

# Benefit Bank

Approver Training



# Agenda

- Benefit Bank Mission, Vision and Purpose
- Role of an Approver
  - Benefit Timeline
  - Accessing Benefit Bank
- Steps to Review a Benefit
  - Reviewing Benefit Components
  - Demo
- When to Return or Reject
- Proxy Approvers
- Resources

# Benefit Bank

## Vision

To be acknowledged as a high performing, strategic partner essential to the financial health of the UC

## Mission

To expand University opportunities by delivering savings and efficient procurement services

## Purpose

To highlight and communicate the work achieved by UC procurement professionals consistently, accurately and verifiably

# Role of An Approver

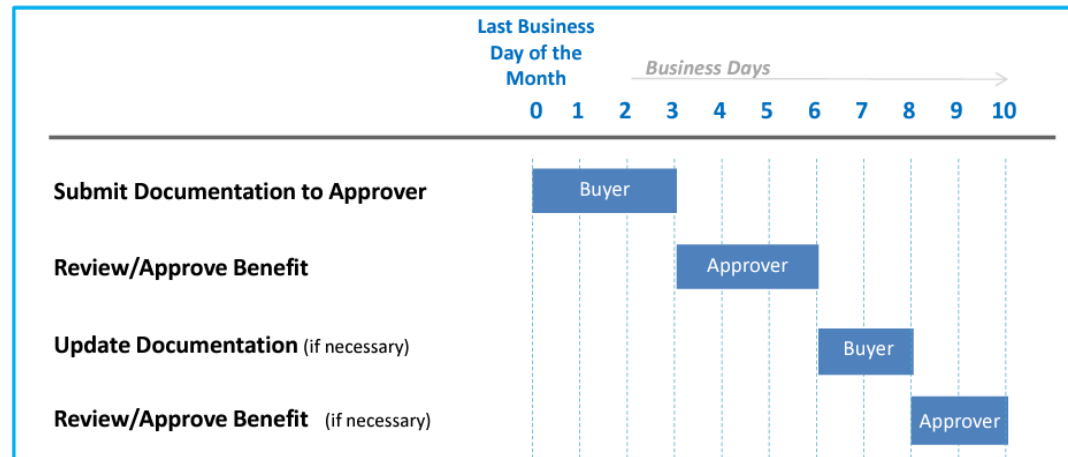
- Ensure identified Benefit is **consistent, verifiable, and accurate**
- Review and Approve Benefit in the Benefit Bank
- Provide guidance and feedback to submitters when a Benefit requires modification or correction
- Ensure all Benefits are being submitted for approval

**Approval is an essential step in ensuring we align with our vision and mission and we fulfill our purpose**

# Benefit Entry Timeline

- Benefits must be submitted and approved by the 10<sup>th</sup> business day of the following month
  - March benefits must be submitted/approved by the 10<sup>th</sup> business day of April
- Benefits should be entered as close to the applicable agreement date as possible, or earlier if known
- Benefits must be entered in the fiscal year achieved or prorated appropriately
- Benefit data is reported monthly to PLC via Procurement Dashboard

Sample Timeline:



# Accessing Benefit Bank

- Access can be requested for first-time users by emailing [support@ucprocure.zendesk.com](mailto:support@ucprocure.zendesk.com)
- URL: **UC Procurement Services Benefit Bank**
- You will log in using your campus's SSO



# Reviewing a Benefit

# Accessing My Approver Queue

My Approver Queue | My Proxy Queue | Current Month Extract

Pending Approval (2) | Returned (0) | Approved (10) | Rejected (0) | All (12)

Displaying 1-2 of 2 results.

Benefit ID-Activity ID	Project Name	Annual Benefit	Total Benefit	Supplier	Submitter	Status	Selected for Audit	Agreement Date	CutOff Date	
						Subm				
34454-34780	Approver Test	2,000.00	10,000.00	AB & A TEST CO	Weirather, Ivy	Submitted	No	09/01/2023	10/11/2023	
33195-33643	Care Navigation RFP##002613	620,928.00	1,241,856.00	Accolade	Marks, Amanda	Submitted	No	08/15/2022		

- **My Approver Queue:**
  - **Pending Approval:** Benefits that require review/approval – **should be empty at the end of each benefit period**
  - **Returned:** Benefits that you have reviewed and returned to the submitter for edits
  - **Approved:** Benefits that you have approved
  - **Rejected:** Benefits that you have rejected, which cannot be edited/resubmitted
  - **All:** Benefits in all statuses
- **My Proxy Queue:** This queue is identical to the My Approver queue, but will contain benefits from submitters that you are a proxy approver for



# Reviewing Benefit Components – Initial Review

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## Review Benefit

Status:	Submitted
Benefit ID:	34453-34779
Date Created:	09/06/2023
Submitter:	Ivy Weirather
Approver:	Paul Williams
Activity:	Transactional Ber
Project Name:	Approver Test 2
UC Category:	Published Produc

- For your initial review, look over each field, read the benefit description and open/review each attachment
- Once you understand the benefit, how it was achieved and how it was calculated, then continue with a deep dive review
- Review the questions on the following slides
- **If you answer No to any question, note the correct entry to provide submitter upon return so that it can be corrected**

# Review Benefit Components - 1



## Activity

- **Transactional** – Is this a one-time/PO purchase?
- **Sourcing** – Is this multi-year, from a sourcing event, or have an estimated benefit amount?

## Project Name

- Does this accurately capture the goods/services procured?

## UC Category

- Is this as accurate as possible given the benefit's supplier and good/service?



## Supplier


- Is the supplier's name or generic option selected accurate?

# Review Benefit Components - 2



## Benefit Type

- Does this type accurately reflect the benefit description?
- Is the type supported by our definitions?



## Baseline Type

- Based on the correct Benefit Type, is the Baseline type in alignment?
- For Cost Reduction, has the correct baseline been selected based on our historical spend?



## Baseline Amount

- Based on the type, has the amount been calculated correctly based on the duration entered?



## Benefit Amount

- Based on the type selected and our benefit formula, has the amount been calculated correctly based on the duration entered?

# Benefit Type

Cost Reduction

The new total cost is lower than the baseline cost for goods and services

Cost Avoidance

A proposed additional or incremental cost is minimized or eliminated

Incentive

A payment is received based on a purchase

Revenue

Income is received or generated based on external sales

Efficiency

A new or enhanced technology and/or process(es) that results in increased productivity and/or additional value

# Baseline Type

Benefit Type	Baseline Type	Baseline Definition
Cost Reduction	Previously Contracted	Cost is specified in a pre-existing agreement
	Historical Costs	Record of purchase, but no active agreement
	Imputed Historical Costs	Supplier quote, avg non-award bids, budget, index, etc.
Cost Avoidance	Cost Inclusive of Increase	Supplier's request or other factor for price increase
Incentive	Incentive	Total applicable spend over the payment period
Revenue	Revenue	\$0
Efficiency	Efficiency	The cost of the activity before the applicable change(s)

# How to Calculate Your Baseline Amount

## Cost Reduction

- **Previously Contracted:** Previously contracted cost
- **Historical Costs:** Historical cost (spend)
- **Imputed Historical Costs:** Quote, avg. response non-awardees, index, budget, benchmark, etc.

## Cost Avoidance

- **Cost Inclusive of Increase:** Previous cost plus fee/proposed increase

## Incentive

- **Incentive:** Applicable spend to earn incentive

## Revenue

- **Revenue:** \$0

## Efficiency

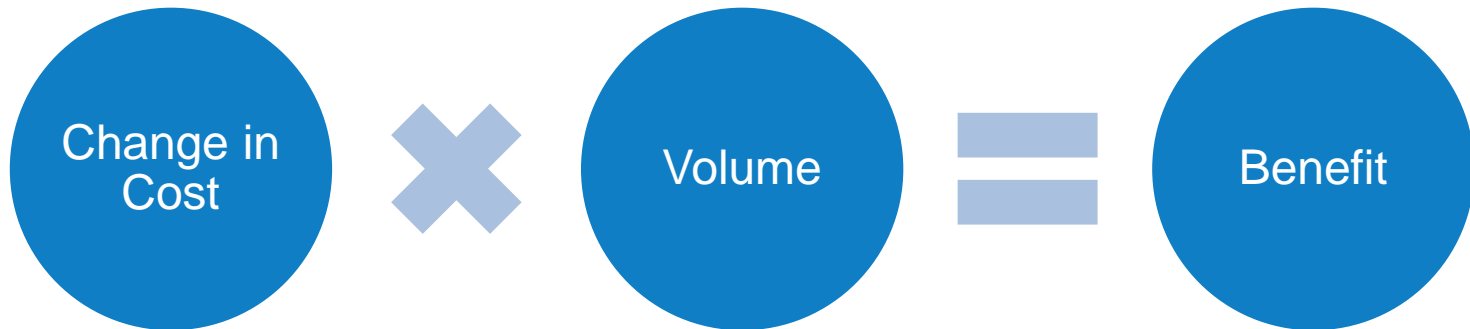
- **Efficiency:** Quoted value of the value add or Cost prior to implementation of efficiency

# How to Calculate Your Benefit

Cost Reduction, Cost Avoidance, Efficiency



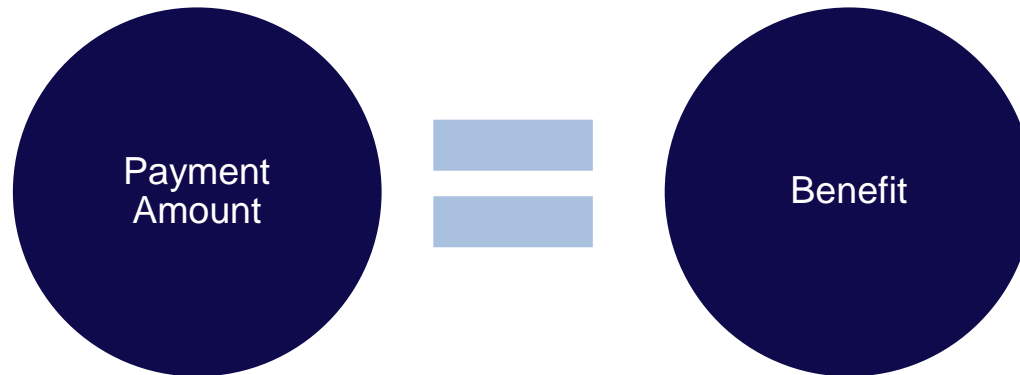
If there is a volume component:



**Benefit calculations cannot include tax, unless the benefit is for tax reduction**

# How to Calculate Your Benefit

## Incentive, Revenue



- Incentive and Revenue benefits are entered at the **time of payment receipt** as **transactional** benefits
- Incentive benefits are entered by the location that receives the payment from the supplier directly
  - If SWP negotiates an incentive benefit, but the supplier sends the checks to the campus directly, **the campus enters the benefit**



# Review Benefit Components - 3



## Reporting Type

- **Actualized** – is the benefit a firmly known value? Is the benefit transactional?
- **Projected** – is the benefit an estimated value?

## Yield

- Is the yield percentage 50% or higher? Review benefit/baseline type/amount to ensure calculations are correct.



## Duration

- For sourcing benefits, does the duration accurately reflect the agreement duration in months?

## Impacted Locations

- Have the correct location(s) been selected?
- Has the allocation to each campus been correctly assigned?

# Review Benefit Components - 4

## Agreement Date

- Is this date supported by the documentation?
- Is this agreement date accurate and in the appropriate fiscal year?



## Benefit Description

- Does the description accurately describe actions taken to generate benefit and how benefit/baseline were calculated?
- Is it detailed enough for an uninformed 3<sup>rd</sup> party to understand?

## Organizational Units

- Is the unit(s) selected accurate based upon the benefit description?



## Attachments

- Do the attachments provide enough support of the benefit calculations?
- Do the attachments support all assertions made in the benefit description?

# Benefit Approver Actions

## Actions

Status: Submitted

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Approve Benefit

Return Benefit

Reassign Benefit

Reject Benefit

- **Approve Benefit:** If the benefit is 100% accurate, with a supporting description and complete attachments, and can withstand an internal and external audit, select Approve Benefit
- **Return Benefit:** If the benefit requires changes/updates, select Return Benefit. This will move the benefit back to the submitter's queue where they can update and resubmit to you.
- **Reassign Benefit:** If you cannot approve the benefit (**leave or OOO during approval period**), use Reassign Benefit to send to a different approver
- **Reject Benefit:** If the benefit cannot be updated and should not be approved, select Reject Benefit, which renders the benefit void

# When to Return/Reject a Benefit

## Return

- Components need to be and can be corrected
- Additional details and/or attachments needs to be added

**VS**

## Reject

- Components cannot be corrected, i.e., incorrect Activity Type is selected
- The entry was made in error (duplication, etc.)

# Questions?



# Live Demo

# Demo of Benefit Review and Approval

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Procurement Services Benefit Bank

[Change My Name](#) [Log Out](#)

Welcome Ivy Weirather

[Dashboard](#) [Help](#) [Search](#) [Exports](#)

## FY '23-'24 Benefit by Campus \*\*

Benefit Identified	Target	Approved
UC Berkeley	\$0	\$3,443,985
UC Davis	\$0	\$2,690,089

## Search All Benefits

## Helpful KBA:

- [How to Approve a Benefit](#)

# Questions?





# Proxy Approvers

## What is a Proxy Approver?

- An approver designated as your proxy will be able to approve all benefits that route to you for approval

## How it can be useful?

- This can be useful to ensure coverage in the event you are OOO during an approval period
- The proxy approval process is identical to the standard approval process
  - Benefits are located under the My Proxy Queue
- You can be a proxy approver for multiple people, but only one person can be assigned as your proxy approver.

**A proxy approver request can be submitted to Zendesk**

# Need Further Assistance?

- Submit a ticket: [support@ucprocure.zendesk.com](mailto:support@ucprocure.zendesk.com)
- [Benefit Bank KBA resources](#)