Division of Administration and Finance

FY21 SBPC Divisional Request

Part 1: Increase to FY20 Request for eProcurement Software

Part 2: New Proposals

– Emergency Warning Communications

– University-Wide Training Platform (Joint Proposal w/ Divisions of Research & Economic Development and Student Affairs)
Division of Administration and Finance

**eProcurement**

**FY21 Request**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY20 Approved</th>
<th>FY21 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensing (recurring)</td>
<td>$126,000</td>
<td>$270,000 (increase FY20 by $144,000)</td>
</tr>
<tr>
<td>Implementation (OTO)</td>
<td>n/a</td>
<td>$269,000</td>
</tr>
</tbody>
</table>

**Explanation for Change**

- Limited knowledge of State eProcurement system (Perfect Commerce) at time of FY20 submission
- Limited serviceability by URI – loss of administrative control
- Perfect Commerce not a known supplier in Higher Education (no institutions use this platform)
- Replication of current manual processes
- Recent Identification of more appropriate platforms
- The Controller / Purchasing has engaged a consultant to assess URI’s current procurement process and determine the value eProcurement could add to the university (expecting final report, June 30, 2019).
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**eProcurement – “Procure to Pay”**

**Current Process**

- Requisition
- Bid/RFP
- Purchase Order
- Receiving
- Invoice
- Payment

**with eProcurement**

<table>
<thead>
<tr>
<th>Purchasing Statistics FY18</th>
<th>Accounts Payable Statistics FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Purchase Orders</td>
<td>1,827 Direct Feed Invoices</td>
</tr>
<tr>
<td>LV Purchase Orders</td>
<td>4,009 Non-PO Invoices</td>
</tr>
<tr>
<td>Purchase Orders</td>
<td>3,505 PO-Related Invoices</td>
</tr>
<tr>
<td>FTEs</td>
<td>5 FTEs</td>
</tr>
</tbody>
</table>

**FY18 Manually Entered Invoices by Accounts Payable: 50,293**
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**eProcurement – “Procure to Pay”**

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**Anticipating**
- Basic Automation Technology
- Early-stage Tactical Procurement
- Sourcing Teams
- Bottom-line focus moving to top-line
- Total cost of ownership
- Organization has objectives and plans

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**Collaborating**
- Varied eTools
- Sourcing takes many factors under consideration
- Sourcing employs project and initiative planning
- “Trusted Advisor” status with some internal stakeholders
- Administration promotes the sourcing organization

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**Reacting**
- Manual Processes
- PR, PO, AP focused
- Limited Negotiations
- Minimal Reporting and Analysis

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**Orchestrating**
- Know and use the best tools for the job
- Best-in-class tactical procurement
- Supply base has become an operational advantage
- Viewed as organization leaders, not a bottleneck
- Optimize the entire supply chain, not just categories

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**URI**

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**THINK BIG**

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**WE DO**
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## eProcurement

### Benchmarking:

<table>
<thead>
<tr>
<th>Institution</th>
<th>E-Procurement System</th>
<th>Purchasing Staffing</th>
<th>Total Enrollment *</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Rhode Island</td>
<td>No</td>
<td>5 FTES + administrative staff</td>
<td>18,089</td>
</tr>
<tr>
<td>Arizona State University</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>7 FTEs + administrative staff</td>
<td>31,702</td>
</tr>
<tr>
<td>James Madison University</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>13 + 7 administrative staff</td>
<td>21,836</td>
</tr>
<tr>
<td>Oklahoma State – Main Campus</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>N/A – 6 divisions/campuses</td>
<td>25,295</td>
</tr>
<tr>
<td>Rutgers University</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>13 FTEs + 7 administrative staff</td>
<td>45,577</td>
</tr>
<tr>
<td>University of Conn</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>14 FTEs</td>
<td>27,578</td>
</tr>
<tr>
<td>University of Maine</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>N/A - 3 units within Procurement</td>
<td>11,240</td>
</tr>
<tr>
<td>U Mass Amherst</td>
<td>Yes – Bonfire/BuyWays</td>
<td>10 FTEs</td>
<td>30,340</td>
</tr>
<tr>
<td>U Maryland - College Park</td>
<td>Yes – ESM</td>
<td>34 FTEs</td>
<td>40,521</td>
</tr>
<tr>
<td>University of Missouri</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>25+ FTEs</td>
<td>30,844</td>
</tr>
<tr>
<td>University of New Hampshire</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>13 FTEs</td>
<td>15,363</td>
</tr>
<tr>
<td>University of Vermont</td>
<td>Yes – PeopleSoft ePro</td>
<td>5 FTEs + administrative staff</td>
<td>13,340</td>
</tr>
<tr>
<td>Virginia Tech</td>
<td>Yes – Jaggaer/SciQuest</td>
<td>12 FTEs + administrative staff</td>
<td>34,440</td>
</tr>
</tbody>
</table>

*Fall 2017 Enrollment; Main Campus only*
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### eProcurement Potential Benefits and Soft Savings

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
</table>
| **Purchase Order Effort**             | • Reduction of manual processes  
                                         • Reduce redundancies of effort  
                                         • Increase consistency of product |
| **Contract Management**               | • Reduction of manual processes  
                                         • Increase controls  
                                         • Better compliance support      |
| **Customer Service**                  | • Increased visibility enables real time data  
                                         • Reduction in staff time on supplier inquiries  
                                         • Streamline / reduce processing time in procurement process |
| **Automated Receiving**               | • Reduction of manual processes  
                                         • Increased consistency in processing  
                                         • Streamlining payables process      |
| **Non-Procurement Purchases**         | • Possible elimination of manual processes  
                                         • Consistency of documentation  
                                         • Streamlining of processes         |
|                                       | (honorariums, stipends, etc.)                                             |
# eProcurement Potential Benefits and Hard Savings

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Annual Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pricing Variance</strong></td>
<td>• Enabling “catalog” shopping</td>
<td>$0.3M</td>
</tr>
<tr>
<td></td>
<td>• Use of analytics and demand aggregation</td>
<td></td>
</tr>
<tr>
<td><strong>Strategic Sourcing</strong></td>
<td>• Standardizing processes</td>
<td>$1M</td>
</tr>
<tr>
<td></td>
<td>• Aggregation of supplier data</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Enhanced supplier choices</td>
<td></td>
</tr>
<tr>
<td><strong>Discounts &amp; Rebates</strong></td>
<td>• Negotiated discounts and incentives</td>
<td>$0.7M</td>
</tr>
<tr>
<td></td>
<td>• Strategic payment strategies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Examples: PCard rebates and supplier rebates</td>
<td></td>
</tr>
<tr>
<td><strong>Managed Services</strong></td>
<td>• Operational efficiencies</td>
<td>TBD</td>
</tr>
<tr>
<td></td>
<td>• Consolidated sourcing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Examples: IT-related procurement, Managed Print Services</td>
<td></td>
</tr>
</tbody>
</table>

Total Potential Savings  ~$2M
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Strategic Benefit of an eProcurement System

• **URI Strategic Plan Goal 5:** “Streamline Processes to Improve Effectiveness”
  • Strategy 3, Action 4c: Develop more efficient processes for purchasing and other administrative functions
  • Strategy 3, Action 4e: Assess processes to ensure consistency, quality, and efficiency, including those in procurement
  – Improved end-user experience for day-to-day procurement (Amazon-type shopping cart)
  – Increase efficiency and business process effectiveness w/ resultant cost savings
  – Realignment of resources through analysis of purchasing data
  – Strengthened controls
  – Integration of workflow from Purchasing → Accounts Payable → Payment
  – Enhanced supplier on-boarding and payments
  – Online receiving + invoicing of suppliers

**Funding request**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTO: Integration and Consulting</td>
<td>$269,000</td>
</tr>
<tr>
<td>Recurring: Increase to Licensing Fees</td>
<td>$144,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$413,000</strong></td>
</tr>
</tbody>
</table>

**Estimated Savings**

<table>
<thead>
<tr>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual</td>
<td>$2,000,000</td>
</tr>
</tbody>
</table>
New Proposals

Emergency Warning Communications

University-Wide Training Platform

(Joint Proposal w/ Divisions of Research & Economic Development and Student Affairs)
Primary Need: CAMPUS SAFETY in an Emergency

URI Strategic Plan Goal 5: "Streamline Processes to Improve Effectiveness"
  Strategy 2, Action 5: Connectivity of software systems
  Strategy 3, Action 4d: Improve automation and reduce reliance on particular individuals

Content of Request: Emergency Mass Notification System (one-button), Virtual Emergency Operations Center Platform, Outdoor High Power Speaker System

Problem to Solve: Universal Emergency Notification / Coordination of Emergency Operations Efforts

Background

- “Rave” personal notification system (text/phone/email) only reaches subscribed users, not everyone on campus
- URI’s multiple alert systems must be activated individually, taking up valuable time during an emergency
- “All Campus Alert” outdoor speaker system is aging and has limited functionality (cannot be activated remotely, for example)
- Alternative delivery modes (digital signage) not utilized
- New systems would allow for URI to follow best practices
Strategic Benefit of Emergency Warning Communication systems

- Improved efficiency among responders and administrators
- Facilitate better public messaging
- Can be implemented with existing staff, no additional FTE’s required
- Will allow URI to meet recommended standards for communication within the Jeanne Clery Act, NFPA 1600, and EMAP accreditation guidelines
- Complements legacy notification system (limited to subscribed users)
- Leverages existing infrastructure (digital signage, VoIP telephones, etc.) for notifications.

Benchmarking:
Will align URI capabilities with peers:
- UMass Amherst, UConn, U Delaware, MIT, Virginia Tech, U Maryland

Funding request

OTO: Outdoor warning speaker system (OTO) $185,000
OTO: Notification server and equipment $10,000
Recurring: ENS integration suite $29,130
Recurring: Virtual EOC software suite $16,450
TOTAL $240,580
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*University-Wide Training Platform*

This is a Joint Proposal with the Divisions of Research & Economic Development and Student Affairs

**Primary Need:**
Centralized Recordkeeping for Reporting Purposes

**URI Strategic Plan Goal 5:**
Strategy 4, Action 1a: “Streamline Processes to Improve Effectiveness”
Ensure better research compliance through paperwork reduction
Strategy 4, Action 4: Better aid faculty members in research administration activities

**URI Strategic Plan Goal 4:**
Create an active learning community related to equity and diversity through orientation & professional development programs

**Content of Request:**
Training Platform/System of Record + Additional Content Vendors

**Problem to Solve:**
Siloed Training Delivery and Recordkeeping / Difficult Reporting / Maintenance of Content

¹Does not include professional certifications (e.g., M.D, CPA), or CPE requirements.
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Request

Requesting Funding to:
1) Obtain content provided and continuously updated by expert third-party providers
2) Identify and implement a central platform for training administration and recordkeeping

Background

Data: >50 identified mandatory trainings across the University
– Title IX / Resp. Employee, Research Ethics/Compliance; Env. Health & Safety; Facilities; Public Safety, etc.
– EH&S provides annual Safety trainings >2,000 individuals
– Athletics provides annual Bystander Intervention training to 650 athletes, coaches, and staff
– Office of Research Integrity provided 3,900 compliance/ethics trainings to faculty and staff last year

Problems to Solve
– Reliance on individual expertise (internal costs + reliance on particular individuals)
– High resource use for course development, delivery, and administration
– Varying systems of record (spreadsheets, certificates)
Strategic Benefit of a University-Wide Training Platform

- Simpler and more efficient end-user experience
- Centralization of training data
- Higher quality reporting and simpler training management and administration
- Consistent and up to date content prepared by experts
- Easy accessibility to “best-practices” and internal task training (e.g., Pcard, Human Resources, on-boarding)

Benchmarking:
- Most peers continue to use fragmented systems, though moving toward central recordkeeping.
- U Delaware, U Michigan, UCSD, UConn engage secondary LMS and/or specialized research compliance software for training platform and recordkeeping

Funding request

OTO: Implementation: $57,500
Recurring: Additional Content Vendors $97,800
Recurring: Platform $60,000
Recurring: Cost Savings $(15,500)
TOTAL $209,800
## Total SBPC Funding Request

<table>
<thead>
<tr>
<th>Description or Title</th>
<th>Estimate of Costs</th>
<th>Notes</th>
<th>Co-Share Amount</th>
<th>Total Net Requested Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Updated Request</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>e-Procurement (Update to FY20 Request)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual - Licensing Fees</td>
<td>$ 144,000</td>
<td>Additional over FY20 Allocation</td>
<td>$ -</td>
<td>$ 144,000</td>
</tr>
<tr>
<td>OTO - Integration + Consulting</td>
<td>$ 269,000</td>
<td>Integration fee and Implementation support</td>
<td>$ -</td>
<td>$ 269,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 413,000</td>
<td></td>
<td>$ -</td>
<td>$ 413,000</td>
</tr>
<tr>
<td><strong>New Request</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Warning Communication</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual - ENS integration suite</td>
<td>$ 29,130</td>
<td>Recurring cost</td>
<td>$ -</td>
<td>$ 29,130</td>
</tr>
<tr>
<td>Annual - Virtual EOC software suite</td>
<td>$ 16,450</td>
<td>Recurring cost</td>
<td>$ -</td>
<td>$ 16,450</td>
</tr>
<tr>
<td>OTO - Outdoor warning speaker system</td>
<td>$ 185,000</td>
<td>OTO-only, no recurring cost</td>
<td>$ -</td>
<td>$ 185,000</td>
</tr>
<tr>
<td>Notification server and equipment</td>
<td>$ 10,000</td>
<td>Recurring cost of $2,000 based on 5-yr service life</td>
<td>$ -</td>
<td>$ 10,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 240,580</td>
<td></td>
<td>$ -</td>
<td>$ 240,580</td>
</tr>
<tr>
<td><strong>Joint Request</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Platform</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTO - Set up/Implementation</td>
<td>$ 67,500</td>
<td>May include multiple vendor interface (APIs, SSO)</td>
<td>$ -</td>
<td>$ 67,500</td>
</tr>
<tr>
<td>Annual - Subscriptions (Content)</td>
<td>$ 97,800</td>
<td>Assumes 2-3 new vendors</td>
<td>$ (15,500)</td>
<td>$ 82,300</td>
</tr>
<tr>
<td>Annual Subscription (Platform)</td>
<td>$ 60,000</td>
<td></td>
<td>$ -</td>
<td>$ 60,000</td>
</tr>
<tr>
<td><strong>Total Joint Request</strong></td>
<td>$ 225,300</td>
<td></td>
<td>$ (15,500)</td>
<td>$ 209,800</td>
</tr>
</tbody>
</table>
Conclusion

• **Three Proposals**
  1. Increase to FY20 Approval – eProcurement
  2. Emergency Warning Communications
  3. Joint Proposal - University-Wide Training Platform (w/ R&ED and Student Affairs)

• **Primary Collective Goals**
  • Increase Operational Efficiencies
  • Cost Savings / Strategic Resource Allocation
  • Simplify and Coordinate End-User Experiences

• **Alignment with the URI Strategic Plan**
  • Goal 4: “Embrace Diversity and Social Justice” (Training Platform)
    • Especially Strategy 3: Create an active Learning community
  • Goal 5: Streamline Processes to Improve Effectiveness (All)
    • Especially Strategy 3: Explore new business and administrative processes serve faculty, staff, and students with the highest degree of service and efficiency.