Chancellor’s Retreat – August 10-11, 2010

Shared Services – Opportunities for Enhanced Efficiency
Benefits of Shared Services

- Ability to meet the needs of our students in an environment of growing enrollment and declining resources.
- Opportunity to enhance the quality of key services.
- Opportunity to leverage operational efficiency by streamlining processes and reducing/eliminating duplicated efforts.
- Ability to maximize contract opportunities that are otherwise not available to individual colleges.
Shared Services Example:

PROCUREMENT
Current Procurement Challenges

- Compliance with Small Business Set Asides (applies to all purchases under $50,000)
- Lack of collaboration between colleges for like purchases – duplication of effort
- Limited agency delegated procurement authority
- Training and knowledge required by many non dedicated procurement users to utilize eVA (the Commonwealth’s electronic procurement system).
Addressing Challenges through Shared Services by:

Combine requirements to increase purchase amount to $50,000 or more, eliminating time consuming process to comply with Small Business Set Aside requirements.
Combining Requirements

- For like requirements, colleges should combine their purchasing volume. Small business set asides do not apply to contracts which exceed $50,000.
- Can be accomplished through:
  - Solicitation and resulting contract generated by Department of General Services’ Department of Supply
  - Solicitation put out by college on behalf of group
Addressing Challenges through Shared Services by:

Develop/Utilize cooperative procurement agreements to eliminate duplication of effort.

Combine volume purchased in order to leverage that volume for better pricing and contract terms.
VASCUPP – Virginia Association of State College and University Purchasing Professionals – Made up of 9 four-year institutions (GMU, JMU, ODU, RU, UVA, VCU, VMI, VT, W&M).

Contracts contain cooperative procurement language and are negotiated based on combined purchasing volume of all VASCUPP participants.

VCCS Colleges can piggyback on VASCUPP contracts.
Currently, colleges independently spend a lot of time procuring items for their individual college.

Requirements can be combined and contracts with multiple renewals can be negotiated in order to eliminate duplicated efforts.

Cooperative procurement language should be added to all procurements in order for other colleges to utilize the contract (if value falls within delegated authority).
Addressing Challenges through Shared Services by:

Increase delegated purchasing authority for colleges and Systems Office.
Currently Systems Office has Level II Delegated Authority for IT and Capital Projects.

VWCC, JTCC and TCC have full delegated authority from DGS (Department of General Services) for goods and services. JTCC has $100,000 for printing.

MECC, VHCC and WCC have $100,000 in delegated authority for goods (unlimited for services).

Remaining 17 colleges delegated authority is $50,000 for goods (unlimited for services).

Need to pursue greater delegated authority for all colleges and Systems Office in order maximize the use of cooperative procurement.
Addressing the training needs as required to use eVA (the Commonwealth’s electronic procurement system) to advocate strategic and more efficient utilization of procurement professionals.
Currently, a significant amount of ongoing training is involved for eVA users and their supervisors.

Need to reduce purchasing duties being carried out by personnel in non-procurement roles.

Procurement regulations are complex and change regularly, requiring ongoing training.

Procurement pros can be utilized more strategically than the way in which they are used now.
Areas Identified for Further Exploration of Shared Services

Web Design, Website Management

Collaborative Grant Writing

Help Desk Functions

Energy Management
QUESTIONS?