

# Procurement Services Newsletter

July 2012

## Thank You for a Great Fiscal Year End!

As we close the books on another fiscal year end, we want to thank you for your help. During the month of May, we processed over \$30 Million in invoices, another \$1 Million in expense transactions and \$15 Million in new purchase orders. May is a busy time for our department, so anything you can do to help us throughout the year is appreciated. By involving us early in the process, we can avoid some of the end of the year chaos. Also, remember to put your expense reimbursements in when you return from your travels and not wait until the last minute. Even in light of this volume, this was the cleanest and quickest fiscal year end ever.

We are looking forward to making it an even easier process as we move to scanning vouchers and expenses in the coming months. Watch for more information on these exciting changes coming your way!

As we deal with the challenges of the economy and work to reduce costs, we appreciate your help in investigating less expensive options and ideas. Your help and feedback in testing changes in technology and process is needed to help us reduce internal costs. If you have any ideas you would like to share that others may find helpful, please let us know.

## **IN THIS ISSUE**

University Savings – UPS and Print Management

New process for ordering business cards – Eagle Print

BC's first Reverse Auction – Natural Gas

Library strategizes with Procurement Services to save \$469k!

Hiring outside individuals for services?

Helpful hints - How to avoid costs to your department

Contract Highlights – IKON/Ricoh and WB Mason

How to choose a 2<sup>nd</sup> bank account for your reimbursements

## University Savings

### UPS Helps Athletics Keep Fiscally Fit

UPS has been the carrier of choice for the BC Athletics department since July of 2011. One way that BC Athletics has achieved cost savings is by taking advantage of UPS's economical next day ground delivery service to most of New England. Please contact Mark McKay at [markmckay@ups.com](mailto:markmckay@ups.com) to see how UPS can benefit your department.

### Print Management Program Coming Soon

Based on a study done by a team from across the University, BC is in the process of creating a Print Management Program to reduce the number of print vendors used on campus to combine volumes for more efficient printing. Similar programs have been successful at other institutions such as MIT and Tufts University. You may be asked for information on your departments print needs to help formulate this Program. We appreciate your feedback. Watch for more news on this program as it evolves.

## Eagle Print is now the supplier for business cards, letterhead and envelopes

Beginning July 1<sup>st</sup>, Eagle Print will be responsible for producing your Boston College business cards, letterhead and envelopes. The pricing and design for these items has not changed. Delivery time will be the same or better than in the past.

A campus pilot group worked with Eagle Print to make the ordering site as user friendly as possible. Their feedback from the testing was very positive; stating that the site was easy to navigate and the information that automatically populates the item during the order process was a nice feature. Eagle Print has been delivering special campaign printed items through this platform for over 2 years at BC.

Eagle Print is on campus and will be available when needed to help with any orders needing special attention. Call 2-3418 and speak with Rich, or visit [www.bc.edu/eagleprint](http://www.bc.edu/eagleprint) for more information about this new way to order your stationery items.

## How can we help you?

### *The Future of Bidding - University Holds First Ever Reverse Auction*

Procurement Services and the Treasurer's Office teamed up to work with our Facilities group to conduct an online auction process for the basis portion of the University's Natural Gas requirements. Basis is the cost of transporting natural gas from the Henry Hub in Louisiana to our local National Grid hub.

We conducted the reverse auction using World Energy as our partner, a provider of live, on-line auction services. In this particular instance, the auction was technology-enabled, expertly designed to foster competition and 100% performance-based – meaning if we didn't like the result, we didn't have to select the winning bid. The advantage of this auction process was full transparency and competitive pricing from suppliers.

Five of the U.S.'s major suppliers choose to participate in the process of trying to secure BC's business. The bidding process was blind so suppliers did not know who the winning bidder was but they could see the other suppliers' bids. Suppliers had a two (2) hour window to place on-line bids. As anticipated, our experience was that suppliers put in their most competitive offers in the final few minutes of the auction.

Our analysis indicated that the competition associated with the live auction process contributed to annual budget savings deemed significant by Procurement Services, Treasury and Facilities. Overall, the University deemed the auction process a success and will look to try other commodities using the auction process in the coming months. The lesson here is even though we are not the subject matter experts, Procurement can help facilitate the negotiations and cost savings for the University. So please contact us to help you strategize the plan for any big dollar purchases. We are here to help you purchase wisely!

### *The Library strategizes with Procurement to save \$469K!*

A new area for Procurement Services involvement this year was Library Subscription Services. The University spends 3 million dollars a year for these services. Procurement Services partnered with the O'Neill Library to put together a strategy to bring better service to this process, increase operational efficiencies and cut overall costs to the University.

Our first step was to research information on the other schools in the country that had bid out this service. We worked with the library in developing an RFP to consolidate this service with one supplier. We sent the RFP to three vendors. The RFP asked for references for existing customers and customers they have recently lost. The library checked with the references they provided and asked who they switched from and why they switched. We were able to get a great deal of information through this process. All the suppliers were invited in for a deep dive meeting.

The responses were evaluated on a matrix that considered a number of factors; including customer service, pricing, references, reporting etc. Based on the evaluation matrix, the award was made to the bidder who received the highest overall score.

We entered into final negotiations with them and in the end we obtained a cost savings to the University of \$469k over the 4 year term. This was a very successful collaboration between the library and Procurement Services, as noted by Young Moon from O'Neill Library – "On behalf of the library, I want to sincerely thank Laurie and Kathy for all the help you have given us during the RFP process. It was tremendously helpful. I really enjoyed working with you two"

**Procurement Services was able to partner with Facilities and the Library to save the department and the University thousands! How can we help you?**

## Things to consider...

### Hiring an outside individual for services?

As of June 2012, all existing individuals in the Accounts Payable vendor file will be deactivated if they do not have an active Independent Contractor questionnaire on file. We will be sending out a separate communication soon with more information but please visit the Controller's [website](#) for links to the policy, the questionnaire and documentation on the process.

### Beware! Extra Charges from Vendors

Although we try to remove fuel charges from most contracts, there are some contracts that require fuel charges due to the nature of the business, such as Federal Express and Loomis Collection Services.

In light of the expected increase in fuel costs, there may also be changes to pricing to offset transportation costs. Fuel costs may also be added to invoices as a new charge. Please take time to review your invoices carefully and contact Procurement if you see an additional charge, such as fuel, on your invoice. We will review the contract to determine if these charges are allowable.

### To avoid additional costs

In order to avoid additional costs, Procurement recommends the following:

- Plan ahead and obtain pricing as soon as possible
- Add an agenda item to staff meetings to identify any upcoming requirements of \$5000 and over in order to plan ahead with Procurement, or to discuss ideas or identify options within your group or identify it an IT Business Case is required.
- Request quotes be valid for 90 days
- Consider scanning and emailing instead of express mail
- Consider combining deliveries/pick ups
- Use the shopping cart feature on ecommerce sites to store items then process the list weekly to avoid multiple order deliveries and tracking.

### Have you heard about the 2<sup>nd</sup> bank account option for expense reimbursements?

You asked – we listened! When you received an expense reimbursement, the funds always went to your primary bank account associated with your payroll. Now you have the option to select a different bank account for your expense reimbursements. Click [here](#) for a detailed step by step on selecting/verifying your bank information through Agora!

### Vendor Spotlight

#### IKON has changed its name to RICOH.

This is a change in the name of the company only. All of the contract requirements remain in place. The name of the company, and the manufacturer of the equipment, is now RICOH. Please use the same web and phone numbers to place service or other calls. Orders and invoicing will now be identified as RICOH (Vendor #2435)

#### New feature from Ricoh

Ricoh offers the ability for a customer to interact with an experienced technical support agent via a live chat feature. This allows you to get the machine back up and running quickly or allows you to learn how to use a particular feature of the device. Live chat assistance can be accessed by logging into the [MyRicoh.com](#) and clicking the "My Equipment & Services" option, then "Click to Chat". We hope you find this new feature helpful.

#### What do I do with my toner cartridges? WB Mason can help

Boston College has partnered with WB Mason for great savings on genuine HP Toner, genuine HP Hardware, extended HP Hardware Warranties, as well as a convenient, Green Program for recycling your empty HP Toner cartridges! For more information, click [here](#).

### How do I know what vendor to use

Instead of wasting your time searching the internet to find a vendor, we have provided you with a listing of contracted/preferred vendors such as WB Mason, Dell, and Apple on our [website](#). Please visit our [website](#) for our contracted vendors, to access BC's discounts and obtain helpful contact information. If you don't find what you are looking for, please contact Carolyn Donoghue at 2-8911 or [carolyn.donoghue@bc.edu](mailto:carolyn.donoghue@bc.edu).

### Information for PeopleSoft Financial Users

#### Creating Requisitions for Fiscal Year 2013

If you are creating requisitions for the new fiscal year, we want to remind you of the importance of due dates. The due date is the date of expected shipment and receipt of the invoice. When creating year-long agreements, use the last day of the fiscal year to ensure your Purchase Orders remain active for the full year. If you have any questions on creating a requisition or due dates, contact Carolyn Donoghue at 2-8911 or [carolyn.donoghue@bc.edu](mailto:carolyn.donoghue@bc.edu).

**If you have any suggestions for us to consider for future newsletters, send an email to [purchase@bc.edu](mailto:purchase@bc.edu).**