

8.0 Contract Processing - Procurement Process Report

May 2017



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Overview

The procurement Contract Processing exists to formally enter into mutually executed agreements that protect the University, provide consistency, and follows the Illinois Procurement Code, Administrative Rules, and University Policy and Procedures.

Note: Non-procurement contracts types include Revenue Generating, No Funds, Leases/Licenses, Capital, Research, and Human Resources. These contract types were reviewed in another process to capture each high-level process, identify issues as they relate to the iCS applications, and determine the requirements for a new application. The requirements for Non-Procurement contracts for a new application will be included within the RFP of this project. The information from the separate analysis is included in a separate report, [8.a Contract Processing Non-Procurement process report](#).

Illinois Mandate Symbol - 

University Policy Symbol - 

Professional Mandate Symbol - 

Process Executive Summary

Business Process

A need is identified that should be documented with a mutually executed contract for the procurement of a good or service. The need of a contract is identified by either a University department, Strategic Procurement, or the Purchasing department. Once a need is identified, approvals for creating a contract are obtained either using a Contract Approval Routing Form, CARF, or using iCS via a checklist. A contract is either created using a University System contract template, or drafted, or obtained from a proposed supplier of a good or service. If a vendor's contract is used University Legal Counsel and Risk Management are consulted as needed. Changes are made if necessary and the contract is sent to the Vendor for review. If need, the parties begin negotiations. Once the Vendor agrees to the contract, it is routed for approvals. Once all approvals have been received the contract is sent for signature, and routed to the University Comptroller for delegate for execution.

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 University System departments. 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

While the participants involved in procurement contract processing are from different departments within the Universities, the common findings are:

- Too much time to complete the contract process
 - Timeliness issues with getting the contract to the right person and getting it processed
 - Missing research opportunities
- Miscommunication or no communication between the purchasing department, vendor, and the department
 - Inconsistency with processing the procurement contract depending on the buyer
- The Illinois Contract System, iCS, application can be difficult to use, and not everyone at each University has access to the application.

Improvement Recommendations

The process team identified 30 suggested improvements. From the 30 suggested improvements, the team selected 10 improvements to recommend for implementation. The Director Council reviewed the 10 recommendations and ranked the proposed recommendations for implementation.

Listed are the top four recommendations for implementation:

1. Develop a University job aid on what contract types are processed by which specific office
2. Develop Purchasing Contracts 101 training for users to learn best practices for creating a purchasing contract
3. More transparency between departments and purchasing
4. Explore the possibility of a view-only role for contract information

Chapter 1: SIPOC Diagram

| Process Name | Date |
|---------------------|------------|
| Contract Processing | April 2017 |

| 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 Department Vendor Purchasing University Legal Counsel Risk Management Consortia Strategic Procurement Procurement Diversity | Amendment Request form Approvals Checklist from iCS Two Party Agreements Contract Approval Routing Form (CARF) Contract Request Draft contract Guidance/feedback Contract Data Scope of Service | Identify Need/Obtain Approvals Draft/Review/Edit Contract Negotiate Contract Approvals/Execution of Contract | Fully executed contract Draft Contract(s) Approvals Approved CARF (paper) Document Number Related documents Amendment(s) Contract Obligation Document | University Department Vendor State Comptroller University Contracts Record Office (UCRO) Strategic Procurement |

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| 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 System Contract Template Vendor's contract Waivers | | | |

Chapter 2: Suppliers

Suppliers provide input to the process:

University Department

What they care about: Timeliness, access to contract information, process status, ease of use, and maintaining good relationship with the contracting party

When they care: Each time a procurement contract needs to be executed

Vendor

What they care about: Timeliness, access to contract information, process status, and maintaining good relationship with the contracting party

When they care: Each time a procurement contract needs to be executed

Purchasing

What they care about: Efficient dissemination of information to all parties, capturing accurate information, compliance with procurement code and rules

When they care: Each time a procurement contract needs to be executed

University Legal Counsel

What they care about: Protection of proprietary information and adherence to all legal statutes and regulations, and efficient handling of all contracts

When they care: Each time a contract needs to be executed

Risk Management

What they care about: Minimizing risk to the University System

When they care: Each time a contract needs to be executed

Consortia

What they care about: Access to the procurement contracts that can be used with different Colleges

When they care: Each time a procurement contract needs to be executed

Strategic Procurement

What they care about: Best negotiated procurement contract for the University System to use.

When they care: Each time a procurement contract needs to be executed

Procurement Diversity

What they care about Meeting State and University-system goals for spending with diverse vendors

When they care: Each time a contract needs to be executed

Business Rules

None

Chapter 3: Inputs

Inputs are information or verification which goes into the process

Contract Approval Routing Form (CARF)

- Form used by University System Departments that don't have access to iCS application to route a contract to obtain written approvals.

Contract Request

- Request for Purchasing to create a contract (routed to Purchasing in the absence of an existing contract – vendor agreement or template)

Scope of Service

- Description of work to be done within the contract

Approvals

- Formal sign-off on a contract or contract request as it makes its way through the process

Vendor's contract

- Contract supplied by the Vendor

Guidance/feedback

- Advice/instructions given by University Legal Counsel, Risk Management

Two Party Agreements

- Types of documentation received by Strategic Procurement to review and determined the desired need to be used by the University System. Documents include
 - Consortia Contract
 - Letter of Intent
 - Participants Agreement
 - Participating Agenda
 - Vendor Contract

Waivers

- Supporting document of insurance waivers

Contract data

- Contract attributes such as title, amount, and terms that is input into the Illinois Contract System (ICS) jacket or into the CARF

Draft contract

- Working versions of the contract during formulation and negotiation of the contract details

Amendment Request Form

- A form containing a request to amend a contract

Checklist from iCS

- Form in the iCS application used to route a contract or contract request for approvals. Updates document status through executions.

University System Contract Template

- Pre-approved contract forms that have been approved by University Legal Counsel

Business Rules

None

Chapter 4: Process

A process is defined as the method for transforming inputs into outputs:



Identify Need/Obtain Approvals

A need is identified that should be documented with a mutually executed contract for the procurement of a good or service. The need of a contract is identified by University Department, Strategic Procurement, or the Purchasing. Once the need is identified, approvals are obtained. Approvals are routed and captured either on a CARF or using iCS via a checklist. If needed, the University department validates funding is available and the expenditure is desired.

Draft/Review/Edit Contract

Purchasing either starts with the University System contract template, or they may obtain a contract from the proposed supplier of the good or service. If a Vendor contract is used the University Legal Counsel and Risk Management are consulted as needed. The appropriate contract method is determined, and then drafted and routed to the requesting department to obtain their input and validation that the contract details is as they intended. Changes are made if necessary, and the contract is ready to be sent to the Vendor for review.

Strategic Procurement handles all facets within their department unless it is a Vendor Contract. In those cases, University Legal Counsel is consulted and may be involved in the review process.

Negotiate Contract

Unless the Vendor agrees to the draft that has been approved by all University System parties, the Purchasing/Strategic Procurement staff begins negotiations with the Vendor. Once the Vendor agrees to the contract, it is again routed through the requesting University Department (in the case of a contract that they requested). If there were substantive changes to the terms of the agreement, University Counsel and Risk Management are involved in the review process.

Approvals/Execution of Contract

Once all required University Department, University Legal Counsel, Risk Management, and Vendor approvals are obtained, the contract is sent to the Vendor for signature, routed to a University Comptroller delegate for execution.

Business Rules

(30 ILCS 105/9.02) (from Ch. 127, par. 145c)

Sec. 9.02. Vouchers; signature; delegation; electronic submission.

Chapter 5: Outputs

Outputs are the resulting information or documents that are produced as part of the process:

Fully executed contract

Formal legal document detailing the deliverables and payment expectations for the receipt of goods or services at the University System

Draft(s) Contracts

Working versions of the contract during formulation and negotiation of the contract details

Approvals

Documented acknowledgement and acceptance required by University policy prior to contract execution

Completed CARF (paper)

Form containing written approvals

Document Number

Reference used to identify the contract that has been executed.

Contract Obligation Document

Statewide Accounting Management System (SAMS) Manual:

“The Contract Obligation Document (C-23) is a form used to obligate contracts, leases, purchase orders, sub-orders, and printing orders. Obligation data submitted to the Comptroller is used to establish and maintain a file of individual obligations by agency and account.

File Only contracts including contracts paid entirely from locally held funds do not require obligation and are not entered into the SAMS system. They must, however, be filed with the Illinois Office of the Comptroller and must meet all IOC documentation and certification requirements. File Only documents that are not required to be obligated must use a “99” type code.”

NOTE: 99.9% of University of Illinois contracts and COD forms are File Only. The University of Illinois does NOT file Purchase Orders.

Related documents

Supporting documentation for the contract including:

Certificates of Insurance

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Contract Request

Emails

Federal fund review

Letters of Intent

Original contract if an amendment or legacy contract

Amendment

Document containing changes made to a contract that has already been executed.

Business Rules

State Finance Act (30 ILS 105)

Chapter 6: Customers

Customers receive the output of the process.

University Department

What they want: Timely execution of procurement contracts, favorable pricing, terms and conditions

Vendor

What they want: Opportunities to provide goods and services to the University System

State Comptroller

What they want: Notification and copies of payable contracts greater than or equal to \$20,000 executed by the University Systems

Strategic Procurement

What they want: Procurement contracts that are available to the University System Departments to use

Business Rules

None

Chapter 7: Customer - Oversight Roles

Customers who provide oversight and what oversight is needed:

Internal/External Auditors

What they want: Timely filing with the State for payable contracts \$20,000 and greater including financial, compliance and management audits, External audits will include items such as item/review for contracts testing, \$3M or more contract testing, and contract signature testing.

State Procurement Officer

What they want: Adherence to all State Procurement code and Administrative rules

Chief Procurement Office

What they want: Adherence to all State Procurement code and Administrative rules

Business Rules

None

Chapter 8: Questionnaire for Current State Analysis

1. Why does the process exist?

To formally enter into mutually executed agreements that protect the University, provide consistency, and follows the Illinois Procurement Code, Administrative Rules, University Policies, and Procedures.

2. What is the purpose of the process?

- Develop/route/review/execute and file mutually executed contracts
- State mandate (20-80 of the procurement code) that certain contracts need to be filed with the State Comptroller if they exceed the \$20,000 threshold in the statute.
- Also specific requirements in the University General Rules regarding execution of contracts

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

- **Start**
 - Identification of the need for a mutually-executed contract for a purchase
- **End**
 - Completion of a mutually executed contract for the purchase of product or service, filing with UCRO, and filing with Comptroller's office as needed

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

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

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

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

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

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

7. Who benefits from the process, and how?

- University System Departments benefit through the execution of procurement contracts for their desired goods or services
- The entire University System benefits through the adherence to State Procurement Code
- Purchasing benefits through University System Departments having a mechanism to efficiently provide accurate contract information.

8. What information is necessary for the process?

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

9. Where does that information come from?

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

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

The information guides the formation of the contract which is in the best interest of the University system

11. Who is primarily responsible for the process?

In instances where a department initiates the process, the University Department requestor, and the University Procurement professional who is processing the contract have equal responsibilities.

For Strategic Procurement contract, the Strategic Contract Coordinator has primary responsibility.

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

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-The Chief Procurement Office of Higher Education / the Executive Ethics Commission for approval for awards and oversight of the contract file.

-University Legal Counsel, Risk Management, University Tax, University Accounting Finance and Reporting, University Contract Records Office

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

- Adobe Acrobat Pro
- Banner
- iBuy
- iCS
- Internet browser
- Microsoft Office
- Outlook
- TEM for contracts less than \$10,000
- UIC Purchasing Access database

14. What policies guide or constrain the process?

- IL Procurement Code
- Administrative Rules
- University of Illinois Policy & Procedures
- OBFS policy

15. How often does the process get executed?

Each time there is a procurement contract that needs executed. This can occur multiple times per day. Small purchases contracts are processed at a high frequency without the need for an awarded solicitation.

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

- Unit fails to review what the contract vendor is proposing and/or Purchasing is unable to review in a timely manner
- Unit routes the contract incorrectly and/or receives incorrect or conflicting guidance from OBFS offices
- Unclear or no written guidelines. Reliance on judgement calls creates inconsistencies with process.
- University System Department initiates contracts with wrong contract processing office (e.g. Purchasing instead of OBDS)
- University System Department submits incomplete or inaccurate contract information
- Not all University System Departments are live in the iCS application, so contracts are routed to Purchasing through multiple channels (e.g. some directly through iCS, some attached to iBuy requisition, some emailed) This causes challenges in assigning and tracking contract status.

a. How often do the potential defects occur?

The potential defects occur several times a month

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

- Learning curve of ICS application
 - ICS is extremely slow
 - ICS isn't user friendly
 - ICS is not well supported by major web browsers
 - ICS does not allow for the easy processing/tracking of multiple contracts
- Not having enough time and staff to quickly and efficiently review all agreements due to volume of requests and staffing shortages.
- Agreeing to the certifications and disclosures
- Vendors and University don't always agree on what should be included or excluded in the contract language
- Approval process at times takes too long, especially if contract is above \$250,000.

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

- The process takes long due to 1) Procurement Code roadblocks thrown up during the review process and/or 2) vendors not agreeing to our certifications or trying to negotiate them.
- ICS system difficult to use
- ICS does not interface with other University systems
- Not all units are live in ICS

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

- ICS upgrades
- Banner upgrades
- iBuy upgrades
- Changes to State legislation

Chapter 9: Questionnaire for Potential Process Improvement Candidates

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

- Get rid of procurement code, fewer touchpoints
- Only use University Contract template
- Single system or method for customer to initiate contracts
- Shared understanding across the University System of all parties involved in the process
- Standardize processes across all three Universities

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

- Faster processing
- Easier, more intuitive process to follow
- Timely and efficient execution of contracts
- Better understanding of the process
- Greater consistency within the process
- Continued compliance with the policies

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

- University System Departments
- Contract Services Office
- University Purchasing
- University System

a. How would we know?

- Faster processing
- Reduced compliance issues

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

- Cycle time from start to finish
- Reduced compliance issues

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

- Contract Services offices
- Office of Procurement Services
- Risk Management
- Strategic Procurement
- University Accounting and Financial Services
- University Legal Counsel
- University Purchasing
- University System Departments

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?
 - As little as a day for purchases under \$10k and use of the standard Contract Template.
Two to three weeks to more than a year for larger amounts.
- How many touchpoints are there per process?
 - Strategic procurement – 3 – 9 touch points within the process
 - Purchases under \$10k – 3 – 5 touch points within the process
 - Using iCS – 5 - 7 touch points within the process
 - Not using iCS – 5 - 7 touch points within the process

If using Vendor contract, add 5 touchpoints to the iCS processes

- How many steps are involved in each process?
 - Strategic procurement – 13 – 15 steps within the process
 - Purchases under \$10k – 11 – 13 steps within the process
 - Using iCS – 22 – 26 steps within the process
 - Not using iCS – 22 – 26 steps within the process

If using the Vendor contract, add 7 steps to the iCS processes

Chapter 11: Feedback from Customer Focus Groups – Current State

The Current State process was presented to each University's Customer Focus Group on Wednesday, April 12, 2017 and Thursday, April 13, 2017. A total of 13 people attended with one person in attendance from UIC, zero people from UIS, and 12 people from UIUC.

Campus Focus Group Summary

While the participants involved in procurement contract processing from different departments within the Universities, there were three common themes within their feedback:

- It takes too much time to complete the contract process
 - Timeliness issue with getting the contract to the right person and getting it processed
- There is miscommunication or no communication between Purchasing, vendor, and the department
 - Inconsistency with processing the contract depending on the buyer
 - Lack of communication the department can't accurately update the end user
- Often difficulty agreeing on the language used within the contracts

Campus Focus Group Report

- **Process Issues**
 - Language in contract refers to Board of Trustees instead of DIA
 - Some contracts from other schools have indemnity clauses in them and we cannot sign
 - If we spot this, we go back to the school to see if that can be removed, prior to forwarding for signatures
 - Other schools are not aware how long it takes for us to get something signed
 - Sometimes have less than 24 hours to get a contract signed before an event
 - Some games get played prior to the contract signing, (usually when there is no guarantee and no payout)
 - Contracts from other institutions have to be entered into iCS even if there is no payment
 - Have discussed potential for signing with no oversight, but has never been granted
 - Timing issues when we need to pay officials on the day of the event
 - Difficult to know who to call
 - iCS difficult to use
 - Have to do both a Requisition and enter a contract into iCS for Material Transfer Agreements (MTA)
 - No ability to know where Purchasing is during the negotiation of a contract
 - Need a way to be able to see the status on each Contract as it works its way through the process
 - Only one person that can sign a contract (Brad)
 - Department heads do not get into iCS frequently, so they don't know there are tasks for them to approve
 - Purchasing refused to negotiate with Vendor for a service agreement due to some problem language.
 - Still using fax machines and most people don't have access to one
 - Sometimes seems that Purchasing does not realize the implications of delays on obtaining signatures to issue a contract
 - Software licenses can expire in the middle of a class

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- Critical research can have to be stopped due to machine breakage due to lack of service contracts
 - Inconsistencies between Buyers
 - Service agreements seem to take months and months
- **Suggested improvements**
 - Have a dedicated person with Purchasing/Legal/Risk Management with whom each department can work.
 - Can we get an agreement that if a date changes due to a rain delay and the date has to change but the rest of the contract stays the same, do we have to do a new contract?
 - Better communication as to how to handles sponsorship agreements
 - There is a process of ten questions to answer when you need a sponsorship agreement, but there is no documentation as to how to do them, was told to send an email to Purchasing
 - The questions should be on the website
 - Purchasing writes the agreement for you
 - Remember getting the communication but didn't really understand this was the new process
 - If you don't go to the announcement there's no place on OBFS website to find it
 - Allow for electronic signatures
 - Need an Equipment Loan Agreement Template
 - Useful for when we are given a product on a trial basis before purchase
 - Also useful for when the Vendor gives us loaner equipment while they repair ours
 - Need better understanding of when and how a Department is allowed to assume the risk on Contracts
- **Issues outside this process**
 - Had to use a preferred vendor for new chairs even though they were \$300 from the preferred, \$100 from the non-preferred.
 - Timing issues when we need to pay officials on the day of the event and have to get a check in a rush
 - Vendor setup

Chapter 12: Opportunities for Improvements

The following opportunities for improvement were identified through team discussions, and feedback provided by University focus groups and Director Council. Issues were categorized into six categories, covering communications, documentation, policies and procedures, resources, technology, and training. Issues shown in **Bold** are connected to a Recommendation for Improvement in [Chapter 15: Recommendations for Improvements](#)

| Communications – Issues related to providing information | |
|--|--|
| C1 | Unit fails to review what the contract vendor is proposing |
| C2 | Purchasing is unable to review in a timely manner |
| C3 | Unit receives incorrect or conflicting guidance from OBFS offices |
| C4 | Unclear or no written guidelines. Reliance on judgement calls creates inconsistencies with process. |
| C5 | University System Department initiates contracts with wrong contract processing office (e.g. Purchasing instead of OBDS) |
| C6 | Due to multiple entry points, it is a challenge to assign and track contract status |
| C7 | Challenges agreeing to the certifications and disclosures |
| C8 | Vendors and University don't always agree on what should be included or excluded in the contract language; this is timely and complicated |
| C9 | Challenges with approval process at times takes too long, especially if contract is above \$250,000. |
| C10 | It takes too much time to complete the contract process ; Timeliness issue with getting the contract to the right person and getting it processed |
| C11 | Inconsistency with processing the contract depending on the buyer |
| C12 | There is miscommunication or no communication between Purchasing, vendor, and the department, unable to accurately update the end user |
| C13 | Other schools are not aware how long it takes for us to get something signed; Sometimes have less than 24 hours to get a contract signed before an event; Some games get played prior to the contract signing, (usually when there is no guarantee and no payout) |
| C14 | Difficult to know who to call |
| C15 | Department heads do not get into iCS frequently, so they don't know there are tasks for them to approve |
| C16 | Purchasing refused to negotiate with Vendor for a service agreement due to some problem language. |
| C17 | Sometimes seems that Purchasing does not realize the implications of delays on obtaining signatures to issue a contract; Software licenses can expire in the middle of a class; Critical research can have to be stopped due to machine breakage due to lack of service contracts |
| C18 | Service agreements seem to take months and months |

Communications – Issues related to providing information

| | |
|------------|---|
| C19 | Sometimes there is a gap, University Dept. may contact legal and initiate a contract and then Purchasing gets involved; when we get someone to unlock a contract, we don't want to diminish the role of ICS in the current process |
| C20 | Some ICS training only happens once a year |
| C21 | Diversity needs to be able to monitor that the vendor meets the needs |
| C22 | Units provide conflicting information to OBFS Offices |

Documentation – Issues related to lack of documentation

| | |
|-----------|--|
| D1 | Unclear or no written guidelines. Reliance on judgement calls creates inconsistencies with process. |
| D2 | University System Department submits incomplete or inaccurate contract information |
| D3 | It takes too much time to complete the contract process ; Timeliness issue with getting the contract to the right person and getting it processed |
| D4 | Difficult to know who to call |
| D5 | Sometimes seems that Purchasing does not realize the implications of delays on obtaining signatures to issue a contract; Software licenses can expire in the middle of a class; Critical research can have to be stopped due to machine breakage due to lack of service contracts |
| D6 | Service agreements seem to take months and months |
| D7 | Unclear or no written guidelines. Reliance on judgement calls creates inconsistencies with process. |

Policy/Procedures – Issues related to Procurement Policies and Procedures

| | |
|-----------|--|
| P1 | Purchasing is unable to review in a timely manner |
| P2 | Unit receives incorrect or conflicting guidance from OBFS offices |
| P3 | Unclear or no written guidelines. Reliance on judgement calls creates inconsistencies with process. |
| P4 | University System Department initiates contracts with wrong contract processing office (e.g. Purchasing instead of OBDS) |
| P5 | Learning curve of ICS application |
| P6 | Not enough time and staff to quickly and efficiently review all agreements due to volume of requests and staffing shortages. |
| P7 | Challenges agreeing to the certifications and disclosures |
| P8 | Vendors and University don't always agree on what should be included or excluded in the contract language; this is timely and complicated |
| P9 | Challenges with approval process at times takes too long, especially if contract is above \$250,000. |

8.0 Contract Processing - Procurement

| Policy/Procedures – Issues related to Procurement Policies and Procedures | |
|---|---|
| P10 | It takes too much time to complete the contract process ; Timeliness issue with getting the contract to the right person and getting it processed |
| P11 | Inconsistency with processing the contract depending on the buyer |
| P12 | Language in contract refers to Board of Trustees instead of DIA |
| P13 | Other schools are not aware how long it takes for us to get something signed; Sometimes have less than 24 hours to get a contract signed before an event; Some games get played prior to the contract signing, (usually when there is no guarantee and no payout) |
| P14 | Contracts from other institutions have to be entered into iCS even if there is no payment; Have discussed potential for signing with no oversight, but has never been granted |
| P15 | Have to do both a Requisition and enter a contract into iCS for Material Transfer Agreements (MTA) |
| P16 | Only one person that can sign a contract |
| P17 | Department heads do not get into iCS frequently, so they don't know there are tasks for them to approve |
| P18 | Purchasing refused to negotiate with Vendor for a service agreement due to some problem language. |
| P19 | Sometimes seems that Purchasing does not realize the implications of delays on obtaining signatures to issue a contract; Software licenses can expire in the middle of a class; Critical research can have to be stopped due to machine breakage due to lack of service contracts |
| P20 | Service agreements seem to take months and months |
| P21 | Not everyone has access to iCS application |
| P22 | Bid Documents not loaded information iCS for reference |
| P23 | Push back when trying to attach a contract anywhere but within iCS |
| P24 | "In Person" training is required for access in most cases |

| Resources (Financial, Human) – Issues related to lack of sufficient staff or funding | |
|--|---|
| R1 | Unit fails to review what the contract vendor is proposing |
| R2 | Purchasing is unable to review in a timely manner |
| R3 | Unit receives incorrect or conflicting guidance from OBFS offices |
| R4 | Not all University System Departments are live in iCS, so contracts are routed to Purchasing through multiple changes (e.g. some directly through iCS, some attached to iBuy requisition, some emailed) |
| R5 | Not enough time and staff to quickly and efficiently review all agreements due to volume of requests and staffing shortages. |
| R6 | Challenges with approval process at times takes too long, especially if contract is above \$250,000. |
| R7 | It takes too much time to complete the contract process ; Timeliness issue with getting the contract to the right person and getting it processed |

8.0 Contract Processing - Procurement

| Resources (Financial, Human) – Issues related to lack of sufficient staff or funding | |
|--|--|
| R8 | There is miscommunication or no communication between Purchasing, vendor, and the department, unable to accurately update the end user |
| R9 | Other schools are not aware how long it takes for us to get something signed; Sometimes have less than 24 hours to get a contract signed before an event; Some games get played prior to the contract signing, (usually when there is no guarantee and no payout) |
| R10 | Sometimes seems that Purchasing does not realize the implications of delays on obtaining signatures to issue a contract; Software licenses can expire in the middle of a class; Critical research can have to be stopped due to machine breakage due to lack of service contracts |
| R11 | Service agreements seem to take months and months |
| R12 | Not everyone has access to iCS |
| R13 | Some iCS training only happens once a year |
| R14 | "In Person" training is required for access in most cases |

| Technology – Issues related to system's lack of functionality to support the process | |
|--|---|
| T1 | Unit routes the contract incorrectly |
| T2 | University System Department submits incomplete or inaccurate contract information |
| T3 | Not all University System Departments are live in iCS, so contracts are routed to Purchasing through multiple changes (e.g. some directly through iCS, some attached to iBuy requisition, some emailed) |
| T4 | Due to multiple entry points, it is a challenge to assign and track contract status. |
| T5 | Learning curve of iCS application |
| T6 | iCS is extremely slow |
| T7 | iCS isn't user friendly |
| T8 | iCS does not allow for the easy processing/tracking of multiple contracts |
| T9 | iCS not well supported by major web browsers |
| T10 | Not enough time and staff to quickly and efficiently review all agreements due to volume of requests and staffing shortages. |
| T11 | Challenges with approval process at times takes too long, especially if contract is above \$250,000. |
| T12 | It takes too much time to complete the contract process ; Timeliness issue with getting the contract to the right person and getting it processed |
| T13 | There is miscommunication or no communication between Purchasing, vendor, and the department, unable to accurately update the end user |
| T14 | Difficult to know who to call |
| T15 | Have to do both a Requisition and enter a contract into iCS for Material Transfer Agreements (MTA) |

8.0 Contract Processing - Procurement

| Technology – Issues related to system’s lack of functionality to support the process | |
|--|---|
| T16 | Department heads do not get into iCS frequently, so they don't know there are tasks for them to approve |
| T17 | Still using fax machines and most people don't have access to one |
| T18 | Sometimes seems that Purchasing does not realize the implications of delays on obtaining signatures to issue a contract; Software licenses can expire in the middle of a class; Critical research can have to be stopped due to machine breakage due to lack of service contracts |
| T19 | Service agreements seem to take months and months |
| T20 | For drafting/revising purposes, we don't use iCS due to the system being very slow and cumbersome; work outside of iCS using email and Word and iCS is only used for tracking purposes |
| T21 | Departments issue a contract in iCS and want to see transparency. Receive pushback from legal because legal negotiations are not documented, they just load the document when they are done. Departments don't like this because they miss the transparency |
| T22 | iCS is a standalone system with no interfaces to other systems. There is pushback when trying to attach a contract anywhere but within iCS; doesn't connect with payment |
| T23 | Not everyone has access to iCS |
| T24 | Diversity needs to be able to monitor that the vendor meets the needs |
| T25 | Issue when a contract is locked in iCS, need to keep contract moving |
| T26 | No single system that contains all relevant documents, e.g. state approval, contract, PO |
| T27 | Vendor unable to access contract if needed |
| T28 | No easy ways to track multi-year spend against contract |
| T29 | Lack of ability to assign or reassign a task on a checklist |
| T30 | No easy way to determine if vendor made edits to contract |
| T31 | Incorrect routing of contract to purchasing (initial routing) assignment of task checklist |
| T32 | purchasing staff don't have access to all old contracts their campus processed in one system |
| T33 | System allow routing of contract to a role in which no one is assigned |
| T34 | Inability to edit contract document within system without checking it out |

| Training – Issues related to lack of understanding the process | |
|--|--|
| TR1 | Unit fails to review what the contract vendor is proposing |
| TR2 | Unit routes the contract incorrectly |
| TR3 | Unit receives incorrect or conflicting guidance from OBFS offices |
| TR4 | Unclear or no written guidelines. Reliance on judgement calls creates inconsistencies with process. |

8.0 Contract Processing - Procurement

| Training – Issues related to lack of understanding the process | |
|--|---|
| TR5 | University System Department initiates contracts with wrong contract processing office (e.g. Purchasing instead of OBDS) |
| TR6 | University System Department submits incomplete or inaccurate contract information |
| TR7 | Learning curve of ICS application |
| TR8 | It takes too much time to complete the contract process ; Timeliness issue with getting the contract to the right person and getting it processed |
| TR9 | Inconsistency with processing the contract depending on the buyer |
| TR10 | Language in contract refers to Board of Trustees instead of DIA |
| TR11 | Other schools are not aware how long it takes for us to get something signed; Sometimes have less than 24 hours to get a contract signed before an event; Some games get played prior to the contract signing, (usually when there is no guarantee and no payout) |
| TR12 | Difficult to know who to call |
| TR13 | Have to do both a Requisition and enter a contract into iCS for Material Transfer Agreements (MTA) |
| TR14 | Only one person that can sign a contract |
| TR15 | Department heads do not get into iCS frequently, so they don't know there are tasks for them to approve |
| TR16 | Sometimes seems that Purchasing does not realize the implications of delays on obtaining signatures to issue a contract; Software licenses can expire in the middle of a class; Critical research can have to be stopped due to machine breakage due to lack of service contracts |
| TR17 | Service agreements seem to take months and months |
| TR18 | Sometimes there is a gap, University Dept. may contact legal and initiate a contract and then Purchasing gets involved; when we get someone to unlock a contract, we don't want to diminish the role of iCS in the current process |
| TR19 | Not everyone has access to iCS |
| TR20 | Some iCS training only happens once a year |
| TR21 | Problem when departments think they can sign contracts on behalf of the University |
| TR22 | Incorrect routing of contract to purchasing (initial routing) assignment of task checklist |
| TR23 | Training is system focused no policy present subject matter training |

Chapter 13: Suggested Improvements

The following recommendations came from discussions with the process team members, and/or the director council, and/or University System focus groups. Not all improvements were selected by the process team. The selected improvements were present to the University focus groups for feedback, and are recommended from review by the Director Council. A Suggested Improvement displayed in **bold** is associated with a Recommendation for Improvement, and is further discussed in [Chapter 15: Recommendations for Improvements](#)

| Number | Category | Suggested Improvement |
|--------|-----------------------------|---|
| 1 | Communications | Process consistency across University system (e.g. UIC, UIS, UIUC) |
| 2 | Communications | More transparency between departments and purchasing, both ways |
| 3 | Communications | Create a 'Simple' checklist or 'Tips' for units (e.g. set expectations with vendor that it will take a certain amount of time) |
| 4 | Communications | Formally mandate that all non-iCS users initiate purchasing contracts with an iBuy requisition at UIC |
| 5 | Documentation | Use artificial intelligence to support users. "Hey Alexa..." |
| 6 | Policy/Procedure | Increase threshold for contract for service under \$10,000 template to under \$20,000 with ongoing post audit |
| 7 | Policy/Procedure | Option/Program for more delegated authority to department (risk accept, signature) |
| 8 | Policy/Procedure | Expand use of contract templates to reduce need for specialized contracts – 1 vote |
| 9 | Policy/Procedure | Vendor Self-Service contract |
| 10 | Policy/Procedure | At the Universities, create/establish 'expert centers' for unit to go for the processing, (e.g. service center) |
| 11 | Policy/Procedure | In a 'Perfect World' Procurement Code exceptions/relief |
| 12 | Resources (Financial/Human) | Fill vacancies/increase staffing for contract coordinators and support staff (too many contracts to review in timely manner) |
| 13 | Resources (Financial/Human) | Develop an alternative model to train users in iCS system (Less time in-person?) |
| 14 | Resources (Financial/Human) | More web based training |
| 15 | Technology | Everyone has access to view contracts in system, universally distributed/unlimited, view only access for tracking and research |
| 16 | Technology | Unlimited, intuitive, customizable work-flow |
| 17 | Technology | Ability to reassign and un-assign contract tasks |
| 18 | Technology | Vendors can access copies of their contract/documents |
| 19 | Technology | Different roles are assigned in system for specific task (view, approve, etc.) |
| 20 | Technology | Ability for system to integrate with current registered roles automatically |
| 21 | Technology | Edit document with system and do not allow anyone else to edit until complete |
| 22 | Technology | Roll out a view only role for users not live in iCS |
| 23 | Technology | Contract system to link to Bulletin (solicitation) |
| 24 | Technology | Contracts system integrate with all Source2Pay system for efficiency (One system) |
| 25 | Technology | Move away from Java |

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| Number | Category | Suggested Improvement |
|--------|----------|--|
| 26 | Training | Develop a University wide job aid on what contracts go to which office |
| 27 | Training | Hold a Purchasing Contracts 101 training to give overview of process and best practices, training departments on CARFS, how to properly fill out all necessary information |
| 28 | Training | Online training for critical training issues |
| 29 | Training | More Training –on-hands with departments within iCS |
| 30 | Training | In a Perfect world with adequate staffing, Offer weekly processing lab and or 'Office Hours" |

Chapter 14: Feedback from Customer Focus Groups – Future State

The Future State process was presented to each University's Customer Focus Group on Wednesday May 17, 2017 and Thursday, May 18, 2017. A total of nine people attended with two people in attendance from UIC, zero people from UIS, and seven people from UIUC.

Campus Focus Group Summary

- The majority of Recommendations were met with unanimous favorable responses
- There weren't any recommendations that had overall negative reactions: Some were received more favorably than others
 - The group was open to those changes, but some felt the payback would not be worth the effort involved for implementation.

Campus Focus Group Report

Develop a University job aid on what contract types are processed by which specific office

- All in favor
- Ideas for Job Aids
 - Title of the types of forms
 - FAQs to clarify terms and contract types
 - COU/MOU confusion
 - What separates procurement contracts from non-procurement?
 - Decision trees that guide the decision process
 - Maybe include some examples?
 - Both common and uncommon
- Suggestion:
 - Central point as to where it would go and let them decide

Develop Purchasing Contracts 101 training for users to learn best practices for creating a purchasing contract

- All in favor
- Step-by-step job aids are great

Fill vacancies/increase staffing for the position of contract coordinators and support staff

- All in favor
- Lack of staff is causing:
 - Delays/missed research opportunities
 - Having to rush at the last minute to get a contract renewed to prevent students from losing access to a system, even though the contract was submitted way in advance
 - Lost grant funding because of delays
- Decentralizing may help as the Colleges can justify the expenses

Develop an alternative model to train users in the iCS application

- All in favor of additional training opportunities
- Several stressed the importance of live training remaining an option

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- Live training should be first for a new trainee
- Suggestion: Video training and then do the live training to certify later
- Currently cannot get access without doing that training

Explore the possibility of a view-only role within the iCS application

- All in favor
 - Would greatly benefit to be able to see others' contracts if we are working with the same vendor

Process contract consistently across the University System

- All in favor

More transparency between department and purchasing

- Mixed feedback, some in favor, others felt it would not help

Increase the threshold for contract for service under \$10,000 template to \$20,000 with ongoing post audit

- Definitely would help
- Any increases in threshold are helpful

Option/Program for more delegated authority to department

- Mixed feedback, some in favor, others felt it would not help

Chapter 15: Recommendations for Improvements

The recommendations have been identified for improvement. Five different categories were identified for the improvements, and each improvement received a level of implementation. The categories include Communications, Policy and Procedures, Resources, Technology, and Training. 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 process better, help the users understand the process, and make sure the process works.

| Number | Describe Potential Solutions | Category | Implementation Level | Related Issue(s) |
|-----------|--|----------|----------------------|---|
| 01 | <p>Develop a University job aid on what contract types are processed by which specific office</p> <p>We are recommending creating a customized job aid for each University that will help a department unit determine where to route the contract for processing.</p> <p>The Contract Services Office, CSO has a diagram that outlines the process workflow, their web site has specifics on the contact types and where to send, and the Research site also has a matrix on contracts types. This information will be the baseline to create the job aid. The job aid will include current examples to help the user understand the different types of contracts, both procurement and non-procurement, and where to route the contract for processing.</p> <p>The working team will include representatives from Contract Services Office, Office of Business Development Services, Business Services Offices, Purchasing from each University, University Department Units, and OBFS Business Solutions & Support.</p> | Training | Short Term | C2, C5, C14, C22, C1, C7, D3, P4, P10, R7, R10, T1, T32, TR2, T5, T22 |
| 02 | <p>Develop Purchasing Contracts 101 training for users to learn best practices for creating a purchasing contract</p> <p>We are recommending creating of web based training for users to learn how to create a purchasing contract. The training will contain modules for the creating a purchase type of contract. The training will be available online at the demand of the user. This will also allow the user to view them when there is a need to create a contract. The content will include such information as:</p> <ul style="list-style-type: none"> • Best practices used to create a contract • Training departments on CARFS • How to properly fill out the necessary information | Training | Short Term | C1, C3, C4, C11, C12, C14, C17, C19, C22, D1, D2, D4, D5, D7, P9, P3, R3, R10, T2, T12, T14, T20, TR3, TR4, TR6, TR8, TR9, TR12, TR20, TR21, TR23 |

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| Number | Describe Potential Solutions | Category | Implementation Level | Related Issue(s) |
|--------|---|--------------------|--------------------------|--|
| | <p>This effort will include representation from Purchasing at the Universities, Departments at the Universities, OBFS Business Solutions & Support, and UCRO.</p> <p>By creating the Purchasing Contract 101 training, will provide department units with the knowledge of processing and submitting contracts in the correct manner, and will also reduce the number of errors downstream within the process.</p> <p>With a successful implementation of this recommendation, it is suggested to create a working team to explore the possibility of applying this training to the entire contract process for non-procurement.</p> | | | |
| 3 | <p>Fill vacancies/increase staffing for the position of purchasing contract coordinators and purchasing support staff</p> <p>With the realignment, this recommendation is in flux. Post-alignment, this recommendation needs to be reviewed by the appropriate leadership/management level.</p> <p>Lack of staff has a great impact on the timeliness of creating a contract within the process.</p> <p>By adding staff will:</p> <ul style="list-style-type: none"> • Increase the timeliness of creating the contract • Reduce any missed research opportunities • Increase the opportunity to learn and understand the current and any new legislative requirements to best practice | Resources | Short Term/ Long Term | C2, P1, P6, R2, R5, T10, TR9 |
| 4 | <p>Develop an alternative model to train in the iCS application</p> <p>Create and 'On-Demand' video training for the iCS application specifically. Create different models within the training. The training video will be available for new users and existing users who simply need to review how the application functions. The current existing instructor lead training material will be the basis for the new video training. Examples will be incorporated into the training to aid in the user's understanding.</p> <p>This effort will include representation from Purchasing at the Universities, Departments at the Universities, OBFS Business Solutions & Support, CSO, OBDS, Business Services Office, and UCRO.</p> | Resources/Training | Short Term | C4, C14, C20, D1, D2, D4, D7, P2, P3, P5, P11, P17, P20, P24, R10, R11, R13, R14, T2, T5, T12, T20, TR3, TR4, TR7, TR8, TR15, TR16 |

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| Number | Describe Potential Solutions | Category | Implementation Level | Related Issue(s) |
|--------|--|----------------|----------------------|--|
| | The working team will review and determine requirements for obtaining training of new users prior to access being granted into the iCS application. | | | |
| 5 | <p>Explore the possibility of a view-only role for contract information</p> <p>We are recommending a working group be created with representation from the iCS working group, AITS, Procurement Services, Secretary of the Board of Trustees, and Department unit currently not accessing the iCS application.</p> <p>This group will be charged with:</p> <ul style="list-style-type: none"> • Determine the solution to view contract information • Determine the time to implement a “View Only” role • Determine training needs • Determine implementation process to add users into the role <p>By having view only access will allow a customer to view contract information without having to reach out to another department to get their information, and will receive the information in a timely manner.</p> | Technology | Short Term | C21, P21, R12, T23, T24, T32, TR19 |
| 6 | <p>Process purchasing contracts consistently across the University System</p> <p>Given the current realignment issue, we have identified purchasing policy consistency and interpretation as important and recognize that it should be examined under the new structure with the realignment. We also recommend that each University ensure they have consistent procedures that are documented for handling a procurement contract to ensure the same answer from each person within each University. We are not recommending all three University offices must follow the same procedure, just EACH University office is consistent within itself.</p> <p>We recommend a group convene in the first quarter of 2018 to evaluate the process of procurement contract processing and then determine the best practice to communicate it to each University.</p> <p>Representation for the working group includes: Procurement Services, Purchasing for each University, Each Contract office – CSO, OBDS, Business Services, and UCRO</p> | Communications | Short Term | C2, C3, C10, C11, C12, C14, C17, C18, C19, C22, D1, D4, D6, P2, P10, TR8, TR12 |

8.0 Contract Processing - Procurement

| Number | Describe Potential Solutions | Category | Implementation Level | Related Issue(s) |
|--------|---|------------------|----------------------|--|
| 7 | <p>More transparency between department and purchasing</p> <p>We are recommending the following:</p> <ul style="list-style-type: none"> Purchasing should make sure to continually update the checklist with the iCS application when applicable When sending emails to a vendor, copy the department involved in the contract Within the iCS application in the 'Notes' feature, enter when multiple contracts with the vendor occurs Departments should copy Procurement Services when a purchasing contact has begun with a vendor and procurement services is not part of the communication email Add the content "Reply All" at the top of communications sent from Procurement Services when the department is copied on the communication. | Communications | Short Term | C1, C2, C3, C10, C10, C12, C17, C19, C22, D2, R8, T13, T21, TR16, TR17, TR18 |
| 8 | <p>Increase the threshold for contract for service under \$10,000 template for a one-time payment to under \$20,000 with ongoing post audit</p> <p>We are requesting OBFS Leadership support this recommendation and request SAVPAC update the policy accordingly. By updating the threshold will:</p> <ul style="list-style-type: none"> Provide opportunities to increase efficiency with the department Provide opportunity for Purchasing to increase efficiency by working on larger dollar amount contracts <p>This increase with the threshold will be consistent with the \$20,000 threshold with the state. Also there hasn't been any significant issues with post audit for under \$10,000.</p> <p><i>Director Council: How much business will this affect? Is it worth the change?</i></p> | Policy/Procedure | Short Term | D5, C10, TR8 |
| 9 | <p>Option/Program for more delegated authority to department</p> | Policy/Procedure | Short Term | C4, D2, TR14, TR15, TR16 |

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| Number | Describe Potential Solutions | Category | Implementation Level | Related Issue(s) |
|--------|--|------------|----------------------|--|
| | <p>Create a certification requirement/program to grant some specific authorities with a department unit to allow for additional functionality without a purchasing buyer</p> <p>We are recommending forming a working group to discuss the requirement of the certification process.</p> <p>Requirements will include:</p> <ul style="list-style-type: none"> • Determine dollar threshold • Process workflow • Approval workflow • Include “No Changes” within a contract • Design of the certification program <p>Representation on the working group will include: Contract Services Office, Office of Business Development Services, Business Services, Payables, Purchasing at each University, Risk Management, University Legal Counsel, University Business Office, Procurement Services, Department units, and UCRO.</p> <p>The benefit the department would receive is:</p> <ul style="list-style-type: none"> • Quicker turn-around on a contract • Increased usage of templates • Opportunities for central processing offices no longer having to review as many contracts. <p><i>Director Council – This recommendation was not received will due to concerns related to the Procurement Code and University Policy. This recommendations was not support.</i></p> | | | |
| 10 | <p>A new Source to Pay application should have ability to support the functionality to support the creation and workflow for procurement contract processing</p> <p>The functionality should include intuitive and customizable workflow</p> | Technology | Long Term | C6, C9, C10, T6, T7, T8, T9, T15, T20, T25, T28, T29, T30, T32, T33, T34, TR13 |

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 for short term implementation and each ranked score.

| Solution Prioritization Matrix: Contract Processing | | | | | | | | |
|---|--|------------------------|---|---|---|---|--|---------|
| | Describe Potential Solutions | Category | 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) | | |
| 1 | Develop a University job aid on what contract types are processed by which specific office | Training | 4.2 | 3.2 | 3.1 | 3.67 | 188 | 1 |
| 2 | Develop Purchasing Contracts 101 training for users to learn best practices for creating a purchasing contract | Training | 3.2 | 3.1 | 3.1 | 3.1 | 139.8 | 2 |
| 3 | Fill vacancies/increase staffing for the position of contract coordinators and support staff | Resources | 1.78 | 3.33 | 4.56 | 1.78 | 81.9 | 6 |
| 4 | Develop an alternative model to train users in the iCS application | Resources/ Training | 2.44 | 2.56 | 2.67 | 2.56 | 70.7 | 7 |
| 5 | Explore the possibility of a view-only role within the iCS application | Technology | 2.78 | 3.78 | 3 | 2.33 | 88.7 | 4 |
| 6 | Process contract consistently across the University System. | Communications | 2.56 | 3 | 3.33 | 2.56 | 86.4 | 5 |
| 7 | More transparency between department and purchasing | Communications | 3.44 | 3.22 | 3.11 | 3.22 | 125 | 3 |
| 8 | Increase the threshold for contract for service under \$10,000 template to \$20,000 with ongoing post audit | Policy/Procedures | 1.56 | 2.22 | 2.33 | 3.11 | 44.3 | 8 |
| 9 | Option/Program for more delegated authority to department | Policy/Procedures | 1.44 | 1.78 | 1.78 | 1.89 | 11.7 | 9 |

Chapter 17: Future State SIPOC Diagram

| Process Name | Date |
|--|--------|
| [Process Number - Process Name] – Future State | [Date] |

| 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 Department Vendor Purchasing University Legal Counsel Risk Management Consortia Strategic Procurement Procurement Diversity | Amendment Request form Approvals Two Party Agreements Contract Approval Routing Form (CARF) Contract Request Draft contract Guidance/feedback Contract Data Scope of Service | Identify Need/Obtain Approvals Draft/Review/Edit Contract Negotiate Contract Approvals/Execution of Contract | Fully executed contract Draft Contract(s) Approvals Approved CARF (paper) Document Number Related documents Amendment(s) Contract Obligation Document | University Department Vendor State Comptroller University Contracts Record Office (UCRO) Strategic Procurement |

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| 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 System Contract Template Vendor's contract Waivers | | | |

Chapter 18: Future State Requirements

This is a comprehensive list of functional requirements and technical requirements for the future state of Contract Processing. 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.

1. Ability to have workflow tracking
 - a. Ability to provide a checklist for tasks
2. Ability to create/generate reports
3. Ability to access historical contract information
4. Ability to track multiple contract versions
5. Ability to provide an audit trail (Include documentation of action that occur within the system, timestamping throughout the workflow process)
6. Ability to access contracts via a web based application
7. Ability to provide mobile access to the applications
8. Ability to obtain/perform electronic signatures
9. Ability to provide a functionality to approve and provide a signature via email
10. Ability to separate and identify types of contracts, payable, No Fund, Revenue Generating
11. Ability to provide an electronic repository of fully executed contracts
12. Ability to provide a user friendly interface
 - a. Intuitive
 - b. Easy to interpret
 - c. Provides an ease of use
 - d. Screen guides user through the action to be performed
13. Ability to provide an acceptable response time to the user
 - a. Displays an indicator on the screen when there is interaction to indicate something is being processed
 - b. Instantaneous response
14. Ability to provide transparency of transaction status
 - a. Ability to easily view the status of a contract
15. Ability to not utilize JAVA
16. Ability to run seamlessly on all major web browsers
17. Ability to provide 'Drag and Drop' functionality for uploading documents
18. Ability to upload documents into or relate to a contract
19. Ability to import data from other systems (Vendor information, Unit information)
20. Ability to set up an automatic distribution of a fully executed contract
21. Ability to edit documents in the system
22. Ability to provide the functionality to integrate documents with edits/redline
23. Ability to integrate business rules for approvals/routing tasks

8.0 Contract Processing - Procurement

24. Ability to provide a robust search (Include example of what this may look like – Search by contract number, search by department)
 - a. Ability to search on any data field
 - b. Ability to search within a document without compromising system speed and security
25. Ability to provide a proxy for a role
26. Ability to provide email notifications with electronic approval
27. Ability to have the functionality to have a user set up reminders
28. Ability to set up reminders to complete any task within a status
29. Ability to mark follow ups, check in with OBFS, Units, and Vendors
30. Ability to email from the application
31. Ability to define task lists
32. Ability to setup notification/reminders for a task

Chapter 19: Subject Matter Expert Team

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

| Name | University/Department | Title |
|---------------------------------|---|-----------------------------------|
| Baker, Susie | UIUC/OBFS – Payables | Assoc Dir Payment Serv |
| Ballmes, Stacey | UIUC/AVP Business & Finance | Coord Univ Contract |
| Burger, Kenneth | UIUC/OBFS – Purchasing | Business/Admin/Associate |
| Eddings, Sharon | UIUC/OBFS Strategic Procurement | Bus Assoc Sr. Sorc & Contr Spec |
| Erickson, Jennifer | UIUC/AVP Business & Finance | Asst Dir BUS & FIN |
| Gochanour, Wendy | UIS/OBFS – Purchasing | Business/Admin Assoc |
| Jennings, Schaefer, Anne | UIUC/Univ Office of Human Res | Asst Dir HR Admin |
| Long, Michael | UIUC/OBFS – Business Solutions & Support | Sr App Spec |
| Menezes, Jill | UIS/OBFS – Purchasing | Business/Administrative Associate |
| Nevill, Michael | UIUC/AITS | Asst Dir TAM |
| Rosenthal, Aaron | UIC/OBFS – Purchasing | Interim Assistant Director |
| Stauffer, Kathleen | UIC/institute for Policy and Civic Engagement | Asst Dean for Administration |
| Stewart, Nicole | UIUC/Business Administration | Dir of Admin Bus Admin |
| Strate, Elizabeth | UIUC/AITS | Enterprise Syst Spec |
| Thompson, Maria | UIUC/Facilities and Services | BAA Procurement Manager |
| Wright, Marcy | UIUC/OBFS Strategic Procurement | Business/Admin V Associate |

Chapter 20: University Focus Group Participants

The following list of individual participated in a University Focus Group meeting either during the current state and/or the future state of the BPI project.

| Name | University |
|-----------------------|------------|
| Andrea Lile | UIUC |
| Amrit Ghimire | UIC |
| Brenda Reinhold | UIUC |
| Brent West | UIUC |
| Cindy Dillman | UIUC |
| J. Garpue Lieway | UIC |
| Jackie Billhymer | UIUC |
| Jennifer Frank | UIUC |
| Jennifer Gavel | UIUC |
| Kendra Shaffer | UIUC |
| KP Warner | UIUC |
| Maile Reynolds | UIUC |
| Mary McCallen | UIUC |
| Myra Sully | UIUC |
| Penny Benner | UIUC |
| Shelly Thomas-Eichorn | UIUC |
| Tonya McGowan | UIC |

Appendix A: Business Glossary

Amendment

Any mutually agreed change to a mutually agreed contract (amendment changes the substantive legal terms of a fully executed contract)

CN

Contract Number

Contract

PO or a mutually executed agreement, excluding employment, real estate and research, "No fund" contracts

CSO

Contract Services Office

CARF

Contract Approval Routing Form

COD

Contract Obligation Document

Change Order

Contract file-any data having to do with a contract become part of the contract file

Contract

Purchase Order or a mutually executed agreement, excluding human resources, real estate, research, revenue generating, "No fund" contracts

LOI

Letter of Intent

OBDS

Office of Business Development Services

Renewal

Process to obtain State Authority for a contract change which is then documented in an Amendment.

UCRO

University Contract Records Office