



cover

Quarterly Performance Report

for

Purchasing

a department of

Financial Management

at the

University of Washington

for the

Quarter Ending September 2007

Prepared by the

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“We use our expertise in, and knowledge of, best acquisition and contracting practices, complex markets, supplier relationships, and external regulations to acquire the goods and services our clients need to accomplish their objectives.”

source: Purchasing Value Proposition



balanced scorecard

Customer Perspective

	current	target
1 2005 Customer survey top-box scores p3	45%	
2 Clients attending P&S training sessions p4	91	

Financial & Stewardship Perspective

	current	target
6 Cost savings p7	\$1,805,017	
7 MWBE utilization (in development)	n/r	
8 Managed spend coverage (in development)	n/r	95%

Process Perspective

	current	target
3 Count of small dollar requisitions p5	1,460	700
4 ATA measure (in development)	n/r	
5 Average number days to process orders p6	7.7	

Staff Perspective

	current	target
9 Buyers with professional credentials p8	28%	60%
10 Staff with EDP's on file (in development)	n/r	100%
11 Staff satisfaction survey's top-box scores p9	21%	45%

Notes:

- n/r = not reported, the metric is in development.
- Sparklines do not have common vertical scales. All except UWare Orders have common horizontal scales; each data point represents one month (one week for UWare orders). They are presented as an indication of the general trend of the metric. The horizontal line indicates the target value.
- Performance alerts are as follows:

notably poor ● ● notably good

2005 Customer Satisfaction Survey Results -P&S#4

Definition

This measure shows responses to five “overall satisfaction” questions, and the percentage of who gave us “top box” rankings.

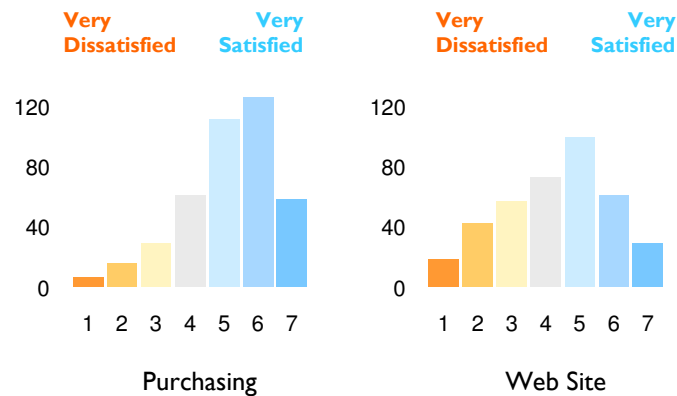
Comments

Note that the Web Site question included both the Purchasing and Stores web sites.

Next Steps

Another survey will be conducted in conjunction with the next FM-wide survey.

We are also exploring the possibility of including spot surveys with RFP's.



Top-box: **45%**

Target: **90%**

n = 417

23%

401

The actual questions asked were:

Purchasing “Overall, how satisfied are you with the services received from the Purchasing Department?”
 Web Site “How satisfied are you with the ease of finding information you need at the Purchasing and Stores web site?”

Production Notes

Respondents were asked to rank us from least to most satisfied on a 7 point scale.

Responses of 6 or 7 were counted as “Top-box”.

Not all respondents were asked, or answered, all questions. Total number of responses to each question is shown in “n=”.

Number of Clients Attending P&S Training Sessions -P&S#5

	Spring '06	Summer '06	Fall '06	Winter '06	Spring '07
PAS	39	33	32	30	19
ePro	31	35	66	79	42
OFM	-	45	-	59	-
Purchasing Process	30	-	30	-	30
Total	100	113	128	168	91

Class Descriptions

PAS: An introduction to PAS for campus users. Includes hands-on requisition exercises: req-entry, approval, correction, and inquiry; overview of campus procurement options.

ePro: A fast-paced introduction to eProcurement. Includes hands-on practice, including search engine, online order tracking, routing approval, budget splitting and on-demand reporting.

OFM: This class covers the same basic content as the all-day Personal Service Contracts Overview class offered in Olympia by OFM, but in this half-day version, there are fewer group exercises: meets the mandatory training requirement for UW staff who manage or execute personal service contracts. (RCW 39.29)

Purchasing Process: This class focuses on the general purchasing process which includes the competitive solicitation process, specification writing, sole source purchases, price reasonableness, ethics and buying authority.

Definition

This is the total count of UW staff enrolled in classes offered by P&S for the purpose of learning about the procurement process

Comments

The UW Purchasing Process class and the Personal Services OFM class are offered in alternating quarters.

Next Steps

Starting in Fall of 2007, all classes taught by FM staff will be required to ask the following questions in class satisfaction surveys:

“Through this course I

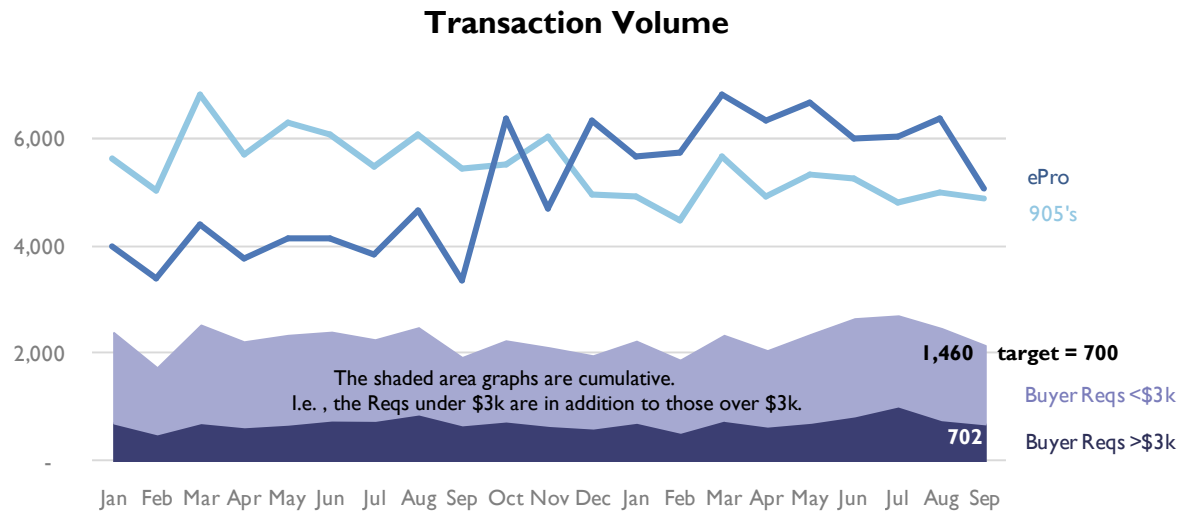
- improved my knowledge,
- increased my skills, and/or
- changed my attitudes.”

We will include the result of this question in upcoming Performance Reports.

Production Notes

We will be adding survey results to this measure when they become available. The goal will be 90%

Buyer Requisition Volume - P&S#6



Definition

This measure shows the overall volume of work handled by buying staff in the Purchasing Department, versus other 'small dollar' purchasing methods.

Comments

PAS, eProcurement and the ProCard are the three main methods for making small dollar transactions. PAS is the least suited to the purpose, and is currently over utilized.

The majority of PAS small dollar orders flow through the "905" (confirming order) process. However, this volume is dropping as eProcurement orders increase.

A significant number of small dollar transactions are still handled by buying staff.

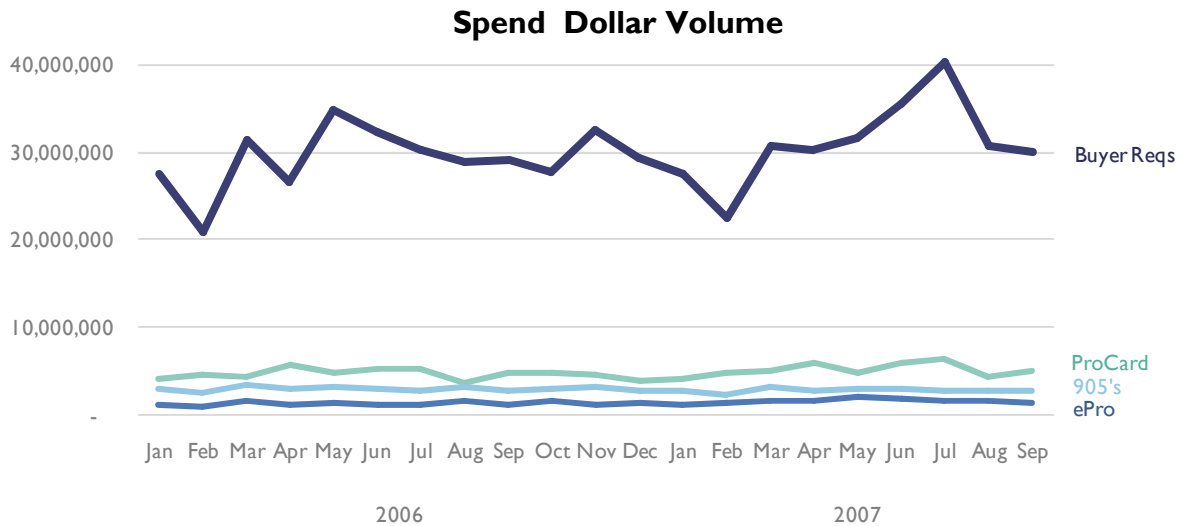
In contrast to the small number of transactions the buyers process, they handle the majority of spend, by dollar value.

Next Steps

Drive effort to migrate transactions away from PAS to eCommerce. Make effort to eliminate small dollar transactions from PAS.

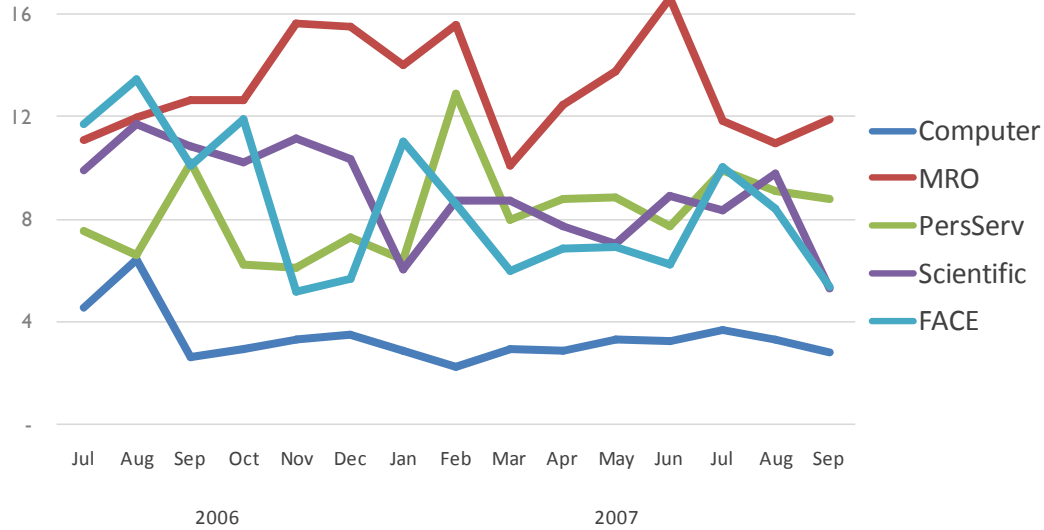
Production Notes

Due to the difficulty of counting ProCard transactions at similar granularity to the other purchase methods, they have not yet been included. Future versions of this chart will correct the problem. Future versions will also separate the Buyer Req spend volume between large and small dollar orders.



Buyer Group Cycle Times - P&S#11

Average Number Days to Process



Current
Combined
Average:
7.7

Definition

This measure shows the average number of days from when a requisition is assigned to a buyer to when it is ordered. The total number of orders per month is shown to give perspective.

Comments

The Computer group has fast turn around times because many of their orders are made against contracts. The MRO group, on the other hand, deals with many one-off orders.

Next Steps

Future versions of this measure will break out order by "Order Type" and by value ranges.

Our ultimate goal is to come up with a wing-to-wing measure.

Production Notes

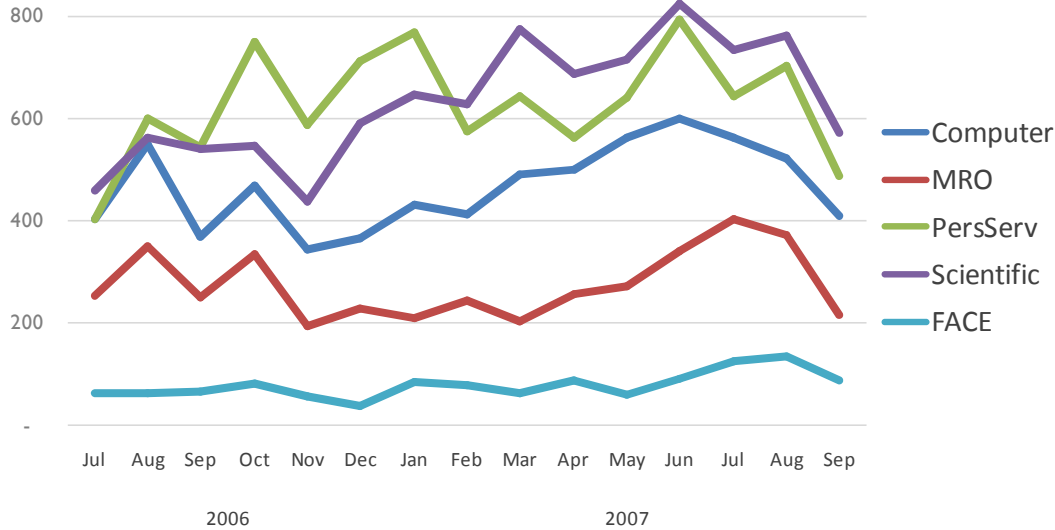
Only the first instance of a requisition being assigned, and only first instance of it being ordered, are considered. There is no systematic way to review the chronology of all subsequent status changes.

MRO = Maintenance, Repairs & Operations

FACE = Facilities, Athletics, Custodial, eProcurement (however, this list does not include any ePro purchases).

The "905 buyer group" is not included.

Total Orders per Month



Current
Month
Total:
2,192

Quarterly Cost Savings - P&S#8

One-Off Bid and Quote savings

MRO	108,375
Scientific	23,667
Computer	89,010
Personal Services	108,182
FACE	260,332
total	589,566

Other One-Off Savings (Negotiated)

MRO	2,155
Scientific	98,007
Computer	83,806
Personal Services	-
FACE	-
total	183,968

Strategic Supplier Relationships*

B&OI	-
Office Depot	315,573
Fisher Scientific	652,430
A Daigger & Co.	-
Qiagen	-
Sigma Aldrich	-
WW Grainger	63,480
Troxell Communication	-
VWR International	-
Dell Computer	-
total	1,031,483

Other Contract Savings Realized

Contract #1	-
Contract #2	-
Contract #3	-
Contract #4	-
Contract #5	-
Contract #6	-
Contract #7	-
Contract #8	-
Contract #9	-
Contract #10	-
total	-

Combined totals

One-Off Bid and Quote savings	589,566
Strategic Supplier Relationships*	1,031,483
Other One-Off Savings (Negotiated)	183,968
Other Contract Savings Realized	-
Grand Total	1,805,017

Definition

One of the goals of the Purchasing Department is to help University clients acquire goods and services in a cost effective manner. This measure quantifies some of the major savings realized by Purchasing.

Comments

*Strategic Supplier savings are base on vendor supplied data. We are working with them to standardize reporting practices.

Next Steps

We are actively researching tools and methods to help us better track various contract savings.

Production Notes

Office Depot savings estimated, based on one quarter of prior year total savings.

Fisher and Grainger based on prior quarter's report.

VWR submitted savings of \$2,427k for 3 quarters (average of \$809k each). However, this was based on savings over list price, which we determined to be unrealistic. We have asked for more defensible numbers.

Procurement Officers with Professional Accreditation - P&S#14

Name	Accredited	Candidate
Alex Belov	X	
Candace Plog		X
Carla Helm	X	
Christina Payne		
Claudia Christensen		X
Graham Sherwood		X
Jeremy Thompson	X	
John Lowden		
John Watkins		X
Kassy Ellefson		
Kathryn Harrington		X
Keith Kendall		
Lee Lucay		X
Mark Conley	X	
Pam Rogers		X
Paul Borg	X	
Ray Hsu	X	
Sophia V. Meyering		X
Steve Gove	X	
Susan Lowney		
Susan Malysiak		X
Suzanne Blais	X	
Suzanne Knoblet		
Tony Miller		
Valerie Nagle		X
Count:	25	8
	Current Percent:	32%
	Target:	60%
	Gap	28%

Definition

Our buying staff are members of a recognized profession. This is a count of those holding professional credentials.

Accepted certifications include: APP, CPM, CPPB, CPPO, CPCM, JD, and MBA.

Comments

This is an “Achievement of Excellence in Procurement” award criteria. The 60% target is the minimum threshold to qualify in this criteria.

Next Steps

We are utilizing the EDP process to encourage staff to attain accreditation. We are also facilitating training and arranging testing for CPM accreditation.

Production Notes

This is a new measure, with no trend data. In coming quarters we hope to see the number of certifications increase. We will then start charting as bars, in quarterly increments.

Only buying staff (Procurement Officers) were included in these counts.

2003 Staff Satisfaction Survey Results - P&S#16

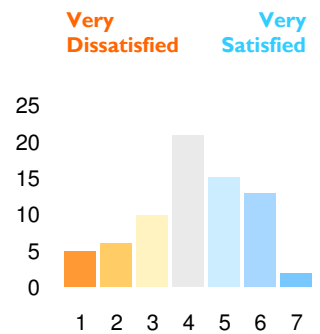
Definition

Comments

This survey includes both Purchasing and Stores personnel.

Next Steps

We will participate in the next FM-wide survey.



21% Top-box (6 or 7)

n = 72

Target: **45%**

Production Notes

Rankings on a 7 point scale.

Responses of 6 or 7 were counted as "Top-box".

Total number of responses is shown as "n=".