UCSD *Buy to Pay* Update

ABA
April 6, 2010
Linda Collins – Procurement
Faye McCullough - Disbursements
Buy to Pay Goals

- Consolidate UCSD’s ‘spending’ power
- Leverage strategic sourcing opportunities
- Replace resource intensive traditional methods
- Use technology to add intelligence and flexibility
- Manage supplier profile and default info
- Meet new regs such as the IRS 1099 for suppliers
Storehouse Discontinues Catalogue and Inventory Operation

- Phase out begins April 1; complete May 2010
- Alternate suppliers
  - Office Max, Fisher, VWR, Grainger, CDWG and many more through Marketplace
- Change evolved for buying and payment commerce
  - Industry changes
  - Supplier business models
  - Technological capabilities
  - Marketplace
  - UC/UCSD contracting practices
Reorganized Operation – Material Support Services

- Expert staff will maintain essential services
  - Central Receiving and Distribution
  - Moving Services
  - Surplus Sales
  - Self-Store
  - Hazardous Material Shipping
- Managed Programs from Marketplace
  - Gas cylinders, specialty gas
  - Bottled water
  - Ethyl alcohol
  - Dry ice
  - Cryogenic liquids
Marketplace

• Shopping, ordering, approving, and paying fully integrated
• Pool of suppliers (550+), their products and services based on need
• Sourcing decisions support best value
• Promoting green products and small businesses
• Matching of purchase order to invoice
• Robust ordering and paying history and reporting tools
• Access rights available to affiliates
• Workflow routing to support cross delegation
High Value Requisitions

Will continue to be used to initiate

- ad-hoc, one-off, specialized purchases and payments
- sub-agreements (subawards and subcontracts)
- installment contracts
- major service contracts
- personal and professional services
Express Card

• Back-up for Marketplace
  o Marketplace is first choice
  o Purchases of commodities and services not as yet available from Marketplace

• Valid urgent and emergency situations
• Proprietary payments such as registration fees
• Low $$ and low risk repetitive, non restricted purchases and payments not in Marketplace
Department Order

- **Paper** no longer supported as of March 1
- **On-line**
  - will no longer be needed for suppliers available on Marketplace
  - can be used for suppliers not as yet on Marketplace and when Express Card cannot be used
  - is being phased out as new suppliers/commodities become available
Express Order

• Phased out for general lab suppliers by June 30, 2010, at the latest
  ○ Sigma, Fisher and VWR are available on Marketplace

• Continue to be the preferred process for linen/uniform laundry services and other specific commodities and services
Payment Authorization

• Primarily used for proprietary types of payments and reimbursements
  - honorariums
  - lecturers
  - performing artists
  - scholarships
  - stipends

• Will be revamped in 2010
Managing Metrics

• Continue to track progress towards meeting goal
  o Marketplace adoption for all units and contracted suppliers
  o Phase out of Department Order
  o Express Card for commodities and services not available in Marketplace and not restricted
  o Fisher, VWR and Sigma lab suppliers to Marketplace from Express order is a hard’ deadline
  o Office Max through Marketplace for office products
Academic Affairs
Adoption of Buy to Pay Processes for Marketplace Suppliers

October 2009 - February 2010

October 2009: 63%
November 2009: 66%
December 2009: 75%
January 2010: 73%
February 2010: 80%

Biology, Chemistry, Bioengineering, Electrical Computer Engineering, Literature, Mathematics, Colleges (Muir, Revelle, etc.), Dean Offices (Arts & Humanities, Engineering, etc.)
Academic Affairs
Adoption of Buy to Pay Process
Suppliers or alternate suppliers through Marketplace

October 2009 - February 2010

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