

Impact Report

Procurement Working for UC

Produced by
UC Procurement

power of collective spend

strategic
sourcing

opportunities

commitment

cost savings

benefit

collaboration

expansion

efficient

systemwide

category expertise

cost avoidance

leverage

sustainable

incentives

partnership

UC Procurement: Maximizing Value & Optimizing Spend



Dear Colleagues,

Each year, the University of California Procurement and Supply Chain teams help administrators, faculty and students purchase over \$10 billion in goods and services in support of our mission of teaching, research and public service.

Our top priority is to meet your needs and to ensure supply chain reliability via strategy sourcing and supplier relationship management. These strategies leverage UC's systemwide purchasing power to optimize our spend, deliver positive social and environmental impact, and provide significant value for the University.

Thank you for your partnership.

Paul Williams

Associate Vice President & Chief Procurement Officer
University of California, Office of the President

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This **Impact Report** highlights UC Procurement & Supply Chain initiatives implemented from **July – December 2022**. These projects detail benefit derived from revenue generation, incentives, cost reductions and avoidance, along with indirect savings from continuous process and technology improvement.

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UC Berkeley | Small Business Subcontracting Plan Toolkit

TEAM Supplier Diversity Working Group – Project Leads: Loren House (UCB) & Shauna Niswonger (UCI)

Opportunity

Complying with regulations for small business utilization in federal grants and contracts is a heavy lift. Each federal contract or grant requires a detailed plan and ongoing monitoring. Prior to the creation of the Small Business Tool Kit, there was not an intake process or resource guide for the development, training and administrative support of Small Business Liaison Officers and Supplier Diversity Coordinators.

This tool will help monitor and provide greater transparency for federal Small Business Subcontracting (SBS) Plans and usher in a new standardized approach to training and small business subcontracting plan development.

Approach

- Identify Toolbox resources
- Identify problematic outliers
- Identify and share best practices among campuses
- Share supplier diversity diagnostic tools
- Propose Process Transformation

Benefits

- Increased collaboration among UC Small Business Liaison Officers and Supplier Diversity Coordinators across the system
- Greater efficiency and efficacy, cost avoidance and containment
- Enhanced understanding of Federal Acquisition Regulations for Supplier Diversity



Results

The Small Business Subcontracting Plan project looks forward to delivering:

- Standardized templates and tools for creating SBS plans across UC system
- Cost avoidance and containment
- Enhanced communication and collaboration across UC system
- Use of diagnostic tools for strategic calibration of training modules
- Continuous improvement tool for processes and procedures used to develop and administer our multi billion-dollar federal contract/grant capabilities

Benefit: Standardized SBS plan templates, increased collaboration, efficiency & efficacy

UCLA | Interactive Purchasing Guidance Tool

TEAM Genelle Vinci & Asli Alkan (UCLA Purchasing) | Change Management + Media Innovation Department

Opportunity

At UCLA, the Procurement landscape is constantly shifting, making it difficult to know how to successfully submit a purchase order (PO) at any given time. Plus, UCLA has a very decentralized process for successfully completing Purchase Requisitions. Depending on the type, commodity, funding source and total value of the transaction, many different forms and/or departments must get involved. Our Campus had provided ongoing feedback that it would be helpful to have a guide or checklist to help them complete the necessary forms and documentation upfront. This would prevent their Requisition being returned for incompleteness or delayed for further approvals.

Approach

We formed a small multi-functional Procurement team to brainstorm how to systematically accomplish this. We had limited tools but eventually decided that DocuSign would be a good fit for this type of checklist and would provide reporting as well. We then studied and documented the top reasons that Purchasing would return a Requisition to a department and built those questions into DocuSign based on a logic map.

“After working at UCLA for many years, it is incredibly helpful to have a single document guide our department through completing a purchase requisition. We did not realize the number of policies required in Purchasing. This helps us better understand and respect the purchasing process.”

—A Satisfied User

Purchase Order Checklist
Business Finance Solutions- Campus Purchasing

Department Requestors looking to place a purchase order with Campus Purchasing should use this checklist to guide them through each step they will need to take in order to comply with UCLA's procurement policies & procedures. After answering each question your next step of instructions will appear next to your question, and a detailed version of these instructions will appear on page 2. Click "Finish" on the top right after completing the questions. The instructions will be emailed to you once you have completed the form.

Dept Requestor Name: Genelle Vinci Requestor No & Name: 3275 - Purchasing

After the Fact

Have you already placed your order?
-- select --

Vendor Information

Is the vendor already setup in BruinBuy?
 Yes No

Next step of instructions will appear here:

Results

- UCLA Purchasing developed a logic-driven tool based on questions to help guide an end user to successfully complete a Purchase Requisition
- User help text is built into the DocuSign form to guide the end user to complete the checklist
- An automatic email sends the Requestor the next steps, additional forms to complete, and/or who to contact to finalize their Requisition
- We set up a [website to host the checklist](#), along with a link for user feedback. So far, feedback received has been positive and valuable in helping us improve the next iteration of this checklist.

Benefit: Interactive tool to guide end users through the purchasing process

UC Partnership Programs | Farmers GroupSelect Benefits Expand UC-wide

TEAM UCPP: Amy Gardner, Deborah Tallyn, Amber Hopkins, Stacey Templeman, Eryn Hong | UCPP Working Group: Heather Hunter (UCD), Snehal Bhatt (UCI), O.T. Wells (UCLA), Theresa Mason (UCM), April Blackburn (UCR), Heather Vinograd (UCSD), Henry Biliniewicz (UCSB), Nancy Nieblas (UCSC), Vanessa Wong (UCSF), Todd McNeal (UCOP Benefits)

Opportunity

The previous relationship for employee personal insurance had been in place for nearly 40 years. This relationship limited UC employees to one provider and hindered any potential campus control and opportunities for revenue generation.

Extending the current partnership with Farmers GroupSelectSM (Farmers) ensures the same benefits and services are available to all locations and provides a consistent and unified offer to all. Employees can access the innovative [Farmers Insurance ChoiceSM platform](#), a powerful comparison tool that helps employees explore and compare the best automobile, homeowners and renters' coverage from highly-rated insurance carriers. The relationship with Farmers also provides employees access to convenient, automatic payment options, including payroll deduction for Farmers products through the UCPath system and access to educational content and one-on-one consulting.

Approach

The relationship with Farmers was implemented by [UC Partnership Programs](#) in three phases, with the initial launch in October 2020 at the Berkeley, Davis and San Diego campuses. In 2021, the relationship extended to serve five additional UC locations – Irvine, Merced, Riverside, Santa Barbara and Santa Cruz. The most recent phase III, launched in June 2022, included Agriculture and Natural Resources, the Berkeley Lab, Hastings College of the Law, Office of the President, UCLA and UCSF.

“Our focus is on working with strategic partners to deliver value in all senses of the word. We are not solely focused on reducing cost, we are focused on increasing service and opportunities for faculty, staff and students, and on positively impacting the broader community.”

—Paul Williams, AVP & CPO, Systemwide Procurement



Farmers Insurance ChoiceSM

Farmers Insurance Choice lets UC employees compare and save on insurance



Auto Insurance



Home Insurance



Renter's Insurance



Save Hundreds with Farmers GroupSelectSM

Results

- First multicampus relationship to span the full university system, including health centers and Berkeley Lab
- UC campuses will receive revenue that supports their programs/units
- Collaboration and support among UC locations
- Creation of an efficient and formalized partnership process, implemented across three phases
- Dedicated [University of California – Farmers Insurance ChoiceSM website](#)
- Exclusive benefits to staff including provider choice; savings on personal auto, homeowners and renters' insurance products; convenient payroll deduction, access to additional educational content, and one-on-one consulting.

Benefit: \$2,263,000 revenue from 2020-2025

UCPP & UC San Diego | University Credit Union Partnership

TEAM Amy Gardner, Deborah Tallyn, Stacey Templeman, Eryn Hong (UCPP) | Heather Vinograd, Greg Muller, Sharon Van Bruggen, Natalee Ellars, Julia Martinez, Tod Bannister, Gayle Ta, Erin Zlotnik, Casey Lee, Gopika Yallapragada (UCSD)

Opportunity

[The UC Partnership Programs](#) (UCPP) brought a personal financial services opportunity to the UCPP Working Group, composed of representatives from each campus. Interested campuses were able to utilize UCPP's expertise and guidance in formalizing a banking partnership.

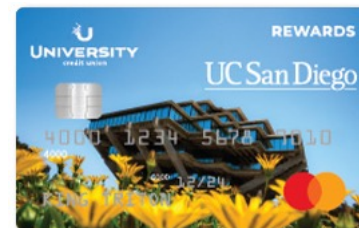
This involved UCPP developing an RFP and a standardized process. Working group members assembled a team of representatives from each campus to highlight campus assets in the RFP and score and evaluate bidders.

Approach

Working together on a multicampus personal financial services RFP and using uniform templates strengthens campus control in relationship discussions by standardizing the RFP process. Multicampus RFPs are also more efficient due to a singular RFP, a streamlined evaluation and negotiation process, and a stronger support system. A singular RFP also offers convenience and a simplified process for bidders. Campuses working together leverages the collective power of UC, but still grants each campus autonomy to select a preferred relationship that ensures their campus community needs are met.

After collaborating with UCPP, UC San Diego successfully launched a new banking partnership with University Credit Union (UCU). This California-based credit union provides membership benefits to all UC San Diego students, employees, alumni, and retirees, and will launch co-branded UC San Diego credit and debit cards this spring.

A new UCU campus advisory center opened in late Fall 2022 with multiple ATMs across campus. This relationship provides UC San Diego with a clear personal financial services partner while still offering support and choice for the campus community.



UC San Diego



Results

- Other campuses are currently in negotiations as a result of this RFP
- Serves as learning experience for campuses without formal partnership programs
- Collaboration and support among UC campuses
- Efficient and formalized partnership process
- Specific [benefits to UC San Diego](#) include:
 - ✓ Best Rates in the Nation Guarantee*
 - ✓ Financial literacy workshops for UC San Diego students and employees
 - ✓ Ease of banking through on-campus advisory center
 - ✓ Student internship opportunities
 - ✓ Long-term relationship commitment and continuity (ATMs, real estate, profits going back into campus)

Benefit: \$2.4M revenue to UC San Diego over 5 years

UCSF | Matching Departments with Local, Diverse Businesses

TEAM Andrew Clark, Marliz Copado, Gail Lee, Elizabeth Lin

Opportunity

The UCSF Office of Sustainability needed to procure 500 water bottles to use in a campaign to promote newly installed bottle fillers in campus buildings.

The team wanted to support the Anchor Institution Mission* (AIM) to work with a local business as well as ensure that the materials were ethically sourced, good for the environment and made from sustainable materials.

(*Anchor Institutions are place-based, mission-driven organizations like UCSF, that aim to leverage their economic power and talent for maximum positive outcomes in their local communities.)

Approach

AIM's procurement team reviewed UCSF's diverse-supplier list to find a suitable match. We organized a meet and greet between the Office of Sustainability and Design Like Whoa, a small, woman-owned San Francisco business.

We then worked with the supplier to onboard them within the BearBuy procurement system and supported the Office of Sustainability throughout the ordering process.

"It's been a pleasure working with you this past year."

—Gemma Aguiar, Founder and CEO | Design Like Whoa, LLC



Results

- The water bottles, used at a variety of events, are an incentive and reminder of how working with our local community has a lasting impact.
- Expansion beyond the pilot program is being explored
- UCSF community sees the advantages of supporting efforts towards supplier diversity and inclusion, while still contributing to our sustainability goals.

Benefit: Successful pilot program promoting use of diverse, local businesses

UCSF | Small-Business Certification Project

TEAM Andrew Clark, Justin Sullivan, Marliz Copado, Christina Morache, Yvette Shaw, Bernadette Jimenez, Jessica Price, Darrick Lo, Carol Tady | CA State DGS partners: Doug Parrish, Christopher Calceta, Danetta Jackson

Opportunity

UCSF is committed to leveraging dollars spent to invest in our local and regional small and diverse business communities, but our supplier base had outdated small-business certifications.

Both internal customers and suppliers felt certification was challenging and wanted a better understanding of the process.

Approach

We targeted existing UCSF suppliers who did not have up-to-date certification and, in August 2022, hosted a webinar to assist them in understanding and navigating the process. Suppliers were encouraged to attend via an email campaign.

The webinar featured certification tips for businesses who have or would like to execute a small business certification. As part of the webinar, UCSF also hosted the State of California Department of General Services Procurement Division and Office of Small Business and Disabled Veteran Enterprise Services.

"Thanks for hosting the meeting. We appreciate all you are working on to help local small and disadvantaged business."

—Webinar Attendee



Results

- UCSF established a new strategic partner with the State of California Department of General Services Procurement Division and Office of Small Business and Disabled Veteran Enterprise Services. This collaboration aligns with UC systemwide efforts to reach 25% of addressable spend with certified small and diverse businesses.
- Our event survey reported that half of the attendees who were not certified decided to apply for small business certification as a result of this webinar.

Benefit: Increase in certified Small Business suppliers

Systemwide Procurement | LAMP Program

TEAM OMNIA Partners | Systemwide Procurement | Lead Agency Marketing Program (LAMP)

Opportunity

UC Procurement acts as a lead agency for OMNIA Partners to create a portfolio of competitively bid contracts that leverage the vast scale of the University of California's (UC) purchasing power. Our broad range of contracts can be used by UC campuses, other higher education institutions, K-12 education systems, local and state government and nonprofit agencies nationwide. OMNIA Partners has a robust team dedicated to promoting the UC portfolio nationwide through a variety of strategic sales and marketing initiatives.

In addition to direct patronage from certain vendors, UC Campuses receive a fee share from OMNIA Partners based on their utilization of contracts that fall under the Lead Agency Marketing Partner (LAMP) Program. This fee share is paid quarterly for purchases under contracts led by a UC entity, and annually for all other OMNIA Partners or Vizient agreements.

Approach

As contracts are awarded or adopted by Systemwide Procurement or a lead campus, Jeff Smith and the rest of the OMNIA Partners team work closely with the Commodity Manager/Associate Director responsible for the category to implement the contract across the UC System. This includes uploading the contract to CalUsource, implementing ePro whenever possible, and working with vendors to promote their agreements systemwide.

The goal is to maximize the benefit UC sees from the LAMP Program by directing as much money as possible back to the campuses.



295

Total OMNIA Partners & Vizient Agreements Leveraged



\$244M

Nationwide Spend Through UC Contracts



56

Contracts Led By The University of California



2,499

Non-UC Accounts Utilizing UC Contracts

Results

- UC Campuses have received over \$5M in fee share from OMNIA Partners since the program began in 2018
- Increased efficiencies through centralized, collaborative procurement and tail spend management
- Agencies using our contracts benefit from UC's scale and sourcing expertise
- UC contracts promote core UC values by focusing on diverse, local and sustainable suppliers
- Revenue supports the UC mission of teaching, research and public service

Benefit: \$5,467,750 (and counting...)

Systemwide Procurement | Spend File Rebuild Project

TEAM Systemwide Procurement CalUsource Team | UCOP, UC Merced & UC San Diego Procurement | UCOP | IT & Analytics Resources

Opportunity

Campus spend data is sent monthly into [CalUsource](#) for aggregated spend analysis. This data encompasses all university spend generated through a variety of different channels (PO systems, financial systems, travel systems, etc.).

Once sent to CalUsource, the campus spend data is reconciled, normalized, classified, and enriched at the systemwide level and used to inform purchasing decisions and create procurement leverage across the UC. It also serves as a reporting tool for all required reporting, such as diversity spend.

As campuses transition to new financial and travel systems, Systemwide Procurement loses its visibility into aggregated spend. The opportunity arose for the Systemwide Procurement CalUsource team, Campus Procurement teams, Analytics and IT groups to partner in rebuilding these feeds to restore spend visibility for UC San Diego, UC Merced, and UC Office of the President.

Approach

This project required the systemwide team to engage with our campus counterparts to develop a new and unique process to account for changes brought about by Oracle and Concur. Combining efforts with these three locations allowed the project team to develop a standard process for other locations that may transition to Oracle and/or Concur in the future to follow to restore this spend feed quickly and more efficiently.

“Access to spend data from all UC locations is essential to identify opportunities for both new UC systemwide sourcing initiatives and growing adoption of existing agreements.”

—Thomas Trappler, Associate Director, IT Strategic Sourcing, Systemwide Procurement



Results

- Restored spend totaling \$2.8 billion for UC San Diego, UC Merced, and UC Office of the President
- In partnership with campus and systemwide procurement and IT resources, developed a framework for Oracle and Concur spend data feeds into the CalUsource spend analytics software
- Upgraded file format for new data fields to aid procurement professionals in analyzing spend based on new process and policy needs
- Established recurring monthly data feeds for all spend moving forward for UCOP, UC Merced, and UC San Diego
- Collaborated with Procurement, IT and Analytics resources from local UCOP, UC Merced and UC San Diego

(Illustration shows data flow process from all UC locations into CalUsource, the systemwide sourcing, contracting and spend analysis tool.)

Benefit: Restored \$2.8B in Spend Data and increased collaboration across UC

Systemwide Procurement | Telecommunication Services

TEAM David Willson (UCB) | Mark Redican, Sophon Im, Britany Duyanovich (UCD) | Brian Buckler, Bjorn Juslin, Marcus Quon, Tyler Turley (UCI) | Aryan Mehta, Soren Claudi Bondesen (UCLA) | Sean Pamer, Al Espinoza (UCM) | Karen Cunningham, Henry Gutierrez, Lisa Laws (UCR) | Chris Rosenstock (UCSB) | Matt McKenna (UCSC) | Veronica Garcia, James Seddon, Jumana Nabali, Ronald Joyce (UCSD) | Ian Gwin, Joanne Petersen, Pete Seatavakin (UCSF) | Richard Gregory (LBNL) | Amy Gardner, Randy Kemish, Neil Kronenthal, Matthew Linzer, Yvonne Tevis, Judy Thai, and Roshni Pratap (UCOP)

Opportunity

The Telecommunications industry has undergone significant changes in recent years, with a shift away from traditional landline phone services to a focus on wireless networks, data, and internet. Data analysis of UC-wide usage of Telecommunication services revealed that \$53M in annual expenditure in this space was not strategically sourced previously.

In partnership with the IT Sourcing Committee (ITSC) and the Communications Planning Group (CPG), UC Systemwide Procurement issued an RFP for Telecommunication Services in these sub-categories: Landline, Cellular, and TV Services, to establish agreements with qualified suppliers that best align with UC's needs and pricing reflective of UC's volume.

Approach

The UC IT Strategic Sourcing team collaborated with a dedicated team of 36 subject matter experts and specialists from across the UC system to determine our current and future needs for a competitive RFP. This team also evaluated supplier responses to identify the highest quality solutions for the best prices and terms, and to recommend supplier awards.

This team awarded seven market leading suppliers:

- AT&T – Agreement #[2022003300](#)
- Comcast of California – Agreement #[2022003405](#)
- Charter Communication/Spectrum – Agreement #[2021003197](#)
- RingCentral Inc. – Agreement #[2022003385](#)
- Verizon Wireless – Agreement #[2021003144](#)
- Windstream Services – Agreement #[2021003200](#)
- Zoom Communications (adding Zoom Phone) – Agreement #[2021003174](#)



Results

These new agreements collectively provide a variety of significant benefits:

- 5-year Initial Term with five annual renewal options at UC's discretion
- Projected \$18m financial benefit over Initial Term
- Terms and conditions aligned with UC's needs and compliant with policy and the law, including UC Appendix DS
- Collaborative partnership opportunities driving other value-added programs
- Maintains incumbent suppliers with enhanced value that supports transition to modern technologies
- Resulted in increased and ongoing cross-campus collaboration in this space

Benefit: \$18M (over initial term)

Systemwide Procurement | Microscopes Purchasing Program

TEAM Alex Butler (UCB) | Julie Alvarez (UCD) | Keith Chamberlain (UCI) | Claire Tsai (UCLA) | David Carter, Henry Gutierrez (UCR) | Shawnee Meyers (UCSD) | Dean Shehu (UCSF) | Neil Kronenthal, Bob Stueber (UCOP) | Tomek Kruszc (OMNIA Partners)

Opportunity

As the world's top research university system, UC buys many microscopes – in fact, \$19M per year's worth! This indicated the need for a Request for Proposal (RFP) to increase supplier competition, lower prices, streamline the purchasing process, and add critical components like sustainability and Value Add Service to new agreements.

It also presented a Lead Agency contract opportunity. As a [lead agency with OMNIA Partners](#), UC's competitively bid contracts leverage the vast scale of our purchasing power, earning revenue for UC and offering government agencies, municipalities, and public universities and schools a chance to purchase off UC's contracts with no participation fees. A win-win!

Approach

The Life Science Sourcing Committee endorsed and prioritized the project to move ahead. The RFP was structured to seek several awards to leverage spend along with industry best capabilities while encouraging competition. It also would achieve competitive pricing, on-campus support, push innovative solutions, and encompass all products and services in the awarded supplier's portfolio. Plus, the RFP promoted UC values by scoring for diverse, local and sustainable suppliers.

Eleven potential suppliers were invited to participate and resulted in five RFP responses. Seven campuses plus UCOP were represented on the evaluation team to ensure products would meet campus needs. The two awarded suppliers, Olympus/Evident Scientific and Leica, were in the top three for pricing, value add, and campus partnership.

Additional contract value includes low cost – better prices than previously; less risk – negotiated terms aligned with current UC needs; flexibility – many supplier locations for campus convenience; and speed of use – UC locations just choose product, buy, and install.



Results

The Microscope Purchasing agreements resulted in numerous benefits:

- 4-14% discounts on equipment
- 10-14% discounts on warranties and services
- 2% patronage back to UC on total spend
- 2% sustainability back to UC on total spend
- National contract award with OMNIA bringing revenue back to UC
- Fixed pricing in the first year
- Negotiated percentage caps on annual rate increases

Benefit: \$5.5M savings, plus ongoing Lead Agency revenue

Systemwide Procurement | Software VAR Project

TEAM UC-wide project team composed of Procurement and IT Subject Matter Experts

Opportunity

Microsoft (MS) and Adobe software is used at all UC Campuses and Health locations to conduct everyday business. MS and Adobe require purchasing their products from an authorized value-added reseller (VAR). A VAR resells manufacturers' software and hardware, adding value by combining those goods with other complementary products and services.

The previous UC-wide VAR agreement with SHI International had been in place for 10 years and was expiring. UC's governing procurement policy, [BUS-43](#), places a 10-year limit on supplier agreements. Systemwide Procurement saw it as an opportunity to increase value and partnered with the IT Sourcing Committee (ITSC) and the Software Services Group (SSG) to explore current market options and offerings.

Approach

Our UC-wide team of subject matter experts and specialists took the following approach to finding the most qualified VAR:

- Determined current and future needs and priorities
- Conducted a comprehensive and competitive RFP
- Evaluated supplier responses
- Identified the highest quality solutions for the best prices and terms
- Recommended supplier(s) for award
- Proactively supported transition and implementation if new supplier was chosen



Results

The RFP resulted in awarding Dell as UC's new VAR for MS and Adobe software products. The new agreement provides these benefits:

- 5-year Initial Term with five annual renewal options at UC's discretion.
- A fixed cost-plus pricing model during the Initial Term
- Patronage incentive for all purchases
- Terms and conditions aligned with UC's needs and compliant with policy and the law
- Standardized and streamlined license renewal processes across the system

Benefit: \$5.8M (projected financial benefit over initial term)