

# Indiana State University

2005 - 2006 Administrative Annual Report

Purchasing

Year in Review

## Achievements

**As you have heard, increasing public awareness of Indiana State University's accomplishments is crucial to building student enrollment, influencing policy makers, and developing a place of pre-eminence in the Midwest. What do you consider to be your department's accomplishments for the 2006-07 year that will contribute to this effort? (Please list in priority order and limit to no more than 8.)**

Processed 4,037 purchase order transactions totaling \$34,758,043.59 Money Retained through the bidding process by ISU Purchasing: \$1,323,824.19 Money Saved through contracts \$2,481,964.66 Money saved bidding standing orders \$70,426.63 Managed Logo Licensing generated \$31,835.41 in revenue Vending Commissions Beverage Contract generated \$99,031.04 in revenue. Beverage Vending Sponsorship Fee: \$11,500.00 Beverage Vending Royalty Fee: \$48,000.00 Terre Haute First Advertising: \$54,000.00 Coke Advertising: \$3,000.00 Vending Commissions Food Vending Contract generated \$22,377.55 in revenue Natural Gas Contract Savings: \$629,746.00

## Enrollment

**What steps did you take this year to aid ISU in overcoming enrollment challenges?**

ISU Purchasing had a representative who participated in the "Fast Track To College" recruitment initiative at the Indianapolis Motor Speedway on 2/19/06. We also had another representative who participated in the "Dial A Student" campaign, something that has been done every year for the last 5 or 6 years.

## Action Steps

**Do you have any further progress you would like to report?**

How We Make ISU Better ISU's Minority Business Program ISU Purchasing initiated the forming of "Southwestern Indiana Higher Education Minority Procurement Cooperative," or (SIHEMPC). Below is the write-up explaining: SIHEMPC will initially be comprised of three Universities located in southwestern Indiana for the purpose of enhancing their minority, women owned, and disadvantaged business procurement processes. The three charter member Universities will be Indiana State University, University of Southern Indiana, and Vincennes University. The three Universities have agreed to share minority, women owned, and disadvantaged vendor lists and best practices. The Universities plan to work closely in the identification of capable and qualified businesses. To assist those businesses in their understanding of the procurement process and to inform them of upcoming opportunities. The three Universities plan on meeting quarterly in Vincennes, as this location is centrally located. ISU Purchasing has also teamed up with the "Indiana Business Diversity Council." The IBDC will help us to identify capable and qualified minority businesses in the market place. Partnering With Other Campus Groups EMT Ambulance Service Committee Environmental Safety Committee Beverage Vending Committee Natural Gas Procurement Committee Support Staff Council Travel Committee Vehicle Use Committee Library Copier Committee Ad Hoc Facilities Management Committee Salary and Employee Benefits Committee Employee Relations Committee Public Relations Committee Sodexo Food Service Committee Print Shop Committee IKON Quarterly Review Committee Procurement Card

Committee Elevator Maintenance Review Committee Bookstore Review Committee Professional Organizational Involvement and Professional Education: Kevin Barr, served as the most recent past President, Indiana Region, National Association of Educational Procurement (NAEP) ISU Professional Procurement Staff participated in the National Association of Educational Procurement (NAEP) Regional Conference Ernie Kramer, serves on the Midwest Higher Education Compact (MHEC), Technology Committee Tom Kellett and Sherri Ramseyer are currently enrolled in courses at ISU to further their education. Community Engagement: Representatives from ISU Purchasing participated in the Indiana Business Opportunity Fair, sponsored by the Indiana Regional Minority Supplier Development Council held at the Indianapolis Convention Center. The Indiana State University Purchasing Department, in combination with six other Universities in the State of Indiana, sponsored the "Buy Indiana Road Show" during Black Expo 2005 in the State House, North and South Atriums on July 12, 2005. ISU Purchasing has attended three meetings over the past year in which the State Universities shared best practices and information regarding ways to improve minority business purchases. Community and Committee Service Days of Caring United Way Vigo County Library, Tutor English Second Language Program Habitat for Humanity Partnering With Other Campus Departments: ISU Purchasing plays a role in establishing contracts through the bidding process by identifying possible sources for the procurement of needed goods and services. Many times, prior to the bidding process, ISU Purchasing will receive a requisition for a good or service that might require the input of multiple departments on campus, to insure that the good or service will work in ISU's environment. Good examples of items that need to work with our environment are items that interact with our computer network, or with standardized software such as SCT Banner. In these cases ISU Purchasing will contact departments such as Information Technology, or Telecommunications, to verify that they have been consulted and included in the process and to verify that the project will work in ISU's environment, prior to purchase. ISU Purchasing always consults with our client departments when we receive a bid on an item that is not exactly what was specified, to insure that the alternate item will meet the client department's needs. At the same time we bring a measure of economic discipline to the process to insure that an economical approach is used in meeting the needs of our client departments. ISU Purchasing also plays a role in facilitating communications between the vendors and the departments. ISU Purchasing will often times step in to communicate, mediate, or propose solutions to a vendor when one of our client departments experiences difficulties with an acquired good or service. ISU Purchasing is also involved in monitoring vendor compliance on various contracts. ISU Purchasing signs most contracts for goods and services. As the central clearinghouse for most contracts we are able to check and make sure that one contract does not violate, or conflict, with another contract, which may already be in place. These are just a few of the ways ISU Purchasing interacts with our client departments and the business community.

### Assessment

**What are two ways in which you evaluated the quality or effectiveness in your area last year? What changes did you make based on those assessments?**

ISU Purchasing conducted a survey of 82 ISU departmental office assistants who attended Banner training last fall. With 4 being the highest ranking, ISU's Purchasing scored not less than a 3.25 average in any category. In other words our client departments indicated that they were more than satisfied with our performance in all categories. ISU Purchasing has also prepared a 76 page efficiency study that we will be presenting to a committee for evaluation within the next couple of months.

### Budget

**As you know, ISU is facing significant budget challenges. Finding ways to overcome these while increasing efficiency requires innovation. How are you overcoming your budget**

## **challenges this year?**

We had to freeze and then cut a position in our front office in order to provide the University with our share of the cutbacks, in the neighborhood of \$20,000.00. Unfortunately this sacrifice for the good of the cause threatens to damage the outstanding service and performance as was reflected in the survey mentioned in the above question.

## **Strategic Initiatives**

### Development Activities

#### **What role might your unit play during the silent phase of the comprehensive fundraising campaign?**

ISU Purchasing considers discounted pricing by the vendors to be a contribution to the University and will continue to represent the University to the business community as a fair and impartial representative.

## **Future Goals**

### Future Goals

#### **Have you considered any action steps your department could make to enhance Indiana State University's reputation as a University of choice? If so, please indicate what you are planning to do and tell us which area of planning your steps fall under.**

Examine the unit's stated mission and goals relative to its alignment with overall University priorities and objectives Indiana State University's priorities and objectives are reflected in the document entitled: Fulfilling the Promise – The Path to Pre-Eminence. The plan consists of the following four categories: • Strategic initiatives: experiential learning, community engagement, distinctive programs. • Implementation Strategy • Tactical Plan • Action Steps Below is an outline of the goals and ideals as presented in "The Strategic Initiatives:" • To foster experiential learning, mentoring, and collaboration. To encourage hands on application of theory and practice, resulting in the student's ability to organize, interpret, and bring meaning. • To achieve dynamic partnerships with the community and the world through community and cultural engagement. • Outreach – being responsive to the needs of the community and the state. • Establish and promote an image of quality. • Achieve high quality national reputation which meets state and/or national needs. Being recognized leaders in our field. National and/or Regional distinction. • High achieving, goal-oriented. A culture of excellence. • With emphasis on applied research, continuing education, and outreach in service to community partnerships. • Identify existing community engagement and public service. • Broadcast pride to external stakeholders and the general public. Promote public awareness. As stated in the plan: "Administrative units are designing tactical plans that will serve as vehicles for improving services and support." Tactical Plans as outlined are: • Technology: consolidate support and procurement of technology. Anticipate current and future needs. • Institutional Environment: strengthen and support diversity. • Physical Plan: Plan for efficiency, service, and appearance. • Enrollment Plan: Support through our conduct and engagement. • Integrated Marketing: Increase awareness. • Quality Assurance Plan: Track and report performance measures. Conduct surveys on performance. Support informed decision making. Have access to information. Response: Purchasing's stated mission and goals as they relate to and align with the overall University priorities and objectives are as follows: a. At first glance one might think that an administrative department like Purchasing would find it difficult to find objectives that are directly related, given the academic orientation of the University's mission. On the contrary, we found the following areas of potential, or actual, participation by Purchasing and Central Receiving: • To achieve dynamic partnerships and engagement with the community. Being responsive to the needs

of the community and promoting an image of quality. Given the nature of our work in procurement, it seems like we are stating the obvious when we point out that we work with the community through our contact with our vendors, on a daily basis. ISU Purchasing prides itself on promoting an image of courteous, efficient, fair, open, and honest business dealings in our interactions and partnerships with the vendor community. • Establish a high quality, national reputation, as leaders in our field. Per “The Path to Pre-Eminence” we are to “broadcast our pride,” consequently ISU Purchasing has presented our ISU Banner purchasing modifications at both the SCT (Banner) National Conference, as well as, the SETA (SCT Banner) Midwestern Conference. Our system is unique and exclusive to ISU, because it was designed by ISU Purchasing. Here is how our system has been described to conference participants: Title: Eliminate the Busy Work in Purchasing & Provide Fast Efficient Service Description: Indiana State University will show their system for faxing: Purchase Orders Request for Quotes Departmental generated Follow Ups to Vendors on Orders Departmental generated Return and Exchange Requests to Vendors All faxed directly from our Banner System. ISU will also show how the University Departments can electronically, through Banner screens, indicate to Purchasing what changes to a purchase order they would like for Purchasing to make. Additionally, with regard to the ISU Purchasing system, SciQuest Software’s vice president and founder of HigherMarkets, Dorian Porter is on record in an email saying: Thank you very much for this extensive work and your follow up. Your team has done an impressive job and it's amazing how much further advanced you are relative to other institutions in this area.” • Environment: high achieving, goal-oriented. A culture of excellence. We won’t claim to be excellent, but we do feel that the enclosed survey of our constituents reflects that we are very, very good at providing friendly, helpful, efficient service to our client departments. We take pride in being a department that you can generally always call and get an answer to your questions, while you are on the phone. This capability comes from having a staff that is cross-trained in each others areas. Additionally, when a person is away from work on vacation, or sick, we always have someone else who covers for them and keeps the workload flowing. Our goal is to provide accurate, dependable, fast, and efficient service in the procurement of goods and services, while meeting the needs and requirements of our client departments. Enclosed in this study are a multitude of measurements in order to access our performance ranging from money saved, benchmarking against our peers, and speed of process. Purchasing and Central Receiving performs this self assessment multiple times throughout the year to determine if our goals are being meet. • Tactical Plans: “Administrative units are designing tactical plans that will serve as vehicles for improving services and support.” One of the goals mentioned is “Technology and the consolidation of technology procurement (primarily in computers and networking). ISU Purchasing works closely with the Information Technology Department on the standardization of certain computer configurations, as an example. Another institutional tactic: Institutional Environment and the strengthening and support of diversity. ISU Purchasing has a goal of increasing our procurement from minority and women owned businesses. In order to attain this goal, the buyers in Purchasing attempt to include at least one minority business on every request for proposal. Physical Plan: calls for efficiency, service, and appearance. These areas in particular, echo repeatedly throughout this document. Quality Assurance Plan: Track and report performance measures. Conducting surveys of performance. Units are expected to support informed decision making and to have access to information. Within this study is a survey of our clients and extensive data on all aspects of Purchasing and Central Receiving upon which our department is both measurable and accountable for performance. Additionally, on our own initiative we have begun to scan all of the contracts retained by Purchasing, making this information accessible to all campus-wide decision-makers.