

Financial Management Meeting

October 13, 2016



Picnic Point



Curtis Prairie



Eagle Heights Community Garden

Agenda

Welcome & Introductions

Purchasing Reverse Auction	Brad Bauman	15 minutes
Capital Equipment Update	Martha Kerner	30 minutes
Gift Information in WISDM	Erika Hughes John Jameson	20 minutes
ACH Disbursements	Liv Goff	10 minutes

Trash Can Liner Reverse Auction

Brad Bauman
Purchasing Services

What is a Reverse Auction?

A Reverse Auction is a type of auction where the role of the buyer and seller are reversed.



Sellers compete to obtain business from the buyer and prices decrease as the sellers underbid each other.

When to Use a Reverse Auction?

- Reverse Auctions work best in high volume, highly commoditized products or services, with many suppliers offering the same or comparable items.
 - Paper products
 - Light bulbs
 - Dorm mattresses
 - Automobiles
 - Disposable goods
 - Trash Can liners



Background

- UW-Madison uses roughly 3 million can liners annually
- FY 2015 spend: \$488,000
- FPM, Housing, Unions largest users on campus
- UW campuses required by DOA to use mandatory contract



Setting the Standard

- MRO Committee (maintenance, repair, operating) assembled during Administrative Excellence (AE) initiative.
- Work group consisted of Facilities, University Housing, University Apartments, Unions, Athletics, Health Services, Food Service.
- Campus partners selected 9 styles and set the campus “standard” for can liners.
- These 9 were the basis for the Can Liner Reverse Auction.
- MRO Committee continues to meet quarterly to discuss campus needs, information sharing, and collaboration on facility needs.

Procurement Process

- Tested the market, solicited quotes from numerous suppliers
- Request to DOA for a waiver of the mandatory state contract (more on that later)
- Used standards set by campus MRO Standards Committee
- Publicly solicited an “Invitation to Qualify” for the Reverse Auction
- Prequalified vendors and conducted online Reverse Auction



DOA Waiver Requirements

- Prove to DOA through RFI (request for information) that greater savings could be achieved
- Formal request to conduct RFB (request for bid) sent to DOA
- DOA granted approval to conduct RFB and Reverse Auction

Careers Industries	Quest	Kranz	Kranz	MSC	UNISOURCE	GRAINGER
Careers Industries	Quest	Berry Plastics	Inteplast			ext cost
\$ 58,951.20	\$ 26,137.27	\$ 28,980.46	\$ 28,604.24	\$ 39,189.15	28,035.32	\$ 26,550.37
\$ 96,273.60	\$ 11,646.00	\$ 62,505.83	\$ 64,193.65	\$ 93,907.43	60,455.68	\$ 87,992.00
\$ 20,673.60	\$ 98,550.00	\$ 9,155.15	\$ 9,802.63	\$ 124,955.14	8,856.36	\$ 10,512.00
\$ 119,152.80	\$ 18,967.97	\$ 82,191.52	\$ 79,716.60	\$ 105,507.77	79,523.64	\$ 90,039.96
\$ 39,673.80	\$ 78,537.06	\$ 27,295.44	\$ 24,413.58	\$ 38,698.71	26,406.54	\$ 31,568.40
\$ 76,983.20	\$ 54,257.93	\$ 64,223.58	\$ 45,295.71	\$ 75,492.00	62,130.23	\$ 48,277.60
\$ 55,698.30	\$ 41,342.20	\$ 44,186.70	\$ 29,296.11	\$ 51,963.43	32,054.94	\$ 32,534.88
\$ 9,480.50	\$ 22,196.63	\$ 4,528.00	\$ 4,601.83	\$ 6,217.91	4,380.84	\$ 5,003.44
\$ 11,466.50	\$ 10,387.30	\$ 8,535.43	\$ 5,745.60	\$ 9,787.86	8,257.30	\$ 9,925.80
\$ 488,353.50	\$ 362,022.36	\$ 331,602.11	\$ 291,669.94	\$ 545,719.41	310,100.84	\$ 342,404.45
	\$ 126,331.14					
terms disc.	\$ 3,620.22					
SAVINGS	\$ 129,951.36	\$ 156,751.39	\$ 196,683.56	\$ (57,365.91)	\$ 178,252.66	\$ 145,949.05
	26%	32%	40%	-12%	37%	30%

E-Sourcing Auction Tool

PROCUREX: Online auction provider, offers annual subscription to E-sourcing tool, or single event pricing of \$7,500 (negotiated down to \$5,000 for UW-Madison)

- Online vendor registration
- Trained vendors on process
- Hosted online event
- Tabulated auction results



Vendor Base

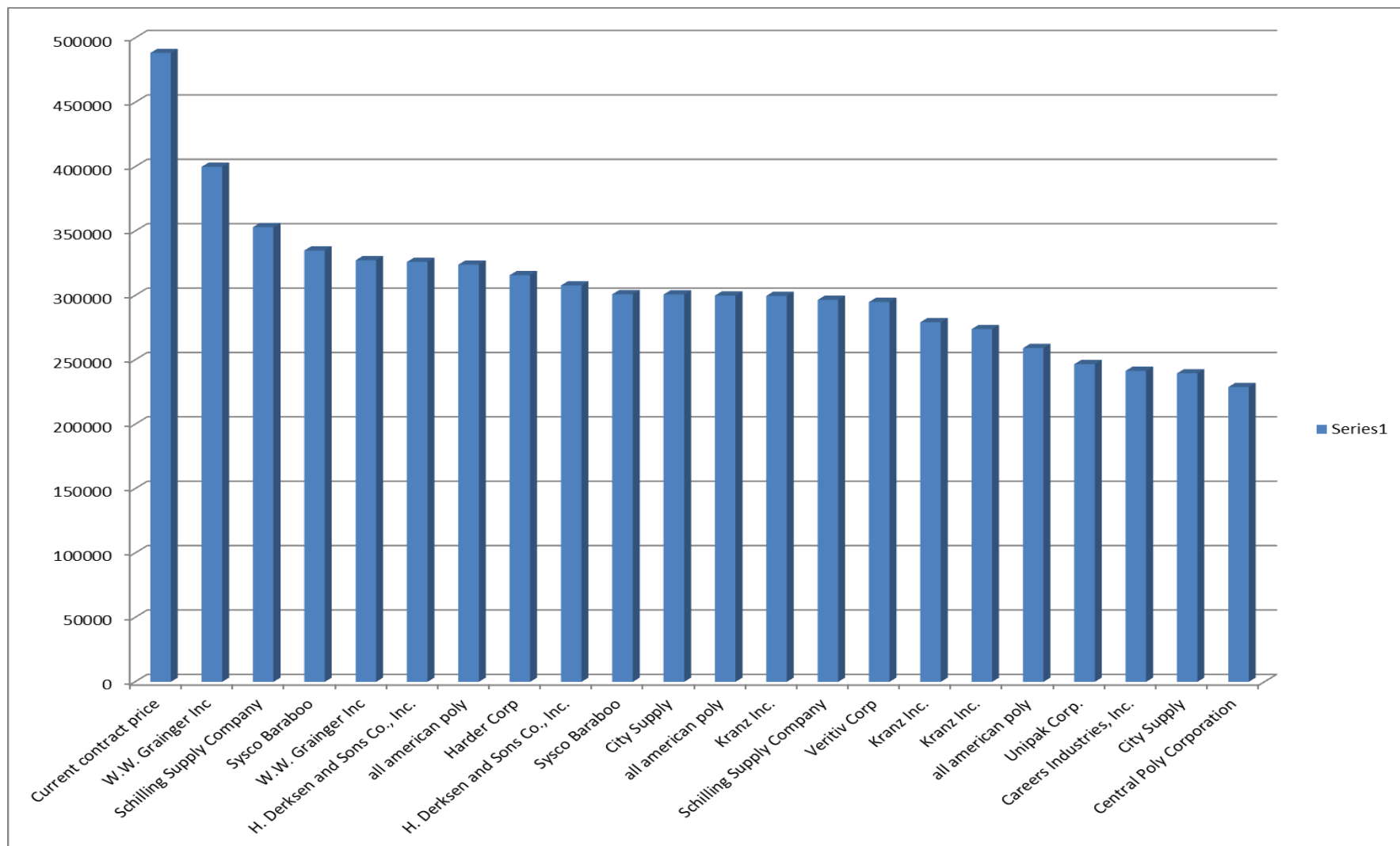
15 vendors prequalified for event

12 vendors participated and placed bids

- Vendor community included Disabled Veteran (DVB) and Minority Owned (MBE) Businesses from Wisconsin to New Jersey, large national distributors, and small local suppliers.
- Foster greater competition to drive costs down



Reverse Auction Results



Final Bids Placed by Vendor

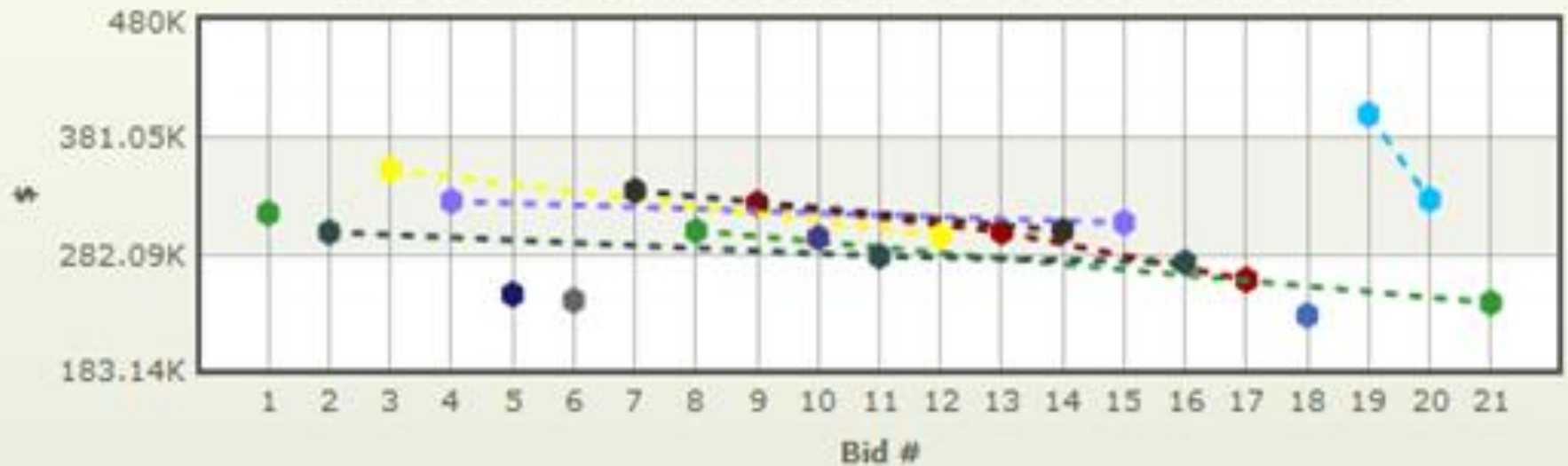
Item *[LOT PRICE - CAN LINERS]*

Supplier Name	Rank	Bid Price	Bid Date
Central Poly Corporation	1	228,926.00	05/24/2016 14:07:32 (EST)
City Supply	2	239,567.98	05/24/2016 14:10:04 (EST)
Careers Industries, Inc.	3	241,501.93	05/24/2016 14:01:08 (EST)
Unipak Corp.	4	246,711.57	05/24/2016 14:01:04 (EST)
all american poly	5	259,161.60	05/24/2016 14:07:26 (EST)
Kranz Inc.	6	273,954.00	05/24/2016 14:07:02 (EST)
Veritiv Corp	7	295,000.00	05/24/2016 14:01:49 (EST)
Schilling Supply Company	8	296,600.00	05/24/2016 14:04:04 (EST)
Sysco Baraboo	9	301,000.00	05/24/2016 14:06:56 (EST)
H. Derksen and Sons Co., Inc.	10	307,826.00	05/24/2016 14:07:02 (EST)
Harder Corp	11	315,797.46	05/24/2016 14:00:06 (EST)
W.W. Grainger Inc	12	327,429.00	05/24/2016 14:09:22 (EST)
Belson Company	N/A	N/A	N/A
Interboro Packaging Corporation	N/A	N/A	N/A
OAKWOOD PACKAGING CO.	N/A	N/A	N/A

Driving Down Costs

<https://sourcingsystem.procurexinc.com/Login/DynaQuote/viewer/buyer/fcgraph.aspx?EventID=4484&E>

All Bids In Sequential Order - LOT PRICE - CAN LINERS



- | | | |
|-------------------------------|--------------------------|--------------------------|
| all american poly | Careers Industries, Inc. | Central Poly Corporation |
| City Supply | Harder Corp | Kranz Inc. |
| H. Derksen and Sons Co., Inc. | Schilling Supply Company | Sysco Baraboo |
| Unipak Corp. | | Veritiv Corp |

Driving Down Costs

High Bid Vs Low Bid For Each Supplier - LOT PRICE - CAN LINERS



Outcomes

- Annual projected cost savings from lowest bidder = \$259,428 (Central Poly, NJ)
- Contract awarded to a Certified Wisconsin Disabled Veteran-Owned Business (City Supply, Madison), per s. 16.75, Wis. Stats. (i.e., within 5% of low bid)
- **Annual projected cost savings from selected vendor = \$248,787 or 49%!**



Financial Internal Controls Initiative

Capital Equipment Implementation

Financial Management Meeting
October 13, 2016



Agenda

- I. New Asset Management Module
- II. DPA Roles and Responsibilities
- III. DPA Acceptance Agreement
- IV. Capital Equipment Policy and Procedures
- V. Roll-Out Timeline

New Asset Management Module - Phasing

- Phase 1 - complete in 2016
 - Replaces CEIMS as system of record
 - Accessed by Property Control
 - Initial workflows not fully electronic
 - Interim plan for campus to access their capital equipment asset information
- Phase 2 - complete in 2017
 - Custom, user-friendly interface for DPA access
 - Provides electronic workflows
 - Direct DPA access for updates, reports, etc.

New Asset Management Module - Actions

- Migrating clean data from current system
- Establishing depreciation schedule
- Designing fabrication of components
- Data files are being loaded and tested
- Security roles are designed
- Communication plan in place
- Target go-live date: **Week of November 28**

DPA Roles and Responsibilities

- Document has been shared with Administrative Council and VCFA Directors
- With changes made, considered final
- CFOs have been asked to verify that PDs for DPAs have been adjusted to account for their new responsibilities

DPA Acceptance Agreement

- Newly created document
- Document must be signed by the DPA, the Division's CFO and the Property Control Office
- CFOs asked to distribute within Division as necessary

Capital Equipment Policy

- Policy has been refreshed and finalized
- Policy is effective January 1, 2017

Procedures in Progress

Procedures are being developed to support the work outlined in the policy. Procedures in progress are:

- Designating DPAs
- Change of custody to another department
- Asset loan agreements
- Location/room changes
- Adding new assets to inventory
- Tagging assets
- Capital Equipment - Gift in Kind

Roll-Out Timeline

October

- Communication Plan launched
- Administrative Council
- VCFA Directors
- DPAs
- Financial Community
- Testing Asset Management Module

November

- Freeze entry into CEIMS
- Train DPAs for transition
- Asset Management Module go-live

December

- CEIMS no longer system of record
- Train Financial Community
- Campus access to Excel reports in Box
- Interim workflow through forms
- Resume physical inventories

January

- New policy goes into effect
- DPA detailed training
- Begin to develop DPA user access and workflow

What Can You Do to Help?

- Familiarize yourself with the documents
- Create awareness within your unit
- Attend the December FMM Meeting

Questions?

Financial Internal Controls Information is available online at:

www.bussvc.wisc.edu/intcntrls/intcntrls.html



Links to Gift Documents in WISDM

John Jameson & Erika Hughes
Accounting Services



History


- Started scanning paper gift documentation into ImageNow in mid 2011 to reduce use/reliance on paper documentation.
- Desire was to add links to these documents in WISDM to make more information available
 - Departments can view documents on demand
 - Departments don't feel need to keep separate copies
 - Departments won't have to contact Gift Management team to request certain documents



Gift Documents

- Documents created 7/1/14 and after will be available in WISDM
- Document types available:
 - Gift Check Routing Form
 - Regent Notices
 - Invoices
 - Clearances
 - Other
- Document types not available – Could include sensitive information:
 - Checks/Check Stubs
 - Wires/UWF ACH
 - Correspondence
- Not all document types will exist for all projects
 - WISDM won't know if a doc type doesn't exist in ImageNow, so it can't hide the link

WISDM View



UNIVERSITY OF
WISCONSIN SYSTEM
WISDM
Wisconsin Data Mart for PeopleSoft Financials

TRANSACTION DETAIL

[Main Menu](#)
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UWMSN


What are these for?

View as:

[Back to Summary](#) [Pick Custom Columns...](#)

Fund	Dept	Project/Grant	Prog	Acct	Sub-Class	Monetary Amt	Descr	Acct Descr	GL Jnl ID	Jnl Date	PO	Source	Vchr ID
233	349300	233KJ11	R	9500		-27,270.00	RUHR-UNIVERSITAET BOCHUM	Gifts & Donations	JRR0186834	11/18/2015	IC 1507A	INT	PAR# 1270
233	349300	233KJ11	R	9500		-40,930.00	UNIVERSITY OF GENT	Gifts & Donations	JRR0186834	11/18/2015	IC 1511	INT	PAR# 1716
233	349300	233KJ11	R	9500		-13,650.00	UNIVERSITY OF ALBERTA	Gifts & Donations	JRR0184609	10/22/2015	C# 3006505	INT	
233	349300	233KJ11	R	9500		-13,650.00	UNIVERSITY OF TORONTO	Gifts & Donations	JRR0184609	10/22/2015	CK# 675171	INT	
233	349300	233KJ11	R	9500		-54,580.00	VRJE UNIVERSITEIT BRUSSEL	Gifts & Donations	JRR0179912	8/18/2015	IC 1512	INT	PAR# 1650
233	349300	233KJ11	R	9500		-13,650.00	PATRIMOINE UNIVERSITE DE MONS	Gifts & Donations	JRR0179579	8/13/2015	WT 7/31/15	INT	PAR# 6528
233	349300	233KJ11	R	9500		-27,300.00	UNIVERSITE LIBRE DE BRUXELLES	Gifts & Donations	JRR0179579	8/13/2015	IC 1508A	INT	PAR# 3066
233	349300	233KJ11	R	9500		-122,820.00	WIRETRF DEUTSCHES ELEKTRONEN	Gifts & Donations	JRR0178650	7/30/2015	IC 1503A	INT	

WISDM View

**PROJECT DETAIL AND FINANCIAL SUMMARY**

[Main Menu](#) ▾ [Comment](#) [Help](#) [My Projects](#) [Add to Favorites](#) **UWMSN**

[Add to My Projects](#)

Fund-Project: 233-233KJ11

UW Project Type: **Construction-Remodeling-Renovations**

Project Budget: **\$5,804,699.31**

Project Dates: **4/1/2007 - 3/31/2099**

F&A Base (Rate):

Project Description: **ICECUBE MAINTENANCE AND OPERATIONS (NON US COMMON FUND)**

Project PI: [Halzen, Francis L;](#)

Project Co-PI:

Project Status: **Open**

Project Department: **349300: ICECUBE RESEARCH*WIPAC**

View as:

► Award ID: **NA** Award Sponsor: **MULTIPLE DONORS**

Financials

Personnel

Funding Actions

Requirements

Edits

Cost Share Schedule

Cost Share Expenditures

Associated Docs

Sponsor Billing Invoices

There are no results to display.

Other Documents

There are no results to display.

Gift Documents

- [Gift Routing Forms](#)
- [Regent Notices](#)
- [Invoices](#)
- [Clearances](#)
- [Other](#)

WebNow/Perceptive Content View

Perceptive Content

options | help | disconnect

Drawer	Field1	Field2	Field3	Field4	Field5	Type	Pages	Created	Created By	Workflow Qu...	File Type
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0016443	698890	A_AS_Gifts_Check Routing Form	1	10/17/14 9:44:...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0145597	613078	A_AS_Gifts_Check Routing Form	2	7/7/14 1:28:29 ...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0148076	622675	A_AS_Gifts_Check Routing Form	2	7/30/14 10:53:...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0154419	715573	A_AS_Gifts_Check Routing Form	2	11/3/14 11:21:...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0160662	768928	A_AS_Gifts_Check Routing Form	1	1/6/15 3:28:19 ...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0160662	781540	A_AS_Gifts_Check Routing Form	1	1/21/15 11:22:...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0167593	891026	A_AS_Gifts_Check Routing Form	2	5/21/15 10:49:...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0176034	952995	A_AS_Gifts_Check Routing Form	1	8/5/15 1:39:01 ...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0178650	967644	A_AS_Gifts_Check Routing Form	9	8/25/15 1:25:1...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0179579	969634	A_AS_Gifts_Check Routing Form	3	8/27/15 2:02:0...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0179912	970136	A_AS_Gifts_Check Routing Form	2	8/28/15 9:50:1...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0184609	198	A_AS_Gifts_Check Routing Form	2	6/21/16 3:20:1...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0184609	19875	A_AS_Gifts_Check Routing Form	1	6/21/16 3:18:4...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0186834	2205	A_AS_Gifts_Check Routing Form	2	7/25/16 4:32:4...	tjsherman2@wi...			TIF
A_AS_Gifts_Pu...233KJ11	349300	MULTIPLE DONORS	JRR0186834	22057	A_AS_Gifts_Check Routing Form	2	7/25/16 4:34:5...	tjsherman2@wi...			TIF

- Fields 1 through 5 entered by Gift Management Team
 - Field 1: Project
 - Field 2: Department
 - Field 3: Donor
 - Field 4: Journal Entry Number
 - Field 5: Unique ID (For indexing purposes)

Document View

Perceptive Content Viewer

File View Annotation Workflow Folders Window Help

Page 1 - G42 File

ACCOUNTING SERVICES
Gift Check Routing Form
(Print and send completed GIFT Routing Form to your Dean's Office for approval.)
 NOV 18 2015
 Gift Management

Contact Information

Name: EKATERINA S VAKHININA
 Phone Number: 608/950-0549
 Email Address: CATHERINE.VAKHININA@ICECUBE.WISC.EDU

Check Deposit Information

Check Amount	\$ 27,270.00	Check Donor	RUHR-UNIVERSITAET BOCHUM
Check Number	151006001270	Check Date	10/6/2015

Check Amount	\$ 40,930.00	Check Donor	UNIVERSITY OF GENT
Check Number	151016001716	Check Date	10/16/2015

Total Check Amount \$ 68,200.00

Project Information

Deposit Amount	\$ 68,200.00	Project Title	ICECUBE MAINTENANCE AND OPERAT
Project Number	233KJ11	PI Name	Hatzeh, Francis L
PI Type	Faculty or Other	Donor Name	MULTIPLE DONORS
PI Tenure Status	Perm. PI	UW Project Type	GM_40 Construction-Remo
Fund	233	Project Start Date	04/01/2007
Regent Category	RESCH	Project End Date	03/31/2099
Program Codes	4	Department ID	349300
Project Revenue		Department Name	ICECUBE RESEARCH* WIPAC

Code	Amount(\$)
9500	68,200.00

Clearance Approvals

BIOS - Biosafety/Recombinant DNA Protocols?	N
HUMN - Use of Human Subject/Human Tissue?	N
ANIM - Use of Vertebrate Animals	N
HESC - Pluripotent Stem Cell Protocol?	N
Space/Remodel/Construction action?	N
Environmental Impacts (WEPA)?	N
Funding for Building/Renovation/Equipment?	Y

Required Signatures

Project Title: ICECUBE MAINTENANCE AND OPERAT
 Project Type: PRIV
 Chair(s)/Director(s): [Signature]
 Date: 11/06/15

Printed Date: 11/03/2015 Page 1

File Path: c:\233KJ11 \ 349300 \ MULTIPLE DONORS \ JRR0186834 \ 2205 \ A_AS_Gifts_Check Routing Form | Page 1 of 2 | 186,599 K

- Please allow a week after revenue entry is posted before document will be available in WISDM

Gift Documents

- **Demo**

- <https://wisdm2.doit.wisc.edu/wisdm2QA/>
- [https://imaging.wisc.edu/webnow/index?action=filter&drawer=A_AS_Gifts_Public&folder=233KJ11&doctype=A_AS_Gifts_Check Routing Form](https://imaging.wisc.edu/webnow/index?action=filter&drawer=A_AS_Gifts_Public&folder=233KJ11&doctype=A_AS_Gifts_Check_Routing_Form)

- **Timeline**

- Estimate late November based on testing

Accounts Payable Conversion to ACH Payments

Liv Goff

Accounting Services



Accounts Payable Conversion to ACH Payments

ACH Vendor count by type				
Vendor Type	ACH Vendors before 4/21/2014	ACH Vendors FY2015	ACH Vendors FY2016	ACH Vendors FY2017
Banking	2	101	117	76
Ext Vendor	1	166	1,672	1,762
Total	3	267	1,789	1,838

Accounts Payable Conversion to ACH Payments

ACH payments provide an estimated net savings between \$2.50 and \$5.00 per payment. There were 10,176 ACH payments made in FY 2016 (Banking and External Vendors) which reflects an estimated net savings between \$25,440 and \$50,880

The Business Services ACH conversion team received the UW-Madison Administrative Improvement Award for converting vendor payments to ACH

A remittance advice is automatically emailed to the vendor when an ACH payment is made

Might affect call for pick-up payments and attachments. Accounting Services will contact you if this applies.

Thank you for attending.

Future Financial Management Meetings

Rooms 1106 & 1108, 21 N Park Street

9:30 am - 11:30 am

December 15, 2016

February 14, 2017

April 11, 2017

June 13, 2017

August 8, 2017

October 10, 2017

December 12, 2017

