Momentum

UShop MARKETPLACE

Come in WE'RE OPEN

Statistics Since Launching:

- 4 Departments On-Boarded
- 15 Departments in the On-Boarding queue
- 426 PO's created
- 356 Suppliers added
- 15 Contracted Suppliers added
- 181 Shoppers added
- 94 Requisitioners added
- 341 Invoices Paid

What does this all mean? Read ahead to learn all about it!

In This Issue:

An update from the desk of John Nixon
Senior Chief Administrative and Financial Officer

One of the first things I did upon arrival here, a little over a year ago, was to identify what key initiatives the University needed to undertake to drive efficiencies and improve business processes on campus. Working with others within my organization, we decided that the campus procurement and payment processes needed to be modernized, so we launched our "P2P" or the Procure-to-Pay initiative. We engaged our software partner, SciQuest – who had successfully implemented their e-Procurement software at hundreds of other higher education institutions, and we developed a multi-year plan to modernize and improve our procurement processes.

The first step of this initiative that was rolled out last Fall, was the automation of our signature card process – which through our GFA tool (Granting Financial Authority) set the foundation for developing a robust electronic workflow and approval system. Since then, we've been working with SciQuest and four campus departments to design and configure the e-Procurement software to work well in this new environment. We are calling this application "UShop."

During this 44-week implementation (or Phase 1), the following milestones were accomplished:
- Analyzed the Procurement Business Processes
- Reengineered the Configuration of Workflow
- Conducted Two Focus Groups (December & March)
- Developed & Implemented System Integrations
- Completed Validation and User Acceptance Testing
- Accepted the SciQuest e-Procurement Solution - UShop
- Completed Controlled Live Orders
- Enabled 15 Contracted Suppliers
    - 14 of these Suppliers have Online Catalogs
    - Staples Contract Negotiated to Include Single Use Account (SUA) Payment Processing
- Improved Vendor Data
- Trained Pilot Departments & Central Admin

Phase 2 of the UShop implementation will include the onboarding of an additional 18-22 organizations to the UShop Marketplace, stabilizing and supporting UShop, providing additional training and support to our pilot departments, and developing the remaining sub-projects under the P2P Initiative.
These include:
- Employee Direct Deposit Setup for Accounts Payable and Travel Reimbursements
- Direct Payments to Suppliers
- Internal Suppliers (ie. Campus Orders)
- Total Supplier Manager (TSM) Implementation
- Improved Procurement Data & Analytics

This initiative has strong support and interest from our senior administration and our Board of Trustees. I am continuously working with them to keep them informed of our progress and to ensure our overall project objectives are being met.

Objectives include:
- Saving the university money on our purchases by more effectively using our contracted suppliers,
- Leveraging an electronic workflow, and
- Speeding up the transaction cycle of the whole procurement process.

I'm excited to be the executive sponsor of this initiative. I am confident it will result in overall savings to the university and greatly improve how we transact business on campus. I invite all of you to join in and participate in UShop. Our plan is to have the entire campus using this tool by December 2016. If you have any questions or suggestions on this initiative, please let us know.

How Do I Begin Using UShop?

We are anxious to maximize the benefits of this exciting new e-Procurement application and add users to UShop as quickly as possible! Other Universities have implemented this online marketplace concept one department at a time, and we have begun to employ a similar "On-Boarding" process.

To date, we have concentrated our efforts on bringing up departments in the order recommended in interviews with the Academic Deans, who helped us determine which departments are ready to utilize UShop as their online e-Procurement application. We are now ready to add another exciting opportunity for new users to have access to the UShop benefits.

Introducing... UShop Lite – Individual Training
Training Option One: Getting Started Using Contracts.

Are you ready to lead your department in e-Procurement? UShop Lite training prepares users to order supplies from **15 top-tier contracted-catalog suppliers, such as:**

Contract-Catalog Shopping is EASY, and produces significant efficiency savings for our campus users!

Our most important suppliers have made their products available in online catalogs with special University of Utah pricing. In addition, contracted-catalog suppliers utilize "CXML" technology, which means that ordering and fulfillment can happen in MINUTES! Invoicing and payment is also initiated electronically, and does not require intervention by a person in most cases.

UShop Contracted-Catalog purchases are highly intelligent and efficient transactions, allowing the end-user more time for other work-related duties.

Don't miss this opportunity to lead your department in savings and efficiency! <u>Sign up here</u>

Department Training – "On-Boarding"

Training Option Two: Full UShop Utilization for Departments
Mary Louise Hughes, Program Manager

UShop ONBOARDING

What does On-Boarding entail?

Once a department has been selected to begin using UShop, the process of rolling out the system to department users is referred to as "On-Boarding" – and includes the following steps to help personnel with purchasing responsibilities to make the transition to the UShop marketplace:

- Business Process Analysis: We interview those within the department who are responsible for various stages/steps of the purchasing process. We provide feedback of the Process Analysis to help determine:
  - o Some recommendations about how the department will work most efficiently within UShop.
  - o Which suppliers are most important to the department.
  - o How many users your department will have in the UShop system, and which roles are most appropriate for them; (see also "Flexible Internal Controls" in this newsletter)
    - Shoppers, Requisitioners, Approvers (All AEs and Designated Alternates are automatically made UShop "Approvers.")
    - Or a combination of roles

- Orientation & Hands-On Training: Meeting is held for department leadership and all UShop users. The goal is to get everyone in your department on the same page regarding the goals and value of UShop, and to encourage a commitment to use the UShop Marketplace for all procurement needs. This meeting will also include training for your department , which will be customized to the size and structure.

- UShop Marketplace Access: After your in-person training is complete, your permissions in UShop will be activated and you can begin ordering goods and services for your department through UShop!

- Time Savings & Contract Spending: Once trained, departments are encouraged to perform procurement duties in UShop, eliminating paper and transaction costs immediately!

[Sign Up Here for the Department On-Boarding Experience](#)

New Training Facility:

The hands-on training will be held in the newly furnished UShop Training Room, 1124 Annex Building, Wing B.

This cheerful and well-lit room features an 80" flat panel TV screen for demonstrations, and a laptop computer for each class participant to get real experience in the application. We look forward to seeing you there!

Online Reference Materials:
UShop users can access several refresher training guides, available for your reference on the UShop website. These are in the form of Short Topic Videos and Quick Reference Guides for print.

Online Approver Training:
All AEs and Designated Alternates are setup as UShop Approvers by default. Once a user is setup as a Shopper or Requisitioner, their Approvers will need to know how to follow a link to approve their cart. This process is very simple, so we have created online Approver Training and reference guides, and do not require in-person Approver training. We look forward to training your department to use this exciting new online e-procurement application.

Welcome to UShop!

Click Here

Sustainability & UShop – Moving in the Right Direction
Myron Wilson - Director, Sustainability Resource Center

"Recycling is one of my favorite initiatives, but avoiding unnecessary waste in the first place is priceless."

The UShop initiative is helping the University cut down on several forms of waste:

- Most importantly, this online application will save time for our support staff as they procure the necessary supplies for their departments.
- Additionally, the system will save money by directing folks to state-contracted suppliers who can provide materials at substantially reduced costs.
- As functionality is optimized, the search feature will also allow items to be filtered according to recycled content and sustainable characteristics, allowing departments to more easily meet sustainability goals and locate products that are less harmful to the environment and people.
- Finally, the most obvious feature is the fact that there will be a significant reduction in paper use with an online procure to pay solution.

o Once all of the University is onboard with UShop, the potential average annual savings is more than 130,000 pages, or 1,300 pounds of paper not sent to the landfill.
o It takes about nine trees to make the pulp for 130,000 pages of paper, not to mention the land, water and energy required to create the paper from the raw resource.

UShop moves the University in the right direction.

Providing Flexible Internal Controls

UShop has been designed and built to leverage the speed and efficiency of online procurement and payment processes. Online approval and accounting information eliminates wasted time between the procurement and payment steps.

The workflow "roles," (seen below) have been designed to allow departments to customize internal controls, including separation of duties to best fit their business and staffing model within policy constraints.

Shopper → Requisitioner → Approver → Management Report Reviewer

Use At Least Two People To Cover These Roles.

Departments should stay mindful when setting up their UShop user accounts, that they can assign staff members to any of these four roles, but shouldn't allow one person to fulfill all four roles. Internal Control systems may vary, however, each department must establish and maintain an effective system of controls designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with University policies & procedures
- Applicable laws and regulations

Departments must make sure that there are at least two people authorizing these four steps, but can customize the roles to allow for all appropriate persons to "review or approve" procurement decisions according to the size of the organization, and the complexity and/or compliance requirements of your business.

Adequete segregation of duties, as an internal control, requires that no one person has control over all aspects of a particular transaction.

Strong internal controls are essential to the integrity of any business process. So these principles need to be taken seriously. Separation of duties is key. No one knows your business requirements as well as you do. But we are here to help ensure that your requirements include these key internal control principles. If you're unsure about how to best structure your approval process – so that it both fills your requirements and maintains control, we are here to help.

Please feel free to reach out to our Controllers Office for advice and recommendations on designing and implementing good internal controls.

Fact or Fiction?
Heather Holley – Buyer, Purchasing

We have met with several campus departments, and are hearing that there are some misconceptions about UShop and how our campus will handle procurement in future.

We would like to set the record straight on some of the most common myths that are circulating:

Fiction: The PCard program is going away.

FACT!
- PCards will continue to be useful to departments that are not yet using UShop, for conference registrations, or for suppliers that do not accept a PO.

Fact or Fiction?

Fiction: My UShop purchases will not have to go through purchasing.

FACT!
- Contract purchases will eliminate some of the purchasing steps we use with paper requisitions, saving time for our customers. Non-catalog requests will continue to stop in Purchasing for electronic review, just as the paper requisitions do today. Electronic review and approval will still save substantial time compared to the paper processes we have used in the past.

Fiction: I will only be able to use one chartfield in UShop.
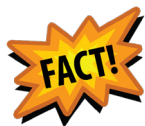
FACT!
- UShop allows users to split expenditures across multiple chartfields, but offers the convenience of online approvals to improve processing time.

Fiction: Restricted items cannot be purchased in UShop.

FACT!
- Restricted items will be requested electronically in UShop, eliminating paper routing.

Fiction: On-Campus purchases will not utilize UShop.

FACT!
- We are already in the planning stages to make available UShop transactions for our on-campus suppliers. Our objectives are to eliminate the use of the Campus Order forms, and we will be implementing solutions to meet this objective at the same time as our efforts to onboard and train new UShop users.

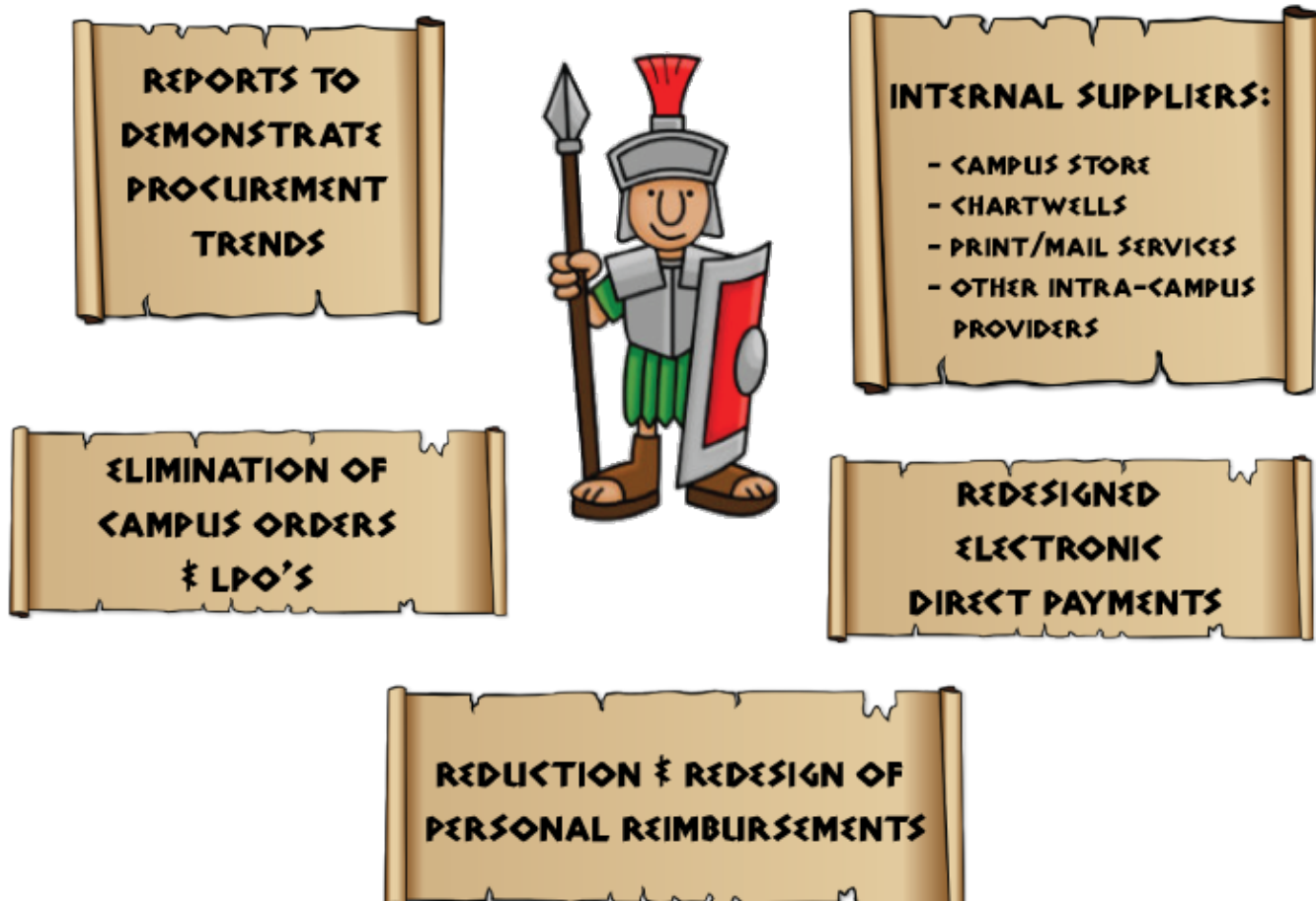*Fiction:* I won't be able to purchase items from my "favorite" suppliers.

FACT!
- One of the main objectives of P2P is to maximize the benefits from our contracted suppliers. Our greatest success in doing this will occur when we consolidate our purchasing power to fewer, high quality, low cost suppliers. As we consider enabling new suppliers into UShop, we carefully consider the total value of our supplier relationships, not only cost. Mike Smith is dedicated to this effort. If you have a preferred vendor that has not been enabled in UShop, we want to hear from you! You may submit your ideas about suppliers using our online UShop Supplier Request form.

ROME ~~~~ UShop MARKETPLACE WASN'T BUILT IN A DAY...

What's next for UShop?

Our current focus is adding users and suppliers into the marketplace, but we're already working on other initiatives to modernize our P2P processes. Keep your eyes open for the following improvements to UShop and the P2P landscape:

REPORTS TO DEMONSTRATE PROCUREMENT TRENDS

INTERNAL SUPPLIERS:
- CAMPUS STORE
- CHARTWELLS
- PRINT/MAIL SERVICES
- OTHER INTRA-CAMPUS PROVIDERS

ELIMINATION OF CAMPUS ORDERS & LPO'S

REDESIGNED ELECTRONIC DIRECT PAYMENTS

REDUCTION & REDESIGN OF PERSONAL REIMBURSEMENTS

Join us in congratulating the following FBS employees on their years of service

5 Years

Heather Holley, Buyer – Purchasing – June 26
Michael Gordon, Supervisor - Receiving & Stores – Surplus & Salvage – July 1
Michael Smith, Manager - Program(s) – Purchasing – August 30

10 Years

Jeannette Taylor, Administrative Assistant – Financial & Business Services – June 1

30 Years

Steffany Forrest, Assistant Manager - Accounting – Income Accounting – July 1

Communicating with U

FBS Serves U

- Commitment to Communication
- FBS Training
- FBS Regulations
- Mission, Vision & Values
- Momentum Newsletter
- Org Chart

Tools for U