



Purchasing Power: How San Francisco Spends Money

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Purchasing Power

Nine recommendations to improve San Francisco's procurement process and make it a core part of the city's strategy to deliver equitable services.

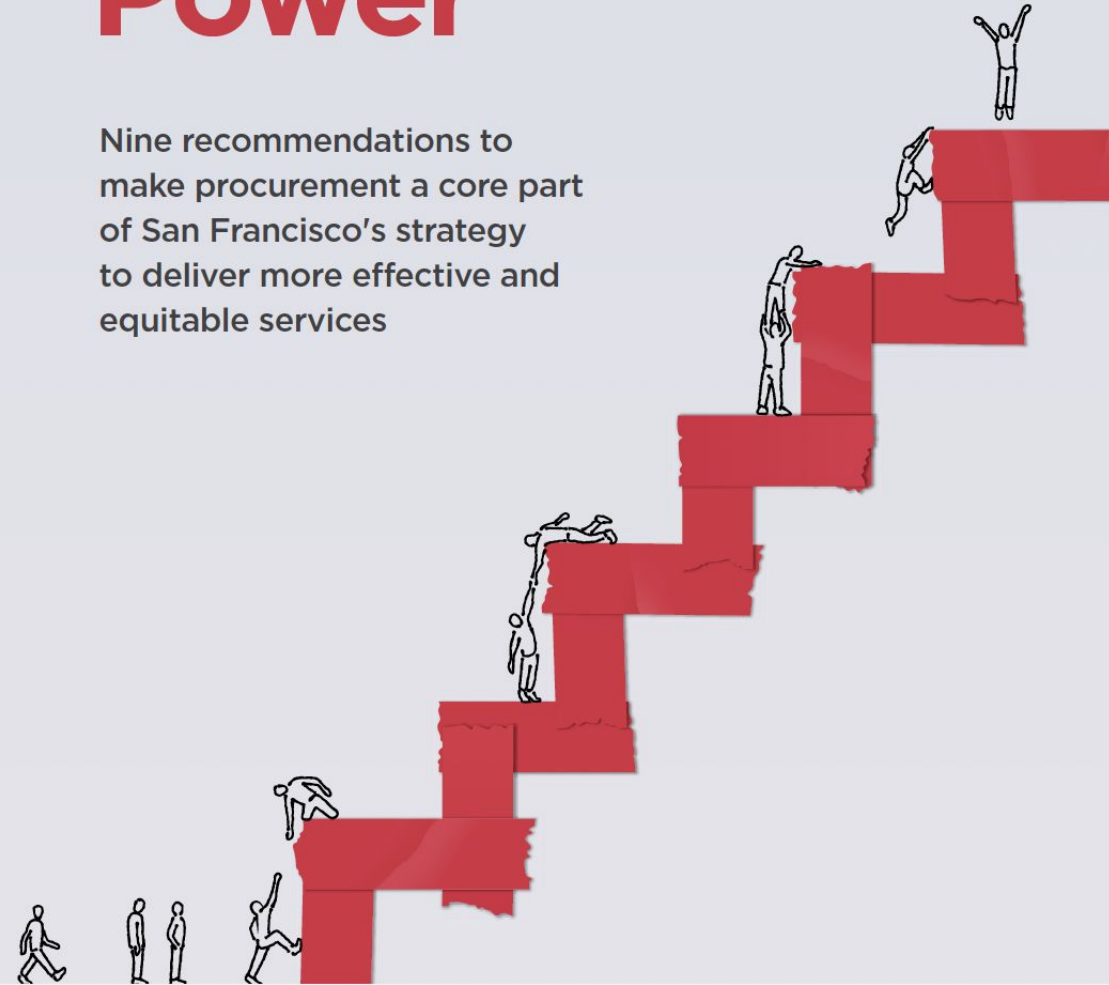
June 2025



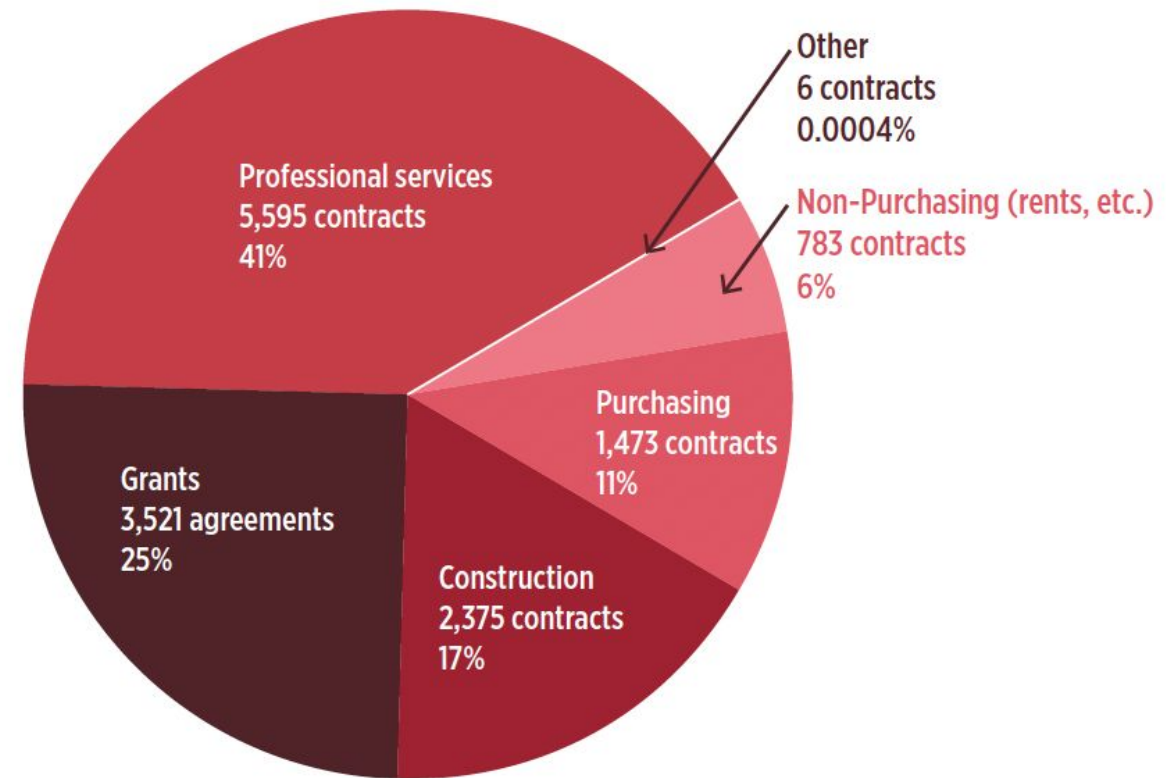
Ideas + Action
for a Better City

Purchasing Power

Nine recommendations to make procurement a core part of San Francisco's strategy to deliver more effective and equitable services



The City and County of San Francisco spends a significant portion of its budget — **more than 1 in every 3 dollars of its roughly 16B budget annually** — on contracts for goods and services



Contracts for \$200,000 account for 59% of total contracts, while they account for only about 2% of the city's total contract spend.

TOTAL TRANSACTION
VOLUME

59% of contracts
were for \$200k
or less.

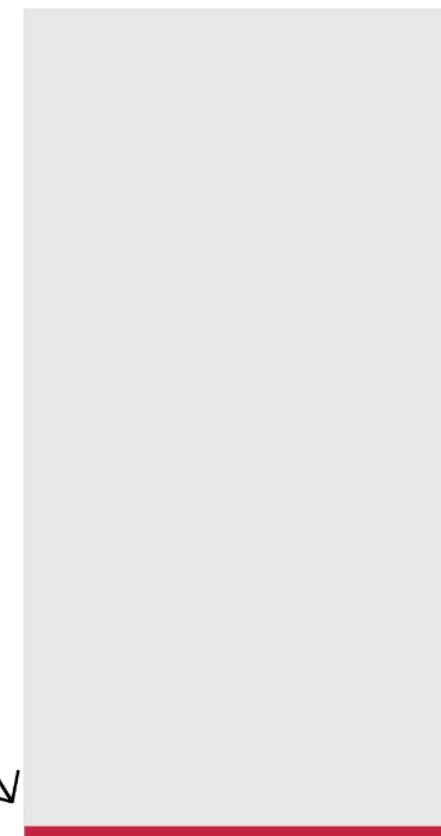
≤\$200k transactions = 9,847
All transactions = 16,026

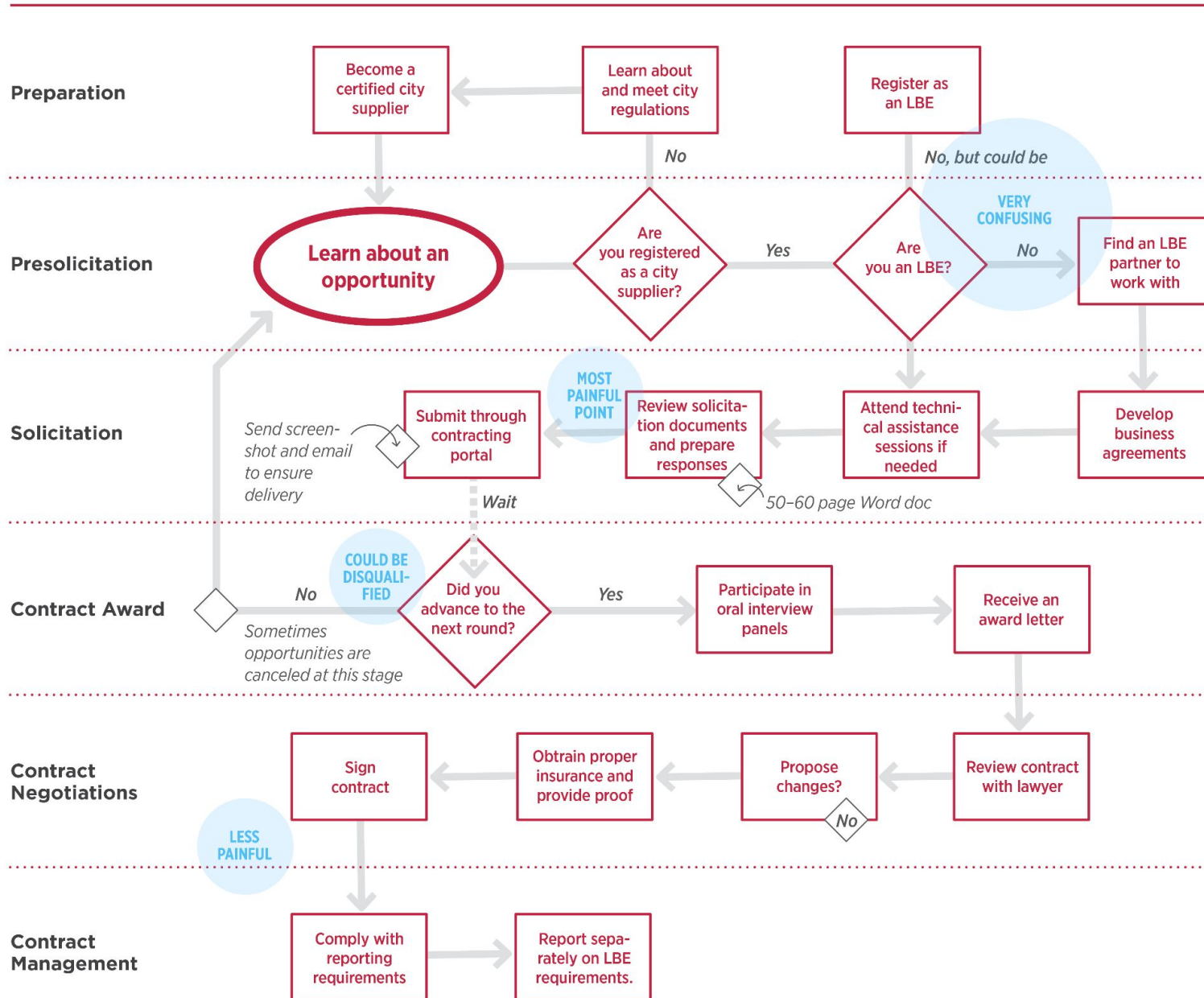


TOTAL DOLLAR
VALUE

But that 59% accounts
for just 1.8% of the total
value of new contracts
the city entered into.

≤\$200k transactions = \$579.1M
All contracts = \$32.3B





- **Recommendation 1:** Empower and resource the City Administrator's Office to lead on procurement.
- **Recommendation 2:** Simplify the contracting process for low-value contracts.
- **Recommendation 3:** Align on shared goals, discuss trade-offs, and amend or eliminate policies that aren't having their desired impact.
- **Recommendation 4:** Strengthen the relationship between policy and implementation.
- **Recommendation 5:** Reduce the number of steps in the contracting process.
- **Recommendation 6:** Shift the focus from compliance and risk mitigation to successful contract outcomes.
- **Recommendation 7:** Make the procurement process more user-friendly for contractors.
- **Recommendation 8:** Build the capacity and skills of staff and vendors.
- **Recommendation 9:** Share contracts across government agencies through cooperative purchasing agreements, as-needed contractor pools, and joint solicitations.