Gateway User Group Meeting Notes

Tuesday, January 23, 2018

Attendees:
Lara Anderson, Vaugh Boyle, Patricia Esparza, Michelle Fitzgerald, Daniel Hart, Terri Hille, Mary McGuan, Jeri O’Mahoney, Robin Portune, Daniel Stack, Kathleen Yabsley, Bobby Zavala

Guests:
Ann Boochangkool, Jacob Godfrey, Tahna Hekhuis

Not in Attendance:
Rogelio Gonzalez, Yasemin Norris, Calli Price

November 28, 2017 Meeting Notes – Are there any corrections to last meeting notes? Yes, Patricia Esparza’s name was previously misspelled. Her name is now correct.

A special thank you to Terri Hille for arranging the conference room for us today!

*Action Item* - Lara will email spreadsheet to group members with contact information

Introductions of the two new User Group Members for 2018 – Welcome Patricia Esparza from Office Budget and Planning and Mary McGuan from Materials Research Lab

We will resume the round robin discussion at our next meeting on February 27.

Review Gateway User Group Charter for 2017

We are requesting volunteers for a workgroup to review the Gateway User Group Charter for potential 2018 revision.

Gateway updates:

- Tangram Interiors is now live, they have replaced BKM as our Steelcase Dealer – punch-out with cXML POs and Invoicing. UC San Diego currently tests new (user-friendly) punch-out technology. Once their testing is finished, UCSB will follow.

- Cell Signaling Technology agreement will expire on February 2, 2018.

- AmerisourceBergen will replace Cardinal Health on 2/1/18. We are working with Student Health and Jaggaer, testing the punch-out cXML POs and invoices
Supply Chain 500 (SC500) – Opportunity to collaborate for upstream buying Spend Analysis, contracts and sourcing

Procurement Technology Initiatives

GEP Program

GEP Program – RFP Cal State and UCs working together to build a university sourcing tool
   GEP is the software company that won the bid for UCOP upstream modules

GEP Work stream 1
   Foundational – functionality -spend analysis and strategy.

GEP Work stream 2
   Sourcing
      • Supplier Performance Management – score card, qualitative metrics, sustainability, financial state of affairs, disaster delivery data
      • Contract – Contract Clause Template to normalize clauses used system wide

Normalization Assessment/UC Unified Instance

Overview of normalization assessment provided the proposed recommendations from the Office of the President (via Ernst & Young) to re-organize the way the UC handles procurement system-wide. This includes identifying best practice for requisition workflow, buyer delegations, forms, blanket PO’s, clauses, and supplier on boarding.

UCSB is in a good position – improving workflow and changing definitions

How can we make this happen or make an argument for better solutions? Form a Unified Instance Work Group – For upcoming discussions

Center of Excellence will leverage groups in place to work in teams with tremendous opportunity.

How do we get there?

Procurement Process Initiatives

P2P implementations

Vendors are asked to agree to prompt payment discounts. Preferential treatment is given based on ability to take electronic payments. The purpose is to reduce campus costs and build revenue streams.
The Procurement department pays for Gateway.

Enhanced Sourcing - Strategic Sourcing pathway for groups doing bid sourcing and bids to make a formal process

Deep Dive – System wide save 200 million dollars through reduced health care, benefits and Insurance costs.

Revenue Generation – enlisting good partnerships with vendors

RFP Banking services – work holistically with a full scope of reach

Alumni, faculty, staff, retirees

Research revenue generators – official transportation partners and products

Skill assessment management - talent management

Sustainability criteria – including best products, energy star compliant, sustainable sourcing

Surplus management – total cost of ownership – including managing the waste stream

Supply chain initiatives end-to-end integration, reduce shipping /consolidate delivery

End of Supply Chain 500 discussion.

Normalization Opportunities

Buyer Review – standard routing criteria

Requisition steps – online testing

Purchase order steps – asset management, inventory, year-end hold

High Risk – High Dollar – Chancellor to sign off

Requisition Workflow

Buyer Delegation – standard delegation of authority across campus

Delegate Departmental Level Buyers up to 10K by summer then up to 25K

Normalize restricted commodities

Train and Develop people – Classifications / Representations

Forms -Standardizing Forms; portal for vendors to provide quick quotes
Vendor Catalog, Blanket PO, Contract Labor, Request to Pay, Sole Source Waiver, Quick Quote and PO Change Order

Blanket POs – 1 year at a time for goods and services for known amount BPO form & description

PO Clauses – Clause Categorization – reduce redundant clauses

Normalized threshold clauses – use same language

Commodity Code Analysis

UNPSC – Develop descriptions of codes

Supplier Taxonomy – Common System Portal for Vendors and Governance – Supplier Management Lifecycle – Encourage Small Business Spend-Supplier Class

How to move? Migration strategy?

Jaggaer Multi-business platform (unified instance) - UC Davis is working on this system, UC Merced joined in. UCOP is asking UCSB if/when we will be ready.

Question for the group: Does anyone here have delegation of authority?

Group responds: NO

Buying Delegation defends against lawsuits
Responsible to the public to use correct language and disparity
Standardize delegations

Commodity Code – critical, spend classification, spend management
UC Davis had 140,000 commodity codes
Ernest and Young was hired to review and consolidate to 900 codes/ UCSB uses 72 codes

2017 Recap of User Group Achievements

- implemented round robin
- established default account strings
- customized shopping dash board
- invoice workflow updates
- receipt tolerance changed from 2,500 to 5,000
- federal award end date