I. Organizational Structure:
II. Executive Summary of the Major 2012 - 2013 Accomplishments:

1. Have handled w/o an increase in staff; the added volume of orders resulting from CMU’s new research endeavors.

2. Working on very large project with large scale University impact related to FI master data restructuring/Special Ledger correction. This update is scheduled to be completed by July 3, 2013. This project will improve financial statement reporting by utilizing the Special Purpose Ledger by providing real-time processing for self-balancing entries at the Business Area, Fund & Grant levels and will bring data elements into one table thus setting CMU’s FI area up for BW dataset creation. This will also bring CMU more in line with SAP best practices. Main impacts are listed below:
   a. Project will introduce Fund Accounting based on Funds rather than Business Areas by “uncoupling” the Fund and Business Area (currently 1 to 1) and use Fund as the true funding source.
   b. Project will repurpose Business Areas to major organizational unit which will enable a full set of financial statements at the major organization unit.
   c. Project will also revamp the splitting functionality in the Special Purpose ledger which will be done by “tweaking” current splitting configuration.

3. Worked with the Information Technology department in their goal of eliminating the Jetform software that is currently used by the Purchasing Services department and the Facilities Management department for their Purchase Order and Work Order forms. This included working with Purchasing and Facilities Management in specifying their requirements and then testing the forms developed by IT staff. The Purchasing Services PO form along with PDF image capability has been migrated to production, while the Facilities Management PO form has been completed for some time, but FM has not completed their testing of the form. It is hoped that it will move into PRD in June. FM’s work order form has yet to be developed.

4. Evaluated and implemented a new UPS incentive program through the MiDeal program, resulting in an approximately 50% of additional savings.

5. Implementation of ImageNow and workflow for Payable Accounting.

6. Increased Active Pay vendors and revenue generated by 20%.

7. Recycled over 145,379 pounds or 72.5 tons of scrap metal

8. Negotiated contracts for Maintenance Repair & Operating supplies. Direct savings of over $100,000 to CMU annually.

9. Completed 134 Furniture installs or reconfigurations

10. Negotiation of contracts for Maintenance Repair & Operating supplies. Direct savings of over $100,000 to CMU annually.

11. Successful completion of a Banking Services RFP resulting in $300,000 of one-time financial incentives.

12. Set-up training/orientation sessions for CST, EHS and CMED that will work to enhance work relationships and make more efficient procurement processes.

13. Successful completion of two student internships this semester with UPS and COB.
III. Table of Operational Data

**Purchasing:**
1. Processed 127 non-PO contracts that totaled **$14,980,000**. Twenty (20) of these were new.
2. Processed 6500 POs valued at **$37,000,000** with an average value of **$5,700**.
3. The efficiency rating (expenses versus spend) for Purchasing is: .0090 which places it in the top tier of university purchasing departments.
4. MBWE Spend: **$1,140,000**

**Payables:**
5. Processed 47,900 invoices totaling **$164,870,000** and obtained vendor discounts of $14,500. The average invoice was **$3,400**
6. Processed 10, 950 ACH vendor payments totaling $24,500,000.
7. Processed 17,500 checks and an additional 145 manual “rush” checks.
8. Processed 1099-Misc forms (664)
9. Active Pay: 325 vendors enrolled

**University Stores:**

<table>
<thead>
<tr>
<th>Completed Moving Requests</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores’ Line Items Filled</td>
<td>25,829</td>
</tr>
<tr>
<td>Stores Annual Sales</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Tagged Assets</td>
<td>32,500</td>
</tr>
<tr>
<td>Tagged Asset Value</td>
<td>$117,600,000</td>
</tr>
</tbody>
</table>

**Mailroom:**
Processed (metered) over 813,000 pieces of outgoing mail.
Processed 5,141 UPS packages
Sorted 595 trays of incoming letter mail (approximately 360,000 letters)
Sorted 2,963 tubs of incoming flat mail (magazines, newspapers, sales catalogs and flats)
IV. Significant Personnel Changes

Replacement of Senior Buyer (Brad Stambaugh with Jennifer Bronz) and re-hired Deborah Goodwin as Coordinator of Contracting & Purchasing at PA-4 level

V. Fundraising/Revenue Generation

University Stores generated from their monthly and annual Sales; **$153,800**.

Purchasing’ consortium/collaborative efforts generated revenue of **$95,000**.

Central Mailrooms collaborative work efforts generated revenue of **$44,000**.

Payable Accounting generated from their Active Pay rebate **$176,900**

VI. SWOT

1. **Strengths:**
   - Operational Efficiencies
   - Experienced and Knowledgeable staff
   - Very good relationships established with other departments and staff
   - Strong service orientation

2. **Weaknesses:**
   - Difficulty in keeping current and complying with external (governmental, IRS) requirements.
   - No staffing flexibility to accommodate new expectations of customers.
   - Low priority “designation” for IT resources.
   - Slow system response time which affects productivity
   - New Website
   - New demands for services from (Facilities, Research and CMED) out paces ability to respond.
   - Diversity of commodity responsibilities makes it difficult to develop “expert” product knowledge in all areas.

3. **Opportunities:**
   - Additional collaborative service opportunities with external partners that have the potential to generate revenue.
   - Business Warehouse/Business Intelligence being implemented slowly for FI reporting –will provide an opportunity to learn new reporting methods
   - Improved Imaging product with potential for front-end imaging and a workflow process for problems/approvals
   - Addition of the College of Medicine presents opportunities with regards to the procurement of new types of specialized equipment and services.

4. **Threats:**
   - Continuous University Expansion – New Buildings and Programs without the addition of operational staff. (Medical School, Rose Center, Education Building, Residence Halls, Dinning areas, Ronan)
- Budget reductions and bumping which potentially jeopardizes the employment of knowledgeable, experienced employees who have lower seniority.
- Lack of planning and collaboration on purchases that could be aggregated. The result could be less duplication and monetary savings.

**VII. Progress Toward 2012-2013 Goals**

1. As business warehouse/business intelligence objects are implemented for FI, develop new reports using these objects **In progress**
2. Establish additional contracts in partnership with other outside agencies that will enhance both revenues and efficiencies for all parties. **In progress.**
3. Complete review all equipment maintenance agreements across campus to determine if cost savings could be realized by utilizing a third party provider. **In progress**
4. Standardizing on more commodities. Department’s make decisions based on personal preferences rather than functionality requirements based on operational necessity. Standardizing and requiring all departments to participate would result in enhanced total cost savings including but not limited to product cost, maintenance cost and compatibility efficiencies across campus. Examples: **In progress**
   - Vehicle purchases/leases, standardize on a specific level of vehicle (mid-size sedan and options).
   - Office/Word Processing Software
   - Copiers
   - Fax machines
   - Printers
5. Reuse of items that can be refurbished/remanufactured. **Continual efforts**
   - Toner Cartridges
   - Furniture
6. After warranty, require departments to accept alternate products that have the same quality, functionality characteristics but can generate greater discounts for CMU than Original Equipment Manufacturer (OEM) parts. **Continual efforts**
7. Made good progress on the Planning, Design, Development, and Deployment of SQL Server databases to house existing data stored in Access databases. This also includes the re-development and/or upgrade of all existing applications that interact with our databases. **Partial Completion**
8. Increase the scope of the PNC Active Pay vendor payment process by increasing the number of vendors enrolled. Investigate the manual pull option of the program which would increase the volume of payments made with cards and increase revenue. **Continual Efforts**
9. Continue to develop internal controls and procedures for the program. **Ongoing**
10. Increase the number of distributed data entry areas that scan into Image Now and these areas in developing a front end imaging program. **Ongoing**
11. Utilize Imagine Now to maintain and view grants and contract documents for payment. This will reduce the number of documents and copies being handled by staff. **Ongoing**
12. Increase the scope of the PNC ActivePay vendor payment process by increasing the number of vendors enrolled. Work with PNC to improve payment accuracy with their new "match" upgrade to the program. The current process used for Push vs. Pull type payments can create vendors drawing incorrect amounts and leaving
credits hanging. Continue to develop internal controls and procedures for the program.

13. Establish a requirement for Vendors to Sign up for Active Pay/PNC or be charged a 1.5% fee for a paper check. Vendors not currently enrolled will be given a deadline of July 1, 2013 to enroll in PNC or be charged a 1.5% Paper Check Fee. ACH payments which generate no revenue for CMU will still be an option, but PNC and the Check fee will take priority. In progress

14. Work on development and award of a Banking Services RFP Completed

15. Work with CMED to lease clinical space for faculty and secure clinical practices. Continual effort

16. Continue to increase the number of distributed data entry areas that scan into ImageNow. Include these areas in developing a front end imaging program. Continue exploration to utilize ImageNow to maintain and view grants and contract documents for payment. This will reduce the number of documents and copies being handled by staff. On going

17. Continue to work with IT & Equipment Inventory to create a bar-code/RFID/Asset database so that equipment can be more easily inventoried and tracked. Currently in “Requirements” phase in DevReq—still trying to determine how IT will assist with this project. In progress

18. Work with LSI Inc. Consultant & other FI Analyst to complete the blueprint phase and then the required configuration/changes required for master data restructuring/fixing of the split ledger. Close to completion

19. Continue to work with CMED on master data & reporting structures. Completed

20. Work with IT developer on forms that will replace our current PO, PEP PO & work order forms. As part of this make sure that PO form can be outputted in a PDF or image format so that the PO can be imaged via ImageNow. Almost completed

21. Improve recycling of electronics, computers & mobile devices Ongoing

22. Improve Computer Sanitizing Process prior to public sale Ongoing

23. Implement Assets Barcoding/ RFID Inventory Process for CMU RFP complete still evaluating

24. Seek further opportunities to collaborate with Saginaw Chippewa Indian Tribe and Union Township. Ongoing

VIII. Primary Goals for 2013-2014

1. Initiate Equipment Inventory System (RFID) at CMU – project research and evaluation continues for the 2nd year.

2. Increase the vendor enrollment in ActivePay.

3. Increase the number of distributed data entry areas that scan into ImageNow. Include these areas in developing a front end imaging program.

4. Continue to cross-train staff and redistribute workload.

5. Re-establish the “contracting authority” training.


7. Continue to update internal policy and procedures.

8. Increase revenue from outside entities.
9. RFPs for golf facility; CMED development strategy.
10. Rebid the "rental car" contract. Additionally conduct an RFP for an hourly rental car program using the "zip" and "we" car concepts from Avis and Enterprise, respectively.

IX. Primary goals for next five years

2. Standardizing on more commodities. Department’s make decisions based on personal preferences rather than functionality requirements based on operational necessity. Standardizing and encouraging/persuading all departments to participate would result in enhanced total cost savings including but not limited to product cost, maintenance cost and compatibility efficiencies across campus. Examples:
   - Vehicle purchases/leases, standardize on a specific level of vehicle (mid-size sedan and options).
   - Office/Word Processing Software
   - Copiers
   - Fax machines
   - Printers
3. Development of a vendor portal implemented that would allow vendors to:
   - Access their account information (e.g., invoices processed, invoices paid, check amount, check number, etc) 24/7.
   - Update account information online such as address, phone/fax number, etc., and eventually expand use of the portal. This would reduce the number of phone calls and provide staff time to work on more complicated tasks.
4. Continuation of exploring the feasibility of implementing front-end Imaging so workflow can be used for routing problems invoices, getting necessary approvals, etc.
5. Improve recycling of electronics, computers & mobile devices
6. Improve Computer Sanitizing Process prior to public sale for enhanced security of data.
7. Implement Assets Barcoding/ RFID Inventory Process for CMU
8. Seek further opportunities to collaborate with Saginaw Chippewa Indian Tribe and Union Township.
9. Development of a paperless delivery system with digital signature capability that operates in collaboration with SAP.
10. Update mailing system software in an effort to become more compliant with the USPS.
11. Explore new services to be offered to CMU departments by the Central Mailroom.
12. Assist in increasing the productive utilization of Payable Accounting pay by credit card program and ensure that the process runs efficiently.
13. Implementation of SAP budgeting software for higher education (if this is determined to be a University goal)
14. Work with Tim Daugherty to make progress toward implementation of front-end imaging to increase operational efficiency.
15. Continue to look at feasibility at implementing front-end Imaging and other automation options so workflow can be used for routing problems invoices, getting necessary approvals, etc.

VIII. Contingencies/Risk to Achieving those Goals and Strategies to Address

1. Costs and human resources required to implement
2. Senior management support
3. Campus-wide support
4. Limited (IT) resources
5. Aging workforce
6. IRS regulations
7. Federal Granting Agency Regulations