INTEGRATED RENEWAL PROGRAM

Workday Wednesday: Procurement Modernization

October 30, 2019

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UBC

WHY WORKDAY?

A **new set of tools** to replace 25 year-old institutional systems which have reached end of life.

A **better user experience** for faculty, staff and students – anywhere, anytime.

Streamlining administrative processes to make our work **easier and faster**.

Real-time data and reporting for effective decision making and more transparency.

WHAT IS IN SCOPE?*

STUDENT

- Admissions (Undergraduate)
- Assessment Outcomes
- Curriculum Management (limited)
- Enrolment
- Graduation
- Learner Financial Management
- Learner Financial Support
- Learner Management
- Program Planning and Management
- Progression
- Registration
- Scheduling
- Transfer Credit

HUMAN RESOURCES

- Benefits
- Compensation
- Core HR Management (incl. Onboarding/Off-boarding)
- Payroll
- Talent Acquisition
- Workforce Management – Time & Attendance

FINANCE

- Budget Development (core to Workday) *
- Capital and Asset Accounting
- Endowment Accounting (UBC Methodology)
- Forecasting (Workday Planning) *
- Institutional Accounting
- Procure to Pay
- Research/Post Award Grants Administration
- Revenue Accounting
- Treasury and Cash Management
- Travel and Expense

*Scope areas listed have budget approval. This is a multi-year program and new functionality will be introduced to meet UBC's evolving needs in subsequent years.
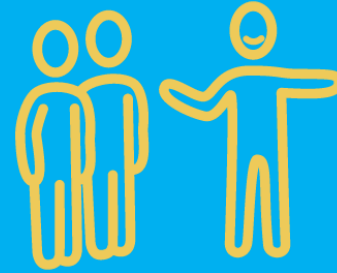
SUPPORTING THE CHANGE: TRANSITION NETWORK

Building strong relationships between units and IRP
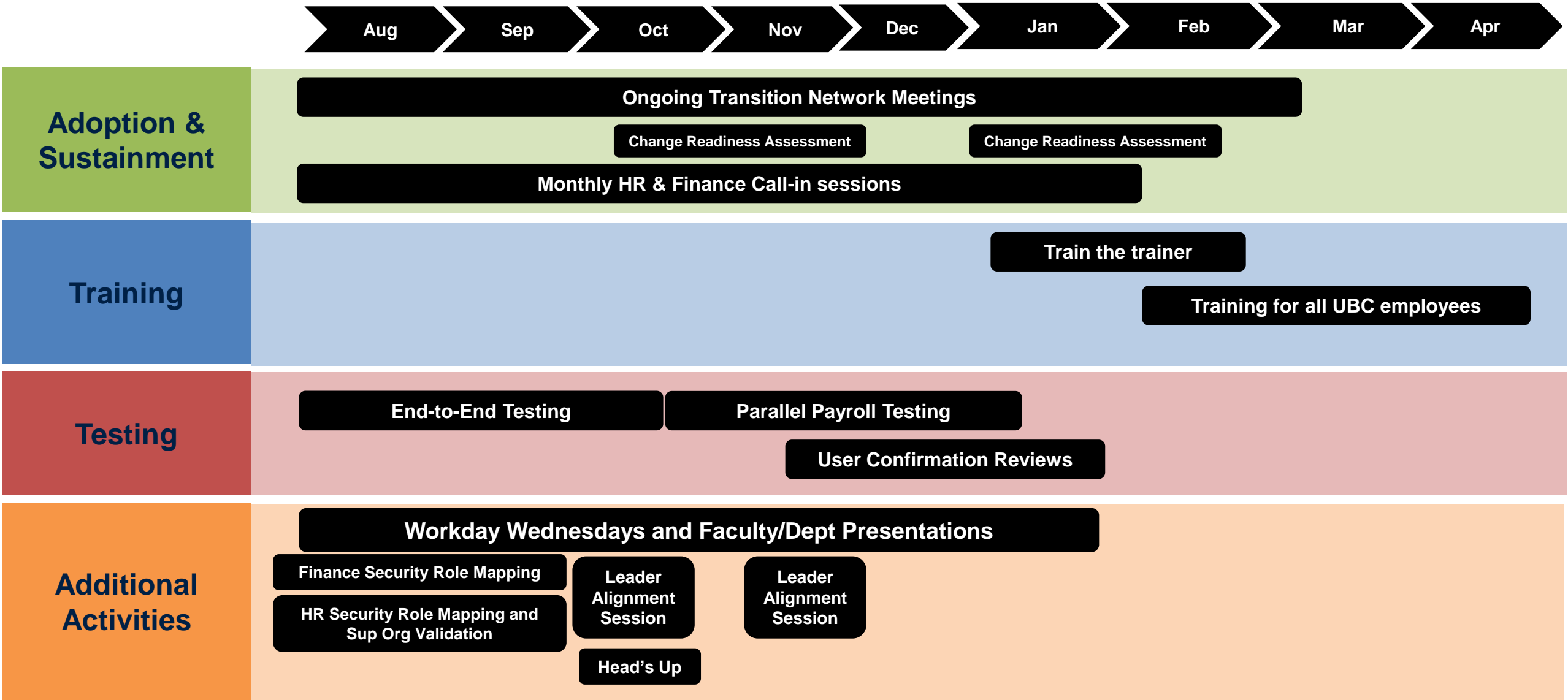
Support localization of the change

Leading and facilitating the transition within home units

Share learnings, practices & resources across units to support transition

UPCOMING ACTIVITIES AND ENGAGEMENTS

HR/FIN Go Live

Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr

Adoption & Sustainment

- Ongoing Transition Network Meetings
- Change Readiness Assessment
- Change Readiness Assessment
- Monthly HR & Finance Call-in sessions

Training

- Train the trainer
- Training for all UBC employees

Testing

- End-to-End Testing
- Parallel Payroll Testing
- User Confirmation Reviews

Additional Activities

- Workday Wednesdays and Faculty/Dept Presentations
- Finance Security Role Mapping
- HR Security Role Mapping and Sup Org Validation
- Leader Alignment Session
- Leader Alignment Session
- Head's Up

Integrated Renewal Program

Timelines on this slide are subject to change.

PROCUREMENT MODERNIZATION

Fiona Stirling, Senior Finance Manager, Finance Operations

PROCUREMENT MODERNIZATION OVERVIEW

The **vision for Procurement at UBC** is to implement **automated, seamless, efficient, and effective processes** that **facilitate buying and paying** for goods and services, improving service delivery and reducing administrative burden on faculty and staff.

Project Focus Areas

Simplify Processes

✓ **Standard, consistent processes** across UBC
✓ Reduce paperwork
✓ **Improve turnaround times** of requisitions, purchase orders and invoices

Deliver Value

✓ Establish **preferred vendors and contracts** to make buying easier and quicker
✓ Effectively **leverage UBC's buying power**

Enable Technologies

✓ **Plan for Workday implementation** in coordination with the Integrated Program
✓ Continue to **enhance Online Payment Tool (OPT)** and roll-out more broadly

Improve Service & Structure

✓ Create a **positive experience for faculty and staff**
✓ Provide **additional assistance with sourcing vendors**, evaluating quotations and making strategic buying decisions
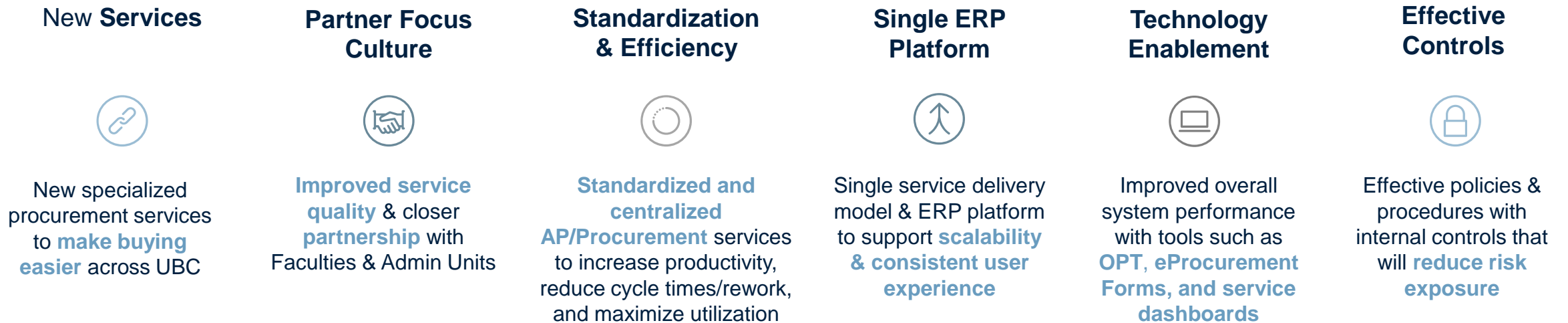
WHAT HAS BEEN DONE SO FAR?

Initial Review (Oct – Dec. 2016)	Design (Jan. 2017 – Dec. 2017)	WE ARE HERE! Implement	Technology (May 2018-2020)
Analyzed current state and researched best practices used in other universities and in industry.	Streamlined & Standardized processes; reviewed strategy for OPT, supplier sourcing and technology.	Rolling out Services Delivery Model (SDM), processing improvements strategic sourcing.	As part of the Integrated Renewal Program (IRP), optimize technology for: • Procurement • Accounts payable • Travel and Expense

Examples:
- Increased competitive bid threshold from $50,000 to $75,000
- Improved standard UBC payment terms from 45 days to 30 days
- Introduced new tolerances for final invoice change orders (lower of 10% or $1000, plus freight)
- Introduced electronic requisition form

THE SERVICE DELIVERY MODEL

The organizational structure and process used to deliver procurement and accounts payable services to the university.

New **Services**	Partner Focus Culture	Standardization & Efficiency	Single ERP Platform	Technology Enablement	Effective Controls
New specialized procurement services to **make buying easier** across UBC	**Improved service quality** & closer **partnership** with Faculties & Admin Units	**Standardized and centralized AP/Procurement** services to increase productivity, reduce cycle times/rework, and maximize utilization	Single service delivery model & ERP platform to support **scalability & consistent user experience**	Improved overall system performance with tools such as **OPT, eProcurement Forms, and service dashboards**	Effective policies & procedures with internal controls that will **reduce risk exposure**

Why are we doing this now?

- Procurement Modernization builds a foundation for Workday. Workday is going to change how and where work is done, SDM puts the roles and structures in place ahead of Workday to reduce change impacts at go live April 2020.

- Opportunity to improve efficiency and effectiveness in the interim and to focus on other value added activities

DRAFT SDM ROADMAP
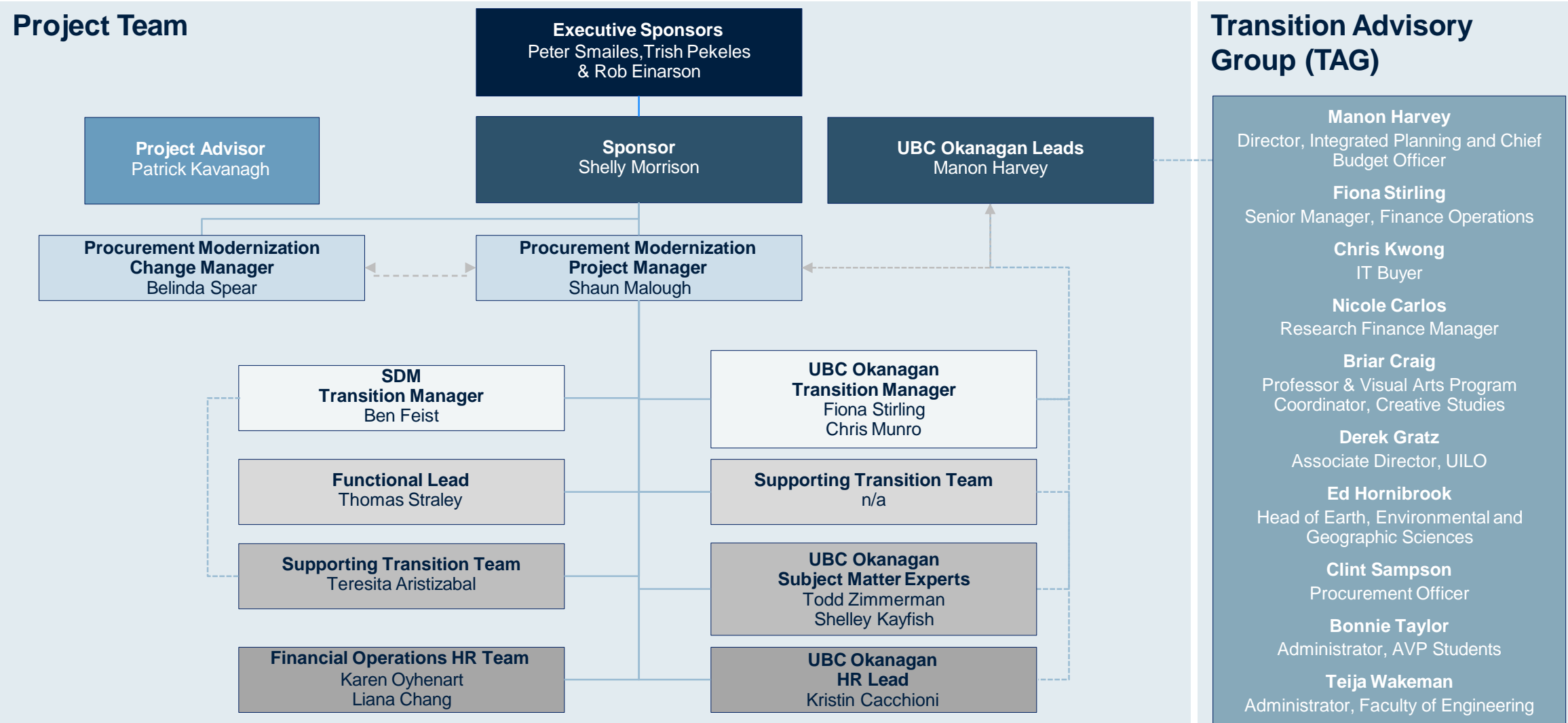
2018 **2019** **2020**

We are here

Pilot										Implement															
Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar

Underway

Wave 1
Standard methodology refinement

- Sauder → Lessons Learned
- Land & Food Systems
- VP DAE, VP Ext & Gov Units
- Faculty of Medicine
- IT
- Faculty of Dentistry
- Arts (Wave 1 & 2)

Wave 2

- VP Academic (Wave 1 & 2)
- Faculty of Applied Science — Analysis / Transition 1, 2, etc.
- Faculty of Science — Analysis / Transition 1, 2, etc.
- VPRI
- Building Operations
- UBCO Central P2P & SC
- Forestry
- Faculty of Pharm Sci
- Faculty of Education
- Faculty of Law

Wave 3

- VP Students

Next Up…

- Infrastructure Dev.
- VP Finance / VP HR

PROJECT GOVERNANCE

The Project Team works collaboratively to complete the UBCO SDM Transition, and the Transition Advisory Group provides guidance and insight at key stages throughout the transition.

Project Team

Executive Sponsors
Peter Smailes, Trish Pekeles & Rob Einarson

Project Advisor
Patrick Kavanagh

Sponsor
Shelly Morrison

UBC Okanagan Leads
Manon Harvey

Procurement Modernization Change Manager
Belinda Spear

Procurement Modernization Project Manager
Shaun Malough

SDM Transition Manager
Ben Feist

UBC Okanagan Transition Manager
Fiona Stirling
Chris Munro

Functional Lead
Thomas Straley

Supporting Transition Team
n/a

Supporting Transition Team
Teresita Aristizabal

UBC Okanagan Subject Matter Experts
Todd Zimmerman
Shelley Kayfish

Financial Operations HR Team
Karen Oyhenart
Liana Chang

UBC Okanagan HR Lead
Kristin Cacchioni

Transition Advisory Group (TAG)

Manon Harvey
Director, Integrated Planning and Chief Budget Officer

Fiona Stirling
Senior Manager, Finance Operations

Chris Kwong
IT Buyer

Nicole Carlos
Research Finance Manager

Briar Craig
Professor & Visual Arts Program Coordinator, Creative Studies

Derek Gratz
Associate Director, UILO

Ed Hornibrook
Head of Earth, Environmental and Geographic Sciences

Clint Sampson
Procurement Officer

Bonnie Taylor
Administrator, AVP Students

Teija Wakeman
Administrator, Faculty of Engineering

BENEFITS OF THE NEW SERVICE DELIVERY MODEL

New services: Introduce Buyer roles to provide more upfront support in the buying process.

Customer service focus: Have a dedicated Procurement Partner in the Faculties and Admin Units to oversee service delivery and resolve issues.

Increase productivity: Provide consistent and efficient service through the consolidation of Accounts Payable (AP) processes, with a focus on further improving service and turnaround times.

Effective controls: Implement effective policies and procedures with internal controls to reduce risk exposure.

Prepare for new technology and related processes: Create the infrastructure to support the implementation of Workday

PROPOSED SDM CHANGES FOR UBCO

- Consistent and standard processes across UBCO and UBCV

- Minor impact to current Accounts Payable and Procurement roles

- Introduction of the Buyer role

- Introduction of the Procurement Partner function

SERVICE DELIVERY MODEL (SDM)

New Value-Added Roles:

Buyer

Acts as first point of contact for procurement and ensures compliance with UBC standards (e.g., 3 bids and a buy)

Buyer best practices will be shared across the program through a Community of Practice

Supports procurement and the PO process (minimizes recycled purchase requisitions and reduces end-to-end turnaround)

Reduces the overall administrative burden of procurement for faculty and staff

Procurement Partner

Supports with procurement forecasts and targets

Identifies and provides strategic advice on large procurement opportunities (example: contract expiries)

Identifies opportunities to improve procurement efficiency (example: prequalified vendors)

Monitors service levels and proactively addresses issues

UBCO PROCUREMENT SUPPORT

Procurement Partner
- Proactively manage KPIs to improve turnaround times
- Identify opportunities for Strategic Sourcing to enable savings and improve service and quality
- Assist with key supplier problems/issues to resolve and improve service delivery
- Work with Faculty and Admin units to understand procurement needs
- Build a contract inventory and monitor to ensure sufficient notification for renewal or renegotiation

Buyer
- First point of contact for purchases between $3,500 and $75,000
- Research vendors and solicit quotes
- Train and support the ePro form process
- First reviewer for all UBCO's requisitions
- Create, follow and expedite POs

IT Procurement Analysts
   Provide guidance and assist faculty and staff in all aspects of IT procurement, including the interpretation of related policies and procedures.

Senior Procurement Officers
- Provide expert procurement advice and guidance to faculty and staff
- Make informed decisions on the best solicitation, contract type, terms and conditions, ensuring the best value for UBC, and compliance with trade agreements, regulations and policies.
- Lead the procurement process and engage with stakeholders to ensure an efficient process in an open, fair and transparent manner

UBCO PROCUREMENT SUPPORT

Greater than $75,000

Senior Procurement Officer / IT Procurement Analyst

User Identifies Need

Greater than $3,500, Less than $75,000

Obtain Quotes → **Existing Vendor Check** → **Create eProcurement Form** → **Generate POs** → **Good or Service Procured**

Less than $3,500

User Purchases
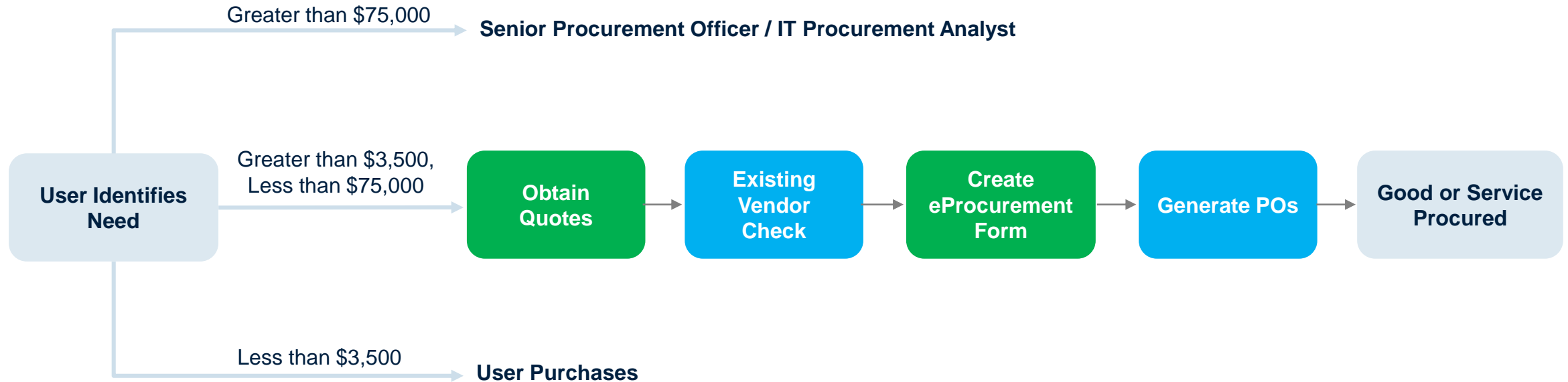
Legend

🟩 Buyer / IT Procurement Analyst Supports

🟦 Buyer / IT Procurement Analyst Performs

HOW THIS ADDRESSES UBCO'S AP AND PROCUREMENT CONCERNS

Concern	Addressed by
Tracking requisitions, POs and AP transactions	• No changes to OPT • Buyer located at UBCO and has the ability to track requisitions and create POs • KPIs for AP turnaround
Turnaround time to create Purchase Orders and Change Orders	• Buyer role has ability to create and expedite POs and COs • KPIs
Support for identifying vendors and obtaining quotes	Buyer
Support managing vendor relationships	• Procurement Partner • Senior Procurement Officer • IT Procurement Analysts • Buyer
Timely payment of vendors	KPIs
Flexible customer support channels to address queries	Current support channels remain. The Buyer provides additional local support

PROCUREMENT MODERNIZATION & INTEGRATED RENEWAL PROGRAM

Procurement Modernization

Service Delivery Model (SDM)

Put in **right structure and standardized processes** to support implementation and adoption of **Workday**

Jun 2016
- ✓ Initial Assessment

2017
- ✓ Future State Workshops
- ✓ Benchmarking
- ✓ People, Process, & Technology Build

2018

2019

SDM Implementation

Today

Mar 2020

Online Payment Tool (OPT)
To be replaced by Workday

Enhance OPT & continue roll out

Familiarize users with **online review/approval** process, and with **self-serve** functionality

Strategic Sourcing (SS)
Ongoing

Prepare for **Workday** by getting **vendor catalogues** in place

Help **leverage UBC's $2 billion annual spend**

Procurement Modernization builds a foundation in preparation for Workday

Integrated Renewal Program

Work Streams

Finance **Student** **Human Resources**

- ＞ **Workday** will support **core procurement** processes
- ＞ Additional **point solution** will address **specific functionality**

Process & Technology

workday.

HOW TO BUY GOODS & SERVICES – UBCO

Obtain Quotes (recommended for purchases between $3500-$75000)	Current	Requestor or delegate are required to get quotes from suppliers before a requisition can be submitted using the *eProcurement* form.
	SDM	**New:** Buyer located on site to support the process and/or obtain quotes for requestors.
	workday.	**New:** Requestor or delegate can submit a Workday requisition with or without quotes. However, on the requisition, they need to indicate to the Buyer that quotes are required. **Continue to:** Use the Buyer to obtain quotes, if you so choose.

Request New Supplier (Vendor) Set-up	Current	Requestor or delegate submits a *Vendor Request* form.
	SDM	**New:** Buyer located on site to support you.
	workday.	**New:** Online *Supplier Questionnaire* and *Supplier request* form in Workday replace the New *Vendor Request* form. ▪ *Supplier Questionnaire* (completed by the supplier) or ▪ *Supplier request* (completed by requestor or delegate or Faculty/Admin Unit Finance)

Key Changes:
Interim Step

1. Service Delivery Model (SDM)
2. New Buyer role for upfront support.
3. New Customer Support Centre to answer your questions and support you. (https://finance.ubc.ca/customer-support-centre)

Future State (April 2020)

workday.

1. New terminology (e.g., vendor = supplier), technology and processes.
2. Review and approval can be performed on your desktop or mobile device.
3. *eProcurement* and *Vendor Request* forms are replaced by new Workday forms.

HOW TO BUY GOODS & SERVICES – UBCO

Purchase Orders & Change Orders (for purchases greater than $3500)		
	Current	- For purchases **<$3,500** (inclusive of taxes) the UBC Visa. - For purchases **between $3,500 and $75,000** requestor or delegate submits an *eProcurement* form for approval online together with quotes. - For purchases **>$75,000** requestors or delegates follow the RFP procurement process and then the PO is issued. - Financial Operations (with a few exceptions) creates the PO.
	SDM	**New:** - Buyer is located on site to provide support and training on the *eProcurement* form. - Buyer generates POs <$75K or when RFP is not required.
	workday.	**New:** Buyer only reviews Catalogue purchases >10K and all non-Catalogue purchases. **Continue to:** - Create *a Purchase requisition* – only now it is in Workday. - An online workflow for requisition review, approval **and** PO creation. - Use the Buyer to support the process and create the PO.

Key Changes:

Interim Step

1. Service Delivery Model (SDM)
2. New Buyer role for upfront support.
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HOW TO PAY FOR GOODS & SERVICES – UBCO

PO Invoices	Current	Obtain signature on the invoice from the approved signing authority or requestor, write "OK TO PAY" on the invoice then send to Financial Operations.
	SDM	**New:** Customer Support Centre is available for support and to answer questions. **Continue to:** Follow the same process as today.
	workday.	**New:** • Financial Operations Vancouver receives the invoice directly from suppliers and enters the invoice into Workday. • Workday confirms the PO, Invoice and *Goods and Services Receipt Note* have all been received and matched, and then payment is made. **Continue to:** Contact the Customer Support Centre for support.

Non-PO invoices – OPT	Current	The requestor or delegate enters the invoice into OPT and attaches a scanned copy of the invoice. OPT automatically routes the invoice for Financial Compliance review (by UBCO Finance Operations), approval and payment.
	SDM	**New:** Customer Support Centre is available for support and to answer questions. **Continue to:** Follow the same process as today.
	workday.	**New:** Workday routes to the requestor or delegate for coding and then to the budget manager for approval in Workday. **Continue to:** Contact the Customer Support Centre for support.

Key Changes:

Interim Step
Service Delivery Model (SDM)
1. Buyer available onsite for PO related invoices.
2. New Customer Support Centre to answer your questions and support you. (https://finance.ubc.ca/customer-support-centre)

Future State (April 2020)

workday.

1. New terminology (e.g., vendor = supplier), technology and processes.
2. All invoices received directly by Financial Operations.
3. Smartforms/T-reqs/Q-reqs no longer available.
4. New self-serve Vendor Portal for suppliers to submit PO invoices.
5. Review and approval can be performed on your desktop or mobile device.

HOW TO PAY FOR GOODS & SERVICES - UBCO

Non PO invoices – Manual	Current	Prepare invoice, Smartform, *T-req* (travel) or *Q-req* (non-travel) and obtain approvals from the FMS signing authority before sending to UBCO Finance Operations where they conduct the Financial Compliance Review and enter the invoice into FMS.
	SDM	**New:** Customer Support Centre is available for support and to answer questions. **Continue to:** Follow the same process as today.
	workday.	**New:** Workday routes to the requestor or delegate for coding and then to the budget manager for approval. **Continue to:** Contact the Customer Support Centre for support.

Key Changes:

Interim Step

Service Delivery Model (SDM)

1. Buyer available onsite for PO related invoices.
2. New Customer Support Centre to answer your questions and support you. (https://finance.ubc.ca/customer-support-centre)

Future State (April 2020)

workday.

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5. Review and approval can be performed on your desktop or mobile device.

HOW TO CLAIM REIMBURSEMENT FOR EXPENSES – UBCO

Out of pocket Reimbursement – OPT	Current	Requestor or delegate enters receipt information into OPT System. OPT automatically routes for review, approval and payment.
	SDM	**New**: Customer Support Centre is available for support and to answer questions. **Continue to:** Follow the same process as today.
	workday.	**New:** ▪ Enter the receipt information and upload a copy of the receipt into Workday. Photos of the receipt can be uploaded using a scanner or mobile app. ▪ Workday automatically routes the claim for review, approval and payment. **Continue to:** ▪ Enter and approve expense reports electronically. ▪ Contact Customer Support Centre for support.

Key Changes:

Interim Step

Service Delivery Model (SDM)

1. New Customer Support Centre to answer your questions and support you. (https://finance.ubc.ca/customer-support-centre)

Future State (April 2020)

workday.

1. New technology and processes.
2. Ability to take photo of receipts and upload to Workday from a mobile app.
3. *Smartforms/Q-reqs/T-req* no longer available.
4. Review and approval can be performed on your desktop or mobile device.

HOW TO CLAIM REIMBURSEMENT FOR EXPENSES - UBCO

Out of pocket Reimbursement – manual forms	*Current*	Prepare *T-req* (travel) or *Q-req* (non-travel), obtain approval and send (with supporting documentation) to UBCO Finance Operations to perform the Financial Compliance review and process the payment.
	SDM	**Continue to:** Follow the same process as today.
	workday.	**New:** ▪ Requestor or delegate enters the receipt information and uploads a copy of the receipt into Workday. Photos of the receipt can be uploaded using a scanner or mobile app. ▪ Workday automatically routes the claim for review, approval and payment. **Continue to:** Perform one-over-one and budget approval at the Faculty/Admin Unit level.

Key Changes:

Interim Step

Service Delivery Model (SDM)

1. New Customer Support Centre to answer your questions and support you. (https://finance.ubc.ca/customer-support-centre)

Future State (April 2020)

workday.

1. New technology and processes.
2. Ability to take photo of receipts and upload to Workday from a mobile app.
3. *Smartforms/Q-reqs/T-req* no longer available.
4. Review and approval can be performed on your desktop or mobile device.

HOW TO RECONCILE UBC CREDIT CARDS - UBCO

UBC Visa Card Reconciliation	Current	Credit card transactions pre-populated into OPT. Requestor or delegate scans, enters receipts and reconciles in OPT. UBCO Finance Operations preforms the Financial Compliance review.
	SDM	**New**: Customer Support Centre is available for support and to answer questions. **Continue to:** Follow the same process as today.
	workday.	**New:** Requestor or delegate enters the receipt information and uploads a copy of the receipt into Workday. Photos of the receipt can be uploaded using a scanner or mobile app. **Continue to:** Enter and approve expense reconciliations electronically – UBC Visa cards transactions are pre-populated in Workday.

Key Changes:

Interim Step

Service Delivery Model (SDM)

1. New Customer Support Centre is available for support and to answer questions (https://finance.ubc.ca/customer -support-centre).

Future State (April 2020)

workday.

1. New technology and processes.
2. Ability to take photo of receipts and upload to Workday from a mobile App.
3. Review and approval can be performed on your desktop or mobile device.

QUESTIONS?