

## **2005-2006 :: Procurement Management**

### **1. Mission Statement:**

Procurement Management's mission is to support the business operations of The University of Texas at Dallas by obtaining goods and providing services in a timely, cost efficient and lawful manner, enabling the University to provide quality educational and research programs.

### **2. Objectives:**

#### **2.1 Add staff to Property Management:**

Justify the need to add a capable accountant to the Property Management Staff to improve the timeliness and accuracy of the reconciliations and reporting needed for this Procurement unit. Property Management has been staffed by a Property Administrator and Property Specialist in the past but the growth of the university and increased requirements of this function appear to exceed the capabilities of the small staff.

**2.1.1 Related Strategic Plan Item(s):** III-1 Dynamic Change Management

**2.1.2 Related Institutional Priority Item(s):** SP-8 Reduce Costs

#### **2.2 Process Accounts Payable accurately and timely. :** Process university accounts payables according to applicable policies and procedures in an accurate, timely and efficient manner to ensure that payable transactions are correctly reported in the university's financial system and to ensure that the university's payment liabilities are met.

**2.2.1 Related Strategic Plan Item(s):** III-1 Dynamic Change Management

**2.2.2 Related Institutional Priority Item(s):** SP-8 Reduce Costs

#### **2.3 Increase use of Group Purchasing Contracts.:** Increase the use of Group Purchasing Contracts to facilitate the procurement process and secure best value for goods and services purchased. This applies primarily to purchase of computers, furniture and office supplies.

**2.3.1 Related Strategic Plan Item(s):** III-1 Dynamic Change Management; III-2 Innovative Centers and Institutions

**2.3.2 Related Institutional Priority Item(s):** SP-8 Reduce Costs

#### **2.4 Maintain effective & cost-effective Print Shop.:** Maintain an effective and cost-effective campus Print Shop. Coordinating a majority of the campus printing through the UTD Print Shop ensures adherence to visual identity guidelines and consistency in quality and price of printed materials.

**2.4.1 Related Institutional Priority Item(s):** SP-8 Reduce Costs

#### **2.5 Improve effectiveness of Procurement training.:** Improve the effectiveness of Procurement Management Training by offering monthly training classes, online training through the Training Post, specialized training as needed and tailoring the training to our customers needs.

**2.5.1 Related Strategic Plan Item(s):** III-1 Dynamic Change Management; III-2 Innovative Centers and Institutions

**2.5.2 Related Institutional Priority Item(s):** SP-8 Reduce Costs

### **3. Measures & Findings:**

#### **3.1 Survey components of UT System.:**

Survey other components of UT System and determine the ratio between assets managed and personnel to manage them.

##### **3.1.1 Success Criteria:**

Justifying the need to hire an accounting specialist by showing that the ratio between number of assets managed and Property Staff members is much higher at UTD than other UT components.

**3.1.2 Related Objective(s):** Add staff to Property Management

##### **3.1.3 Results Related To Success Criteria:**

UTD's ratio was extremely high compared to all other components. Person approved and hired in April 2006.

**3.1.4 Achievement Level:** Met

**3.1.5 Further Action:** No

#### **3.2 Review Prompt Payment Report.:**

Review 30 Day Prompt Payment Report to determine if we are processing payments within 30 days of the invoice or receipt of the goods whichever is later.

**3.2.1 Success Criteria:** At least 90% of all payments made within the 30-Day Prompt Payment requirements.

**3.2.2 Related Objective(s):** Process Accounts Payable accurately and timely.

**3.2.3 Results Related To Success Criteria:** 93% of all applicable payments paid within 30 days.

**3.2.4 Achievement Level:** Met

**3.2.5 Further Action:** No

**3.3 Survey of PO's for group contract items ordered.:** Survey the total dollar value of purchase orders issued for furniture and determine percentage of dollars spent due to use of a group purchase contract.

**3.3.1 Success Criteria:**

80% or greater ordered via group purchasing contracts (TXMAS, E&I, US Communities, Etc.)

**3.3.2 Related Objective(s):** Increase use of Group Purchasing Contracts.

**3.3.3 Results Related To Success Criteria:**

The informal survey indicated that more than 90% of funds spent for furniture were spent through the Group Contracts.

**3.3.4 Achievement Level:** Met

**3.3.5 Further Action:** No

**3.4 Off Campus orders without Print Shop oversight.:** Determine number of printing orders done with off campus vendors without Print Shop involvement.

**3.4.1 Success Criteria:** 95% of all printing orders handled by the campus Print Shop.

**3.4.2 Related Objective(s):** Maintain effective & cost-effective Print Shop.

**3.4.3 Results Related To Success Criteria:**

Difficult to determine number of printing related jobs done outside UTD Print Shop. Unable to determine percentage of compliance without further study.

**3.4.4 Achievement Level:** Partially Met

**3.4.5 Further Action:** Yes

**3.5 Increase training classes for Procurement Mgt areas:** Increase frequency of training classes related to Procurement Management areas.

**3.5.1 Success Criteria:** Establish a monthly cycle of training for all months except July, August & September.

**3.5.2 Related Objective(s):** Improve effectiveness of Procurement training.

**3.5.3 Results Related To Success Criteria:** Provided monthly training September through June in fiscal year 2006.

**3.5.4 Achievement Level:** Met

**3.5.5 Further Action:** No

**3.6 Interview past & new staff to determine needs.:**

Informal interviews with past Property Administrator, new Property Administrator, Services Manager and AVP for Office of Finance to determine needs not being met.

**3.6.1 Success Criteria:**

Consensus that an additional person is needed and the skillset that is required to improve the reconciliation and reporting capabilities of this business unit.

**3.6.2 Related Objective(s):** Add staff to Property Management

**3.6.3 Results Related To Success Criteria:** Need an Accountant for Property Management.

**3.6.4 Achievement Level:** Met

**3.6.5 Further Action:** No

**3.7 Determine error rate by tracking returned checks.:** Track returned checks to determine error rate. (Checks are generally returned when payee or amount is incorrect or if the payment is a duplicate.)

**3.7.1 Success Criteria:** Less than 1% error rate.

**3.7.2 Related Objective(s):** Process Accounts Payable accurately and timely.

**3.7.3 Results Related To Success Criteria:** Error rate of .07% of all applicable payments paid.

**3.7.4 Achievement Level:** Met

**3.7.5 Further Action:** Yes

**3.8 Survey PO's for computers purchased via contracts.:** Survey the total dollar value of purchase orders issued for computers and determine percentage ordered through use of a group purchasing contract.

- 3.8.1 Success Criteria:** 80% or greater ordered via group purchasing contracts (Dell, UT System/TAMU Contract).
- 3.8.2 Related Objective(s):** Increase use of Group Purchasing Contracts.
- 3.8.3 Results Related To Success Criteria:**  
The informal survey indicated that more than 90% of funds spent for computers were spent through the Group Contracts for Dell computers.
- 3.8.4 Achievement Level:** Met
- 3.8.5 Further Action:** No
- 3.9 Compare Printing pricing UTD vs outside vendors.:** Compare UTD Print Shop pricing with outside vendor pricing.
- 3.9.1 Success Criteria:** Total on campus cost of time and materials to be equal or lower than outside competition.
- 3.9.2 Related Objective(s):** Maintain effective & cost-effective Print Shop.
- 3.9.3 Results Related To Success Criteria:**  
All print jobs are funneled through the Print Shop for oversight. Pricing from outside sources is frequently solicited to ensure we place the job with our Print Shop or outsource, if better value.
- 3.9.4 Achievement Level:** Met
- 3.9.5 Further Action:** No
- 3.10 Determine effectiveness of training with survey.:** Survey the participants of the training classes to determine effectiveness of information.
- 3.10.1 Success Criteria:**  
Receiving a survey response from 50% or more of the participants and to have 90% of the respondents rate the training useful or better.
- 3.10.2 Related Objective(s):** Improve effectiveness of Procurement training.
- 3.10.3 Results Related To Success Criteria:** More than 60% of respondents complete our survey before leaving the class and 93% rate the training useful or better.
- 3.10.4 Achievement Level:** Met
- 3.10.5 Further Action:** No
- 3.11 Survey orders of Office Supplies for contract use.:** Survey the total dollar value of orders for office supplies and determine percentage ordered via a group contract.
- 3.11.1 Success Criteria:** 80% or greater ordered via group purchasing contracts (StaplesLink).
- 3.11.2 Related Objective(s):** Increase use of Group Purchasing Contracts.
- 3.11.3 Results Related To Success Criteria:** The informal survey indicated that more than 86% of dollars spent for office supplies were done via the StaplesLink Group Purchase Contract.
- 3.11.4 Achievement Level:** Met
- 3.11.5 Further Action:** No
- 3.12 Outside printing adherence to guidelines.:**  
Survey print jobs done outside the Print Shop for adherence to Visual Identity Guidelines.
- 3.12.1 Success Criteria:**  
UTD Print Shop adherence to Visual Identity guidelines exceeds that of off-campus service providers.
- 3.12.2 Related Objective(s):** Maintain effective & cost-effective Print Shop.
- 3.12.3 Results Related To Success Criteria:**  
All printing is directed to the Print Shop to ensure VIG adherence. Jobs that bypass the Print Shop are scrutinized after the fact and departments advised of VIG non-compliance.
- 3.12.4 Achievement Level:** Met
- 3.12.5 Further Action:** No
- 3.13 Review completion ratio-Procurement Training Post:** Review the number of participants who completed Procurement-related Training Post modules (Contracts, Purchasing, Property, etc.)
- 3.13.1 Success Criteria:** 95% of participants successfully completing each module.
- 3.13.2 Related Objective(s):** Improve effectiveness of Procurement training.

**3.13.3 Results Related To Success Criteria:**

Participants completing the Procurement-related Training Post modules exceeded 96% and target was exceeded.

**3.13.4 Achievement Level:** Met**3.13.5 Further Action:** No**5. Closing the Loop:****5.1 Add Property Accountant to staff.:**

Hiring additional person justified and approved after survey results showed UTD's ratio was extremely high compared to all other components. Person approved and hired in FY06.

**5.1.1 Related Objective(s):** Add staff to Property Management**5.1.2 Related Measure(s):** Survey components of UT System.**5.1.3 Responsible Person:** Property Administrator, Svcs Mgr, AVP of Procurement.**5.1.4 Target Date:** Fiscal Year 2006**5.1.5 Priority:** High Priority**5.2 Monthly monitoring, yearly assessment.:**

Monitor 30-Day Prompt Pay Report and assess yearly percentage. Continuously monitor checks are they are returned.

**5.2.1 Related Objective(s):** Process Accounts Payable accurately and timely.**5.2.2 Related Measure(s):** Review Prompt Payment Report.; Determine error rate by tracking returned checks.**5.2.3 Responsible Person:** AP Supervisor and AVP of Procurement Management.**5.2.4 Target Date:** Fiscal Year 2006**5.2.5 Priority:** Low Priority**5.3 Consensus reached, Accountant hired.:**

Consensus was reached, person was hired and reconciliation and reporting capabilities increased as expected.

**5.3.1 Related Objective(s):** Add staff to Property Management**5.3.2 Related Measure(s):** Interview past & new staff to determine needs.**5.3.3 Responsible Person:** Property Administrator, Svcs Mgr, AVP of Procurement**5.3.4 Target Date:** April 2006**5.3.5 Priority:** High Priority**6. Analysis:****6.1 Program/Unit Strengths:**

**6.1.1 Objectives/Outcomes Exceeded or Met:** The assessment showed that we were able to achieve the goals & objectives that we focused on this year. We were satisfied that all critical work in the areas of Procurement Management were being addressed. For example, we determined early in the fiscal year that we would need a Property Accountant to work with our Property Administrator. We were able to hire the Accountant but would have liked to do so earlier in the fiscal year to get better results at year-end. It is necessary for us to continue to do more with less to support the growing needs of our academic mission.

**6.2 Program / Unit Weaknesses:**

**6.2.1 Objectives / Outcomes Partially or Not Met:** The assessments validated that there are many transactions that are overseen by Procurement Management involving numerous people and large sums of money. It will be necessary for us to continue to be vigilant to ensure the funds of the university are spent wisely and our assets are properly controlled. We need to continue our training as this task is to great for us to achieve without end-users that are aware of the necessary policies and procedures. As our faculty and student numbers increase, we must effectively support them and facilitate their use of our services.

**7. Report:****7.1 Executive Summary:**

Procurement Management oversee thousands of transactions and millions of dollars for the university. It is important that we continue to do so with integrity, transparency and effectiveness. It is understood that students, faculty & staff are our customers and we must continue to provide excellent customer service and support to ensure the vitality of our campus community.

**7.2 Top 3 Program/Unit Accomplishments:**

Procurement Management has increased its service to the campus community even though our department growth is far outpaced proportionately by the growth in number of students and faculty. The Purchasing Card Program continues to grow which is facilitating small dollar purchases. The departmental turnover has been relatively low which allows us to serve as a consistent place to come for good customer service and information about university rules and regulations.

**7.3 Research Activities or Publications:**

We support the mission of the university every day, working with the principal investigators to comply with contract/grant requirements and facilitate the proper expenditure of research funds. We have worked on many student oriented projects & contracts to improve their educational experience.

**7.4 Instructional/Training Activities (presented or received):** Primarily provide training monthly to faculty & staff regarding all areas of Procurement.**7.5 Public Service:**

We are responsible for a very successful Historically Underutilized Business Program which especially benefits local small, minority and women owned business. Thirty percent of our expenditures in FY06 were invested with minority and women-owned businesses.

**7.6 Other External Activities:**

Procurement supports the activity of our international students related to securing the student insurance, facilitating international class trips. We are also involved in facilitating faculty travel to international conferences.

**7.7 Contributions to UTD:**

Procurement Management proudly serves as a department that provides a multitude of services to all students, faculty, staff and vendors of the university. Our customer service and "can do" attitude allows us to support and enhance university growth.

**7.8 Top 3 Program / Unit Challenges:**

Primary challenge is to continue to keep up the pace with the small staff in Procurement. It is extremely important that we multi-task particularly in areas of the HUB Program and contracts review and management. We must remain focused on our need to provide excellent customer service to our students, faculty, staff and vendor communities.