

University of Washington – Business Diversity Program Operational Performance Dashboard Report

As of March 31, 2009

Fiscal Year 2009, Quarter 3 (January – March 2009)

Mission

We proactively engage with and support the University of Washington's Commitment to creating an environment for businesses contracting with the University that reflects diversity, promotes opportunity and values transparency

The Business Diversity Program:

- Seeks to assure equality of opportunity for small, minority and women-owned businesses
- Conducts business opportunity fairs and provides information on how to do business with the UW
 - Provides training opportunities and educational forums for businesses
- Supports UW schools/colleges and departments in sourcing diverse and local small businesses
- Encourages the UW's large suppliers and contractors to develop and expand their commitment to business diversity
- Recommends qualified businesses become certified as minority or women business enterprises with the State Office of Minority and Women's Business Enterprises

University of Washington - Business Diversity Program - Operational Performance Dashboard

FY 2009 3rd Quarter (January - March 2009)

Customer/Supplier Perspective				
Process	Measure	Current Output Measure	Target	Variance
Outreach	1) Number of campus/business community meetings and presentations	10	10	0
	2) Number of 1-on-1 meetings with MWBEs	5	5	0
	3) Number of business opportunity fairs and networking events attended	6	5	1
	4) Percent of active Federal small business plans meeting goals	27.0%	Under development	Under development
M/WBE Suppliers	5) Number of suppliers in BDP database	319	300	19
	6) Percent increase of MWBE firms in PAS 107 MWBEs vs. 15,000 non-MWBEs	1.9%	3.0%	-1.1%

Financial Perspective				
Process	Measure	Current Output Measure	Target	Variance
M/WBE Utilization	11) Percent of public works contracts with MBE firms awarded	39.13%	10.00%	29.13%
	12) Percent of public works contracts with WBE firms awarded	0.00%	6.00%	-6.00%
	13) Percent of A/E contracts with MBE firms awarded	14.04%	10.00%	4.04%
	14) Percent of A/E contracts with WBE firms awarded	7.02%	6.00%	1.02%
	15) Percent of goods & services dollars spent with MBE firms	1.41%	6.00%	-4.59%
	16) Percent of goods & services dollars spent with WBE firms	0.84%	4.00%	-3.16%
	17) Percent of construction dollars spent with MBE firms	4.45%	10.00%	-5.55%
	18) Percent of construction dollars spent with WBE firms	2.60%	6.00%	-3.40%
	19) Percent of architectural & engineering dollars spent with MBE firms	8.01%	10.00%	-1.99%
	20) Percent of architectural & engineering dollars spent with WBE firms	2.82%	6.00%	-3.18%

Internal Business Process Perspective				
Process	Measure	Current Output Measure	Target	Variance
Pay Bills	7) Percent of MWBE invoices paid within 45 days of invoice date	89.0%	95.0%	-6.0%
Buy Goods & Services	8) Small dollar orders being processed by Buying staff	966	700	266
eCommerce	9) Percent of transactions done via eCommerce	71.0%	75.0%	-4.0%
eProcurement	10) Percent of MWBE and SBA firms in eProcurement/Diverse Supplier Portal	31.3%	25.0%	6.3%

Learning & Growth Perspective				
Process	Measure	Current Output Measure	Target	Variance
Develop Staff	21) Percent of BDP staff with a completed Employee Development Plan (EDP)	100%	100%	0%
	22) Number of training and development hours earned	37	48	-11
Develop Suppliers	23) Number of businesses receiving assistance from the BEDC		Under development	Under development
	24) Percent revenue increase for BEDC assisted companies		Under development	Under development

LEGEND		
BDP Metrics	MBE = WA certified Minority Business Enterprise	PAS = Purchasing and Accounts Payable Online System
Met or exceeded goal	WBE = WA certified Women Business Enterprise	eCommerce = eProcurement, ProCard, and Travel card transactions
Did not meet goal	SBA = US Small Business Administration	eProcurement = The online ordering system for the UW
Tracked semi-annually	PAS = Purchasing and Accounts Payable Online System	ProCard = UW Visa purchasing option for small dollar transactions
Tracked annually	BEDC = UW Business & Economic Development Center	

Dashboard Measures & Supporting Details

Measure #1 – Outreach 4

- Number of campus/business community meetings and presentations
- Number of 1-on-1 meetings with M/WBEs
- Number of business opportunity fairs and networking events attended
- Percent of active Federal small business plans meeting goals (in development)

Measure #2 – MWBE Suppliers 7

- Number of suppliers in BDP Database
- Percent increase of MWBE firms in PAS

Measure #3 – Pay Bills 8

- Percent of M/WBE invoices paid within 45 days of invoice date

Measure #4 – Buy Goods & Services 9

- Small dollar orders being processed by Buying staff

Measure #5 – eCommerce 10

- Percent of M/WBE and SBA firms in eProcurement
- Percent of transactions done via eCommerce

Measure #6 – MWBE Utilization 11

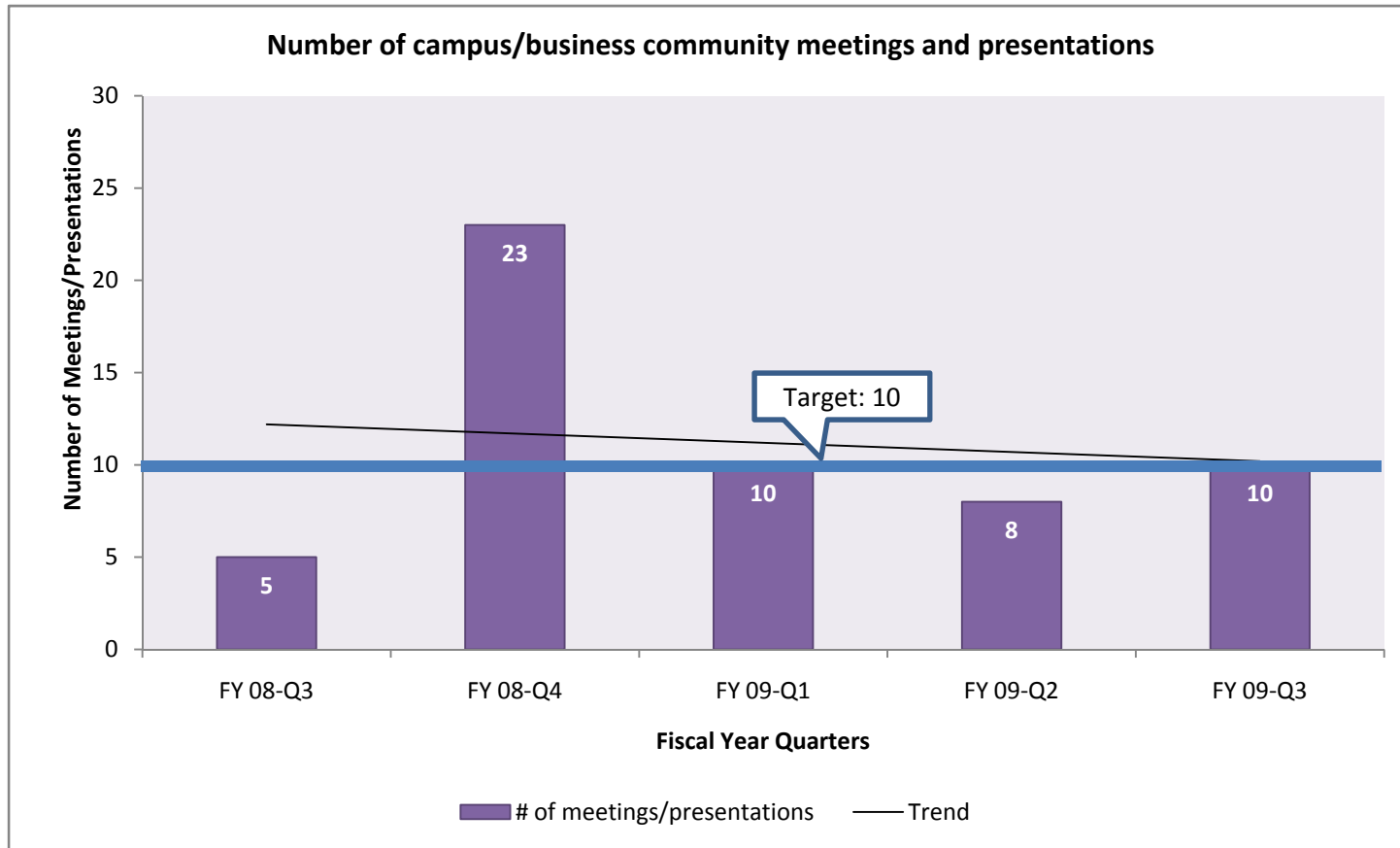
- Percent of public works contracts with MBE firms awarded
- Percent of public works contracts with WBE firms awarded
- Percent of A/E contracts with MBE firms awarded
- Percent of A/E contracts with WBE firms awarded
- Percent of goods & services dollars spent with MBE firms
- Percent of goods & services dollars spent with WBE firms
- Percent of construction dollars spent with MBE firms
- Percent of construction dollars spent with WBE firms
- Percent of A/E dollars spent with MBE firms
- Percent of A/E dollars spent with WBE firms

Measure #7 – Develop Staff/Suppliers 14

- Percent of BDP staff with a completed Employee Development Plan (EDP)
- Number of staff training and development hours earned
- Number of businesses receiving assistance from the BEDC (in development)
- Percent revenue increase for BEDC assisted companies (in development)

For additional UW Finance & Facilities operational performance metrics, click [here](http://www.washington.edu/admin/finmgmt/) (<http://www.washington.edu/admin/finmgmt/>)

Outreach (Measure #1)



ANALYSIS:

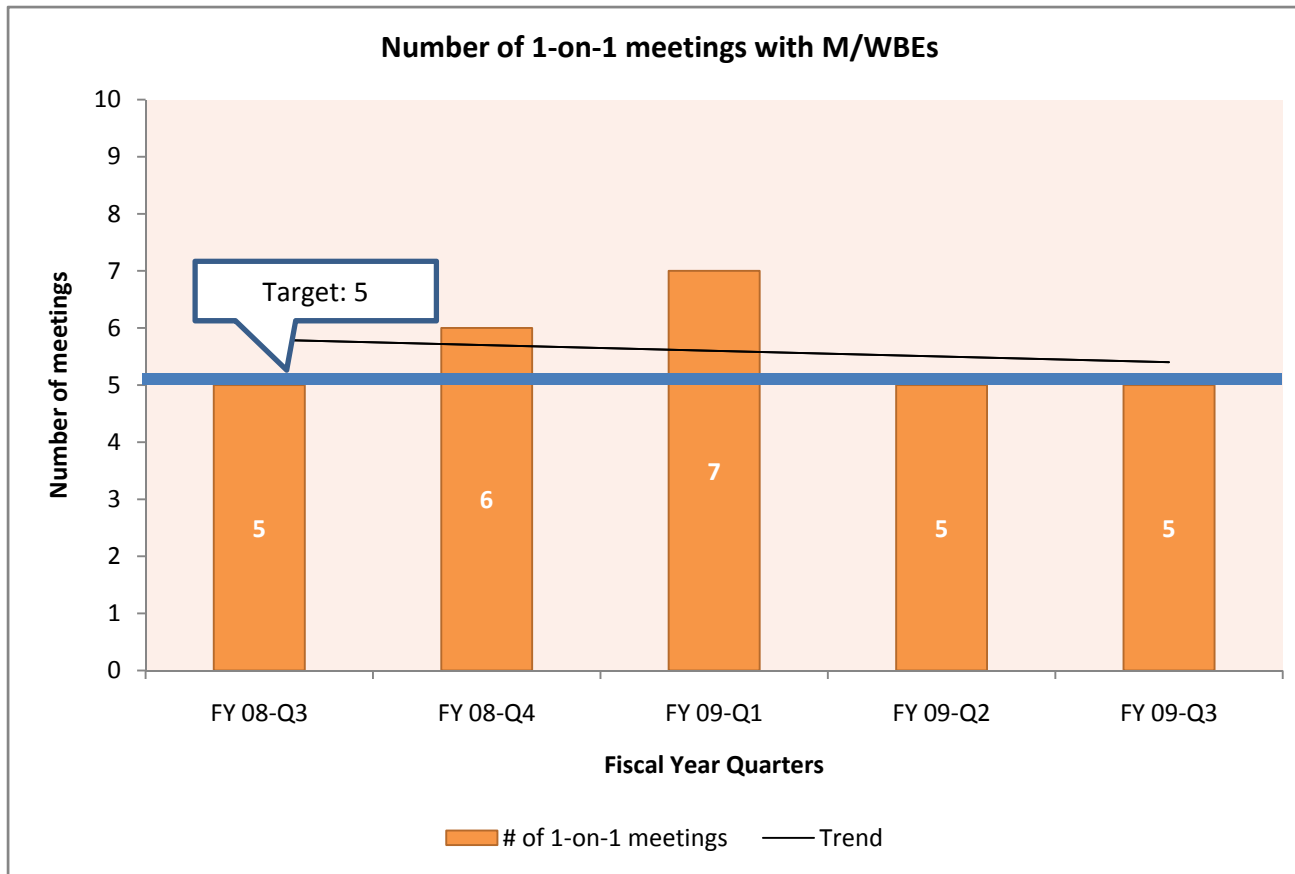
After the BDP was reorganized in January 2008, a high priority for the BDP staff was to raise the awareness of the UW's business diversity initiative not only in the small business community, but also throughout the UW campus. Because the UW maintains a decentralized process for small dollar purchases, it is essential to engage the entire UW community in this effort. Through the end of Q3 of fiscal year 2009, the BDP staff has had 56 outreach meetings or presentations to UW colleges/schools or departments and the small business community.

ACTION STEPS:

The BDP will continue to schedule a target of 10 meetings/presentations each quarter with UW administrators and the staff responsible for making procurement decisions. The goal of this internal outreach effort is also to assess the needs of the schools/colleges and departments and work with them to identify potential diverse and local small businesses.

The BDP is also working with [UW Tacoma](#), UW Bothell, and [Harborview Medical Center](#) to host supplier outreach events during the second and third quarter of 2009.

Outreach (Measure #1)



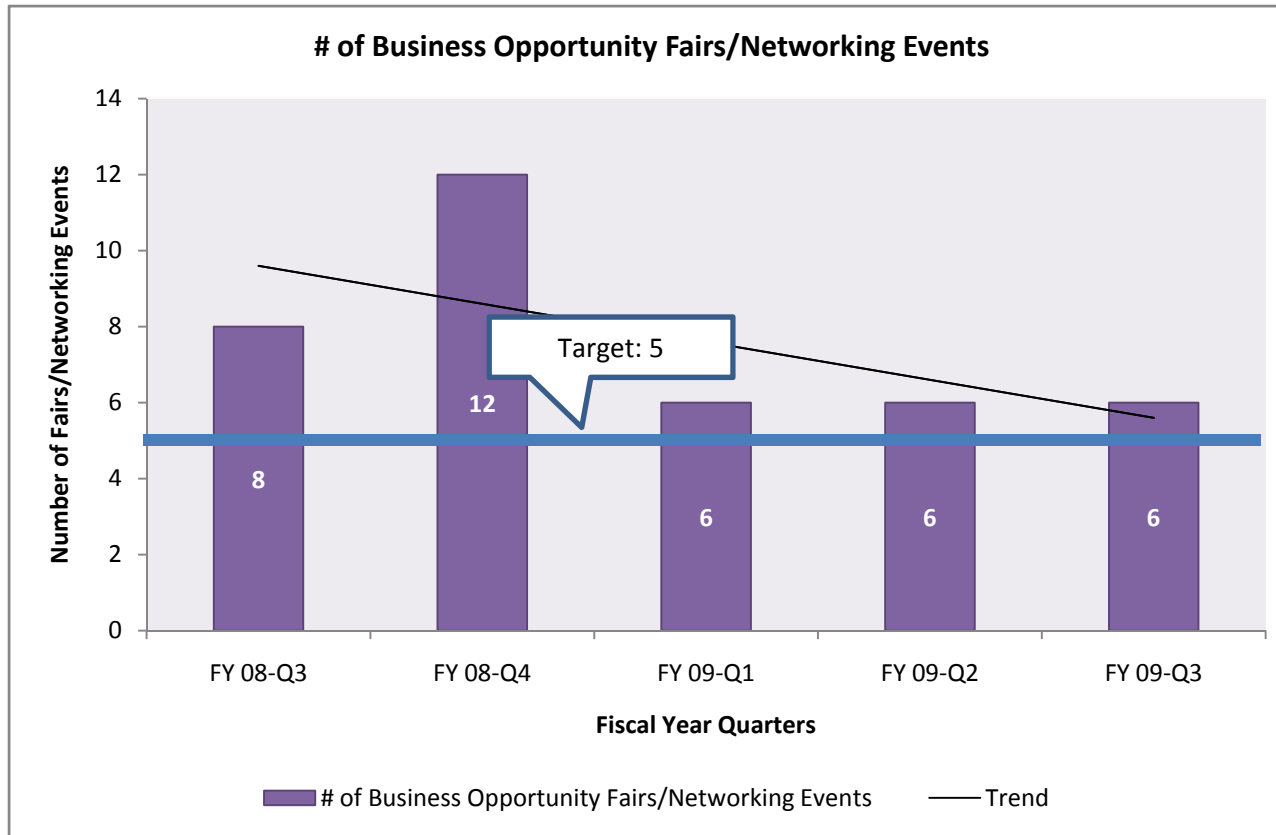
ANALYSIS:

Historically, UW buyers have made themselves available to small businesses wishing to gain a better understanding of how their specific goods or services are procured at the UW. Additionally, Purchasing buyers and CPO project managers are also available to debrief unsuccessful RFP/bid submittals with businesses. The BDP can facilitate these meetings between the small businesses and the appropriate buyers or project managers upon request.

ACTION STEPS:

In addition to facilitating 1-on-1 meetings on the UW Seattle campus, the BDP has started to work with Harborview Medical Center to arrange similar meetings. Going forward the BDP will work with the UW Bothell and Tacoma campuses to facilitate 1-on-1 meetings between the procurement staff and local small businesses.

Outreach (Measure #1)



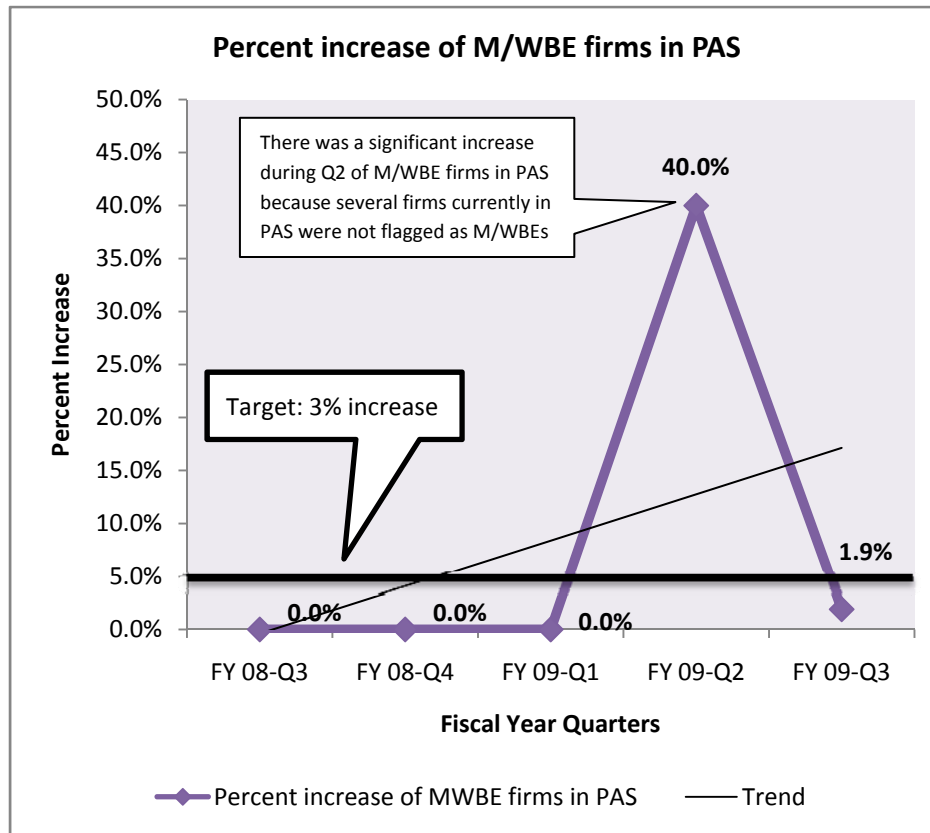
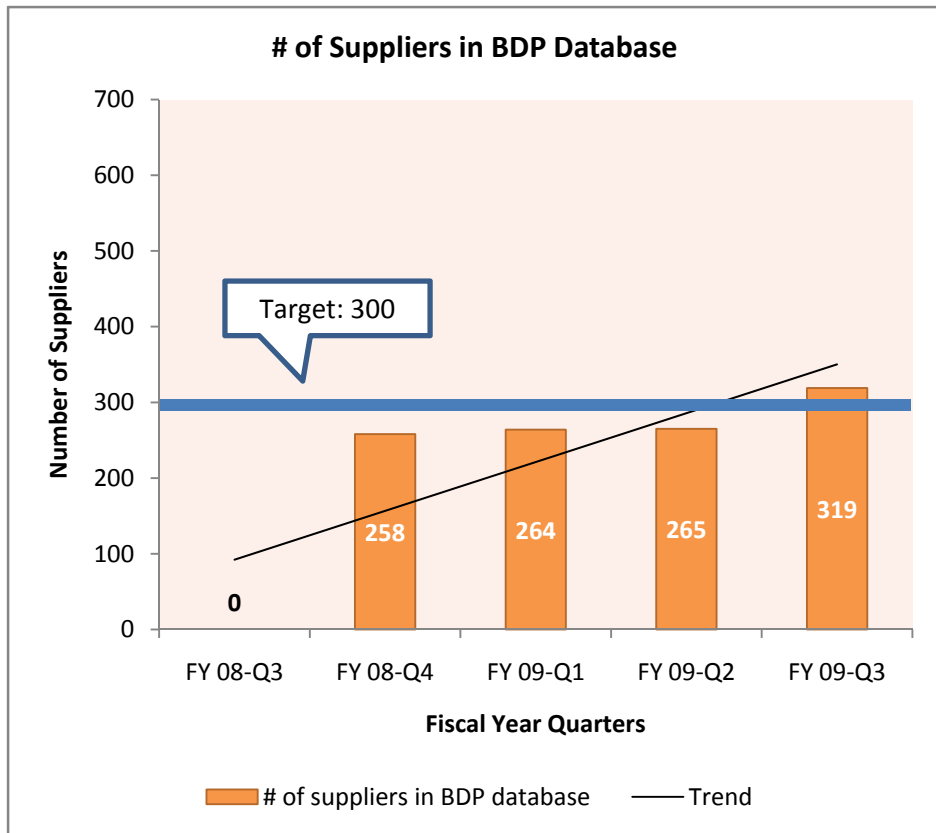
ANALYSIS:

Annually the BDP participates in several business opportunity fairs and tradeshows that are offered throughout the year like the Regional Contracting Forum and the Northwest Minority Supplier Development Council Business Opportunity Fair & Showcase. The BDP is also involved in some national organizations such as the National Association of Educational Procurement (NAEP) and the National Minority Supplier Development Council (NMSDC).

ACTION STEPS:

Due to budget constraints, the BDP will continue to be selective with the business opportunity fairs and networking events it participates in. There will be an emphasis on working with local agencies and resource providers that are focused on building the capacity of diverse and local small business that currently provide or have the potential to provide goods and services to the UW.

MWBE Suppliers (Measure #2)



ANALYSIS:

UW schools/colleges and departments frequently purchase goods and services under the threshold for competition. The BDP created the [Diverse Vendor Search](#) to serve as a resource to connect UW staff with a pool of diverse and local small businesses.

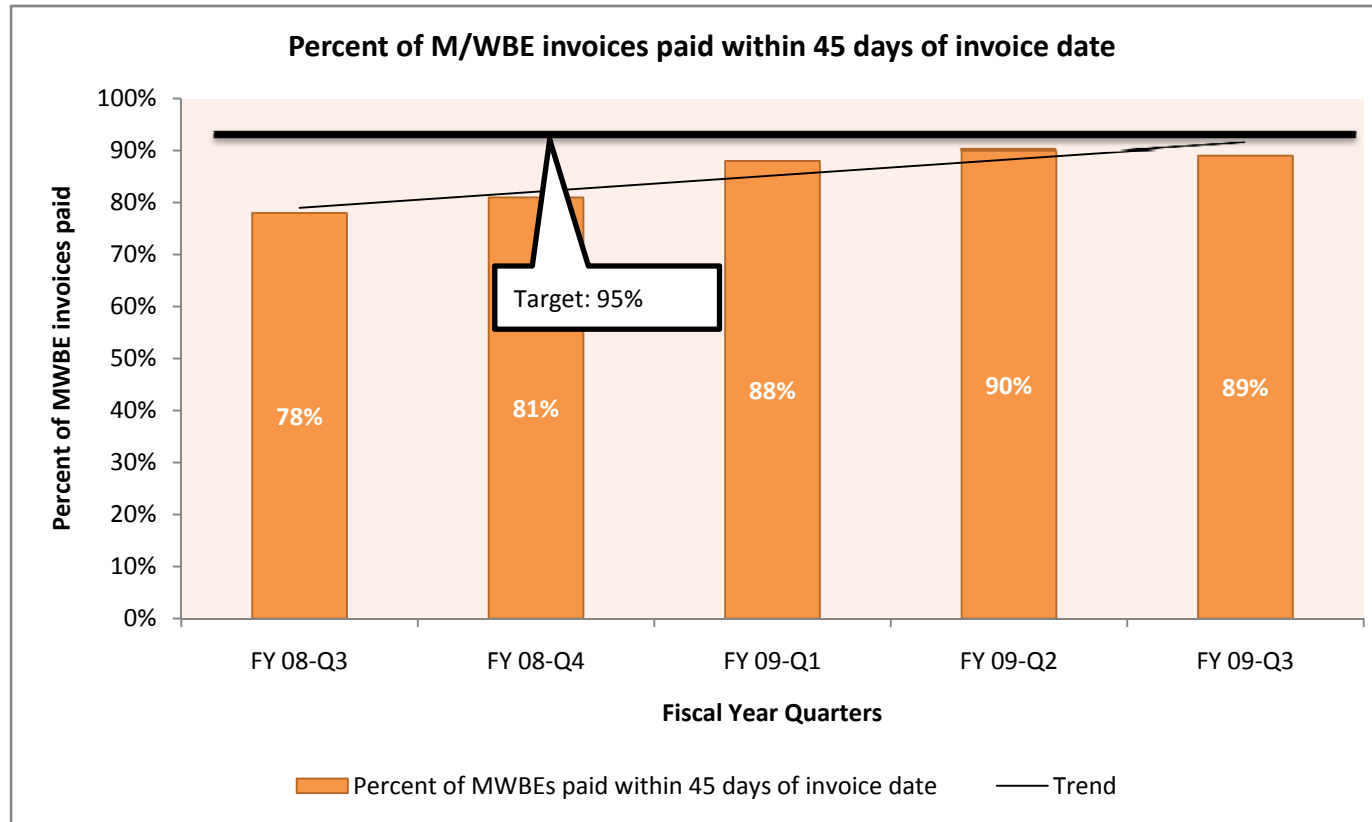
Purchasing Services utilizes the UW's automated Purchasing and Accounts Payable System (PAS). PAS generates quarterly reports of expenditures in various categories of expected and exempted payments, adjusted reporting base total, and direct payments to certified M/WBEs.

ACTION STEPS:

The BDP will continue to add diverse and local small businesses to the Diverse Vendor Search to assist departments with identifying small businesses that can provide the goods and services they require.

Any firm that would like to be included in the Diverse Vendor Search can download the registration form from the BDP website ([registration form](#)).

Pay Bills (Measure #3)



ANALYSIS:

Research and analysis by the Accounts Payable Customer Service Project and the Seamless User Task Group#1 shows that over 60% of invoices are mailed by vendors to the ordering department rather than to Accounts Payable. The delay of delivery to Accounts Payable increases the likelihood of payment in more than 30 days from date of the invoice.

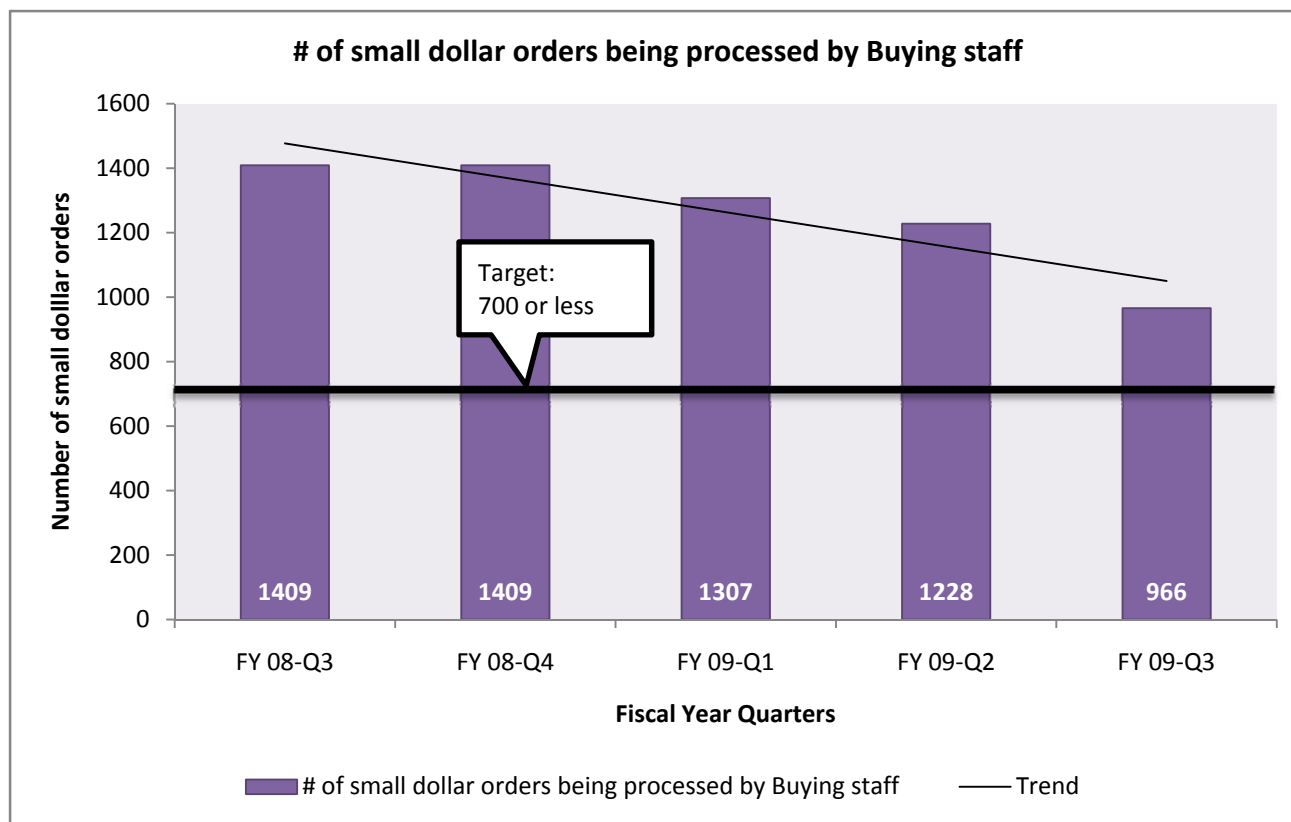
Note: Bill pay data includes all payments processed at the UW which includes Accounts Payable, UW Medical Center, Housing & Food Services, Facilities, and Libraries.

ACTION STEPS:

The Accounts Payable department is currently working to return to full staffing levels, and developing analytical tools to identify potential staffing fluctuations and response to temporary staffing needs.

The Seamless Team has also determined that movement of small dollar purchases from PAS payment to eCommerce methods can reduce the number of vendor invoices paid by AP by up to 70%. This will reduce the number of AP invoices mailed to departments and provide more resources to effectively resolve invoice discrepancies when they occur.

Buy Goods & Services (Measure #4)



ANALYSIS:

Purchasing Services staff efforts continue to reduce small dollar purchase transactions. Results are self evident, because in light of the increased purchasing activities tied to the biennium close of '09 budget activities, we have seen a sizable decline in the small dollar requisitions placed through PAS. The number of small dollar requisitions in the first quarter of '09 went down by 21%. This metric shows the trend of the volume of small dollar purchases made in the PAS system.

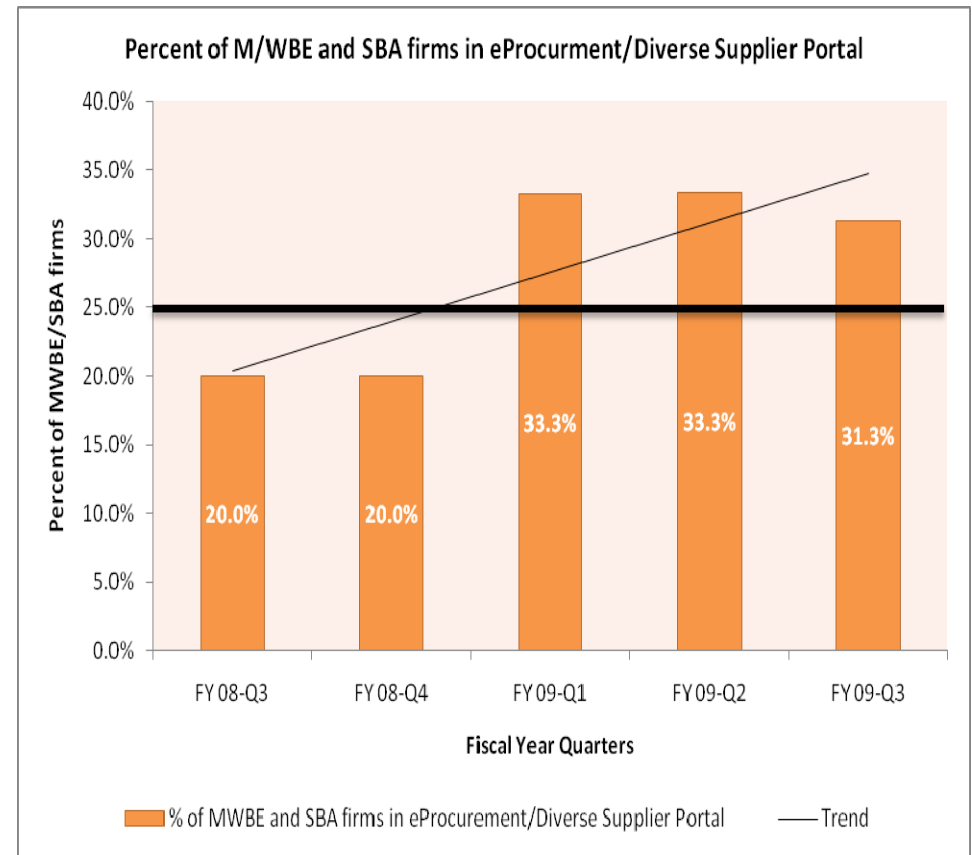
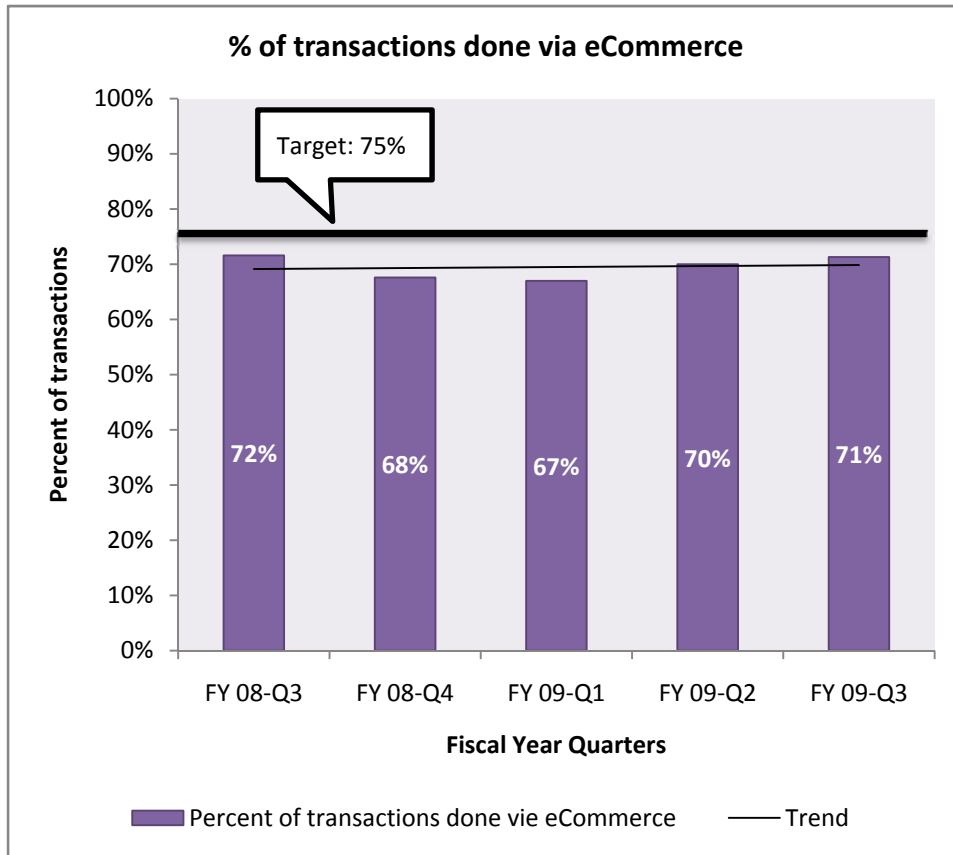
Purchasing Services working with process partners in Procurement Services, has determined that PAS is not the optimal system for processing small dollar purchases. Several efforts are currently underway to drive volume to the Procard and eProcurement.

ACTION STEPS:

Continue to analyze the data. Initiate both supplier and department user segmentation and analysis to identify opportunities to educate customers and staff with regard to the optimal use of all procurement options. Incorporate the “recommended procurement method” communications piece into all ongoing outreach and educational efforts.

Several efforts are currently underway to drive volume to the Procard and eProcurement. Communications to departments including a new Procurement Guide, internal efforts to isolate and transfer requisitions citing eProcurement contract suppliers to eProcurement, and ongoing efforts of the Seamless Procure to Pay initiative should all have an impact in driving the volume down over time.

eCommerce (Measure #5)



ANALYSIS:

The goal is to migrate all eligible purchases from PAS to eCommerce. This will save the University time, money and effort in accordance with Financial Management's strategic objective to streamline the Procure to Pay process.

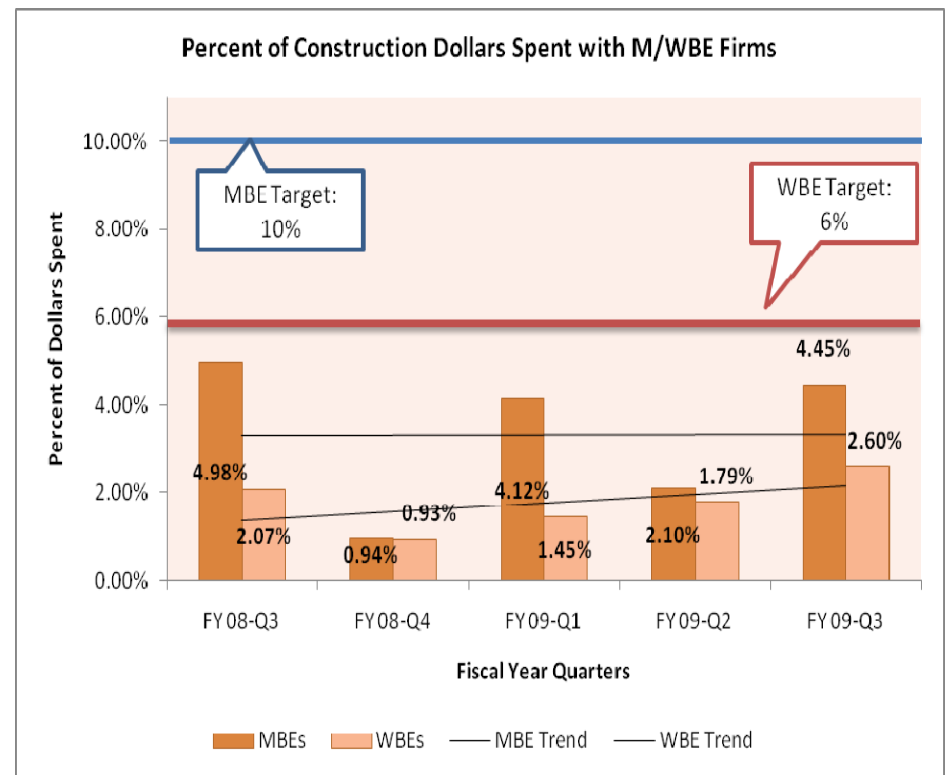
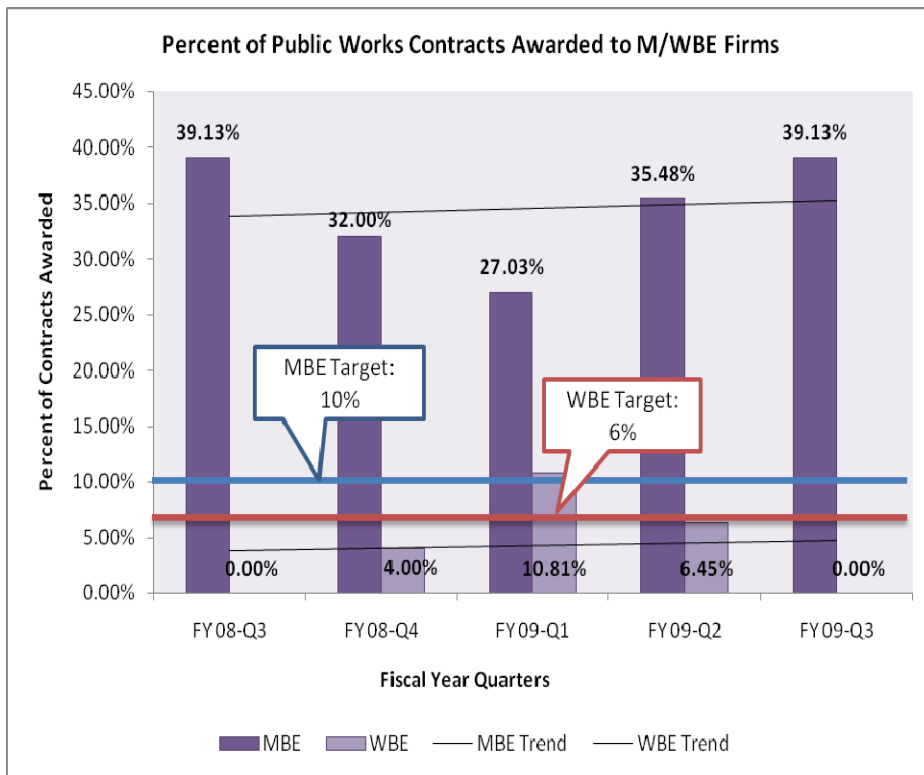
There are currently 5 firms that are either certified M/WBE or SBA available in UW [eProcurement](#) or the [Contracted Diverse & Local Supplier Portal](#). The Diverse and Local Supplier Portal was created in September 2008 in partnership with UW eCommerce and is intended to allow UW staff easy access to a variety of diverse and local small businesses that have secured contract pricing with the UW.

ACTION STEPS:

eCommerce conducts outreach based on departmental data analysis. Part of this outreach includes research in how departments use eProcurement & ProCard to ensure that these purchasing methods are as efficient as possible. eCommerce conducts outreach based on departmental data analysis. Part of this outreach includes research in how departments use eProcurement & ProCard to ensure that these purchasing methods are as efficient as possible.

The BDP will continue to work with eCommerce to identify potential contracted small businesses that could be made available to the UW campus through either the eProcurement platform or the Diverse and Local Supplier Portal.

MWBE Utilization (Measure #6)



ANALYSIS:

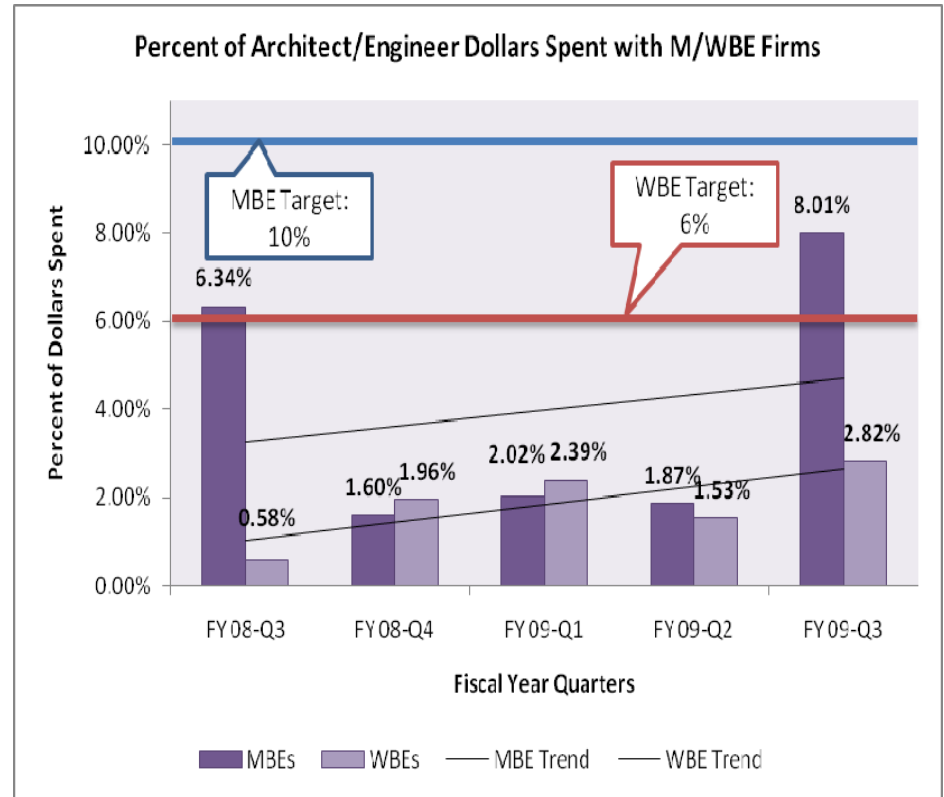
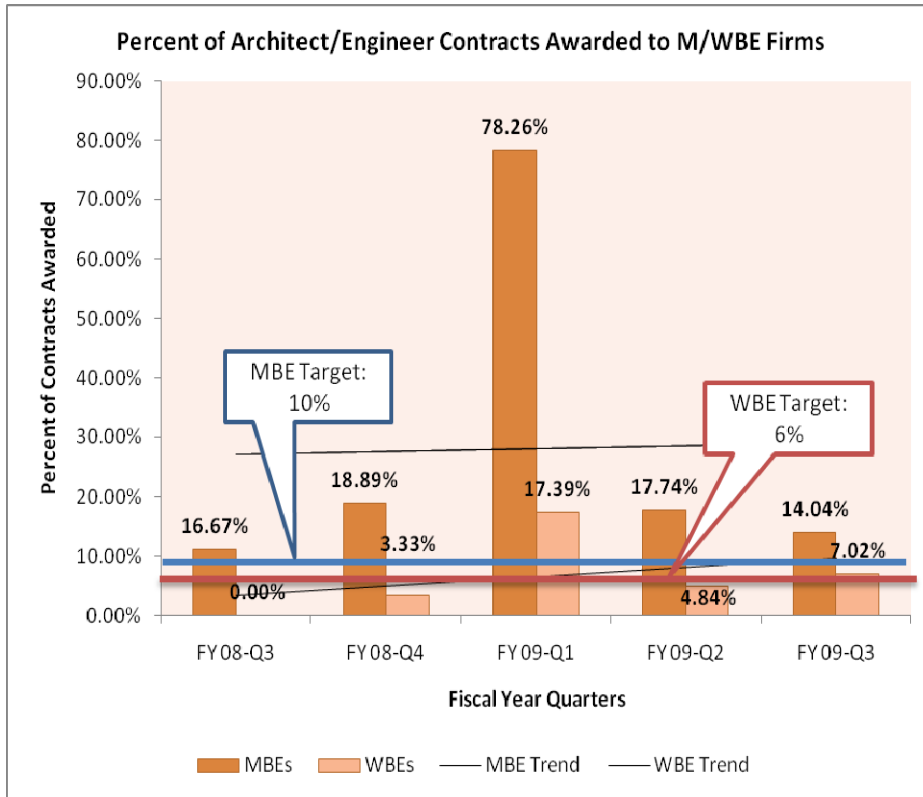
The percent of prime public works contracts continues to exceed the targets for MBE and WBE firms. In 2007, the UW awarded two Job Order Contracts: Centennial Contractors and Burton Construction (a certified MBE). As the UW has extended its use of the Job Order Contracting method for specific projects valued at less than \$300,000, it has seen an increase in the percentage of prime MBE contracts awarded each quarter. Although the current quarter dollars spent with prime MWBE firms fall short of the current targets, the dollars do represent a substantial increase in both MBE and WBE dollars in comparison to the previous quarter.

ACTION STEPS:

The BDP is working with the UW Capital Projects Office to increase the subcontractor outreach efforts of the UW's current prime contractors. The focus on subcontractor outreach especially applies to JOC and GC/CM projects which provide a significant opportunity for subcontractor participation. In the recent JOC RFP (date) the respondents were required to submit a detailed M/WBE outreach plan. This outreach plan was a part of the evaluation criteria and CPO is working on a way to incorporate this outreach plan requirement and evaluation into future GC/CM RFPs.

In addition to subcontractor outreach, CPO is working on a process to accurately account for both prime and subcontractor dollars spent with MWBE firms quarterly. The goal is to have both prime and subcontractor data included in the BDP dashboard.

MWBE Utilization (Measure #6)



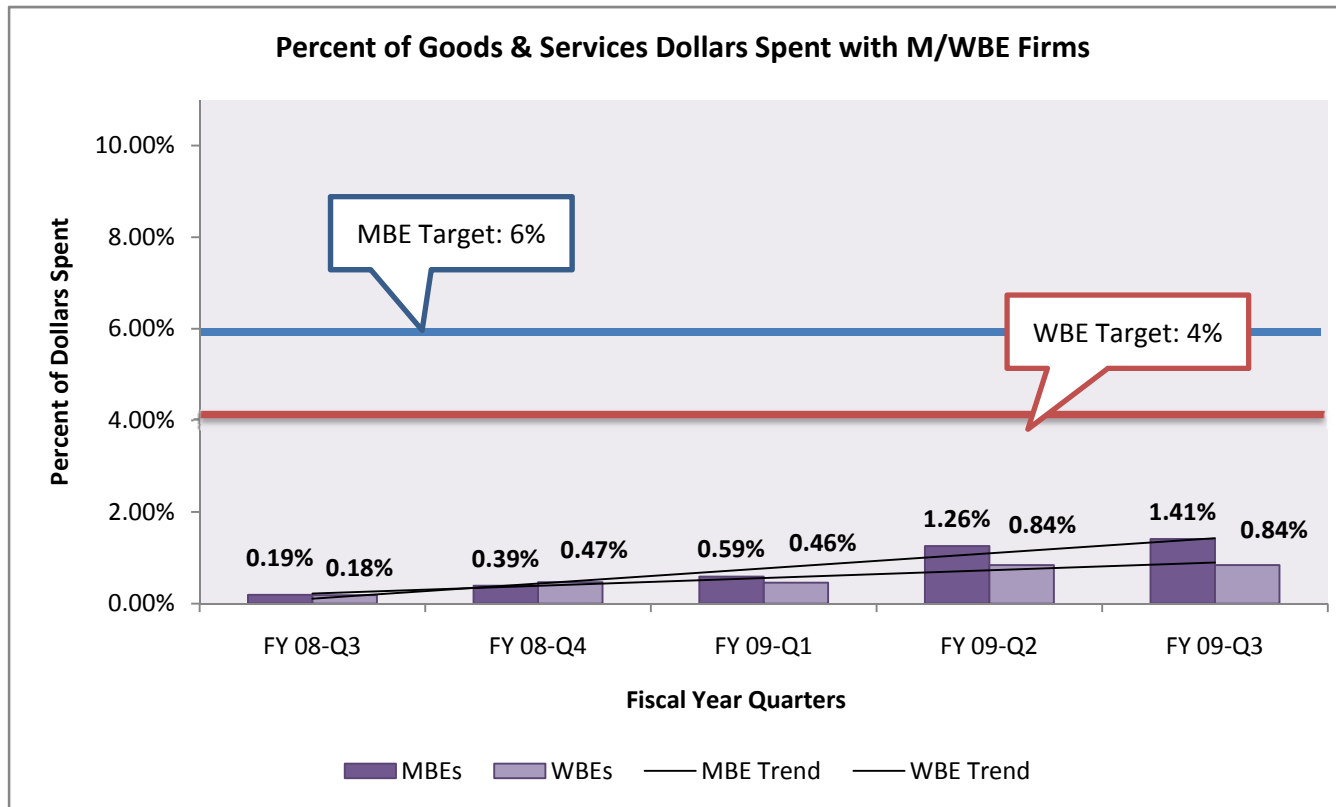
ANALYSIS:

Since FY 06 there has been a significant increase in the percent of prime A/E contracts awarded to MWBE firms. The Architect/Engineer Partnership Program has had a tremendous impact in a relatively short amount of time. By adopting strategic initiatives aimed at raising the awareness of a diverse pool of qualified A/E firms, the UW has significantly increased its utilization of certified minority and women-owned firms (1.73% in FY 06 vs. 4.23% in FY 08), small firms and firms that have never provided A/E services to the UW.

ACTION STEPS:

The BDP will continue to work with CPO to expand A/E outreach to both prime consultants and subconsultants. In addition to subcontractor outreach, CPO is working on a process to accurately account for both prime and subconsultant dollars spent with MWBE firms quarterly. The goal is to have both prime and subconsultant data included in the BDP dashboard.

MWBE Utilization (Measure #6)



ANALYSIS:

Although the UW has been challenged in meeting its goal for goods and services dollars spent with M/WBE firms, the University has experienced some incremental improvement in its current utilization.

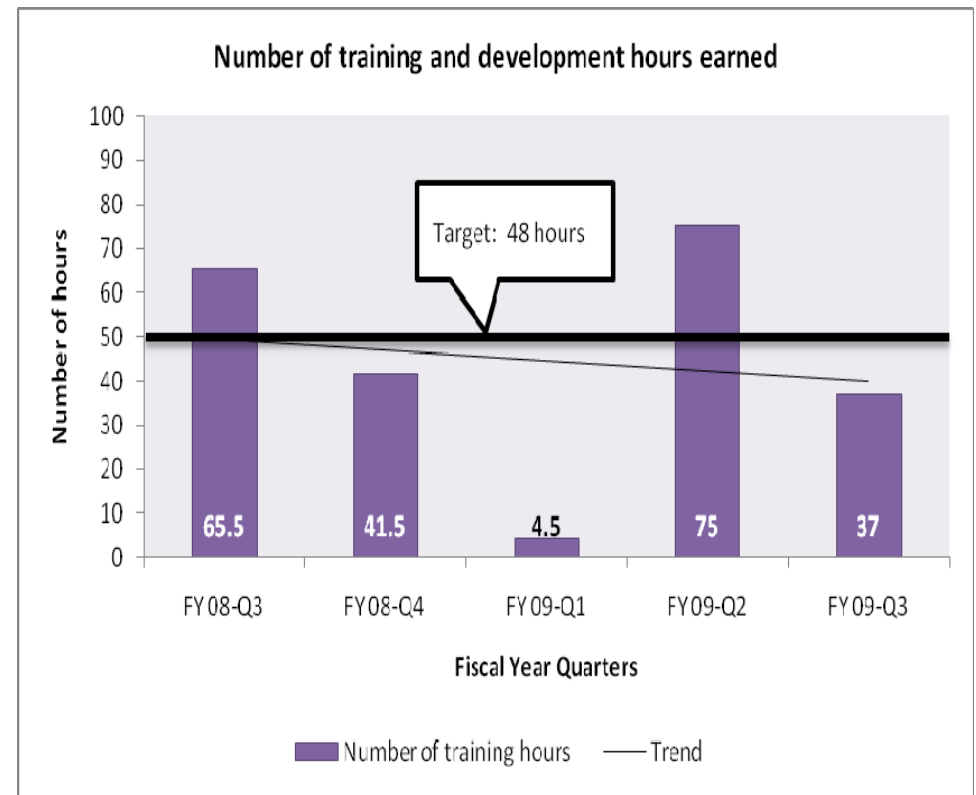
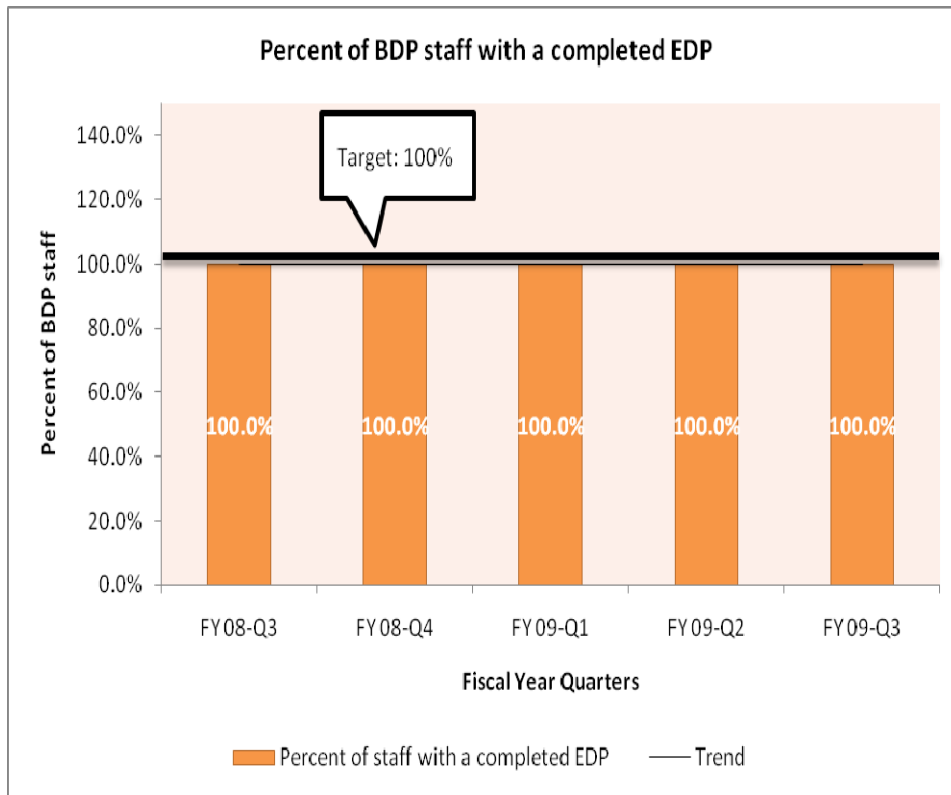
Purchase of goods and services under the threshold for competition are frequently made directly by campus departments. The Business Diversity Program continues to conduct outreach to UW campus colleges/schools and departments to encourage the consideration of a diverse range of businesses, including M/WBE firms.

ACTION STEPS:

BDP works with the Strategic Sourcing Team within Purchasing Services to develop procurement strategies which will provide maximum contracting opportunities for diverse suppliers, in an effort to meet the UW's voluntary annual goals for spend with diverse suppliers. BDP is also working with Purchasing Services to "clean up" PAS supplier data in order to more accurately reflect the dollars that are available for contracting with diverse suppliers.

Under the direction of the BDP, departments will be encouraged to use the BDP website where they can search through the BDP's Diverse Vendor Search database of businesses that have registered with the BDP to be included.

Develop Staff (Measure #7)



ANALYSIS:

The UW is committed to supporting employee development. Staff and leaders are encouraged to set and achieve goals for personal and professional development. Release time and funding for classes/activities is provided as possible. Employee Development Plans (EDP), created by the employee in conversation with their leaders, are to be completed prior to approval for release time and funding. EDPs can include personal and professional objectives and focus on activities within a year or more.

ACTION STEPS:

The BDP is currently staffed by two full-time employees. All BDP staff have a completed EDP on file that was reviewed and modified to reflect current conditions in March 2009.

When available, BDP staff will continue to take advantage of the leadership development and training opportunities available under the [UW Quality Improvement Program](#).