Facilities Management Procurement Analysis Report

Process Simplification

University of Virginia
September 24, 2007
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I. Introduction

In March 2007, the Office of Process Simplification (OPS) began an assessment of the procurement function in Facilities Management. Recent changes in management structure along with position vacancies created an opportunity to re-assess the procurement function within the Facilities Management area. It is intended that the recommendations will realign and/or identify the most feasible and beneficial business model for the University and improve not only procurement functions but also the functionality of related systems and services utilized in Facilities Management.

This request was submitted by Colette Sheehy, Vice President of Management and Budget (VPMB) in conjunction with the Department of Procurement Services (PS) and Business Management Services in Facilities Management (FM).

For the purposes of this report, procurement services is defined as, “The process of purchasing quality goods and services at competitive prices, exercising proper financial stewardship for payments, and providing responsive service to all University departments” (Denby, E. (2007, August 8) Telephone interview).

Findings detailed in this report do not encompass all recommendations submitted to FM. A supplemental report was furnished to Don Sundgren, Chief Facilities Officer (CFO) detailing other process improvement opportunities discovered during this evaluation. These recommendations address workflow and/or service improvements outside of procurement functions. Please contact the CFO for a copy.

The work group consisted of the following individuals and was consulted on an as-needed basis:

*Procurement Services*
- Eric Denby, Director, Procurement Services
- John McHugh, Assistant Director, Procurement Services
- John Gerding, Major Procurements Manager, Procurement Services

*Facilities Management Department*
- Don Sundgren, Chief Facilities Officer, Facilities Management
- Jay Klingel, Director, Business Management Services, Facilities Management

II. Goals/Objectives

The purpose of this analysis was to:

1. Evaluate and observe management structure and practices within the Materials Division (MD) of Facilities Management (FM).

2. Understand procurement functions including information system usage and cross departmental and functional duties.

3. Identify inefficiencies in procuring goods and supplies by the Materials Division of FM.
To recommend:
1. Appropriate organizational/reporting structure for FM procurement services.
2. Improvements to the UVA Marketplace and system functionality in general.
3. Improvements to overall services conducted by FM in the procurement of goods and services.

III. Overview of Office Roles
Current organizational structure at start of project with description of department functions following:

FACILITIES MANAGEMENT

Business Management Services
The Business Management Services Department provides management support systems for FM departments directly, providing facilities, grounds, and utilities services to the University
community. Responsibilities of the department include work reception and control, customer relations, cost accounting and customer billing, procurement of materials and non-professional services, budgeting and financial analysis, information systems, managing maintenance and operational budgets, maintenance program management, and facilities conditions assessments.

Materials Division
This division provides a full range of procurement services (goods and nonprofessional services) requested by staff of the FM organization. Through delegated procurement authority, this division purchases, receives, stores, and distributes materials in a timely and cost efficient manner.

Other Resource Areas
For the purposes of this analysis, resources were pulled for face-to-face interviews from additional areas within FM and include: Facilities Operations, Health System Physical Plant, Facilities Planning and Construction, and Energy & Utilities. For survey constituents, additional areas include: Office of the Chief Facilities Officer, Human Resources & Training, Project Directors Office, and the Office of the Senior Review Architect.

PROCUREMENT SERVICES
Procurement Services (PS) is responsible for the entire procurement process for academic and administrative departments at the University, from requisition and contract negotiation through ordering, receiving, invoicing and payment, end of life cycle management and disposal of goods that are no longer needed by all University departments, including the Health System.

IV. Approach to Work
To determine processes for review, the workgroup initially convened to discuss over all approach tactics and analysis tools. By consensus, it was agreed that Process Simplification would: 1) conduct interviews with and observe the work of UVA personnel identified by both FM and PS; 2) create and manage an electronic survey and its contents for FM personnel; 3) obtain access to and take online training for UVA Marketplace; and 4) prepare a high level workflow document highlighting key steps in the procurement function.

1) Facilities Management and Procurement Services Interviews:

Process Simplification staff managed all of the data collection. To meet the group’s objectives, information was gathered from the following sources: 1) staff immediately involved in procuring goods and services for FM from initial receipt of requisition to completion of order in the UVA Marketplace; 2) FM persons who are at the receiving end of the process (e.g., warehouse personnel and participants and fiscal operations who manage invoice processing); 3) interdepartmental customers of the Materials Division and who submit procurement orders; and 4) PS staff who support the Materials Division in the procurement of goods and services.

For each respective source, open interviews were obtained on: the management approach and support received; overall understanding of the procurement process and rules associated with
state regulations and guidelines; the impact on current resources, (i.e., the number of people that are involved in the process); the structure and function of the UVA Marketplace; the steps to ensure accuracy throughout the process; overall views of procurement services in general.

The number of staff interviewed in both FM and PS totaled 76, which represents approximately 8.6% of the staff between FM (840 total staff as of July 16, 2007—988 less 144 positions are currently vacant) and PS (40 total staff). While most of the staff within each area is indirectly involved in procuring goods and services, staff who have this as a primary function of their job duty or who are considered a high volume user of UVA Marketplace total roughly 22 personnel; This represents 2.5% of the population between the two departments. All individuals in this population were interviewed.

An interview guide was used to conduct these interviews to ensure standardization of the process (for a sample set of interview questions, see Appendix A: Sample Questions). Once completed, all interview contents were analyzed for emerging themes, and the findings were incorporated into the recommendations portion of this report.

Observations were conducted where OPS staff shadowed or observed daily job functions of procurement staff within FM. This allowed OPS to learn: 1) workflow and form usage; 2) UVA marketplace functionality; and 3) interactions between FM procurement staff, customers and vendors. In addition, OPS participated in team meetings within FM or PS, which allowed OPS to observe team dynamics and work group interactions associated with procurement functions.

2) Surveys:

To learn about hands on experiences of persons involved in the procurement function, a confidential survey was developed based on trends identified in the interview process. The electronic survey was administered through SurveyMonkey.com. For a sample of survey questions, please refer to Appendix B: Sample Survey.

The survey was sent to all active FM department personnel. While most in FM utilize a UVA email account, some resources do not have access; in addition, while this survey was confidential in that responses could not be linked to a particular employee, some personnel voiced concerns regarding the validity of this statement. Therefore, access to paper surveys was made available as an alternative. The paper survey was made accessible to FM personnel in two locations: FM Materials Division Warehouse and the Health Systems Physical Plant. Envelopes and a sealed drop box were provided so that confidentiality was maintained. The survey was available for a three week period and is ongoing at this point in time.

Approximately 840 employees received the survey. The number of responses to both the online and paper survey, at the time of this report, totaled 78 representing 9.28% of the overall population in FM. OPS staff analyzed and summarized the results which were incorporated into the recommendations portion of this report.

Limitations:
a) The population surveyed consists of all personnel within FM. Only a portion of the employees within this division are involved in procurement functions regardless of their role (i.e., formal part of their job duty or as a customer), however, it was determined that all FM should be allowed to complete the survey as there were open comment sections allowing open ended responses by all who completed the survey.

b) SurveyMonkey.com provides several means of tracking survey results: 1) by tracking IP addresses of those who respond to the survey 2) by tracking responses by requiring a password to answer the survey or 3) by providing a URL in which to send out the survey via email. It was determined that in order to maintain anonymity and confidentiality, the third option would be used. However, this means that the URL is open to all Internet users regardless of whom they are or where they reside. Therefore, results could be skewed due to open accessibility.

3) UVA Marketplace:

OPS staff gained access to UVA Marketplace and completed the online training provided by PS. In addition, orders were placed within UVA Marketplace in order to understand Graphical User Interface (GUI) design and ease of use and transference of data in and out of the system.

4) High-level Workflow:

OPS staff met with various FM staff to create a high level workflow document on the procurement functions within FM. See Appendix C: FM Procurement Workflow. Appendix D: FM Warehouse/Cost Accounting Workflow shows the process after the order has been completed in UVA Marketplace.

V. Procurement Recommendations

Recommendations stated below were formulated with specific focus on changes to the organizational and/or management structure and improvements to the procurement function. Where appropriate, limitations to implementing these recommendations and/or supporting qualitative and quantitative data are included.

Organizational Reporting Structure

Four options listed below constitute alternative reporting structures. These have been reviewed with the Chief Facilities Officer and Director for PS. While all options were explored during this study, options #1 and #2 were deemed most worthy of further research. Summarized findings are immediately following. Please note, however, that the evaluation of options is not exhaustive but substantial enough to inform a recommendation.

1. Relocate FM MD procurement function of buying to PS. Positions involved in procurement functions, including buyers and expeditors, to report to PS with a dotted line to FM Business Management Services.
2. Relocate FM MD procurement function (buying AND accounts payable) to PS. Current FM MD positions involved in procurement functions including buyers, expeditors and accounts payable staff to report to PS.

3. FM MD procurement function shared by FM MD (transactions below $5,000) and PS (transactions above $5,000). FM MD purchasing staff to handle all aspects of procuring goods under $5,000, and PS staff to handle the procurement of goods exceeding $5,000.

4. FM MD to retain procurement function and hire MD Manager to oversee function. Continue current reporting structure within FM MD and hire with input from PS a permanent replacement for the position of MD Manager (previously held by Bill Martin). After a specified amount of time, re-evaluate the structure to determine if this option is effective.

Option #1: Relocate FM MD procurement function of buying to PS:

In summary, FM MD procurement staff would report to Eric Denby, Director of PS, with a dotted line to Jay Klingel, Director of Business Management Services. Staff would maintain their current office location and funding structure until funding issues/concerns can be further evaluated by the parties directly involved with this change in organizational structure. The majority of those interviewed (75%) who currently or previously involved in procurement functions and held either a manager, buyer or program support technician role within FM MD support this decision. Reasons for this recommendation include:

- Eric has the knowledge, leadership, and visibility required for resolving procurement actions at the University. His vast years of experience, relationships with vendors, knowledge of procurement regulations/policies, and accessibility to his staff expedite problem solving in an efficient and timely fashion.

- PS fosters an environment for team collaboration and knowledge sharing. At regular meetings, Eric provides direction and support while encouraging active participation from his staff and providing a platform for open discussion. He empowers his employees to be autonomous in their daily work.

- PS is highly responsive to continuous improvement efforts in their department. They are receptive to implementing recommendations to existing systems and services when identified.

- PS encourages cross training between buyers; this provides a stronger foundation in procurement support and creates an opportunity to learn unique procurement functions across the university. This organizational change would allow the PS staff to: 1) learn about unique differences in procurement functions within FM; 2) encourage knowledge sharing and communication between the two departments; 3) provide more effective coverage to FM when dedicated procurement resources are not present within FM.

- Centralizing the procurement process provides a mechanism to streamline overall processes and regulations from a university wide perspective. For example, Eric is aware
of contract agreements on both the hospital and administrative side of the University. He shared this insight and knowledge to a Hospital Buyer who had spent a significant amount of time in developing a contract for HVAC services. By providing this insight, they were able to utilize an existing contractor, thereby providing expedited services to the UVA community.

Limitations:

- Decentralized locations/shared resources. It is a current practice in FM that when there is a shortage of staff resources or when special projects occur that requires collaborative efforts, FM will provide backup or assign resources to these endeavors from other areas. For example, Jessie McGann, a Program Support Tech—also known as a procurement “expeditor”—was previously allocated to the Fiscal Operations (FO) department when there was a “work back up” and the FO department was short staffed.

- MD procurement functions and processes are somewhat different from those in PS. Understanding the differences in approach to procuring goods and services between the two areas is paramount to the successful change in reporting structure.

- Change in reporting structure might alienate FM and PS staff. FM has a strong community culture. The change in reporting structure could potentially enforce the “US vs. THEM” mentality currently prevalent in the functions of procurement services. Providing cross training of between PS and MD procurement staff, allowing the existing FM MD staff to maintain their location within the FM warehouse, and including procurement staff in departmental social events will help facilitate a seamless transition.

Option #2: Relocate FM MD procurement function (buying AND accounts payable) to PS. Initial discussion about this option revealed the items below that would need to be considered in order to make a decision about the accounts payable function. Without additional information to base a decision, this option is not a viable one at this time. Further examination of the accounts payable process should occur to determine if this move would be beneficial. The assessment should include, but not be limited to, the following items identified by FM and PS staff.

- Transitioning the A/P function to PS would create an increase in paper usage. The PS staff would follow a current workflow procedure which is to copy vendor invoices and send them to the requisitioning department for review and/or approval.

- FM Cost Accounting office maintains close personal relationships to vendors. Many vendors ‘stop into our office’ to resolve problems face to face; FM feels this is a unique service which has allowed them to build a strong foundation in problem solving services. FM requested this fact be noted in this report.

- Higher use of “Suspense Account”. According the Florence Buchholz, Operations Manager for Cost Accounting, this has only happened twice in the five years the A/P functioned has been managed by FM—It is unclear what impact this will have to the University as it is a current practice by PS, however this fact was provided by FM as an important consideration during review and should be noted in this report.
In PS, negative confirmation is currently done by the person who has placed the order. FM Cost Accounting staff currently researches incomplete or misdirected invoices.

Packing slips received in FM warehouse are currently forwarded to A/P in FM. Corresponding invoices are sent from the vendor to FM Cost Accounting and matched to the packing slip. This process would have to change if removing A/P function to PS.

Potential FTE savings in transitioning the A/P function to PS. Invoices processed from 1/1/07 thru 7/31/07 show the following:

- Procurement Services ---- 87304
- Facilities Management ---- 13456

Note: Currently, PS has 4.5 dedicated staff handling the A/P function. FM Cost Accounting does not have dedicated staff for the A/P function exclusively so further analysis would have to be conducted to determine true FTE savings.

Option #3: FM MD procurement function shared by FM MD (transactions below $5,000) and PS (transactions above $5,000).

While this option was considered, no obvious benefit was identified during this study as it relates to organizational structure. Currently PS has both buyers and expeditors on their staff—expeditors handle transactions under $5000. One potential opportunity for FM MD would be to increase the purchasing threshold to $1000 for high volume users of UVA Marketplace—placing more buying autonomy within FM MD. This is sometimes called a “Power Purchaser”—See UVA Marketplace Improvements below for more details.

Option #4: FM MD to retain procurement function and hire MD Manager to oversee function.

While this option was considered, no obvious benefit was identified during this study. The MD Manager position has been vacant for over six months. A resource for this position was temporarily filled by PS staff, John Gerding.

Recommendation for Organizational Change: Based on data collected, it is recommended that the FM MD procurement function of buying be immediately moved to PS in order to best execute the function. It is further recommended at a later time that the accounts payable function undergo a comprehensive evaluation to understand whether or not this function should remain in FM or also be transferred to PS.

UVA Marketplace Improvements

UVA Marketplace was implemented in December 2006. Since its inception, differences in workflow, system connectivity and customer needs have driven the need for additional changes and/or functions in the online procurement process. While system usability issues have been previously identified and workflows corrected to overcome these inefficiencies (i.e., “Request for Materials/Services" Forms are faxed to vendors prior to orders being placed in UVA Marketplace to get current pricing and model numbers), these recommendations will build a
stronger online procurement system and provide easier access and usability to the system. These recommendations were identified based by either trends discovered in the interview process, the response to the online survey and/or through hands on usage of UVA Marketplace conducted by OPS staff.

- **Improve line items descriptions to existing catalogs.** This can be accomplished by establishing standards in naming conventions and quality reviews prior to implementation into UVA Marketplace. Of those interviewed who use UVA Marketplace, 84.6% indicated the catalog line-item descriptions were inadequate to their needs. To overcome this inadequacy, either a paper catalog was referenced manually prior to completing the order on UVA Marketplace or a Request for Materials/Services form was faxed directly to the vendor where the vendor supplied model numbers and price.

  Interview notes:
  - One interviewee stated, “When searching for a light bulb on UVA Marketplace, you would have to use several search descriptions such as light, light bulb, florescent or incandescent…this does not even address wattage…you just hope for the best when searching for specific items. Sometimes it takes multiple tries to find the right merchandise.” Another said, “You can’t be too specific in your order requests as you will not get any results from your search.” As a test, the OPS staff member placed an order for “Duracell AAA batteries”, only Eveready batteries were displayed in the results, not one with the correct cell size.

- **Provide more catalogs in UVA Marketplace.** As the results show below, FM primarily orders materials from “non-vendor catalogs”. When requested from PS a report showing the number of purchase orders placed in UVA Marketplace between January 1, 2007 and May 31, 2007 from vendors the following statistics were pulled:

<table>
<thead>
<tr>
<th>Type/Area</th>
<th>University Wide</th>
<th>Facilities Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Punch-out (Vendor Online Catalogs)</td>
<td>56.5%</td>
<td>41%</td>
</tr>
<tr>
<td>% of Forms (non-catalog order)</td>
<td>20.8%</td>
<td>53.9%</td>
</tr>
<tr>
<td>% of Catalog (hosted catalogs)</td>
<td>22.6%</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

- **Regulate and/or decrease accessibility to PCard.** The use of Pcards allow the procurement of goods in emergency situation, however, several interviewees indicated they preferred to use their PCard over the UVA Marketplace. Of the survey respondents, 23.3% indicated they had a PCard. Of these, 71.1% indicated the PCard was the preferred mechanism to procure goods and services. Limiting the distribution and use of Pcards to emergencies should increase the use of UVA Marketplace. This will provide more accurate reporting on eVa and SWAM vendor usage as the UVA Marketplace tracks these types of vendors.

- **Improve training.** On a scale from 1 (Not Valuable) to 10 (Extremely Valuable), 43.5% of the survey responses of those who attended training rated their training experience between 1-3 points on the rating scale. During interviews, it was discovered that many...
employees who work in the “field” don’t use a computer on a regular basis. These employees could potentially feel uncomfortable attending computer training with large groups or through online delivery where a certain level of computer skills is necessary to complete the course. Of those interviewed, some comments received regarding their training experience were, “We need individual training or hands on training…”; “We don’t want to attend training in a large group…”; “What is a favorites list?”; “I feel uncomfortable attending computer training as I am not very familiar with computers”.

Recommended training content and delivery mechanisms are:
- Personal hands on training.
- Custom training to different work groups.
- Favorites list creation and wild card capabilities.
- Create a library of vendor catalogs in several areas throughout FM.

**Additional Recommendations**
Recommendations stated below do not have qualitative or quantitative relevance within the confines of this analysis, however, they should be considered as a launching point in continuing to improve both function and service to UVA Marketplace. All recommendations noted below had a minimum of 13% trend rate from either interviews or survey results.

- In general, vendors are not familiar with “UVA Marketplace” or “eVa”. Consider marketing this to vendors throughout the Charlottesville community.
- Improve the management of catalog item pricing. If pricing is incorrect, missing or outdated on the online catalog, FM staff will fax or call the vendor for the information. This can be very time consuming for expeditors and/or buyers.

Bonded Warehouse/Stockroom

During the interview process, two consistent recommendations were noted in this area: the creation of a stockroom of commonly used materials; and the ability to store bulk materials/stock in a warehouse until needed on a construction site. These two recommendations were incorporated into the online survey as a means for which to identify statistical values in support of these two recommendations.

- **Storeroom:** A storeroom of common materials is located at the Health System Physical Plant (HSPP) and is frequently used by all FM staff that are, “out in the field”. Additional research should be conducted to assess the frequency with which all service staff are using the HSPP storeroom, and to determine if there is justification for creating an additional storeroom within the University thereby creating two locations on Grounds.

Out of those surveyed who would utilize this service, 54% responded positively. Relevant comments provided were, “A stockroom would be great so we could free up space in our department [that is] full of clutter”; “HSPP already has a stockroom of frequently used materials and is a wonderful asset for speedy repairs to service calls”; and “We had a
store room at one time and found that the inventory was not well controlled and stock was not adjusted to meet changing materials and methods”.

- **Bonded Warehouse**: This is where bulk materials associated with new construction or refurbishments are stored until materials are needed on the construction site. Currently, these materials are managed and stored by the vendors who provide these materials. This process raises issues in accessibility/timeliness/delivery/transference of materials to worksites; thereby potentially losing cost saving opportunities associated with these issues.

Out of those surveyed who would utilize this service, 64.2% indicated this was a necessary means to manage construction site materials and could be an opportunity to capture savings associated with construction management. Relevant comments provided were, “We presently have no facility to stock material till needed. This is a problem with security as well as environmental issues that may harm the goods”; and “A warehouse to stage materials would be great”.

VI. Conclusion

The major findings and recommendations proposed in this report consist of the transition of the FM procurement staff responsible for buying to PS with a dotted line reporting to the Director of Business Management Services. While the transition of the accounts payable function to PS is not considered a viable option at this time, it should warrant further consideration once the buying function is moved to PS. Overall, the location and funding structure for the affected staff would not change until further consideration and research is completed. Additionally, a memorandum of understanding (MOU) may be necessary to ensure the success of this transition. Furthermore, significant improvements to the UVA Marketplace include: improvements to line items descriptions to existing catalogs; providing more catalogs; regulation and/or decrease in accessibility to PCard thereby increasing the use of the UVA Marketplace as the primary means within FM in procuring goods and services and improve training overall specifically designed to address the unique needs within FM.

The success of implementing these recommendations will be contingent upon the establishment of realistic timelines, a commitment to and plan for implementation (see Appendix E: Checklist), and periodic re-evaluation of changes for continuous improvement to ensure all parties are satisfied with services provided. One of the most common criticisms of evaluative efforts for improvement is that the assessment does not lead to any substantial improvements. In fact, approximately 30% of interviewees in this process conveyed that the project was a ‘waste of time’ as they did not believe it would result in any action. Implementing the cited recommendations should yield a more efficient and effective operation in support of the institutional mission.
Appendices

Appendix A: Sample Questions

General Introduction:
I am going to ask you general questions relating to the procurement process at UVA as well as questions pertaining to how you are involved with the process including general questions about your job duties and background.

The information discussed today is proprietary. If there are repeating areas of interest or concerns voiced throughout the interviews, they could potentially be used in my recommendations. If it is a unique aspect that you have provided, I will speak to you to obtain your approval in sharing this insight with upper management. I will not use your name unless you would like for me to do so.

General Personal
1. Tell me about yourself—whatever you would like to share.
2. What position do you currently hold?
3. How long have you been in this position and been with the university?
4. Describe your current job responsibilities.
5. Describe all the ways you are involved with purchasing. Please provide details.
6. Please describe your experience with the UVA Marketplace

Further Questions and Research Requests
1. What changes would you like to see put in place?
2. What questions would you suggest we ask of vendors, clients and co-workers/manager in a survey?
3. Do you see any issues associated with the procurement process overall?
   a. Management support
   b. Knowledge of the rules and regulations in procuring goods and services
   c. Eric’s group and other procurement areas?
   d. Inconsistencies, concerns?
4. What questions would you suggest we ask of vendors, clients and co-workers/manager in a survey?
5. Are there any questions I haven’t asked that you would like to share?
6. What would you like to see me study? What concerns do you have in this evaluation process?

If Resource Interviewed is within the Materials Division of FM
1. Who is your supervisor?
2. Do you regularly meet with your supervisor?
3. What recommendations have you made in the last 6mo-1year for improvement?
   a. Were they implemented?
   b. What feedback were you given?
4. When identifying a problem, what kind of support do you receive?
5. Were there any management issues you would like to share with me today?
Appendix B: Sample Survey

**Procurement Survey**

1. **Facilities Management Procurement**

In an effort to improve efficiencies in the procurement of goods and services by Facilities Management, an analysis of existing services is being conducted. Recommendations will be identified due to the feedback received. It is intended that the recommendations will realign and/or identify the most feasible and beneficial business model for the University.

This survey will take approximately 10 minutes of your time.

This is an anonymous survey, however, if you would like to participate in a one-on-one discussion, please include your name and contact information at the bottom of the survey.

We appreciate your contribution to this effort.

1. On a scale of 1 (Not Familiar) to 10 (Very Familiar): How familiar are you with the UVA Marketplace?
   1 (Not Familiar)  2   3   4   5   6   7   8   9   10 (Very Familiar)

2. If you have an account with UVA Marketplace, what type of account do you have?
   - PO Shopper
   - PO Purchaser
   - I Am Not Sure

3. If you use UVA Marketplace, how often do you use it?
   - All the Time
   - Most of the Time
   - Some of the Time
   - None of the Time
   - Not Applicable

4. If you have an account with UVA Marketplace: What type of training did you receive? (Check all that apply)
   - Seminar-Open Presentation
   - Group Training-Scheduled Training (For Your Department or Area)
   - One-On-One Training (Either Formal or Informal)
   - Online Training
   - Self Taught
   - No Training Received

5. On a scale from 1 (Not Valuable) to 10 (Extremely Valuable) rate your UVA Marketplace
training experience:
1 (Not Valuable) 2 3 4 5 6 7 8 9 10 (Extremely Valuable)

6. Rate the level of encouragement you have received by your supervisor on the use of UVA Marketplace:
   - Strongly Encouraged
   - Encouraged
   - Neither Encouraged/Discouraged
   - Discouraged
   - Strongly Discouraged

7. On a scale from 1 (Not Adequate) to 10 (Extremely Adequate) Rate the following: On UVA Marketplace

   1 2 3 4 5 6 7 8 9 10 Not Applicable

   Do you find this process to procure products and services adequate?
   Do you find the choice of vendors adequate?
   Do you find the product descriptions helpful?

8. Do you have a Purchasing Card (PCard)?
   - Yes
   - No
   - What is a PCard?

9. On a scale from 1 (PCard) to 10 (UVA Marketplace) Rate your preferred choice to procure products and services:

   1 2 3 4 5 6 7 8 9 10 (UVA Marketplace) Not Applicable

10. If you use a PCard as a primary means to procure goods, why?
11. If you use UVA Marketplace as a primary means to procure goods, why?

12. On a scale from 1 (Online) to 10 (Paper): Do you prefer to utilize an online/electronic procurement process vs. completing a "Request for Materials/Services" Form?

   1 2 3 4 5 6 7 8 9 10 (Paper)
Please share any comments:
13. If there were computers available around Grounds to procure goods, would you use them?
   Yes
   No
   I Am Not Sure
   If Not, Why?

14. In the last 6 months, how often is procurement staff available for your critical procurement needs?
   Frequently
   Occasionally
   Seldom
   Never
   Please share your comments:

15. Would a stockroom of frequently used materials be of assistance to you?
   Yes
   No
   Not Applicable
   If yes, what types of materials?

16. Would a bonded warehouse be of assistance to you to store your procured materials?
   Yes
   No
   Not Applicable
   Other (please provide specific details)

17. Please provide details or any feedback you feel is important to this analysis.

18. If you would like a one-on-one interview, please provide your name, title, email address and extension in the box below.
Appendix C: FM Procurement Workflow

1. Begin
2. Request for Materials (RFM)
   - If Electronic, will access request online and print out for processing
3. Emergency? (Electronic or Paper)
   - Emergency Request: Attach written justification to Director. Needs CFO approval.
4. Requisition: Product Description, Vendor ID, Part and/or Price
   - If requisition has only the Vendor ID or only has product description, then it is faxed to a Vendor to obtain Price and Product ID.
   - Note: Choice of Vendor is sometimes driven by price, vendor, delivery, customer service, location, etc.
5. Vendor or Product in UVA Marketplace?
   - Yes
   - No
6. Goods/Non-Professional Services
   - Contracted Vendor
   - >$50,000
   - $5,000 - $49,999
8. Solicit >=6 Request for Proposal (RFP) or Invitation for Bid (IFB)
9. Buyer and/or Expeditor
   - Contract Vendor or Request for Quotes (RFQ)
   - If no existing contract, Buyer will solicit >3 vendors, two of which have to be SWAM. Contract traditionally will go to the lowest bidder.
10. Didder eVA registered?
   - Yes
   - No
   - Next Lowest Bidder
11. Vendor referred to Procurement Services for eVA
   - Vendor Refuses Registration
   - Vendor Registers with eVA
   - Issue APO to Lowest Bidder
12. PCard or UVA Marketplace
   - PCARD
13. Non-restricted over-the-counter (OTC) purchases and purchases of eVA/Exempt goods and services are allowed on the Pcard
14. After order is placed in UVA Marketplace:
   - Buyer/Expeditor will manually write the PO # and WO # on the RFP, then separate and forward copies to the following:
   - White: Cost Accounting
   - Pink: Requestor
   - Yellow: Copy stored in procurement files.
Appendix D: FM Warehouse Cost Accounting Flow
Appendix E: Checklist

CHECKLIST FOR TRANSITIONING FACILITIES MANAGEMENT STAFF TO PROCUREMENT SERVICES

The items listed below are a guideline to initiate the changes recommended in this document, however further tasks may be identified or eliminated as changes are initiated.

Organizational Structure:

Memorandum of Understanding:

- A memorandum of understanding should be created articulating the agreement between Facilities Management and Procurement regarding the shift of all staff affected.

Human Resources/Budget Transfer:

- The Budget Office can transfer funding associated with staff salary and fringes.
- Completion of the UHR position action form would designate a new organizational code. If marked “urgent” oracle can be configured in a one day turn around through Classification and Compensation
- Determine if the Manager’s position (Bill Martin’s position) is still necessary to fill.

Physical Location:

- Staff should continue to be located in FM or relocate to Carruthers with PS.

Communications:

- Terry Butler/Eric Denby/Jay Klingel/Rebecca Leinen to meet with affected FM staff to discuss transfer of function and change in reporting.
- Announcement made to Facilities Management unit and to Procurement Services Unit informing staff of the changes
- Terry Butler/Eric Denby to provide orientation to FM staff transferring to PS.