages the purchasing power of the entire Government of Puerto Rico, ensuring standardization and transparency.
<b>COR3 Strategic Procurement Alliances</b>	Collaborate with the Central Office for Recovery, Reconstruction, and Resiliency (COR3) in order to assist with the procurement and associated contracting mechanisms needed for hurricane recovery efforts.
<b>Fuel Management Strategy</b>	Compliment the fuel Category Management sourcing strategy with timely activities to resolve fuel-related Accounts Payable balances, the management of government owned fuel stations, proactive support to the government's Emergency / Disaster Operating Plan, and revenue generating mechanisms to bolster the ASG Funding Model.
<b>Fleet Management Strategy</b>	Reform the vehicle fleet program with a focus on delivering savings via consolidation and the design of a vehicle replacement strategy and a fleet right-sizing & standardization effort while generating revenue for the ASG Funding Model from the resale of surplus units.
<b>AP / AR</b>	Evaluate of the current Accounts Payable and Accounts Receivable practices in order to improve the agency's accounting, collection, and cash flow position.
<b>Funding Model Assessment &amp; Enhancement</b>	Assess the agency's current funding model and restructure any area that generates a loss in funds or does not generate revenue so that the agency can sustain long-term efforts and activities to serve the GPR procurement function. The sustainable funding model will allow ASG to collect fees for service for activities such as contract and inventory management.
<b>Space Planning (Future State)</b>	Upgrade and expand the ASG office space to support a centralized procurement operating model and associated strategic sourcing processes while enabling an enhanced service portfolio.

<b>Operational Initiatives Outline (cont.)</b>	
<b>Service Portfolio Review and Assessment</b>	Evaluate the ASG service menu to understand portfolio alignment with the ASG Mission, program profitability, service expansion opportunities, and areas that may need to be externalized.
<b>Inventory Management &amp; Optimization</b>	Assess and reconcile all assets within ASG ownership and management in order to ensure effective inventory management, tagging, and accounting.
<b>Bid Board Governance</b>	Install a Board per Reorganization Plan #3, to ensure compliance and transparency on the supplier selection process, and that the supplier selected represents the best value for the GPR.
<b>Review Board Governance</b>	Install a Board per Reorganization Plan #3, to ensure the review of any Bid Award Objections.
<b>Internal Controls &amp; Audit Readiness</b>	Conduct a thorough review of accounting systems, and examine policies and procedures that pose organizational risks; implement a new internal controls program to engage in regular compliance assessments and risk mitigation planning.
<b>Organic Law Adherence</b>	Review ASG policies and processes to ensure compliance with the 1986 and 2011 ASG laws, and current applicable legislation and regulation – as well as the <i>Governor's Plan for Puerto Rico</i> . Additional regulation and legislation will be explored in order to support procurement centralization and other ASG authorities within the GPR.
<b>ASG Standard Operating Procedures</b>	Update and/or author ASG processes and procedures to ensure they are up to date and aligned to current business processes.
<b>Emergency / Disaster Operating Plan</b>	Develop and implement a new Emergency / Disaster Operating plan to ensure full alignment with the Government of Puerto Rico's overarching Disaster Recovery plan.
<b>Microsoft Dynamics (Interim Solution)</b>	Enhance and improve the current Puerto Rico Procurement system to support a centralized procurement model.
<b>Oracle ERP (6 procurement modules)</b>	Expand the centralized ERP solution to support multiple agencies and functions across the GPR. Six Modules are specific to Procurement, but additional modules are scoped to support the centralization of GPR functions.



## Performance Indicators

ASG Transformation success hinges on delivering against Performance Indicators for each of the five (5) Strategic Priorities reflected in this Strategic Plan.

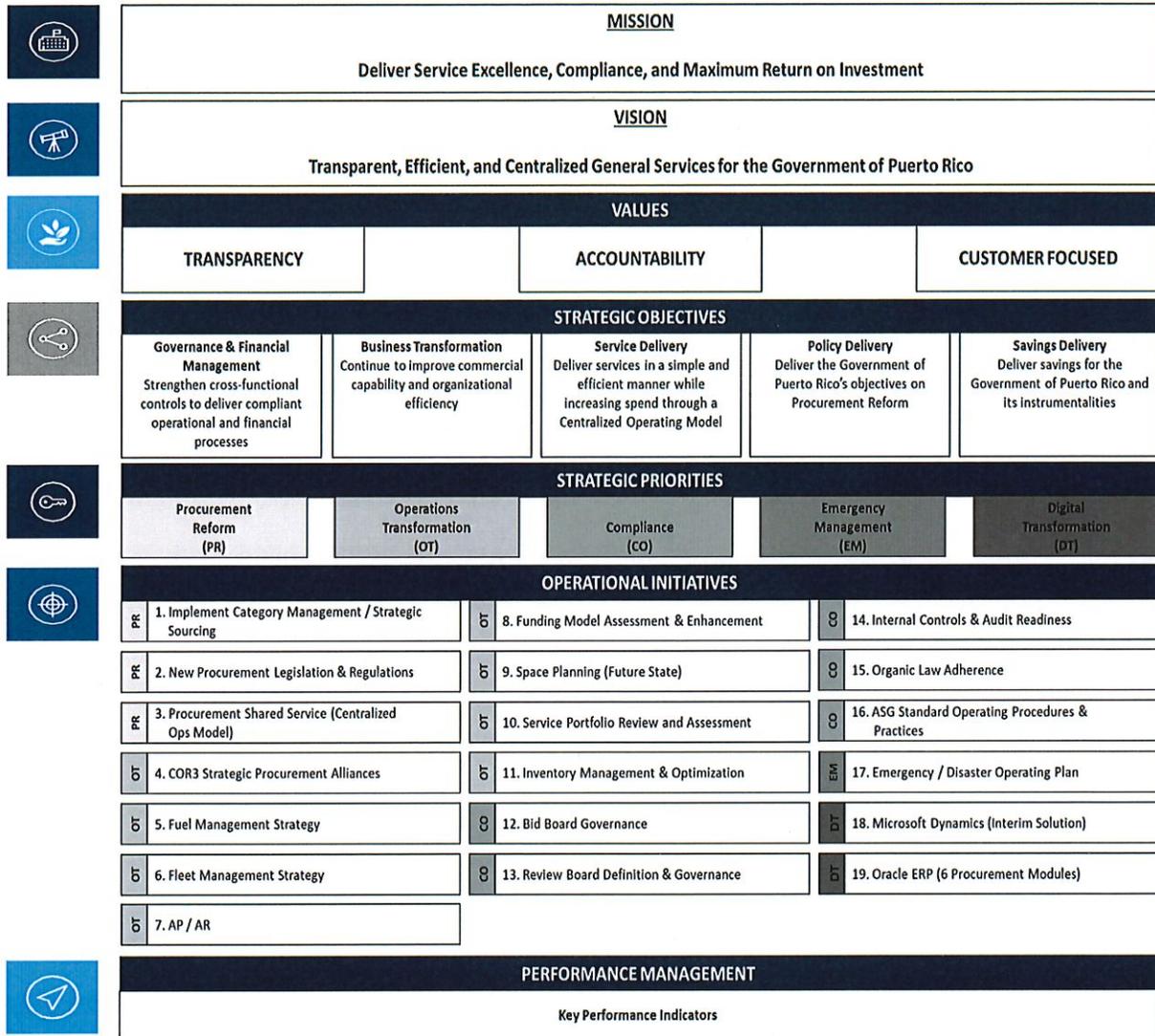
A Program Management Office (PMO) has been established to help guide ASG through this process, it will be responsible for coordinating and overseeing execution of each Operational Initiative (Appendix 1).

### PERFORMANCE INDICATORS PER STRATEGIC PRIORITY

- |                                  |                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Procurement Reform</b>        | <ul style="list-style-type: none"><li>• \$12.1M in savings for FY19</li><li>• \$93M in government wide savings through the close of 2020</li><li>• 80% of Spend managed by ASG by 2020</li></ul>                                                                                                                                             |
| <b>Operations Transformation</b> | <ul style="list-style-type: none"><li>• Establish new fuel model</li><li>• Establish new fleet model</li><li>• Improve ASG cashflow position and P&amp;L performance</li><li>• Establish new funding model</li><li>• Updated service portfolio</li><li>• Move to office space that supports ASG's Future State model</li></ul>               |
| <b>Compliance</b>                | <ul style="list-style-type: none"><li>• Clear definition of Responsibility &amp; Governance for Bid and Review Boards</li><li>• Zero (0) Audit Observations</li><li>• Compliance with all Government Reporting Requirements</li><li>• 100% Updated Department Standard Operating Procedures</li><li>• 100% Team Training Adherence</li></ul> |
| <b>Emergency Management</b>      | <ul style="list-style-type: none"><li>• ASG Emergency Management Plan Alignment with the GPR overarching Disaster Recovery Plan</li><li>• Complete GAP assessment vs the new Emergency Management Plan</li><li>• Train ASG team on new Emergency Management Plan</li></ul>                                                                   |
| <b>Digital Transformation</b>    | <ul style="list-style-type: none"><li>• Successful deployment of interim process to support Procurement Transformation</li><li>• Complete business requirements for new long-term ERP solution</li></ul>                                                                                                                                     |

# ASG Strategy Map

The Strategy Map provides a high-level view of the ASG Strategic Plan and how everything ties together.



## Appendix 1: Program Management Office (PMO)

The PMO is charged with the delivery of ASG transformation with focus on the design / implementation of the agency's strategic priorities in association with the infrastructure and technology expenditures necessary for the future operating structure.

The PMO approach will leverage a project management framework with a focus on technology-driven procurement benefits realization, project assurance, as well as implementation of new infrastructure, technologies, and the processes to support these implementations.

The PMO is integrated with Office of CFO priorities and initiatives and will report directly to the ASG Administrator. On the Administrator's behalf, the PMO will drive the coordination of ASG organic resources, other government agency representatives, and ASG contracted resources.

### **The Delivery Unit will focus on resolving shorter-term priorities**

The Delivery Unit is focused on rapid project delivery, the team will attack ASG issues and priorities with agility and speed – driving and monitoring resolution.

The Delivery Unit will not focus on day-to-day operations, but on the development, design, and implementation of processes and technologies to support transformation of the new ASG organization.

### **Procurement Reform will leverage technology to drive savings and efficiencies**

Continued transformation toward the Centralized Procurement Operating Model, design and implementation of the supporting software and infrastructure, and the execution of Strategic Sourcing Waves will drive increased savings and improved service for the Government of Puerto Rico.

