The University of Edinburgh – Corporate Services Group
Procurement Office
eProcurement Strategy – 2013-16

Overarching Aims

To deliver an excellent eProcurement service that supports the strategic aims and enablers of the University, and the under-pinning University Procurement Strategy.

University of Edinburgh Strategic Plan
http://www.docs.sasg.ed.ac.uk/gasp/strategicplanning/201216/StrategicPlan201216spreads.pdf

University of Edinburgh Procurement Strategy
http://www.ed.ac.uk/schools-departments/procurement/policies-procedures/strategy

eProcurement supports these strategies by:

- Delivering easy-to-use, accurate and comprehensive systems that meet the needs of the users
- Providing efficient processes to minimise the time spent on administrative procedures
- Integrating effectively with the rest of the purchase to pay process to ensure efficient invoice matching and payment
- Ensuring simple and efficient processes to allow suppliers to trade with the University

For the purposes of this document, the term eProcurement is used to represent all of the University-wide electronic systems used to support the procurement journey at the University of Edinburgh.

These systems are:

System Name	Purpose
SciQuest	eOrdering
PECOS	eOrdering
Collaborative Content Management (CCM)	Content for eCatalogues
Enterprise Reagent Manager (ERM)	Lab inventory management
In-Tend	eTendering

Other ordering systems in use are:

System Name	Purpose
eFinancials	Financial information system, including ordering, receipting, invoice and payment processing
Library Management System	Library management and eOrdering
Saffron (Accommodation Services)	Catering and menu management, stock control and ordering
EBIS	Estates information system, including ordering, receipting and invoice matching

eSourcing and eTendering

The University currently uses In-Tend as its electronic tendering solution. This allows the secure electronic distribution and management of all documentation and communications relating to a specific tendering activity, significantly reducing administrative effort and paperwork.

In conjunction with In-Tend, the University uses the Public Contracts Scotland (PCS) website to publish its tenders and award notices. Suppliers use PCS to find tendering opportunities. Currently, In-Tend is not connected to PCS to enable the transfer of data between the 2 systems. The drawbacks of this include duplication of effort for both users and suppliers, where they have to register with, and access, both systems to participate in a tender.

As part of the recent changes to the Scottish Government's eCommerce service, a new eSourcing and tendering system, PCS Tender (PCS-T) has been procured, and is now available for use by all Scottish public sector bodies.

PCS-T, provided by BravoSolution, offers a comprehensive solution, including modules for tendering, auctions, evaluation, collaboration and supplier and contract management. Further, the Scottish Government's recommended best-practice procurement methodology – the Procurement Journey – is embedded in the solution. The Procurement Journey has already been adopted by the University as procurement best-practice. PCS-T is much more closely integrated with PCS than In-Tend, assisting suppliers with registration for tendering opportunities, and removing duplication of effort.

Ordering Systems

Current Position

The majority of the University's high-volume (of orders/invoices) suppliers have been enabled on either PECOS or SciQuest.

Currently, approximately 54% of the orders placed through University central ordering systems (eFinancials, SciQuest and PECOS), are raised using SciQuest or PECOS. Other business specific systems, such as EBIS (Estates and Buildings), Voyager (Library) and Saffron (Accommodation Services) are also used to place a high volume of orders. The scope to introduce eProcurement benefits in these business units, using PECOS and SciQuest, is limited, as the ordering functionality in the business specific systems is tightly integrated with the business critical functionality which is their primary function.

The opportunity to include eProcurement efficiencies in these services should be addressed as part of the Financial Systems Review, or when the systems concerned are reviewed.

We are constantly working to expand the range of suppliers enabled on both PECOS and SciQuest , where new contracts and requirements arise. We continue to add new suppliers as new contracts or collaborative frameworks are let (collaborative contracts are on target for over 30% of the University's expenditure). We are also currently reviewing the rest of the University's suppliers, in order to establish which ones are appropriate for enabling, thereby further reducing process effort by ensuring accurately priced catalogues and allowing better price controls.

Our target is to achieve 80% of the orders placed through University central ordering systems (eFinancials, SciQuest and PECOS), raised using eProcurement by the end of the 2014/15 financial year.

SciQuest
SciQuest has been in use at the University for approximately 9 years, and has 1900 users across the majority of schools in the colleges of Science and Engineering and Medicine and Veterinary Medicine. It facilitates the eProcurement of laboratory supplies from approximately 40 suppliers, using supplier catalogues, holding over 2 million items, and supplier websites.

An interface passes purchase order data from SciQuest to eFinancials on a daily basis. An additional interface passes cost centre and job code data (such as new research grants) to SciQuest from eFinancials.

PECOS
PECOS has been in use at the University of Edinburgh for nearly 5 years, and has over 1400 users in the majority of schools and units across the University. It facilitates the eProcurement of a wide range of goods and services, including those let by collaborative contracts, such as stationery, office supplies, IT equipment and car hire, using both supplier catalogues and websites. It is supported by the Scottish Government and APUC (Advanced Procurement for Universities and Colleges).

PECOS has a number of interfaces that pass data to and from eFinancials. Purchase orders and receipts are passed to eFinancials daily, and user data, cost centres, job codes and user access to cost centres and job codes, are all passed from eFinancials to PECOS on a daily basis.

User administration , and catalogue management in both PECOS and SciQuest is unique to each system, requiring management of separate databases. Many users use both systems, along with the eFinancials system for *ad hoc* purchases, resulting in the management of 3 sets of user data. Efficiencies can be achieved by reducing the number of systems used for raising purchase orders.

Collaborative Content Management (CCM)
The collaborative content management (CCM) system provides a standalone source of catalogue and punchout data that can be shared across the Scottish public sector. It holds local and both sector and national collaborative catalogues. Individual institutions manage their own data, with collaborative content in managed by APUC and the Scottish Government.

The CCM system is currently used to provide content for PECOS, but can be used in conjunction with other eOrdering systems.

Management of catalogue content is an essential part of the purchase to pay process, and both CCM and SciQuest provide good, easy-to-use functionality for doing so.

eFinancials
The eFinancials purchase ordering and good receipting module is used directly for raising orders and receipts that are not placed using either of the eProcurement systems. eFinancials is used to process all supplier invoices and payments.

Purchasing Cards
The University has a small number of credit cards available to staff in certain roles, where a it has been identified that a credit card is required to manage certain purchase transactions. These are normally restricted to areas where a significant number of on-line purchases (which have no alternative to payment by credit card) are central to the business of the school/unit, or where travel expenses cannot easily be managed using the existing cash advance and expenses claim processes.

Finance and Procurement are currently working to move the existing credit cards to new purchase cards, with a new card provider. There are currently no plans to increase the number of cards, or widen the scope of their use.

eProcurement Priorities

In order to continue to secure the efficiencies and other benefits already achieved, and to ensure that they continue to align with the University's strategic priorities, it is essential to continue to review and develop our strategy. The following items are key to ensuring continued development:

1. **Review of eOrdering systems**

As a consequence of extensive user feedback that it would be preferable to use a single eOrdering system, along with the significant duplication of effort required to maintain more than one system , we are currently working on a project to review the use of our existing eOrdering systems, with the aim of delivering a single eOrdering system before the end of December 2015.

The project will investigate the options presented by the 3 current University wide ordering systems – PECOS, SciQuest and eFinancials – and recommend the best way of delivering a single, high quality eProcurement system, that meets the needs of the user community.

The project will also include evaluating the benefits offered by a new content management system procured by the Scottish Government. Intended primarily to provide improved content for PECOS, the Collaborative Content Management System (CCM), brings a number of benefits, including true shared content for collaborative contracts, and the opportunity to use this content with a variety of eOrdering systems (not only PECOS).

This review will be impacted by the overall Finance Systems Review project, where the Director of Procurement will be asked to consider the supplier enablement, eOrdering and content management aspects.

2. **Review systems used to manage Laboratory Chemicals**

As part of the SciQuest eProcurement system, the University also licences a chemical inventory and management system, Enterprise Reagent Manager (ERM) . This was encouraged by Health and Safety to allow the management, tracking and sharing of chemicals held in laboratories, and is integrated with the SciQuest eProcurement functionality to allow users to choose between ordering new, or using existing stock.

ERM has been implemented in the School of Chemistry for several years, and has resulted in significant efficiencies, through re-use, reduced ordering and reduced waste. It has also made it easy to comply with Health and Safety reporting requirements regarding the use of restricted chemicals. In 2013, the School of Chemistry won an S-LAB Laboratory Environment Improvement prize for their implementation of ERM.

Efforts to roll-out ERM to other parts of the University which might benefit have been unsuccessful to date. A lack of common laboratory processes and procedures across Schools, and the inability to find a local "champion" for the ERM system, are amongst the reasons why we lack wider adoption of the system.

The position of ERM will be reviewed as part of the reviews of eOrdering and Finance systems, but its use must also be reviewed in the light of the development and roll-out of a new, in-house, Health

and Safety system to manage and report on high-risk substances across the University (further details can be found at - https://www.projects.ed.ac.uk/project/csg001).

A decision on the future of ERM must be reached, assessing the costs, benefits and risks, while ensuring that the requirements of the School of Chemistry continue to be met.

3. Review the options for the replenishment of stock items via eProcurement

It is not currently possible to purchase items for the replenishment of stock using eProcurement. As these items are low-value, high-volume purchases, further efficiencies could be gained by addressing this issue.

A Finance and Procurement project to investigate a solution was cancelled in 2012/13 due to resource and time constraints, and it is recommended that this project be re-submitted to the 2014-2017 planning round.

4. Complete the roll-out of the Research Equipment Register

A Research Equipment Register has been developed, providing a searchable database of all research equipment of a value greater than £10,000. Alongside meeting the compliance requirements of the Wakeham review of research funding, it will also help provide a better understanding of the equipment asset base across the University, which will, in turn, provide further opportunities for efficient and effective procurement (including maintenance and disposal), and also aid in ensuring procurement legal compliance. The roll-out of the register will be completed by December 2013.

5. Implement the PCS-T eSourcing and Tendering system

Initial investigations of PCS-T indicate that it will be a suitable replacement for the University's existing In-Tend system, and will deliver benefits through the embedded Procurement Journey and integration with Public Contracts Scotland. Adopting PCS-T will help standardise both internal and shared services procurement activities.

This should be completed by the end of April 2014.

Next steps

- Plan for the implementation of PCS-Tender (in April 2014)
- Complete the roll-out and embedding of the research equipment register project (by end December 2013).
- Complete the consultation phase of the review of eOrdering systems (by end of December 2013)
- Recommend a course of action regarding eOrdering systems, and plan for transition prior to the SciQuest licence expiry at the end of December 2015 (end of January 2014)
- Complete a review of ERM and recommend a course of action (by end of January 2014)
- Re-submit eProcurement/Stock ordering project proposal to the IS Planning runs (November 2013)
- Continue to increase the number of orders raised via eOrdering systems (on-going and reviewed regularly)
- Continue to increase the number of suppliers available on PECOS and SciQuest (on-going and reviewed regularly)
- Support Finance Department plans to implement eInvoicing.

- Re-evaluate this strategy based on the outcomes of the Finance and Estates systems reviews (timescales not yet known)

Further information on eProcurement systems can be found at on the Procurement Office website at: http://www.ed.ac.uk/schools-departments/procurement/eprocurement

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