

2.0 Research Purchase Options

Final Report

October - December 2016



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Overview

The research purchase options process exists to determine the method to use when purchasing a good or service. The purpose of this process is to obtain a good or service in a short amount of time at an acceptable price while maintaining compliance with policies and procedures.

This process starts when a University department identifies the need to acquire a good or service. The department must determine if it's for an emergency and if not must conduct research to determine which method to use when purchasing the need. Research includes but is not limited to checking policies, searching existing contracts, vendors and costs to determine if it is a large or small purchase. Furthermore, it is during the research phase when a department determines, if the need involves a campus contract, strategic procurement contract, campus store purchase, inter-governmental agreement or a consortia.

The Chief Procurement Officer of Higher Education approves a small purchase limit has / competitive solicitation thresholds for individual procurements of supplies or services other than professional or artistic services, and procurement of construction. 

The major milestones, or scope of this process, include identifying the need, conducting research on the goods and services, determining if it is a large purchase and finally determining the method to obtain the good or service.

Illinois Mandate Symbol - 

University Policy Symbol - 

Professional Mandate Symbol - 

Process Executive Summary

Business Process

This process starts when a University System department identifies the need to acquire a good and/or service. After the need has been identified, the department or hospital requestor conducts research to determine what type of purchase it is and if there is an existing contract. Purchasing staff acts as support and helps the department throughout this process. Once the research is finished the department or hospital requestor determines the methodology for the purchase and ends the process by creating a purchase requisition.

Current Process Activities



Approach

The current state process activities were mapped by the Subject Matter Expert, SME, and project process team. A SIPOC diagram was created to capture the tasks executed by the department. The SME project team identified opportunities for improvement and brainstormed potential solutions. The current state was presented, issues were identified, and recommendations were discussed at customer focus group meetings in the University System. The process report was presented to the Source2Pay Director Council where they ranked the proposed recommendations for implementation.

Key Findings

The following areas have opportunities for improvement:

- System
 - 10 issues related to system's lack of ability to integrate and lack of system functionality
- Policy
 - 7 issues related to procurement policies
- Training
 - 11 issues related to lack of understanding the process
- Communications
 - 1 issue related to lack of providing information
- Organizational Acceptance
 - 2 issues related to lack of following policy

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Improvement Recommendations

The process team identified 19 suggested improvements. From the 19 suggested improvements, the team selected six improvements to recommend for implementation. The Director Council reviewed the six recommendations and ranked the proposed recommendations for implementation.

Listed are the top four recommended improvements for implementation:

1. Develop a consolidated listing of all awarded contracts that is available to all users.
2. Develop a committee to encourage the University to use awarded Vendors and contracts.
3. Develop a training program on the policies and procedures to be followed when researching and selecting a good and/or service to be used by the University.
4. Once the training program has been developed, set the training as mandatory prior to receiving access to the system(s) which include iBuy, Banner, P-Card, and T-Card

Chapter 1: SIPOC Diagram

Brief description of chapter content.

Process Name	Date
Research Purchase Options	October 13, 2016

SUPPLIERS	INPUTS	PROCESS	OUTPUTS	CUSTOMERS
<u>Who</u> provides input to the process	<u>What</u> goes into the process	<u>How</u> the inputs are transformed to outputs	<u>What</u> comes out of the process	<u>Who</u> received the outputs of the process
University Employees Department Purchasing or hospital requestor Grants and Contracts OBFS Payables OBFS Purchasing Vendor	Thought/idea for good or service Grant/Contract Specifications Vendor Information	1. Start = Need for good or service 2. Research (General search) 3. Determine the method - to obtain good or services 4. End = vendor identified or competitive solicitation or no longer needed	Identify the vendor, with or without a quote Or A recommended procurement method such as solicitation or contract or both	Purchasing P-Card/T-Card holder

Chapter 2: Suppliers

Suppliers provide input into the research purchase option process.

2.1: University Employee

A University Employee includes department faculty, staff, or a research group with approval by a professor.

What they care about: Obtain the good or service that they need

When they care: At the time of need

2.2: Department Purchasing or hospital requestor

What they care about: Meeting the end users need & maintaining compliance

When they care: When they receive the request and throughout the process and staying within their budget

2.3: Grants and Contracts (if applicable)

What they care about: The specifications of the grant/contract is executed and compliant

When they care: When the contract specifies the detail of a vendor to use, a specific good, and or specific service

2.4: OBFS Payables (if applicable)

What they care about: Provide and receive accurate information

When they care: When questions are presented regarding vendors, methods of a payments, and special payment instructions

2.5: OBFS Purchasing

What they care about: Meeting the end users need & maintaining compliance

When they care: When they receive the request and throughout the process and staying within their budget

2.6: Vendor

What they care about: Getting University business

When they care: When they get the request

Business Rules

Departmental policies

Procedures as listed on the OBFS website

Procurement Code

University Administration Rules

Chapter 3: Inputs

Inputs are information or verification that goes into the research purchase option process.

3.1: Thought or Idea for Good or Service

In order to determine the method in which to purchase a good or service, Universities must have a need or reason for the purchase.

3.2: Quote

Information received from the vendor which includes item, price, terms, conditions and availability

3.3: Grant/Contract

Specifications within the Grant/Contract listing a vendor, good and/or service

3.4: Vendor information

Specifications regarding the vendor, possible payment options, special payment information

Business Rules

None

Chapter 4: Process

A process is defined as the method for transforming the inputs (such as a thought or idea for goods or services) into outputs (such as an identified vendor or recommended solicitation).

4.1: Need for good or service

- University Employee identifies a need for a good or service
 - Good or Service includes:
 - Item Description
 - Estimate spend
 - Shipping/Delivery details
- Determine if the good or service is being obtained due to an emergency
- Requests internal department approval to purchase good or service
- Receives internal department approval

4.2: Research (General Search)

- The Department Purchasing Requestor researches the need while considering
 - Policy
 - Grant/Contract specifications
 - Faculty provides specifics on good/services needed
 - Vendors and cost
 - Dollar amount of purchase
 - Availability of funds
 - Method of purchase:
 - Strategic Procurement Contract
 - Campus Contract
 - Campus store purchase
 - Inter-governmental agreement
 - Consortia
 - Vendors, obtaining multiple quotes when requesting amounts above procurement thresholds includes:
 - Contact Purchasing to locate a vendor for a good/service or locate a good/service with a vendor
 - State Mandates to be a vendor
 - State mandates with a commodity code
- The good/service is confirmed with the University Employee having the need

- If the need is not met, the process may either start over or the request is ended.

4.3: Determine the method to obtain good and/or service

The Department Purchasing staff will determine if the method to obtain a good and/or service is:

- Small purchase with an identified vendor
- Large purchase that is available from multiple vendors
- Large purchase with an identified contracted vendor
- State certified diversified vendors (search is not part of the current process – for future)
 - Business Enterprise Program
 - Minorities, Female, and persons with Disabilities (MBE/FBE/PBE)
 - Illinois Correctional Industries
 - Facilities for persons with severe disabilities
 - Small Businesses
 - Veterans (VOSSB/SDVOSB)

4.4: Identified vendor, competitive solicitation or no longer needed

Business Rules

The Chief Procurement Officer of Higher Education approves a small purchase limit has / competitive solicitation thresholds for individual procurements of supplies or services other than professional or

artistic services, and procurement of construction.



Chapter 5: Outputs

Outputs are the resulting information or entities that are produced as part of the research purchase options process.

5.1: Identify the Vendor with or without a quote

5.2: Recommended Procurement Method

Such as; Solicitation or contract or both

Business Rules

OBFS Policies and Procedures

Procurement Code

University Administration Rules

Chapter 6: Customers

Customers receive the output of the process.

6.1: Purchasing

What they want: Compliant, accurate, and complete information on requests

6.2: P-Card/T-Card Holder

What they want: Know the exact need of the University or hospital employee

Business Rules

OBFS Policies
Card Services Policies

Chapter 7: Customer - Oversight Roles

Examples: Funders, OBFS, Auditors, Board of Trustees BOT, Legislature, Public

6.1: State Procurement Office

What they want: Compliance with the process

6.2: University Department Units or Hospital

What they want: Stay within their budget and to meet their needs

Business Rules

None

Chapter 8: Questionnaire for Current State Analysis

1. Why does the process exist?

The Research Purchase Option exist to determine the method of use to identify how to purchase an item or service.

The following are to be considered when researching purchase options:

- Strategic Procurement Contracts exist to have a collective spend
- University Contracts exists to meet the specific needs of a University System including the Hospital
- Business Enterprise Act is a public policy, and the University needs to consider diverse businesses when purchasing a good or service
- Campus Store is a campus business for the convenience for the University Systems and students
- Illinois Correctional Industries are State entities and the University supports State entities
- Approved Consortia exist to have a collective spend of consortia participants
- Vendor quotes exist to understand the logistics of the good or service being purchased

2. What is the purpose of the process?

Obtain a good or service in a short amount of time at an acceptable price while maintaining compliance with policy and procedures.

The following are to be considered when researching purchase options:

- Strategic Procurement Contracts provide compliant contracts available to University System units for use
- University Contracts provide compliant contracts available to University System units for use.
- The University needs to be compliant with the Business Enterprise Act
- Campus Store is a campus business for the convenience for the University Systems and students
- Illinois Correctional Industries are part of the State Master Contracts, which are available for use by the University System
- Approved Consortia are compliant contracts available for the University System to use
- Vendor Quotes allow the University System to remain compliant when obtaining a good or service and allow the University System to show good stewardship of University funds

3. What are the process boundaries (i.e., when does it start and end?)

The process starts when a University department/hospital identifies a need for a good or service.

The process ends when a method for purchasing the good or service has been identified.

4. What are the major activities/steps in the process?

See [Chapter 4: Process](#) (Ctrl-click to follow links)

5. What is the expected outcome or output of the process?

See [Chapter 5: Outputs](#) (Ctrl-click to follow links)

6. Who uses the output of the process, and why?

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See [Chapter 6: Customers](#) (Ctrl-click to follow links)

7. Who benefits from the process, and how?

Students, vendors, facility and staff, to receive the good or service to provide teaching and running the University business.

8. What information is necessary for the process?

See [Chapter 3: Inputs](#) (Ctrl-click to follow links)

9. Where does that information come from?

See [Chapter 2: Suppliers](#) (Ctrl-click to follow links)

10. What effect does that information have on the process and output?

Information gets put into the process for a compliant good or service

11. Who is primarily responsible for the process?

Department unit or hospital

12. What other units/organizations participate in or support the process?

OBFS Purchasing, sourcing, procurement diversity, vendors

13. What Information Technology system(s) support the process?

Systems and outside university stores:

- Source
- All co-ops website
- Banner
- Campus admin manuals
- CMS
- Department software
- Email
- Facilities
- General services bulletin
- iBuy
- iCS
- Illini Union document services (different at each University)
- Illini Union website
- Internet
- IPHEC/Bulletin
- OBFS website (contract search, policies and procedures)
- Stores (brick and mortar)
- Cbord

14. What policies guide or constrain the process?

Procurement code, OBFS policies, department policies and procedure

15. How often does the process get executed?

Multiple times daily in all University Systems

16. What are potential defects with respect to the process?

- Not being able to find a vendor
- Difficulty finding a contract

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- Difficulty determining if something is covered under a contract
- Faxing is the only approved secure info to vendors, most vendors don't want to fax, would prefer email
- Not easy for departments to research – lack of training
- Having to educate departments on cost comparison or find it at a better cost
- Lack of marketing for system contracts
- Pushback from staff that don't want to buy from a University preferred source
- Pushback from staff that want to buy a product without having to view a demo the product
- Policies too strict
- Reporting of negotiations and specifics of a product from vendors on the Procurement Policy Board
- OBFS Website needs to be redesigned - both the policies and procedures
- Too many choices to purchase

a. How often do they occur?

Every day

17. What types of challenges have employees who participate in the process raised?

Not knowing where to find contracts and solicitations, multiple steps, multiple systems and vendors, hard to find steps and info on the website, time consuming, what's included in a contract, outdated website

18. What types of challenges or concerns have customers raised?

Vendors as customers have to go through a lot of sub processes to do business with the universities

19. Will the process be changed by another initiative in the near future?

Yes – Multiple quotes are required for small purchases

Chapter 9: Questionnaire for Potential Process Improvement Candidates

1. How would the process operate differently in the “Perfect Situation?”

A University System department unit would be able to go to a single location to research a need for a good and/or service, have access to all existing contacts for goods and services and their vendor, and the ability to access policies and procedures related to a needed good and/or service.

2. What does the team hope to achieve through this improvement?

- Quicker turn around and faster processing
- Money savings (spend on contract(s), fewer systems to maintain, less time to process, labor, less employee resources researching time)
- Contract mandates
- Compliance

3. Who would benefit from the desired improvement to the process?

- University System
- Vendors
- State

a. How would we know?

Processing time would go down (quicker turn around)

Reduction in resources

Reduction in costs for Vendors to do business with the University systems

Happier employees

Process wouldn't be so dependent on people

Reduction in certifications for certain purchases and intern benefit the vendors

4. What data can be provided with respect to the process performance (e.g. service rating, cycle time, customer survey responses, etc.)?

Be able to track from the moment an item is purchases to when it's received, including everything we received and related to that purchase in one place

5. Who should be included in any improvement discussions for the process?

University System department unit's Purchasing

Department/Hospital requestor

Vendor

OBFS Purchasing

Payables

Chapter 10: Current State Metrics

Metrics in three areas is being collected on each process. These metrics will be used to measure success in the future state.

- How long does the process take from Start to finish?
Hard to determine - could take a few minutes up to several days
Depends on: for newer staff, it will take a lot longer since they are not familiar with the tasks and process where as staff who has been doing this for a while will be quicker
- How many touchpoints are there per process?
Varies can be anywhere from 3- 8 touch points before it gets to Purchasing
- How many steps are involved in each process?
At least 26 steps

Chapter 11: Feedback from Customer Focus Groups – Current State

Business Solutions and Support (BSS), a unit of the Office of Business and Financial Services conducted Customer Focus Group meeting across the University System to learn how the department units currently researched purchase options. The customer focus group meeting were held on October 25, 26, and 27, 2016, with a total of 14 people attending. UIC had 4 people attend, UIUC had 9 people attend, and UIS had 1 person attend.

During each session the current state process was reviewed and the BPI facilitator requested input from the attendees where there were variances.

The high-level process steps includes

- Need for a good or service
- Research
- Determine the method to obtain the good or service
- Submit request for processing

Key findings

For the majority of the University System department units, the research is completed by the person who has the need and then the requested need is turned over to the main purchasing staff within the department unit to submit the purchase requisition.

Many of the University System department units have either a system or form they use to gather the details of the need before its handed over or submitted to the University System department unit's purchasing staff member.

Many of the University System department units prefer to use the iBuy application because its lot easier process to use than using the Banner application.

One University department unit noted when they have a specific need for a specialize purchase, payment is required in advance. They must complete a special payment request form and obtain the detailed information so the payment maybe provided timely to receive the purchase.

Issues

The most common issues identified were:

- Knowing when to use which application to submit a requisition, iBuy or Banner
- Not knowing who to call in purchasing to ask specific questions about a contract or vendor, and it is very difficult to talk to a person to get an answer quickly
- Receives conflicting information from the purchasing staff and from the payables staff when to enter specific information about a purchase requisition
- Due to the many policies and rules it is felt there are frequent changes and the writing is too vague to understand. The University System department units would like the writing to contain a clear understanding with examples,

Key Findings

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Detailed Results

Research

In Research do you do anything different?

- First thing is to determine allowably of the purchase, so policies and procedures such as when booking catering, and serving meals. Need to determine if the purchase can be completed using a T-Card or does a Purchase Order need to be created. Determine a purpose of the meeting. This is usually done between need and research phases and then it goes back to finding the best vendor.
- Finding the policy to determine if they can purchase
 - Ex. Buy an appliance
- Each person gives us what they want and vote yes or no
- If its services they do a lot of research vs. a product, the person requestor already knows what they want and from who, sometimes asks the requestor to do the research and provide quotes
- While doing research, policies are unclear, with a need to contact purchasing and it difficult to get crystal clear answers
- One department tends to skip the research part, person gets the requisition form to the department purchaser (usually know what they want to buy). Use an internal paper form that is electronic, submit it to the purchaser, look up if there is a contract
- Have a secretary staff that place the order and get approvals, usually know which vendor and use iBuy or P-Card
- For animals, usually have a contracted vendor, had to go through purchasing and get a contract
- For animals, sometimes there is an immediate need and have to do research because the animal is a special breed
- End users keep up with a need, use an excel spreadsheet, and upload to SharePoint site that is managed by the unit
- Use a lot of standing purchase orders
- Most of their staff is set up as a shopper to look for items but can't buy
- Most of the research is already done for the purchaser, do a lot of business with small (mom and pop) vendors.
- Routed through School dude and use the materials and order form that the requestor fills out and internal approval. Just about everyone has access to school dude, but F& S and housing are the only department who can print.

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- Usually the purchase is already identified as a small purchase or is determined by the purchaser.
- On department unit does a lot of contract purchasing and making sure they do not exceed the budget with that vendor. They also ask for help also with issues with Purchase Orders and works with Purchasing.

Determine the method to obtain the good or service? What do you do to determine the method?

- If vendor is not in iBuy, then just use a p-card to use a particular vendor

Issues with the current process?

- Biggest question is knowing when to use which process or method
- Sometimes gets conflicting information
- For university wide contracts instruct users to use banner, then told the user to use iBuy - in consistencies and each university does it differently
- Instructions are pretty clear in iBuy, just jumping all over the place when doing a purchase order in banner
- Some call purchasing to find out who it has been assigned to and then emails the buyer directly
- If they send an email to purchasing, get no answer, but get a purchase order number back which they have already looked up
- When you need to get a quote or estimate - confusion
- The new Policies and procedures for section 7.2 very streamlined and needs examples
- Update the website so it flows better
- Non-conforming date issues and inconsistent how to solve it
- Banner is not very intuitive at all, especially if it's not something you do often
- Asks their staff for a vendor a.s.a.p. because it takes 2-3 weeks to get a vendor approved
- Inconsistencies between online vendors and what vendors contract with the university (ex. Office max)
- Receives conflicting information from the purchasing staff and from the payables staff when to enter specific information about a purchase requisition
- Not everyone (or every department) has access to or is aware of inter-governmental or consortia contracts
- Staff is not sure what to do or how to start it and don't understand the process downstream
- Too many rules to understand the complexity of the process and they change so frequently
- Signing agreements especially at hotels
- Don't know who to call: Liked it when they had certain buyers for certain vendors and you don't know who is assigned to contact

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- Calling the front desk and no one answers, then send an email to general email just for a simple question
- Don't know who is authorized to sign a document or drawing
- Not familiar with inter-governmental agreements

Recommended improvements

- Have one area for all communication that all (payables and purchasing) can see instead of pointing fingers and sending users back and fourth
- Seems like the stuff in Banner is not automated like in iBuy, make banner an automated workflow
- Better ways to find out the vendors and existing awarded contracts, a list that's published that identifies which vendors have id numbers and searchable by vendor name or product
- Very painful search for a vendor in Banner, sometimes the vendor is in there as an entity name - likes how iBuy vendor search function works
- In University wide contract system, can't look at the contract and would like too (such as the scope of services)
- Some departments staff don't use the shopper role but wishes other staff could be set up as the shopper (like a student) to just look for things, they can't buy anything just shop. Some departments don't want to keep re-training new staff on shoppers. This is a department by department decision
- More detail in the allowably section 8 of policy
- When the policies are vague - people interpret it differently
- Issue with stringing (purchasing multiple items to avoid competitive bidding or just using the same vendor over and over) lack of clarity, as long as it's a different project and cfoap - clarification on restrictions
- Need more help identifying and clarity method to use to purchase that product - want to feel confident about what they are doing and have examples
- If you have to do a banner requisition, it would be nice to get notified if the purchase order has been assigned (some sort of notification) Users have to remember to search.
- Recommend training for a non-purchasing officer and have a dedicated purchasing staff person because there are too many rules
- Identify or link of which state of Illinois contracts they can and can't use
- A user friendly FAQ's or wizard that directors you / decision tree / search engine along with which method to use
- Make sure its clear understanding of the rules if you purchase outside of the purchasing processes
- Somehow link commodity codes
- Annual review of commonly purchased items that everyone can use

Out of Scope for this process

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Issues

- Why does it take so long to get a banner purchase order number assigned (about 3 days), vs iBuy gets it in 5 minutes
- When you submit the invoice for payment, get notified it's on hold but no reason, have to contact payables for details - need a notes and reason
- Asks their staff for a vendor a.s.a.p. because it takes 2-3 weeks to get a vendor approved
- Has had issues of not getting an invoice from iBuy
- Vendors have no idea how the university works
- When Rantoul gets invoices and we don't know for what
- Try to avoid doing a purchase order because it's such a pain
- Issues with turnover within purchasing and payables, customers don't know who to call and no one knows about the purchases handled by the person who left
- Biggest issue was waiting for a purchase order, but that has improved

Recommendations

- Had purchase order created and later found out the vendor was not updated - would be nice to identify if the vendor is in good standing at the time the purchase order has been created

Chapter 12: Opportunities for Improvements

The following opportunities for improvement were identified through team discussions, with Customer Focus Groups, Director Council, and the process project SME team. Issues were categorized into five categories, covering system, policy, training, communication, and organizational acceptance.

System– Issues related to system’s lack of ability integrate and system functionality	
C1.1	Not able to search and find an approved vendor or approved contracts
C1.2	Difficulty finding a contract
C1.3	Difficulty determining if something is covered under a contract
C1.4	Faxing is the only approved secure network to receive information from vendors
C1.5	Not easy for departments to research in requisitioning system(s)
C1.6	Educate departments on cost comparison/find it at a better cost
C1.7	OBFS’ website needs to be redesigned both the policies and procedures sections to provide ease of understanding
C1.8	Inconsistencies between online vendors and what vendors contract with the University, example is OfficeMax
C1.9	Not everyone or every department has access to or is aware of inter-governmental or consortia contracts
C1.10	Multiple systems are in use

Policy – Issues related to procurement policies	
C2.1	Procurement policies are too strict, both at the State and the University level
C2.2	Reporting of negotiations and specifics of a product from vendors on the Procurement Policy board
C2.3	OBFS’ website need to be redesigned both the policies and procedures sections to provide ease of understanding
C2.4	Due to many policies and rules, felt high frequency of changes, and are written too vague to understand, would like writing to contain a clear understanding with examples
C2.5	The research into policy can take a while and is cumbersome, for purchasing as well as the department unit
C2.6	Unable to meet vendor’s terms due to University rules and State laws
C2.7	Regulations are tough, and can be confusing and can take a long time to understand

Training – Issues related to lack of understanding of the process	
C3.1	Reporting of negotiations and specifics of a product from vendors on the Procurement Policy board
C3.2	Inconsistencies between online vendors and what vendors contract with the University, example is OfficeMax

2.0 – Research Purchase Options

Training – Issues related to lack of understanding of the process	
C3.3	Too many choices to purchase, need ability to search by Vendor or Commodity code.
C3.4	Knowing which applications to use to submit a requisition
C3.5	Not knowing who to call in Purchasing to ask specific questions, and difficult to talk with a person to get a quick answer
C3.6	Receiving conflicting information from Procurement Services when entering specific information on a requisition.
C3.7	Unsure when to get a quote or estimate
C3.8	Staff isn't sure what to do, how to start it, and doesn't understand the downstream process
C3.9	Signing agreements, especially with hotels
C3.10	Not easy for department to research
C3.11	Educate departments on cost comparison/find it at a better cost

Communication – Issues related to lack of providing information	
C4.1	Lack of marketing for system contracts

Organizational Acceptance Issue related to lack of following policy	
C5.1	Pushback from staff that don't want to buy a good/service from a University preferred source
C5.2	Pushback from staff that want to buy a product without having to view a demo of the product

Chapter 13: Suggested Improvements

The following recommendations came from discussion with the process team, the project Director Council, and customer focus group sessions. Not all improvements were selected by the process team. The selected improvements, in bold, were presented to the customer focus groups for feedback, and are recommended for review by the Director Council. (Further discussed in [Chapter 15: Recommendations for Improvements](#))

Number	Change Category	Suggested Improvement
1	Policy	Procurement reform
2	Policy	Clear and consistent policies and procedures
3	Policy	Way to indicate which policies are State and which policies are University specific
4	System	One system to research, and a mandate to use the system
5	System	Mandate contract usage
6	System	Consolidate listing of contracts, consortia, etc.
7	System	Search capabilities by vendor or by commodity code
8	System	Search by diverse Vendor
9	System	Automated smart form/workflow
10	System	Web page with links to all jump off site
11	System	When searching by commodity diverse vendors highlighted
12	Training	Mandatory training
13	Training	Require training
14	Training	Educate on total cost not just items cost. Volume up, price down
15	Training	University handbook
16	Training	Corporate Travel Planning, Groupize product – use for group hotel and conference bookings
17	Training	Open labs (System/policy other topics to discuss)
18	Training	Form knowledge training
19	Organizational Acceptance	Provide to staff is easier and faster to use existing contracts, solicitations

Chapter 14: Feedback from Customer Focus Groups – Future State

The Future State process and Recommendations were presented to each University's Customer Focus Group December 6 – 8, 2016. A total of 12 people attended with 4 people in attendance from UIC, 1 person from UIS, and 7 people from UIUC.

The Customer Focus Group received an overview of the current state for the process Research Purchase Options. The issues within the current process that were identified by the SME project team, the Director Council, and the Customer Focus Groups on the current state were reviewed. The five recommendations from the SME team were presented, after each recommendation was presented the group had a discussion. The groups provided suggestion they would like be included within some of the recommendations details.

Campus Focus Group Summary

- Overall, the groups agreed with and support the recommendations.
- Each group expressed a concerned with the ability to keep up with changes to policy and then change how the updates are needed within a policy, training, and report.

Campus Focus Group Report

Recommendations Enhancement Policy

- Create a general FAQ for the most occurring questions Purchasing receives
- Provide examples using general terms
- Concern with the ability to keep up the changes

Training Program

- Majority of the attendees favored a mandate to training prior to receiving access to the system.
- Concern big undertaking, may delay access into the system
- Make sure training data is applicable to the University
- Include audit finding examples within the training content
- May receive pushback on having to attend training prior to getting access to research items
- Recommended training be module based to allow the attendee to attend a few training sessions

Mandate use of awarded vendors and contracts

- Recommend an acceptable exception process
- Describe what would be the repercussion for not using an awarded vendor and contracts
- Will there be criteria from Purchasing to keep up with the market moving to get things cheaper than negotiated for?

Develop consolidated list of all awarded contracts for all users

- Include University, University Systems, and diversity contracts
- Ability to request a contract for a specific service
- Include a contract summary sheet that would list exceptions, list of common things to buy under the contract

2.0 – Research Purchase Options

- Rate chart to find all possible product options and cost
- Keep it really simple for the user
- Keep accurate

New Source2Pay application to support the Research Purchase Option functionality

- A future system would automatically identify if a vendor is a diverse vendor

Chapter 15: Recommendations for Improvements

Within the process Research Purchase Options, five recommendations have been identified for improvement. Three different categories were identified for the improvements, and each improvement received a level of implementation. The categories include policy, training, and system. There are two levels of implementation: “short-term” indicates improvements suggested for the current system and process prior to the development of an RFP, and “long-term” indicates improvement to the process with an RFP for a new system. The recommendations are in order to make the Research Purchase Options process better, help the users understand the process, and make sure the process works.

Num ber	Describe Potential Solutions	Category	Impleme ntation Level	Related Issue(s)
1	<p>Develop enhancements to the policy to provide a clear understanding of compliance and reduce the amount of effort to receive approval to purchase a good or service.</p> <p>We are recommending to create two working groups, one working group (1a) will address the short term issues concerning understanding the Procurement Code and policies, and one working group (1b) will address long term relief from the procurement code.</p> <p>We recommend the working group (1a), addressing the enhancements to the policy code, have representation from OBFS Procurement Services (Payables, Purchasing, Strategic Procurement, and Compliance & Policy Conflict), Procurement Diversity, University Council, OBFS – Business Solutions & Support, and University Department units from each University. The working group will be charged to:</p> <ul style="list-style-type: none"> Review all policies and procedures for accuracy, identify and remove any redundancies, and eliminate discrepancies. Creating a general FAQ , the most reoccurring questions purchasing receives would be a simple addition to the OBFS website Provide examples using general terms Reorganize and simplify the policies and procedures on the OBFS website <ul style="list-style-type: none"> Remove outdated information Consolidate information for ease of use, due to same topic of information on several different pages Create a communication plan to provide information to the University System Create an on-going update cycle plan to keep information current. <p>As a result of the revised policy code the University employee will be provided with:</p> <ul style="list-style-type: none"> Understanding of policies due to State requirements 	Policy	Short	C1.7, C2.1, C2.2, C2.3, C2.4, C2.5, C2.7

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Num ber	Describe Potential Solutions	Category	Impleme ntation Level	Related Issue(s)
	<ul style="list-style-type: none"> • Clear and concise policy manual that provides understanding of requirements needed to create a requisition • Set expectations on the timing of the process to researching for a good/services to purchase • Reduction in research time for University System department units • Reduced the amount of time spent presenting questions to Procurement services and reduce the time spent answering departmental questions <p>We understand there is a current working group (1b), addressing the long term relief from the Procurement Code. We encourage University Systems Leadership and OBFS Leadership to continue pursuing Procurement Code reform to remove old policies and keep up with the latest policies in hopes to remove the time intensity of the process to allow the end user of the good and or service to receive it in a timely manner without causing delay in learning and research by students and faculty. An example of relief from the procurement code would be to reinstate the exemptions that were allowed to expire under 1-13 of the Procurement Code, see Appendix B.</p>			
2	<p>Develop a training program on the policies and procedures to be followed when researching and selecting a good and/or service to be used by the University.</p> <p>We recommend University Leadership and OBFS Leadership support this recommendation, and create a working group be created, with representation from OBFS Procurement Services (Payables, Purchasing, Strategic Procurement, and Compliance & Policy Conflict), Systems area for iBuy and Banner, IT resource for developing electronic training, AITS Security, Corporate Card Office (CCO), and all three Universities.</p> <p>The working group will be charged to:</p> <ul style="list-style-type: none"> • Develop a training program to instruct on policies and procedures to follow when researching and selecting goods and/or services to be used by the University <ul style="list-style-type: none"> ○ Create two types of training <ul style="list-style-type: none"> ▪ Person to research good and/or service (Faculty and staff) ▪ Person to perform the procurement of the good and/or service (Requisitioner, Business Manager) ○ Include examples and data applicable to the Universities 	Training	Short	C1.6, C3.1, C3.2, C3.3, C3.4, C3.5, C3.6, C3.7, C3.8, C3.9, C3.10, C3.11, C4.1, C5.1, C5.2

2.0 – Research Purchase Options

Num ber	Describe Potential Solutions	Category	Impleme ntation Level	Related Issue(s)
	<ul style="list-style-type: none"> ○ Include audit finding example • Create an online training program <p><i>Director Council:</i></p> <p><i>Need to determine who is responsible for communicating the policy and the expectations to comply with policy to the faculty.</i></p>			
3	<p>A new Source to Pay application should have ability to support the functionality of researching purchase options for goods and/or services</p> <p>The benefits include:</p> <ul style="list-style-type: none"> • Departments will have one system in which to work • Maintain and support one system • One system in which to train • One system from which to report • Improve processing time • Consistency of procedures <p>The functionality should include:</p> <ul style="list-style-type: none"> • Ability to categorize a vendor using a type, such as Minorities, Female, person with disabilities, Small Business, Veterans, Facilities for persons with severe disabilities, Illinois Correctional Industries • Ability to Search for a vendor based on a vendor type setting, as noted above, with additional advance search functionality. <ul style="list-style-type: none"> ○ Example: Search for a diverse vendor that sells beakers ○ Example of Advance Search – Ability to set order the vendors will display in. <ul style="list-style-type: none"> ▪ Divers vendor ▪ Awarded University contract vendor ▪ Awarded vendor • Ability to have a ‘Smart Form’ or ‘Wizard type of questions’ to guide through searching for a good and/or service • Ability for the application to include links to a web page, and go to the web page, and return into the application • Ability to access Contracts from the applications <ul style="list-style-type: none"> ○ Ability to view the summary of a contract • Ability to search for contracts based on keywords 	System	Long	C1.1, C1.2, C1.3, C1.5, C1.7, C1.8, C1.9, C1.10, C3.2, C3.3, C3.5, C.3, C3.7, C3.8, C3.10, C.11

2.0 – Research Purchase Options

Number	Describe Potential Solutions	Category	Implementation Level	Related Issue(s)
	<ul style="list-style-type: none"> Ability to search for a vendor and list the commodities Ability to search for a commodity and list all vendors, and include advance search functionality <ul style="list-style-type: none"> Ability to set order the vendors will display in. <ul style="list-style-type: none"> Diverse vendor Awarded University contract vendor Awarded vendor Ability to view a list of Awarded Vendors and their commodities they provide 			
4	<p>Develop a committee to encourage the University to use Awarded Vendors and contracts.</p> <p>We recommend University Leadership and OBFS Leadership support this recommendation, and create a committee research why Awarded vendors are not being used. Once the research is completed, the committee would make recommendations to address the non-compliance to the policy to use awarded vendors and contracts. And also create potential exception criteria that would allow for use of a non-awarded vendor.</p> <p>By encouraging the use of existing Awarded Vendors and contracts in a greater capacity, the University will experience</p> <ul style="list-style-type: none"> A decrease in cycle time due to the contracts already exists (e.g. no need to complete one-off RFP processes) Procurement staff will have additional time to become proactive in monitoring of vendor performance, negotiations for additional contracting with vendors. May remove the need to obtain multiple quotes in some situations. Increase in collective spend, resulting in cost savings <p><i>Director Council:</i></p> <p><i>Committee should have representation from a person who actually uses the vendor, not only the business manager from the department unit.</i></p>	System	Short	C1.1, C1.2, C5.1
5	<p>Develop a consolidated listing of all awarded contracts that is available to all users.</p> <p>We are recommending a working group consisting of members from Procurement Services (Strategic planning, purchasing) representation for each University using specific University contracts, representation for each University not using master contracts, to define a project that would identify the awarded contracts. The project will define the ability to:</p> <ul style="list-style-type: none"> Search a web based system containing awarded contract Search functionality to select: 	System	Short	C1.1, C1.2, C1.3, C1.9, C3.10, C4.1, C5.1

2.0 – Research Purchase Options

Num ber	Describe Potential Solutions	Category	Impleme ntation Level	Related Issue(s)
	<ul style="list-style-type: none"> ○ Diverse Vendors ○ University specific ○ University System wide ○ Key word specifics – Hospital, products, • Each to maintain updates • Include a contact summary sheet <p><i>Director Council:</i></p> <p><i>There is a current listing of all awarded contracts. Director Council recommends making updates to the current list to include University contracts, provide search capabilities, and ability to be viewed by University System departments. The listing will need to be marketed University System departments.</i></p>			
6	<p>Once the training program has been developed, set the training as mandatory prior to receiving access to the system(s) which include iBuy, Banner, P-Card, and T-Card.</p> <ul style="list-style-type: none"> • Set requirements for a web-based platform for the training <ul style="list-style-type: none"> ○ Include FAQs, reference to policies ○ Include examples with approved options • Create a test for certifications <ul style="list-style-type: none"> ○ Determine the acceptable grading scale to achieve certification ○ If certifications is not obtained, allow requirements to retake test. ○ Allow for process to be repeatable after a set date interval for renewal of certification • Include functionality, once certification is obtain communicate a request to grant access to system(s) <p>As a result of the certification training of the procurement policy code the University employee will be provided with:</p> <ul style="list-style-type: none"> ○ Consistent training at all University System department units ○ Knowledge and a shared understanding of policies due to State requirements ○ Reduction in research time for University System department units 	Training	Short Term	C1.6, C3.1, C3.2, C3.3, C3.4, C3.5, C3.6, C3.7, C3.8, C3.9, C3.10, C3.11, C4.1, C5.1, C5.2

2.0 – Research Purchase Options

Num ber	Describe Potential Solutions	Category	Impleme ntation Level	Related Issue(s)
	<ul style="list-style-type: none">○ Less mistakes when submitting a requisition request to purchase a good and/or service resulting in less corrections○ Receiving the good and/or service timely <p><i>Director Council:</i></p> <p><i>Need to determine who is responsible for communicating the policy and the expectations to comply with policy to the faculty.</i></p>			

Chapter 16: Solutions Prioritization Matrix

The recommendation for improvements were reviewed and the potential solutions were prioritized by the Director Council. The below matrix contains the potential solutions and each ranked score.

[Paste Solution Prioritization Matrix data from .xlsx]

Solution Prioritization Matrix: Research Purchase Options						
<p>There are two levels of implementation</p> <p>‘Short Term’ notes improvements on the current system and processes prior to the RFP for a new system</p> <p>‘Long Term’ notes improvement to the process with a RFP for a new system.</p>						
Describe Potential Solutions	Ease of Implementation:	Permanence of the Solution:	Impact of the Solution:	Cost of the Solution:	Total Score (Average of The total product from each participant):	Ranking
	1 (very difficult) - 5 (very easy)	1 (temporary) - 5 (permanent)	1 (low) - 5 (high)	1 (high) - 5 (low)		
	Avg of attribute from each participant)	Avg of attribute from each participant)	Avg of attribute from each participant)	Avg of attribute from each participant)		
Develop enhancements to the policy code to provide a clear understanding of compliance and reduce the amount of effort to receive approval to purchase a good or service.	2.67	3.89	4	3	138.00	5
Develop a training program on the policies and procedures to be followed when researching and selecting a good and/or service to be used by the University.	3	4	3.89	3.44	168.89	3

2.0 – Research Purchase Options

Develop a committee to encourage the University to use Awarded Vendors and contracts.	3.22	3.78	3.89	3.78	170.67	2
Develop a consolidated listing of all awarded contracts that is available to all users.	4.22	4.44	4.11	4.22	328.89	1
Once the training program has been developed, set the training as mandatory prior to receiving access to the system(s) which include iBuy, Banner, P-Card, and T-Card.	2.78	4	3.44	3	160.22	4

Chapter 17: Future State Requirements

This is a comprehensive list of functional requirements and technical requirements for the future state of the Research Purchase Options process. Excluded from this list are any requirements for functionality outside of the scope of this specific process, such as security, accessibility, etc., which will be handled in a different process.

The Research Purchase Options provides the:

- Ability to categorize a vendor using a type, such as Minorities, Female, person with disabilities, Small Business, Veterans, Facilities for persons with severe disabilities, Illinois Correctional Industries
- Ability to Search for a vendor based on a vendor type setting, as noted above, with additional advance search functionality.
 - Example: Search for a diverse vendor that sells beakers
 - Example of Advance Search – Ability to set order the vendors will display in.
 - Diverse vendor
 - Awarded University contract vendor
 - Awarded vendor
- Ability to have a 'Smart Form' or 'Wizard type of questions' to guide through searching for a good and/or service
- Ability for the application to include links to a web page, and go to the web page, and return into the application
- Ability to access Contracts from the applications
 - Ability to view the summary of a contract
- Ability to search for contracts based on keywords
- Ability to search for a vendor and list the commodities
- Ability to search for a commodity and list all vendors, and include advance search functionality
 - Ability to set order the vendors will display in.
 - Diverse vendor
 - Awarded University contract vendor
 - Awarded vendor
 - Ability to view a list of Awarded Vendors and their commodities they provide

Chapter 18: Subject Matter Expert Team

The following individuals participated on the Subject Matter Expert Team of the BPI [List Process] project:

Name	University/Department	Title
Susie Baker	UIUC OBFS Payables	Assoc Director of Payment Services
Sarah Chronister	UIUC OBFS Purchasing	Business/AdminV/Associate
Sandy Hardin	UIUC College of Business, Business Graduate Programs	Business Administrative Associate
Victoria Huart	Enrollment Mgmt Shared Svcs	Assistant Director of Business Operations
Barbara LeGrant	UIUC OBFS Business Solutions & Support	Assistant Director
Kunal Shah	UIC OBFS Purchasing	Contract Coordinator
Daniel Szajna	AVP Procurement Services	Assoc Dir Compl Policy Confl
Marcy Wright	UIUC Strategic Procurement	Business/AdminV/Associate

Chapter 19: Campus Focus Group Participants

The following list of individual participated in a Campus Focus Group meeting either during the current state and/or the future state of the BPI Research Purchase Options process project.

Name
Aldana, Magda
Benner, Penny
Curtis, Beverly
Dillman, Cindy
Fricke, Jim
Hedrick, Amy
Helmuth, Angie
Lee, Denise
Lile, Andrea
McArthur, Jason
Myers, Karen
Oyama, Joan
Reynolds, Maile
Riddle, Lynette
Sully, Myra
Volk, Emily
Williams, Daniel

Appendix A: Business Glossary

University System

All campuses and their extensions offices, and administration

University

Each campus

Appendix B: 30 ILCS 500/1-13

Illinois General Assembly

30 ILCS 500/1-13

(Section scheduled to be repealed on December 31, 2014) Sec. 1-13. Applicability to public institutions of higher education.

(a) This Code shall apply to public institutions of higher education, regardless of the source of the funds with which contracts are paid, except as provided in this Section.

(b) Except as provided in this Section, this Code shall not apply to procurements made by or on behalf of public institutions of higher education for any of the following:

- (1) Memberships in professional, academic, research, or athletic organizations on behalf of a public institution of higher education, an employee of a public institution of higher education, or a student at a public institution of higher education.
- (2) Procurement expenditures for events or activities paid for exclusively by revenues generated by the event or activity, gifts or donations for the event or activity, private grants, or any combination thereof.
- (3) Procurement expenditures for events or activities for which the use of specific potential contractors vendors is mandated or identified by the sponsor of the event or activity, provided that the sponsor is providing a majority of the funding for the event or activity.
- (4) Procurement expenditures necessary to provide artistic or musical services, performances, or productions held at a venue operated by a public institution of higher education.
- (5) Procurement expenditures for periodicals and books procured for use by a university library or academic department, except for expenditures related to procuring textbooks for student use or materials for resale or rental.
- (6) Procurement expenditures for placement of students in externships, practicums, field experiences, and medical residencies and rotations.
- (7) Contracts for programming and broadcast license rights for university-operated radio and television stations.