

Plans for Procurement

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Name :

Purchasing & Business Services

Principal Preparer :

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1. Mission

1. Assume the reader knows nothing about your unit. Please describe concisely its mission.

Support District missions by acquiring goods and services efficiently and cost-effectively.

2. Description

1. Please describe concisely the following characteristics of your unit. Feel free to use both narrative and quantitative information.
 1. Purpose
 2. Functions or services
 3. Clientele(s)
 4. Value of your services to the clientele(s), the Colleges, and the District
 5. Organizational structure and number of personnel by function
 6. Annual budget by object code for the last three years
 7. Hours of operation, location, and other pertinent service characteristics
 8. Significant changes, if any, since the last program review

1-3. We perform all procurement and business services for the District and the Colleges, and we support and advise all departments during the procurement process.

4. We provide proficient procurement services, so the District and Colleges may operate cost-effectively and timely.

5. A Business Manager manages all procurement and business services functions; a Project Analyst provides support for all business service functions, including contracts and insurance; a Purchasing Agent and Purchasing Technician provide support for all purchasing functions; a Warehouse Technician provides support for shipping and receiving functions for the District and San Bernardino Valley College.

6. The annual budget by object code for the last three years is attached as a supporting document.

7. Our hours of operation are Monday through Friday, 7:30 AM to 5:00 PM at the District Office and Monday through Friday, 7:30 AM to 4:30 PM at the Warehouse facility.

8. N/A

3. Outcomes and Other Measures of Effectiveness

1. Identify at least one essential measure of effectiveness for each major operation of the unit. (See *Effectiveness Measurement Guidelines and Examples*.)
 2. Include at least one baseline measure or measure of progress on a well-defined outcome.
 3. Include at least one measure showing effectiveness in responding to the Colleges' needs.
 4. For each measure, identify the assessment method you used.
 5. Please summarize the results of the measures you have applied. If results showing trends over time are available, please report them.
1. Service Outcome or Objective: Provide periodic workshops on purchasing, contracts, and shipping/receiving procedures on topics which are timely or specifically requested. Measure: Percent of surveyed participants who are satisfied or very satisfied with the workshops and learned at least one new concept. Our target is 90%. Assessment Method: Survey workshop participants using questions that assess both the knowledge of purchasing processes they gained and their satisfaction with the workshops. Results: *Pending*.
 2. Service Outcome or Objective: Customers and vendors will be satisfied with customer service during procurement process. Measure: Percent of surveyed customers who are satisfied or very satisfied with the customer service they have experienced. Our target is 90%. Assessment: Two questions on District services survey. Results: 73% of respondents to a March 2010 survey were satisfied or very satisfied overall with the customer service they have experienced.
 3. Service Outcome or Objective: Improve and maintain effective Purchasing & Business Services website for customers. Measure: Percent of surveyed customers who are aware of or access Purchasing & Business Services website. Our target is 75%. Assessment: One question on District services survey. Results: 53% of respondents to a March 2010 survey were aware of the Purchasing & Business Services website.

4. External Opportunities and Challenges

1. Describe any external opportunities that might lead to unit improvement over the next three to five years.
2. Describe any external challenges (e.g., legal requirements, budgetary constraints) that might limit operations or improvement over the next three to five years.

External Opportunities

1. SafeColleges Training and the Presidium Help Desk presents the ability to develop automated and accessible training required for new and current Financial 2000 users.
2. The Governing Board may be considering action to reinstate ratification of certain contracts.
3. Significant growth recently in cooperative purchasing methods may allow for additional cost-savings and elimination of time-consuming formal bid processes.

External Challenges

1. California State Budget presents budgetary constraints over the next two to three years for the District and Colleges which continues to impact all essential operations and purchases.
2. Business Services & Purchasing operated for eight months in 2009 without a Business Manager, causing disarray in management of the procurement process.
3. District and College departments are responsible for individual budgets, which may delay procurement of essential goods and services as legal and organizational requirements are applied to purchase requisitions.
4. Packing slips within shipments lack complete information, which delays delivery to departments.
5. District and College departments may inadvertently exclude vital information on contracts and requisitions, which may delay procurement of essential goods and services.
6. District and College planning practices may produce lengthy processing times as applied to organizational deadlines.
7. Staffing of Business Services & Purchasing has not kept pace with the growth in the Colleges, which has caused our program to serve more students, faculty, and staff with the same amount of resources.
8. The Procurement process is de-centralized to College and District departments to assess needs, seek informal quotes, and establish budgets.
9. SBCCD Website design "buries" end user and departmental access to important documentation, training, and resources currently available through many pages and hyperlinks.

5. Analysis and Evaluation

1. Analyze the implications of the assessment results and external factors for your unit.
2. In light of your analysis, what are your unit's main strengths?
3. In light of your analysis, what are your unit's main weaknesses?

Strengths

1. The Purchasing & Business Services staff demonstrates knowledge, expertise, and courtesy in the performance of their duties.
2. The Purchasing & Business Services staff is perceived as resourceful.
3. Customer service within Purchasing & Business Services has been recognized as increasingly improving over time.

Weaknesses

1. Business Services & Purchasing needs to enhance its communications and overall relations with the Colleges and District departments.
2. There appears to be a significant misunderstanding of legal and organizational requirements in regards to procurement due to the lack of consistent communication and use of available resources.
3. SBCCD lacks a well-structured training program for new or promoted employees and on-going training for current staff and faculty.

4. SBCCD lacks well-documented procurement practices and standards.

6. Three-to-Five Year Vision

1. Describe your unit as you would like it to be three to five years from now. Purchasing & Business Services should be perceived as resourceful and knowledgeable about all aspects of the best practices and legal and organizational requirements of community college procurement. The procurement process, from with the department's identification of a need to the department's receipt of essential goods and services, should be timely, user-friendly, transparent, easily understood, cost-efficient and state-of-the-art. Purchasing & Business Services should be perceived as accessible to staff and vendors and be customer-centric and timely with responses to inquiries and problems.

7. Impact on the Colleges and the District

1. Describe the most significant relationships with other District operations and College operations.
 1. What major impact does your unit have on them?
 2. What major impact do they have on your unit?
2. How do your mission, vision, and goals contribute to the Board Imperatives and the District and/or College mission, vision, strategic directions, and/or goals?

Procurement's Impact on Colleges & District:

1. Accounts Payable & Accounting: Purchasing & Business Services produces the contract, purchase order, and delivery documentation necessary to remit payments to vendors timely; maintains asset and contract documentation necessary for internal and external audits; and provides ongoing advice regarding procurement methods.
2. All College & District Departments: Purchasing & Business Services provides on-going assistance during procurement process; processes all contracts and purchase requisitions; issues emergency purchase orders to ensure safe learning and working environments.
3. All San Bernardino Valley College Departments and District Departments: Deliver goods to departments; maintain warehouse facility; and process surplus of obsolete equipment and scrap.

Colleges' and District's Impact on Procurement:

1. Procurement relies on the complete, timely, and efficient preparation and approval of all purchase requisitions at the College and/or departmental level before coming to Purchasing.
2. Procurement relies on the complete, timely, and efficient preparation and approval of all contract documentation at the College and/or departmental level before coming to Business Services.
3. Procurement relies on the complete, timely, and efficient preparation and approval of budget transfers at the Colleges and District Accounting.
4. Procurement relies on the adequate departmental staffing and working hours of the Colleges and District to ensure timely and efficient delivery of goods.

Impact on Board Imperatives, missions, visions, strategic directions, and/or goals:

Procurement provides contract management; property, liability, and student insurance management; purchasing coordination; shipping and receiving coordination; warehouse facilities; capital asset management services, which illustrates that Procurement is an essential function of the third Board Imperative: Resource Management for Efficiency, Effectiveness, and Excellence.

8. Other Pertinent Information

1. Include here any other information you regard as necessary for a full understanding of your unit.

9. Goals, Objectives, and Action Plans

1. Goals (with priority rank) over the next three years
 2. Objectives (with priority rank) under each Goal
 3. Principal Activities under each Objective, if available
 4. Timeline for completion of each Activity or Objective
 5. Person responsible for ensuring completion of each Activity or Objective
- **1 - Goal - Efficiently communicate procurement processes and procedures**

Priority Rank:

1

Objectives:

- **1.1 - Objective - Expand Information Resources**

Improve and expand self-help resources, documentation, and training available to end users in order to increase consistency in information given to end users and to encourage continuous learning for staff and faculty.

Priority Rank:

1

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

Business Manager

Activities:

- **1.1.1 - Activity - Promote Website**

Promote and keep current the Business Services & Purchasing website (<http://www.sbccd.org/businessdocs>) in emails, trainings, and one-on-one discussions.

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

All Staff

End Date:
04/15/2011
Responsible Person:
All Staff

- **1.2.2 - Activity - Important Communications**

In order to promote the fact that the procurement process is responsive to and in consideration of the Colleges' and District's missions, values, and goals, all staff will respect incoming communications in recognition of its importance to the success of the Colleges' and District's missions, values, and goals. Return communications will explain how the procurement process supports the Colleges' and District's missions, values, and goals and will express an appreciation of and procurement's commonality with the end user's duties in meeting the College's and District's missions, values, and goals.

Start Date:
04/16/2010
End Date:
04/15/2011
Responsible Person:
All Staff

- **2 - Goal - Streamline procurement processes and procedures**

Seek and advocate for additional and expanded efficiencies in processing contracts, approving and processing purchase requisitions, and delivering materials and goods to departments.

Priority Rank:
2

Objectives:

- **2.1 - Objective - Improve Contract Process**

Seek and advocate for additional and expanded efficiencies with developing and processing contracts at the Colleges' and District's departments.

Priority Rank:
1

Start Date:
04/16/2010
End Date:
04/15/2011

Responsible Person:
Project Analyst

Activities:

- **2.1.1 - Activity - Contract Receipt and Status Process**

Continue to improve and standardize use of notifications to end users and/or departments regarding receipt of contract documentation submitted to Business Services for processing.

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

Project Analyst

- **2.1.2 - Activity - Contract Ratifications**

Develop and advocate for procedures to allow Authorized District Officers to sign certain contracts prior to approval by the Board of Trustees.

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

Business Manager

- **2.2 - Objective - Improve Requisition Process**

Seek and advocate for additional and improved efficiencies in the processing and approval of purchase requisitions. Perceptions were expressed in the March 2010 District Services Survey which stated that requisition processing is exceptionally delayed and slow. A statistical analysis of Requisition approvals this fiscal year shows this perception may be based on end users' experiences with outliers rather than the typical process as the typical processing time for Requisitions is two weeks inclusive of weekends and holidays. *See attached PR Approval Analysis supporting document; conclusions and methodology are described on page 8 of 10.*

Priority Rank:

2

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

Purchasing Agent and Purchasing Technician

Activities:

- **2.2.1 - Activity - Train Requisition Approvers**

Pro-actively train and continue communications with requisition approvers on their responsibility to approve requisitions within Financial 2000 timely.

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

Purchasing Agent and Purchasing Technician

- **2.2.2 - Activity - Train End Users**

Pro-actively train end users on Financial 2000 and purchasing best practices to assist in efficient processing and approval of purchase requisitions.

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

Purchasing Agent and Purchasing Technician

- **2.2.3 - Activity - Purchasing Manual**

Develop a purchasing manual to be disseminated to all end users and departments. Manual will highlight purchasing best practices, organizational requirements, and appropriate federal, state and local regulations.

Start Date:

04/16/2010

End Date:

04/15/2011

Responsible Person:

Business Manager

10. Resource Requests

1. Progress on or achievement of a given Goal or Objective does not necessarily require additional resources. For Goals and Objectives that do require resources, enter the following information:
 1. Resources required to achieve Goals and Objectives over the next three years, with description and rationale for each
 2. Identification of associated Goals or Objectives
 3. Type of Resource
 1. Expenditure Category
 2. One-time/Ongoing
 4. Estimated annual cost (or savings) for the next three years
- **1 - Goal - Efficiently communicate procurement processes and procedures**
 - **1.2 - Objective - Improve communications and customer service**
 - **1.2.1 - Resource Request - Customer Service Training**

Description
One training course for each staff member on customer service.

Rationale
To ensure end user experience and outgoing communications employ best practices in customer service.

Resource Type:
One-time

Expenditure Category:
Services

First Year Cost/Savings:
\$2,000.00/\$0

- **2 - Goal - Streamline procurement processes and procedures**

- **2.1 - Objective - Improve Contract Process**

- **2.1.1 - Resource Request - Clerical Assistant I**

- **Description**

- A Clerical Assistant I position at 19 hours per week will assist the Business Services and Purchasing Department with appropriate duties.

- **Rationale**

- Currently, all clerical duties within Business Services & Purchasing are handled by the individual positions, such as the Business Manager, Project Analyst, Purchasing Agent, and the Purchasing Technician. These clerical duties include, but are not limited to, basic data entry, maintaining contract and purchasing files, receiving and sorting correspondence, collating documents, typing documents and forms, producing mailings and faxes of contracts and purchase orders, and forwarding phone calls from the general public to appropriate persons and/or departments. Delegating these duties to a Clerical Assistant position will increase efficiencies in essential clerical work and decrease interruptions while the existing positions perform highly technical and analytical procurement duties. Increased efficiencies will create immediate savings and cost-efficiencies throughout the Colleges and District. Some listed duties have been delegated permanently to a federal work/study student position, whose hours can be unreliable due to class schedules and whose duties should be delegated to another classified employee. A significant increase in bond-funded construction and enrollment growth over the last two decades has not been matched with an increase in the number of positions within the procurement function causing these positions to produce more with fewer resources. Savings are estimations of the District-wide general and categorical funds lost annually to late payment fees, legal fees, and errors caused by the procurement workload being greater than the available positions.

- Resource Type:

- Ongoing

- Expenditure Category:

- Personnel

- First Year Cost/Savings:

- \$17,050.00/\$25,000.00

- Second Year Cost/Savings:

- \$17,900.00/\$25,000.00

- Third Year Cost/Savings:

- \$18,800.00/\$25,000.00

- **2.1.2 - Resource Request - Job-Specific Training**

- **Description**

Training for the Project Analyst in contracts, insurance, and community college business services best practices.

Rationale

To ensure the Project Analyst has the tools and training necessary to support District Business Services. Savings are estimations of the District-wide general, grant, and categorical funds lost annually to unfavorable contract terms and conditions, legal fees, errors and omissions caused by not having timely access to changes in or training of legal codes relevant to contracts, insurance, and procurement.

Resource Type:

Ongoing

Expenditure Category:

Services

First Year Cost/Savings:

\$1,000.00/\$50,000.00

Second Year Cost/Savings:

\$1,000.00/\$50,000.00

Third Year Cost/Savings:

\$1,000.00/\$50,000.00

- **2.1.3 - Resource Request - Association Membership**

Description

Membership for the Project Analyst to join an industry-specific association

Rationale

To ensure the Project Analyst has access to relevant and current information regarding changes in contract administration, insurance, and community college business services. Savings are estimations of the District-wide general, grant, and categorical funds lost annually to unfavorable contract terms and conditions, legal fees, errors and omissions caused by not having timely access to changes in or training of legal codes relevant to contracts, insurance, and procurement.

Resource Type:

Ongoing

Expenditure Category:

Services

First Year Cost/Savings:

\$200.00/\$50,000.00

Second Year Cost/Savings:

\$200.00/\$50,000.00

Third Year Cost/Savings:

\$200.00/\$50,000.00

- **2.2 - Objective - Improve Requisition Process**

- **2.2.1 - Resource Request - Storekeeper I**

Description

A Storekeeper I at 19 hours per week will re-staff an essential position for on-time deliveries and San Bernardino Valley College warehouse staffing needs.

Rationale

In 2008, a vacant 19-hr Warehouse Technician position was abolished due to Fiscal Services seeking vacant positions to eliminate for budget savings. This position was an essential aspect of the SBVC Warehouse, which is responsible for District shipping and receiving functions and SBVC print job deliveries and surplus. The Warehouse currently relies on a single full-time Warehouse Technician position and seasonal federal work/study or student workers. To maintain full operational business hours and consistent deliveries for SBVC and District departments, this position should be brought back. Savings are estimations of the departmental student worker budget of \$7,000 plus District-wide general, grant and categorical funds lost annually to delayed deliveries, destroyed and devalued surplus property awaiting sale, and errors caused by the warehouse, shipping, and receiving workload being greater than a single position.

Resource Type:

Ongoing

Expenditure Category:

Personnel

First Year Cost/Savings:

\$17,500.00/\$25,000.00

Second Year Cost/Savings:

\$18,300.00/\$25,000.00

Third Year Cost/Savings:

\$19,250.00/\$25,000.00

- **2.2.2 - Resource Request - Job-Specific Training**

Description

Training for the Purchasing Agent and the Purchasing Technician on best practices in purchasing, asset management, and vendor management.

Rationale

To ensure purchasing staff have the tools necessary to support Purchasing. Savings are estimations of the District-wide general, grant, and categorical funds lost annually to late payment fees, legal fees, errors and omissions caused by not having timely access to changes in or training of procurement codes and purchasing best practices.

Resource Type:

Ongoing

Expenditure Category:

Services

First Year Cost/Savings:

\$1,000.00/\$50,000.00
Second Year Cost/Savings:
\$1,000.00/\$50,000.00
Third Year Cost/Savings:
\$1,000.00/\$50,000.00

- **2.2.3 - Resource Request - Association Membership**
Description

Membership for the Purchasing Agent and the Purchasing Technician to join the California Association of Public Procurement Officers

Rationale

To ensure the Purchasing Agent and Purchasing Technician have access to current and relevant changes to public agency purchasing best practices and legislation. Savings are estimations of the District-wide general, grant, and categorical funds lost annually to late payment fees, legal fees, errors and omissions caused by not having timely access to changes in or training of procurement codes and purchasing best practices.

Resource Type:

Ongoing

Expenditure Category:

Services

First Year Cost/Savings:

\$500.00/\$50,000.00

Second Year Cost/Savings:

\$500.00/\$50,000.00

Third Year Cost/Savings:

\$500.00/\$50,000.00

- **2.2.4 - Resource Request - Forklift**
Description

Procure used forklift.

Rationale

A new forklift will ensure warehouse operations are efficient. Current forklift is unreliable and is a drain on the Purchasing budget to repair and maintain. Savings are calculated from the repairs and maintenance costs associated with maintaining the current forklift plus District-wide general, grant, and categorical funds lost caused by rescheduled and/or redirected deliveries while the forklift is in need of repairs.

Resource Type:

One-time

Expenditure Category:

Equipment

First Year Cost/Savings:

\$10,000.00/\$5,000.00

Second Year Cost/Savings:

\$0.00/\$5,000.00
Third Year Cost/Savings:
\$0.00/\$5,000.00

11. Progress Report on Last Cycle's Goals, Objectives, and Actions

1. Estimate progress to date on each of the last cycle's Goals, Objectives, and Activities.
2. Any uncompleted Goals, Objectives, and Activities that are still important should appear in the Goals, Objectives, and Action Plans section above.

Prior to this Program Review process, Purchasing & Business Services met annually to discuss improving productivity in contract processing, purchase requisition and change order processing, and delivery turnaround. *The Productivity Analysis is attached as a supporting document.*

12. Process and Participants

1. Describe briefly the main steps of the process that produced this report.
2. List the name and function of each participant in that process.
3. Include as many members of the unit as possible in the preparation and/or review of this document. It should not be the product of the manager alone or of a small proportion of unit members.
4. Describe the plan for future assessment cycles, particularly if not all measures were applied in current cycle.

The Procurement Unit met three times between September and March to draft responses to the Program Review documents. June Flores was the unit leader in this process. Virginia Diggle, Damon Smith, and Benjamin Gamboa provided input and support throughout the process as well. Upon his promotion to the Business Manager role in January 2010, Steve Sutorus joined the Procurement Unit providing additional input and support.

In future assessment cycles, the Procurement Unit will advise that more functional questions be included in the District Services survey to allow for more pointed assessments of the services provided by the Procurement Unit. Additionally, the Procurement Unit will request any future survey to exclude the mention of specific individuals; the anonymity of both the service-recipient and service-provider in a survey is required to maintain professional working relationships.

14. Supporting Documents

- District Service Survey Results March 2010.pdf
- Annual Budget for the Last Three Years.pdf
- Productivity Analysis.pdf
- PR Approval Analysis.pdf