

Welcome!



<http://procure.ohio.gov/PDF/SPUG/SPUG.HTM>

Some Important Notes...

If you have **QUESTIONS** for today's presenters:

Live audience: Please raise your hand, and staff will bring a microphone to you.

Webinar audience: Email questions to DAS.StatePurchasing@das.state.oh.us Please indicate "**SPUG Question**" in the subject line. Emailed questions will be read aloud and presenters will have an opportunity to respond. Any questions that we do not have time to respond to will be posted on the SPUG website for viewing after today's event.

Today's Agenda

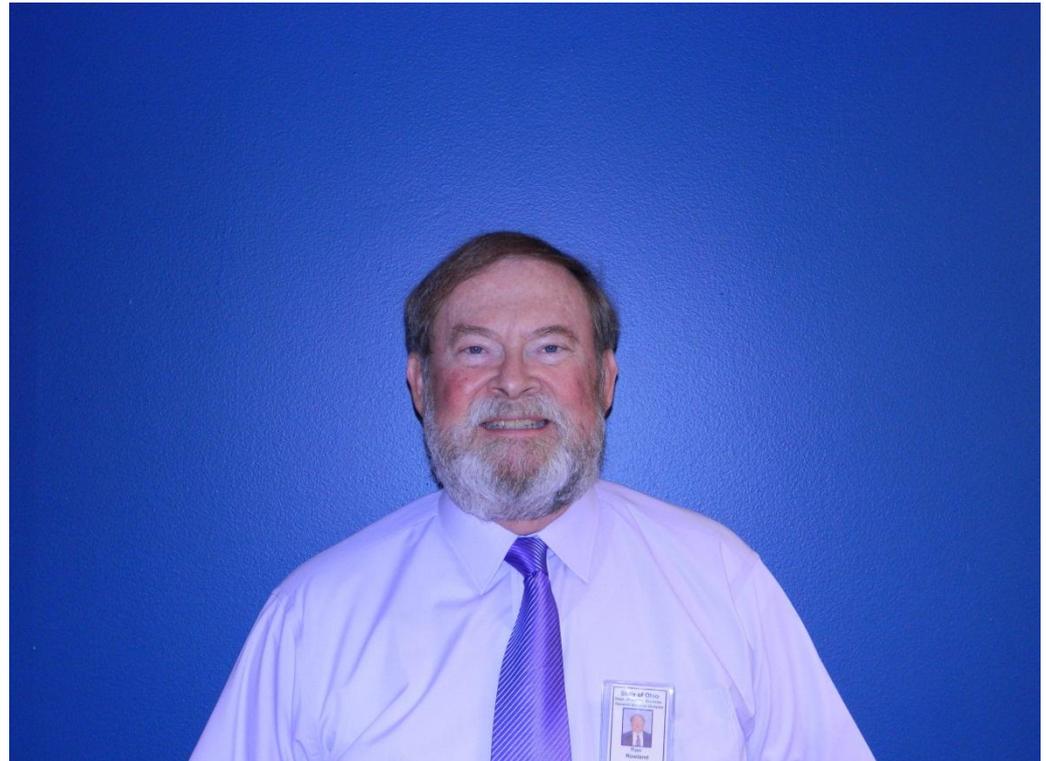
- Welcome, Agenda Overview, Staff Announcements
- eBid: An Overview
- Standardization of Spend Analysis Data Project Overview
- IT Procurement Services: What are WSCA, STS2 and IT Staff Augmentation?

Staff Announcements

Ron Rowland, CPPO

Procurement Manager

Community Rehabilitation
Program (and Office
Supplies/Furniture/
Equipment Team)



Staff Announcements

Brittney Castle,
Intern

All Non-IT

Procurement Teams

Gayle Blankenship,
Procurement Manager



Staff Announcements

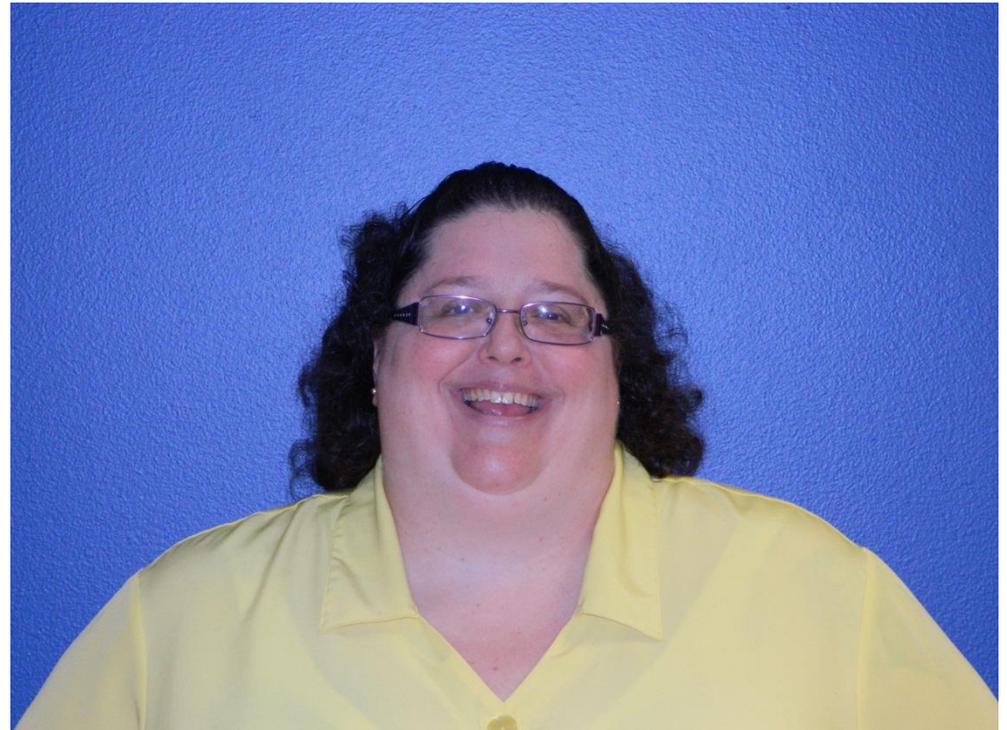
Jennifer

Dammeyer, CPPB

Procurement Analyst

Food/Clothing/Uniform
Team

David Potter,
Procurement Manager



Staff Announcements

Kellie Johnson

State Purchasing
Standards Analyst

Food/Clothing/Uniform
Team

David Potter,
Procurement Manager



Office of Procurement Services



CONGRATULATIONS!!!

Next on the Agenda...

eBid: An Overview

Krista Holcombe, OAKS Support Specialist

Department of Administrative Services /

FIN Program Management Office

What is eBid?

- OAKS Electronic Strategic Sourcing Module
 - Automated
 - Self-contained
 - Events

Types of Events

- RFX
 - RFP's, ITB's, One-Time Bids
- Request for Information (RFI)
 - Qualification for Reverse Auction
- Reverse Auction (RA)
 - Live Event (Invitation Only)

Event Details

OAKS Financials

Home | Worklist | MultiChannel Console | Add to Favorites | Sign out

[New Window](#) | [Help](#) | [Customize Page](#) |

Menu

- ▼ Create Events
 - Event Details
 - Maintain Event Templates
 - Bid Factor Setup
 - Bid Factor Group Setup
 - Standard Comments
 - Standard Comments Type
- ▶ Event Responses
- ▶ Maintain Events
- ▶ Batch Processes
- ▶ Sourcing Administration
- ▶ Engineering
- ▶ Manufacturing Definitions
- ▶ Production Control
- ▶ Configuration Modeler
- ▶ Product Configurations
- ▶ Quality
- ▶ Demand Planning
- ▶ Inventory Policy Planning
- ▶ Supply Planning
- ▶ Grants
- ▶ Program Management
- ▶ Project Costing
- ▶ Proposal Management
- ▶ Resource Management
- ▶ Staffing
- ▶ Travel and Expenses
- ▶ Billing
- ▶ Accounts Receivable
- ▶ Accounts Payable
- ▶ Travel Expenses
- ▶ eSettlements
- ▶ Asset Management
- ▶ Banking
- ▶ Cash Management
- ▶ Deal Management
- ▶ Risk Management
- ▶ VAT and Intrastat
- ▶ Excise and Sales Tax/VAT IND

Header Details

Business Unit: DAS01 Event ID: OT0 Round: 1 Version: 1 Event Format: Buy

Payment & Currency Information

*Currency: *Rate Type: Rate Date:

Pay Method: Payment Terms: [Exchange Rate](#)

Bill Addr: Allow bids in other currencies

Buyer:

Tax Exempt Exempt ID:

Event Contact

Contact Name:

Email ID:

Phone:

Additional Options

<input type="checkbox"/> Bid Required On All Lines	<input checked="" type="checkbox"/> Sealed Event
<input checked="" type="checkbox"/> Multiple Bids Allowed	<input checked="" type="checkbox"/> Display Round to Bidders
<input type="checkbox"/> Display Start Price to Bidders	<input checked="" type="checkbox"/> Display Version to Bidders
<input type="checkbox"/> Bidder Must Beat Start Price	<input type="checkbox"/> Allow Edit of Posted Responses
<input type="checkbox"/> Display Bid Factor Weightings	<input type="checkbox"/> Show Identity of Bidders
<input type="checkbox"/> Requested Line Qty Required	<input type="checkbox"/> Allow Bidder Downloads
<input type="checkbox"/> MBE Set Aside	

Scoring Options

Done

Internet 100%

Bid Factors

Home Worklist MultiChannel Console

New Window | Help

Event Bid Factors

Business Unit: DAS01 Event ID: OT0 Round: 1 Version: 1 Event Format: Buy

Bid Factor Weighting Total: Remaining Bid Factor Weight: 100.00000

Bid Factors	
Seq Nbr: 1	Weighting: 0.00000
*Bid Factor: COLLABORATION	Type: Text
Question: Do you approve this award?	
Ideal: Approved	<input type="checkbox"/> Select for deletion
<input type="checkbox"/> Display Bid Factor?	<input type="checkbox"/> Bid Required? <input type="checkbox"/> Mandatory Response
Seq Nbr: 2	Weighting: 0.00000
*Bid Factor: CONFIRM T&C'S	Type: Yes/No
Question: I have read and understand the attached terms and conditions.	
Yes/No <input checked="" type="radio"/> Yes <input type="radio"/> No	<input type="checkbox"/> Select for deletion
<input checked="" type="checkbox"/> Display Bid Factor?	<input checked="" type="checkbox"/> Bid Required? <input type="checkbox"/> Mandatory Response

[Add Bid Factors by Group](#) [Select Bid Factors](#)

Comments/Attachments

OAKS Financials

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- ▷ Production Control
- ▷ Configuration Modeler
- ▷ Product Configurations
- ▷ Quality
- ▷ Demand Planning
- ▷ Inventory Policy Planning
- ▷ Supply Planning
- ▷ Grants
- ▷ Program Management
- ▷ Project Costing

Header Comments and Attachments

Event ID: OT0

Enter Comments First 1 of 1 Last

Comments: + -

Send To Bidder Include On Award [Standard Comments](#)

Add Attachment

OK Cancel Refresh

Line Items



[Home](#) | [Worklist](#) | [MultiChannel Console](#) | [Add to Favorites](#) | [Sign o](#)

Menu

- ▼ Create Events
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- ▷ Demand Planning
- ▷ Inventory Policy Planning
- ▷ Supply Planning
- ▷ Grants
- ▷ Program Management
- ▷ Project Costing
- ▷ Proposal Management
- ▷ Resource Management
- ▷ Staffing
- ▷ Travel and Expenses
- ▷ Billing
- ▷ Accounts Receivable
- ▷ Accounts Payable
- ▷ Travel Expenses

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Event Details

Business Unit: DAS01 Event ID: OTO Round: 1 Version: 1 Event Format: Buy

Event Parameters

*Event Type: Status: Open

*Event Name:

Description:

Preview Date:

*Start Date:

*End Date:

GoTo.....

[Copy From](#) | [Header Details](#) | [Header Bid Factors](#) | [Header Comments](#) | [Invite Bidders](#)

Line Summary [Customize](#) | [Find](#) | [View All](#) |  First 1 of 1

Line Details

Line Weighting

Line	Item ID	Description	Category	*UOM	*Qty	Start Price	Ext. Amount
1	<input type="text" value="00000000000008445"/>	ICE CREAM, 3 GALLON BULK DISTRICT 1 SEE FLAVORS BELOW CASE PACK: 3 GAL CONTAINER, 1 EA.	 50131700	<input type="text" value="CS"/>	<input type="text" value="1000"/>	<input type="text" value="10.7520"/>	   

Event Total: 0.0000 USD

Line Weighting Total: 0% Remaining Weight: 100%

Invitations

The screenshot displays two overlapping windows from the Ohio DAS Financials system. The top window is titled 'Invite Bidders' and shows a list of bidders for a specific event. The bottom window is titled 'Bidder Search' and shows search criteria and results for a different event.

Invite Bidders Window:

- Business Unit: DAS01 | Event ID: OT0 | Round: 1 | Version: 1 | Event Format: Buy
- Public Event
- Buttons: [Customize](#) | [Find](#) | [View All](#) | [First](#) | 1-5 of 15 | [Last](#)
- Table:

Select	Bidder ID	Bidder Type	Name	Dispatch Method	Invite Status
<input type="checkbox"/>	PUBLIC_AUC	Public	This is a Public Event	Email	
<input type="checkbox"/>	0000142694	Vendor	Jen & Berry's	Email	
<input type="checkbox"/>	B000000021	Bidder	AR		
<input type="checkbox"/>	B000000022	Bidder	tes		
<input type="checkbox"/>	B000000023	Bidder	Co		
- Buttons: [Search for Bidders](#) | [Dispatch Lines](#) | [OK](#) | [Cancel](#) | [Refresh](#)

Bidder Search Window:

- Business Unit: DAS01 | Event ID: SAF | Name: Ice Cream and Frozen Novelties
- Search Criteria:
 - Bidder Type: Vendor
 - Name:
 - ID:
 - Contact:
 - Group ID:
 - Group Name:
 - State:
 - City:
 - Country:
 - Postal:
 - Type:
 - SIC Type:
 - SIC Code:
 - Item ID:
- Buttons: [Select All](#) | [Clear All](#) | [Recommend Bidders](#) | Invite to Entire Event | Maximum Rows retrieved: 999 | [Search](#)
- Search Results:

Bidder ID	Bidder Type	Location	Name	Invite
1 0000142694	Vendor	MAIN	Jen & Berry's	<input checked="" type="checkbox"/>
- Buttons: [OK](#) | [Cancel](#) | [Refresh](#)

Bidder Registration

- Vendor and Bidder Registration
 - Vendors
 - Bidders
 - MBE/EDGE Certified Companies

Posting Events

Home | Worklist | MultiChannel Console | Add to Favorites | Sign

New Window | Help | Customize Page | http

Event Details

Business Unit: DAS01 Event ID: OT00000101 Round: 1 Version: 1 Event Format: Buy

Event Parameters

*Event Type: RFX Status: Open

*Event Name: Ice Cream and Frozen Novelties

Description:

Preview Date: 01/11/2011 12:00PM EST

*Start Date: 01/11/2011 12:00PM EST

*End Date: 01/28/2011 1:00PM EST

GoTo:

[Copy From](#) [Header Details](#) [Header Bid Factors](#) [Header Comments](#) [Invite Bidders](#)

Line Summary

Customize | Find | View All | First 1 of 1

Line Details | Line Weighting

Line	Item ID	Description	Category	*UOM	*Qty	Start Price	Ext. Amount
1	000000000000008445	ICE CREAM, 3 GALLON BULK DISTRICT 1 SEE FLAVORS BELOW CASE PACK: 3 GAL CONTAINER, 1 EA	50131700	CS	1.0000	10.7520	\$10.75

Event Total: 10.7520 USD Line Weighting Total: 0% Remaining Weight: 100%

Post Last Updated By: OHTRAINEE100 2012-02-29-06.19.30.000000 PST

Save

Preview PDF

Opportunities

- Email
 - Invited Bidders/Vendors
- State Procurement Website
 - procure.ohio.gov
- eBid
 - Manage Events and Place bids > View Events and Place Bids

Entering Bids

Event Details

Event ID: OT00000002 Ice Cream and Frozen Novelties Round: 1
 Event Start Date: 01/11/2011 10:49AM PST End Date: 01/28/2011 01:00 PM EST Version: 1
 Multiple Bids Allowed: Yes All lines Required: No

Create Bid Response

Line Detail
 Line: 1 Description: ICE CREAM, 3 GALLON BULK DISTRICT 1 SEE FLAVORS BELOW CASE PACK: 3 GAL CONTAINER
 Event Qty: 1000.0000 UOM: Case Response Required: No
 Category: Milk and butter products

Line Questions
 Response
 ★ Bid Price: 12.00
 ★ Is this product manufactured or produced in Ohio? Yes

Add Line Comments and Attachments

Line Response
 Bid Qty: 1000.000000
 Extended Price: 12,000.0000 USD

Bid Parameters

Bid Confirmation

Your bid has been successfully submitted.

Bid ID: 1 Bid Date: 01/12/2011 11:12:16AM
 Event ID: OT00000002 Ice Cream and Frozen Novelties
 Event Format: Sell Event Round: 1 Version: 1
 Start Date: 01/11/2011 1:49PM EST End Date: 01/28/2011 01:00 PM EST

Your Total Price: 33,000,000,000 USD

Event Analysis

OAKS Financials

Home | Worklist | MultiChannel Console

[New Window](#)

Event Bid History

Event ID	Event Name	Round	Version	Event Type	End Date	Status
DAS01-SAF0000149	Six Month Food Qualification Summary	1	1	RFX	03/15/12 1:00PM	Posted

Report Type: Event Invitation Best Bids Bidder/Bid List By Line

Status/Ranking: Score Rank Bid Status Price

Refresh

Sort By: Descending

[Expand All](#) [Collapse All](#)

Bidder Name	Bid#	Bidder ID	Date Time Posted
▶ Jen & Berry's	1	0000142694	03/15/2012 1:45:57
▶ Bad Humor Ice Cream	1	B000000024	03/15/2012 1:46:34
▶ Warm Rock Creamery	1	B000000025	03/15/2012 1:47:02

[Return to Event Workbench](#)

OAKS Financials

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Analyze Events

Analyze Total [Analyze Line](#) [Award Summary](#) [Award Details](#)

Business Unit: DAS01 Event ID: OT00000101 Round: 1 Version: 1 Event Name: Ice Cream and Frozen Novelties

Event Format: Buy Event Type: RFX Currency: USD End Date: 01/28/2011 1:00PM EST Status: Pend Award Go To:

▼ Analyze Parameters

Sort Bids By: Total Event Score Sort Order: Descending Display Withdrawn Bidders Analyze

Header Weighting: View Factor Responses View Factor Scores Display Disqualified Bids

Analysis	Jen & Berry's	Bad Humor Ice Cream	Betts Frozen Foods
Bidder Name	Jen & Berry's	Bad Humor Ice Cream	Betts Frozen Foods
Event Version:	1	1	1
Bid Number:	1	1	1
Total Bid Amount:	11.0000	12.0000	12.5000
Total Event Score:	100.0000	33.3000	0.0000
Total Header Score:	0.0000	0.0000	0.0000

Event Award

Financials Home Worklist MultiChannel Co

Analyze Events

Analyze Total [Analyze Line](#) [Award Summary](#) [Award Details](#)

Business Unit: DAS01 **Event ID:** OT00000101 **Round:** 1 **Version:** 1 **Event Name:** Ice Cream and Frozen Novelties

Event Format: Buy **Event Type:** RFX **Currency:** USD **End Date:** 01/28/2011 1:00PM EST **Status:** Pend Award **Go To:** ...

Analyze Parameters

Sort Bids By: Total Event Score **Sort Order:** Descending

Header Weighting: View Factor Responses View Factor Scores

Analysis

Bidder Name: [Jen & Berry's](#)

Event Version: 1

Bid Number: 1

Total Bid Amount: 11.0000

Total Event Score: 100.0000

Total Header Score: 0.0000

Bid Action: Award

Reject Reason Code:

Award by Percent: 100

Factors

Financials Home Worklist MultiChannel Co

Analyze Events

[Analyze Total](#) [Analyze Line](#) [Award Summary](#) [Award Details](#)

Business Unit: DAS01 **Event ID:** OT00000101 **Round:** 1 **Version:** 1 **Event Name:** Ice Cream and Frozen Novelties

Event Format: Buy **Event Type:** RFX **Currency:** USD **End Date:** 01/28/2011 1:00PM EST **Status:** Pend Award **Go To:** ...

Show Award Details to Bidders

Display bids Display all bids Display bid scores Display bid's total bid price Display factors

Award Details First 1 of 1 Last

Bidder Name: [Jen & Berry's](#) **Bidder Type:** Vendor **Buyer:** BUYER

Award Type: Contract **Award Currency:** Event USD **Terms:** 30

PO Business Unit: DAS01

Award Number: 1 **Total Award:** 11.0000

Award Lines

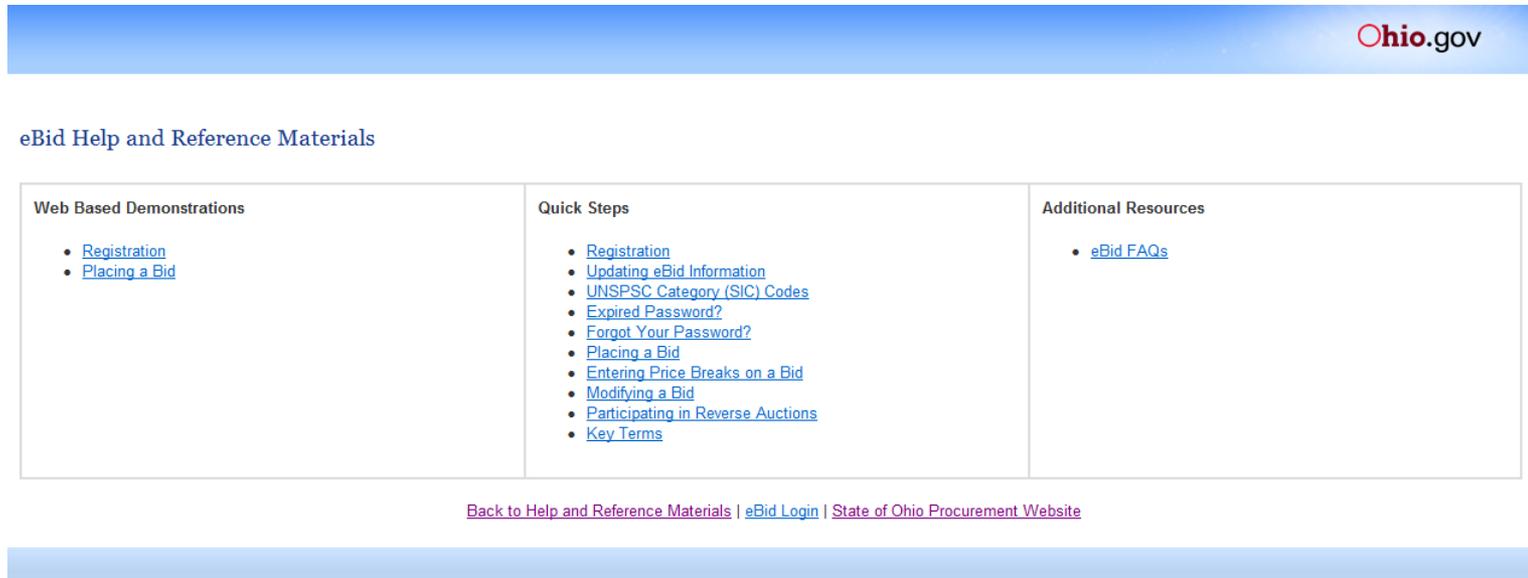
Line	Item ID	Vndr/Item Rel	Item Description	Ext Price
1	000000000000008445	<input checked="" type="checkbox"/>	ICE CREAM, 3 GALLON BULK DISTRICT 1 SEE FLAVORS BELOW CASE PACK: 3 GAL CONTAINER, 1 EA	11.00000

Post Award

Training Resources

Bidders & Vendors:

<http://procure.ohio.gov/html/ebidhelpref.htm>



The screenshot shows the Ohio.gov website header with the logo in the top right corner. Below the header is the section title "eBid Help and Reference Materials". The content is organized into three columns:

- Web Based Demonstrations**
 - [Registration](#)
 - [Placing a Bid](#)
- Quick Steps**
 - [Registration](#)
 - [Updating eBid Information](#)
 - [UNSPSC Category \(SIC\) Codes](#)
 - [Expired Password?](#)
 - [Forgot Your Password?](#)
 - [Placing a Bid](#)
 - [Entering Price Breaks on a Bid](#)
 - [Modifying a Bid](#)
 - [Participating in Reverse Auctions](#)
 - [Key Terms](#)
- Additional Resources**
 - [eBid FAQs](#)

At the bottom of the page, there is a navigation bar with the following links: [Back to Help and Reference Materials](#) | [eBid Login](#) | [State of Ohio Procurement Website](#)

For questions related to eBid,
contact the OAKS Help Desk:

1-888-644-6625

or email

oaks.helpdesk@oaks.state.oh.us

To submit a question, please send a
'high priority' email to

DAS.StatePurchasing@das.state.oh.us

Please indicate **"SPUG Question"** in the subject line.



Thank you for your questions and participation!

Next on the Agenda...

Standardization of Spend Analysis Data Project Overview

Julie Trackler, Executive Assistant to the Director

Department of Administrative Services



Standardization of Spend Analysis Data

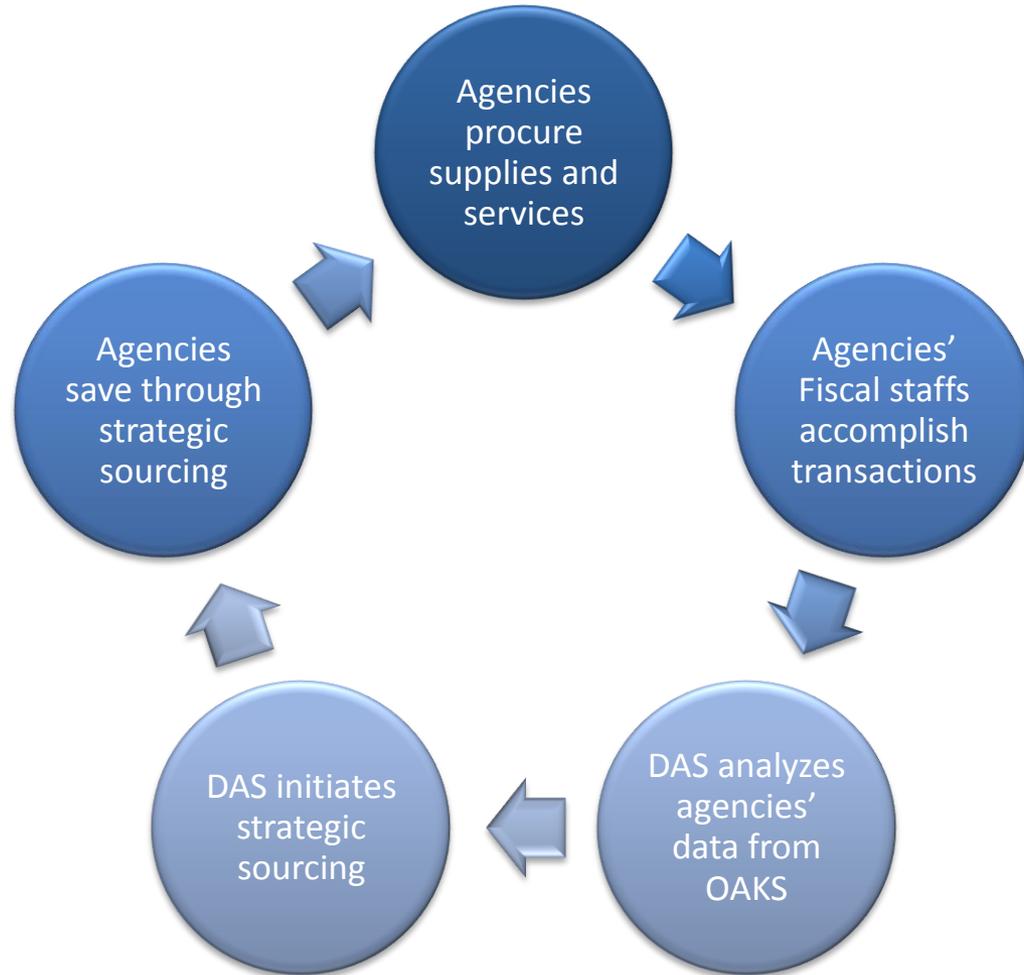
Problem Statement

- OAKS FIN procure-to-pay data contains defects
- Defective data impacts validity of the data sets
- Data sets are less than reliable for spend analyses
 - Defective data cannot be omitted from the data sets
 - Incomplete data sets result in adverse and unreliable spend analysis findings
- Inaccurate data sets may result in costly strategic sourcing decisions.

Goal

- Increase the accuracy of the OAKS procure-to-pay data by reducing the number of errors introduced into the spend category data sets

Customer Interdependencies



60

Six Sigma Project

Practical Problem

Statistical Problem

Statistical Solution

Practical Solution

Sigma Levels

If our yield* is:	Our DPMO* is:	Our Sigma is:
99.9997% acceptable	3.4	6.0
99.98% acceptable	320.0	5.0
99.4% acceptable	6,210.0	4.0
93.3% acceptable	6,800.0	3.0
62.9% acceptable	308,000.0	2.0
30.9% acceptable	690,000.0	1.0

* Yield – items without defects

** DPMO = Defects per million opportunities

Analysis plan

Studied a year's worth of data across a spend category



Category (UNSPSC) Codes

Requisitions

Purchase Orders

Vouchers

Contract usage



Account Codes

PO Vouchers

Debit Vouchers

P-card Vouchers

Contract usage



Survey to gain users' perspectives

UNSPSC Codes

Account Codes

Resources

Training

Candidates for strategic sourcing

Prior studies have determined that there are many categories that are candidates for strategic sourcing. They are:

- IT Software
- IT Hardware
- IT Services
- Telecom Services
- Temporary Labor
- Office Equipment
- Office Supplies
- Furniture
- Cleaning Supplies

- Pharmaceuticals
- Fleet
- Utilities/Natural Gas
- Food
- Small Parcels
- Clothing
- Facilities – Security Services
- Facilities – Waste Removal
- Cafeteria Services/Supplies

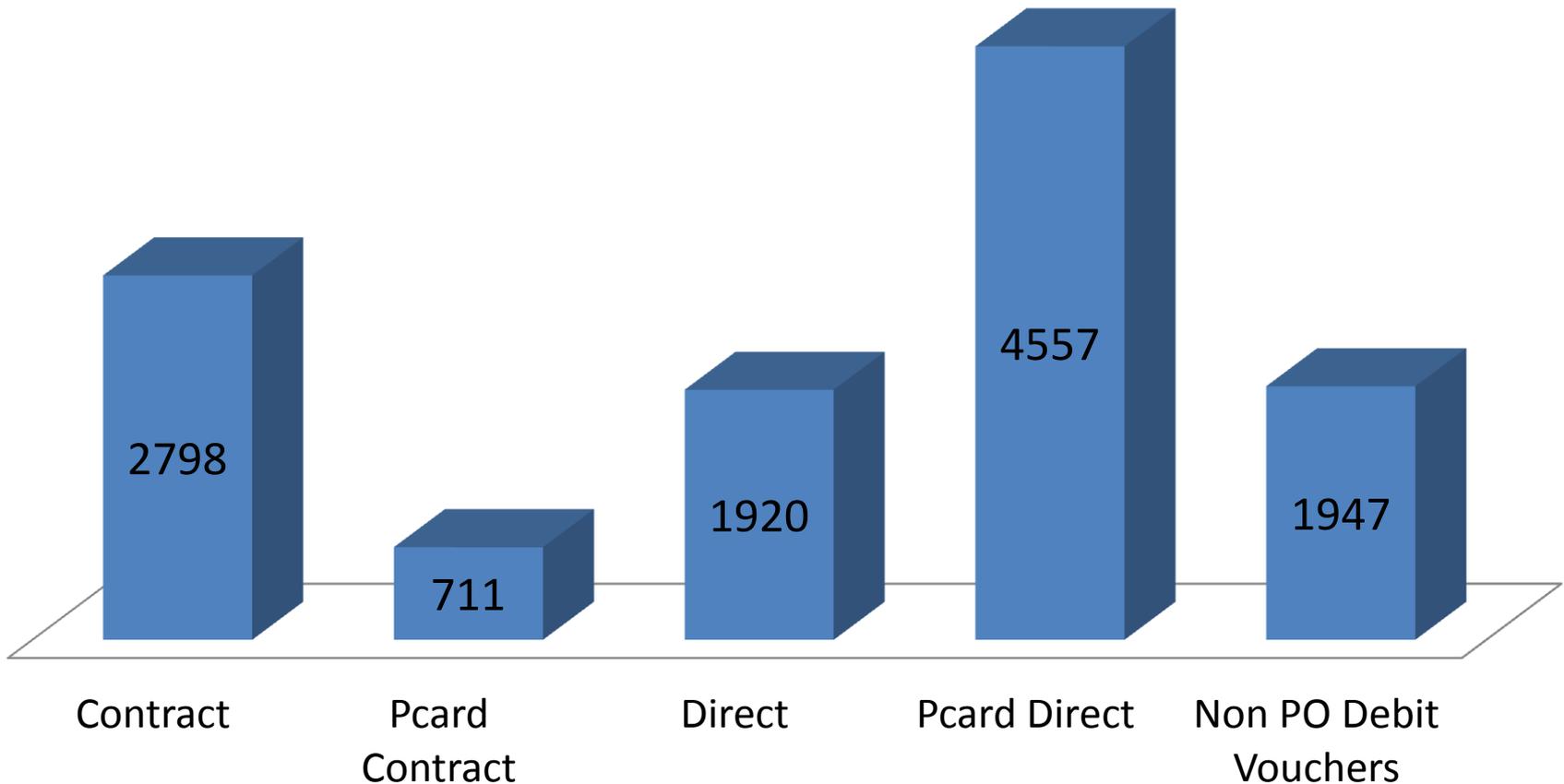
\$81.5 million saved, to date

2012 Annual Clothing Spend

Total: **\$7,802,541.36**

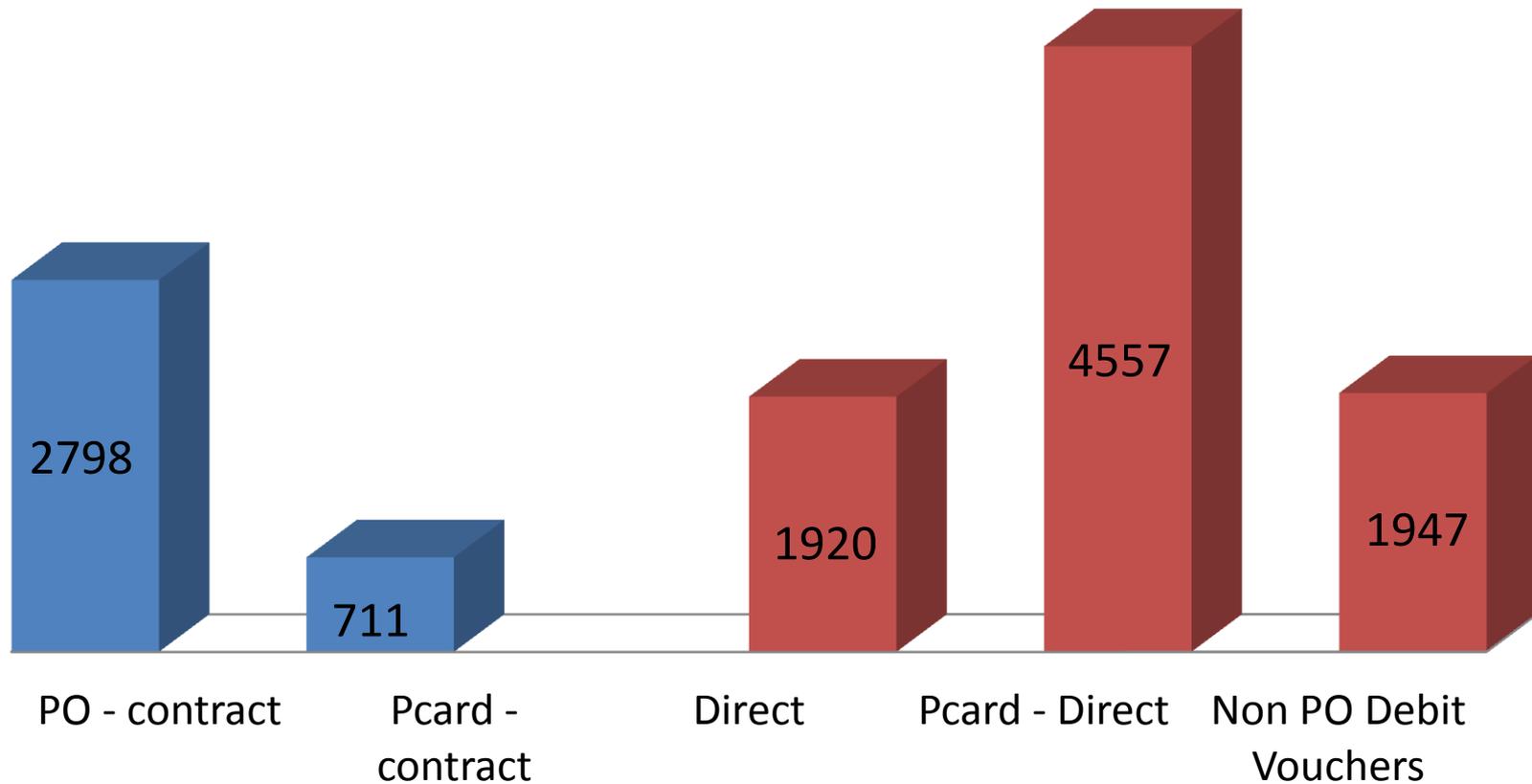
of vouchers: **11,933**

Clothing Transactions by Procurement Method

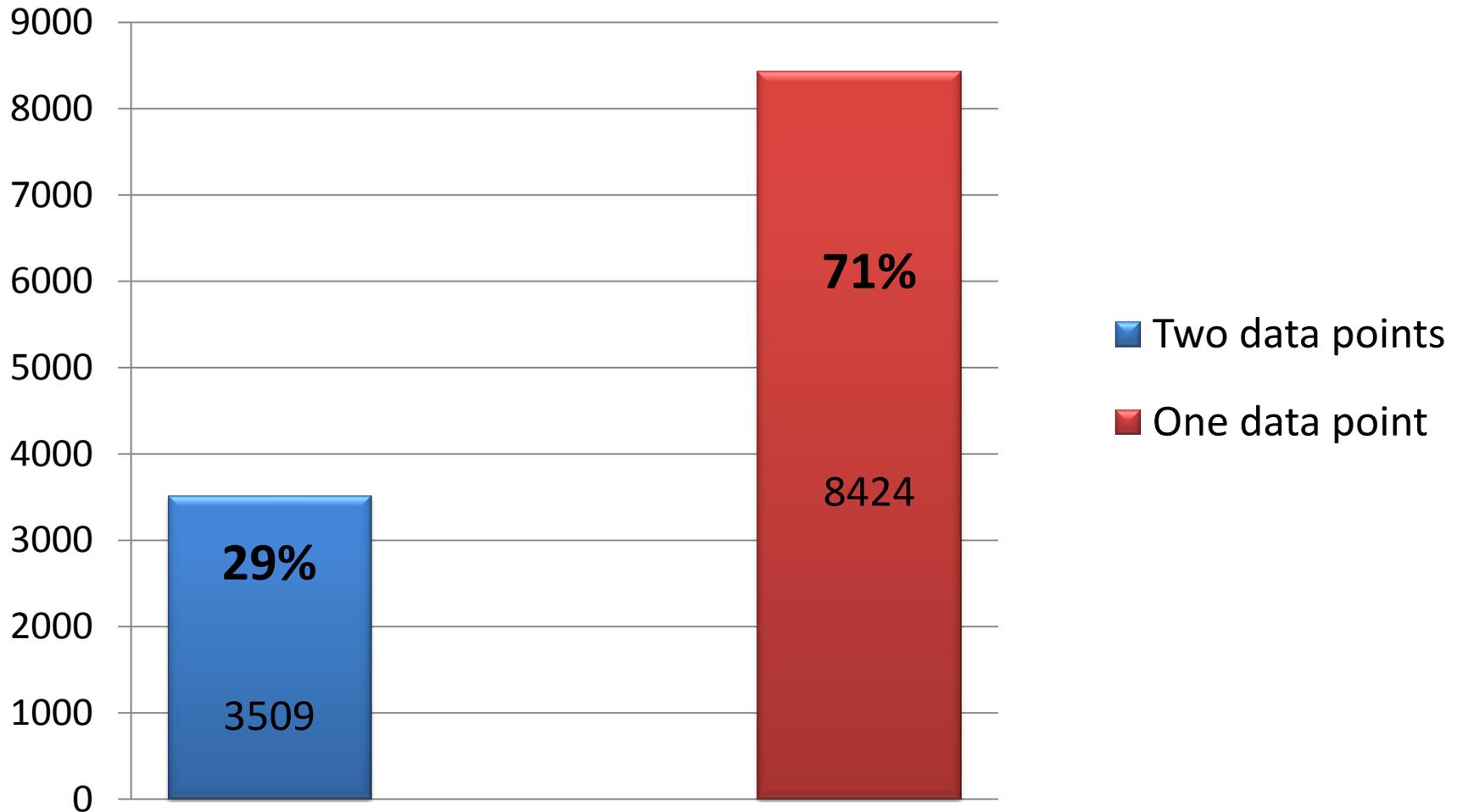


Clothing Transactions – Data

■ Two data points ■ One data point



Clothing Transactions – Data



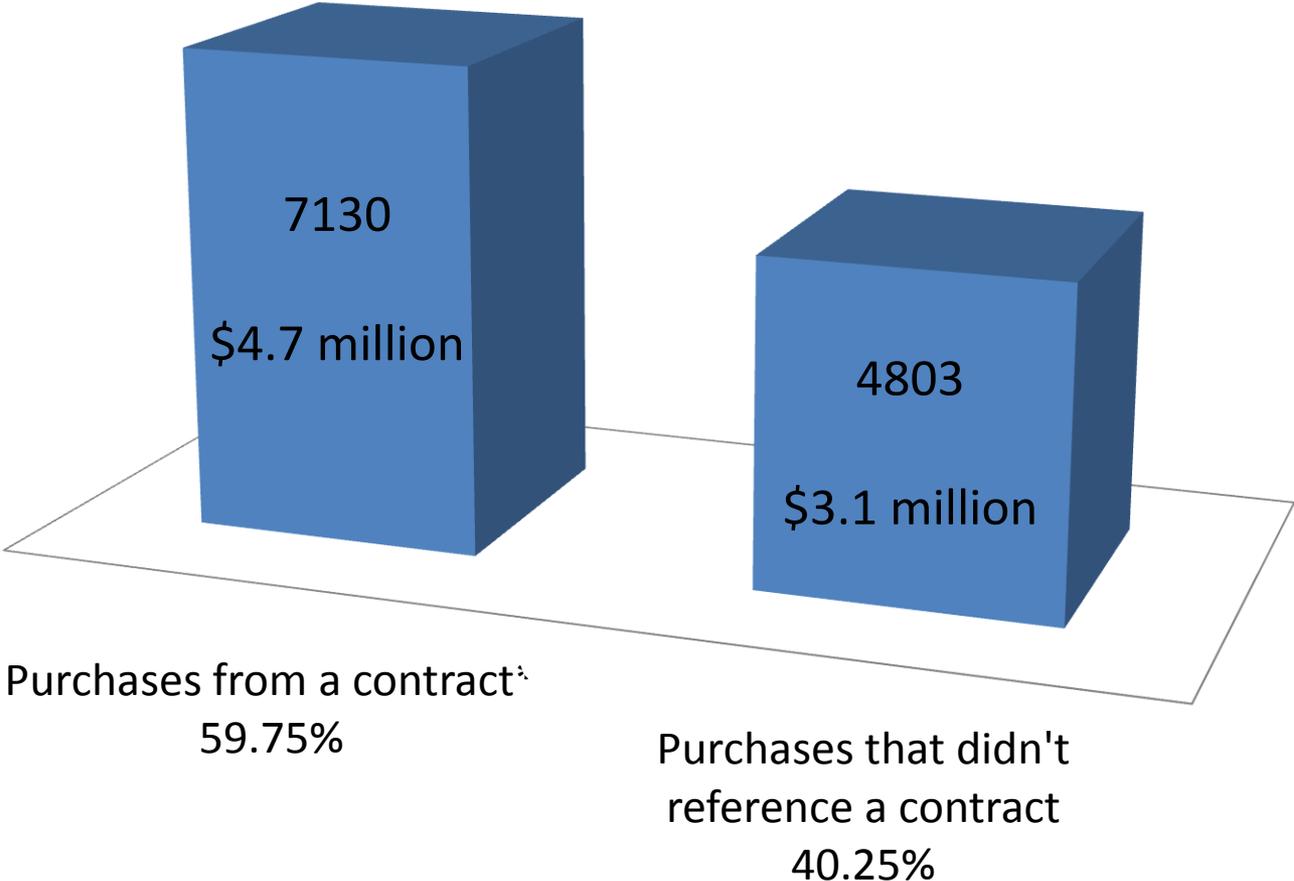
What is a defect (error)?

- Our project definition:
 - For purposes of strategic sourcing, a “defect” is a data entry that weakens the accuracy of our statewide data
- Specifically, a measurable data defect is an...
 - Incorrect code
 - Omitted code

What is a Contract code defect?

- A state contract is used – and an incorrect contract number is entered
- A state contract is used – but the contract number isn't entered in the requisition, purchase order or voucher

FY2012 Usage: DAS Clothing Contracts



Vendors – clothing category

38 - state contracts

+ 596 - non-state contracts

634 – total vendors

What is an Account Code defect?

- A non-clothing account code is used when a clothing purchase is made
- A clothing account code is used when a non-clothing purchase is made

Account Codes - Clothing

OAKS	DESCRIPTION
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5210	SUPPLIES, MATERIALS & MINOR EXPENDITURES
1. 521701	WEARING APPAREL EMPLOYEES
2. 521702	WEARING APPAREL-PATIENT&INMATE
3. 521703	WEARING APPAREL/VOLUNTEERS
4. 521704	WEARING APPAREL/EMPL ID-DNR&DHS
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5260	MAINTENANCE & REPAIRS
5. 526115	CLOTHING MAINTENANCE-ST EMPLOY
6. 526117	CLOTHING MAINTENANCE PINW
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5270	RENTALS
7. 527600	WEARING APPAREL-RENTAL
CATEGORY 550	SUBSIDIES & SHARED REVENUE
CLASS 5500	SUBSIDIES & SHARED REVENUE
8. 550101	ST ASSIST-NON-TAX-CLOTHING-JFS
CATEGORY 560	GOODS & SERVICES FOR RESALE
CLASS 5600	GOODS FOR RESALE (PASS-THROUGH CHARGES)
9. 560505	WEARING APPAREL(RPTC)

What is a UNSPSC Code defect?

- A non-clothing UNSPSC code is entered when a clothing purchase is made
- A clothing UNSPSC code is entered when a non-clothing purchase is made
- No UNSPSC code is entered

UNSPSC Codes - Clothing

168 available
UNSPSC Codes for
Clothing

53000000 Apparel, Luggage Personal Care

53102900 Athletic wear

53111500 Boots

53100000 Clothing

53102500 Clothing accessories

91101800 Clothing rental

60105800 Clothing, textile design instr

53101800 Coats and jackets

53103200 Disposable Clothes

53102000 Dresses, skirts, saris, kimono

53110000 Footwear

53102400 Hosiery

42130000 Medical apparel, textiles

42132200 Medical gloves, accessories

42131600 Medical staff clothing, relate

53102100 Overalls and coveralls

42131500 Patient clothing

46181500 Safety apparel

46181600 Safety footwear

53111800 Sandals

53101600 Shirts and blouses

53111600 Shoes

53101500 Slacks and trousers and shorts

53111700 Slippers

53101700 Sweaters

53103000 Tshirts

53102300 Undergarments

53102700 Uniforms

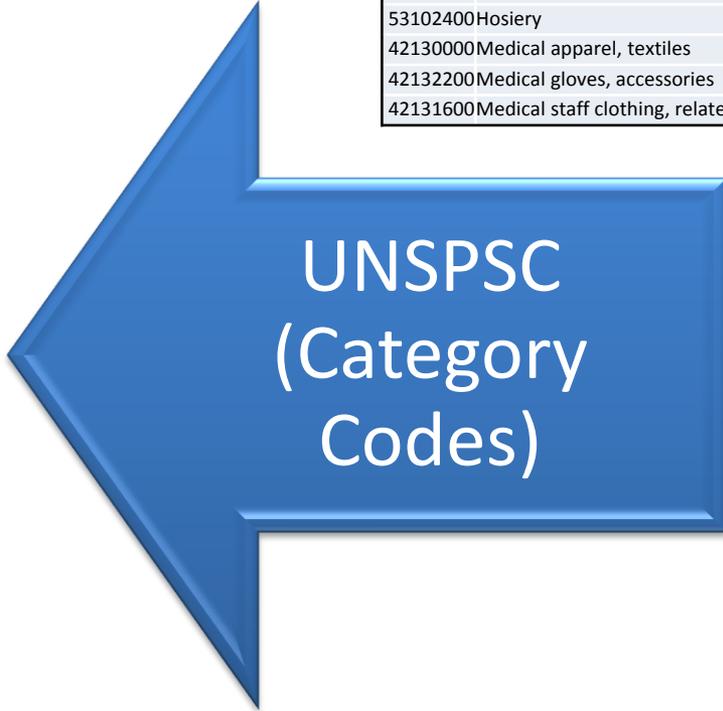
53103100 Waistcoats

Data Analysis

Account Code

OAKS	DESCRIPTION
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5210	SUPPLIES, MATERIALS & MINOR EXPENDITURES
1. 521701	WEARING APPAREL EMPLOYEES
2. 521702	WEARING APPAREL-PATIENT&INMATE
3. 521703	WEARING APPAREL/VOLUNTEERS
4. 521704	WEARING APPAREL/EMPL ID-DNR&DHS
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5260	MAINTENANCE & REPAIRS
5. 526115	CLOTHING MAINTENANCE-ST EMPLOY
6. 526117	CLOTHING MAINTENANCE PINW
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CLASS 5270	RENTALS
7. 527600	WEARING APPAREL-RENTAL
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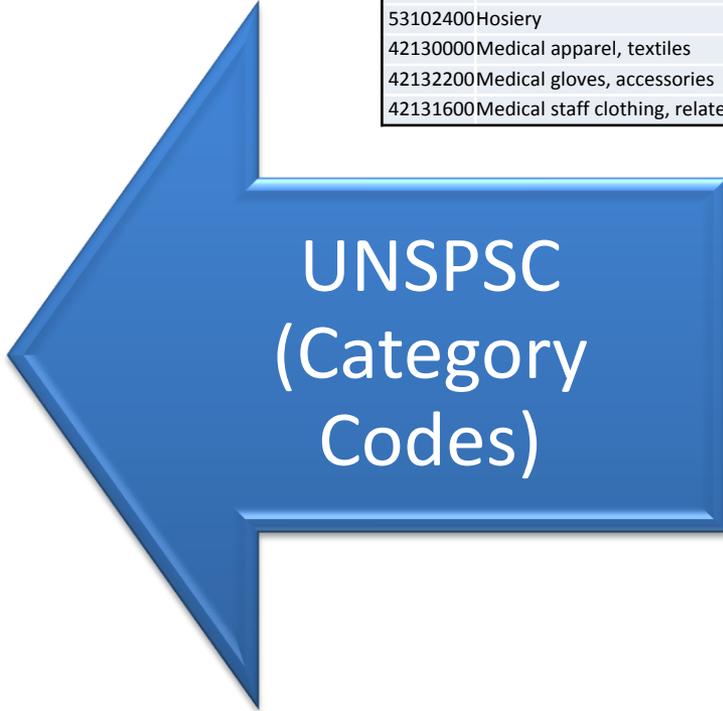
53102100	Overalls and coveralls
42131500	Patient clothing
46181500	Safety apparel
53000000	Apparel, Luggage Personal Care
53102900	Athletic wear
53111500	Boots
53100000	Clothing
53102500	Clothing accessories
91101800	Clothing rental
60105800	Clothing, textile design instr
53101800	Coats and jackets
53103200	Disposable Clothes
53102000	Dresses, skirts, saris, kimono
53110000	Footwear
53102400	Hosiery
42130000	Medical apparel, textiles
42132200	Medical gloves, accessories
42131600	Medical staff clothing, relate



Data Analysis UNSPSC

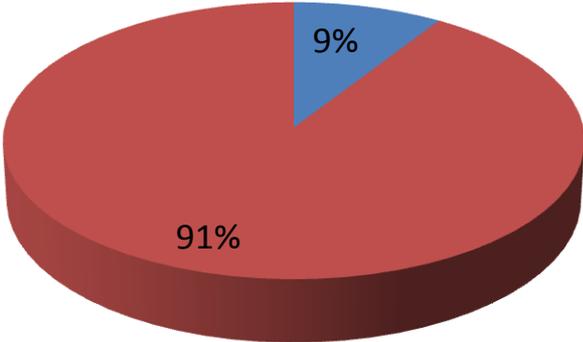
OAKS	DESCRIPTION
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5210	SUPPLIES, MATERIALS & MINOR EXPENDITURES
1. 521701	WEARING APPAREL EMPLOYEES
2. 521702	WEARING APPAREL-PATIENT&INMATE
3. 521703	WEARING APPAREL/VOLUNTEERS
4. 521704	WEARING APPAREL/EMPL ID-DNR&DHS
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5260	MAINTENANCE & REPAIRS
5. 526115	CLOTHING MAINTENANCE-ST EMPLOY
6. 526117	CLOTHING MAINTENANCE PINW
CATEGORY 520	SUPPLIES AND MAINTENANCE
CLASS 5270	RENTALS
7. 527600	WEARING APPAREL-RENTAL
CATEGORY 550	SUBSIDIES & SHARED REVENUE
CLASS 5500	SUBSIDIES & SHARED REVENUE
8. 550101	ST ASSIST-NON-TAX-CLOTHING-JFS
CATEGORY 560	GOODS & SERVICES FOR RESALE
CLASS 5600	GOODS FOR RESALE (PASS-THROUGH CHARGES)
9. 560505	WEARING APPAREL(RPTC)

53102100	Overalls and coveralls
42131500	Patient clothing
46181500	Safety apparel
53000000	Apparel, Luggage Personal Care
53102900	Athletic wear
53111500	Boots
53100000	Clothing
53102500	Clothing accessories
91101800	Clothing rental
60105800	Clothing, textile design instr
53101800	Coats and jackets
53103200	Disposable Clothes
53102000	Dresses, skirts, saris, kimono
53110000	Footwear
53102400	Hosiery
42130000	Medical apparel, textiles
42132200	Medical gloves, accessories
42131600	Medical staff clothing, relate



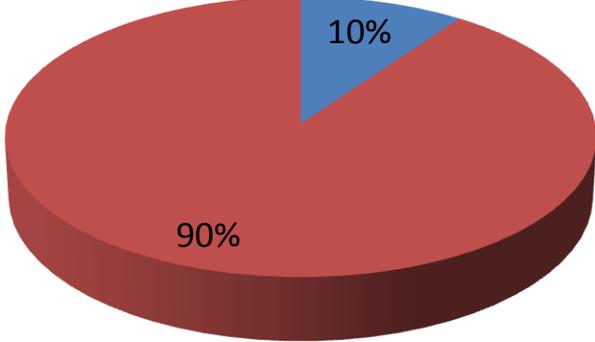
Account Code Defects for Clothing by Procurement Method

On Contract



- Incorrect Account Code (\$382,341.16)
- Correct Account Code (\$3,816,387.82)

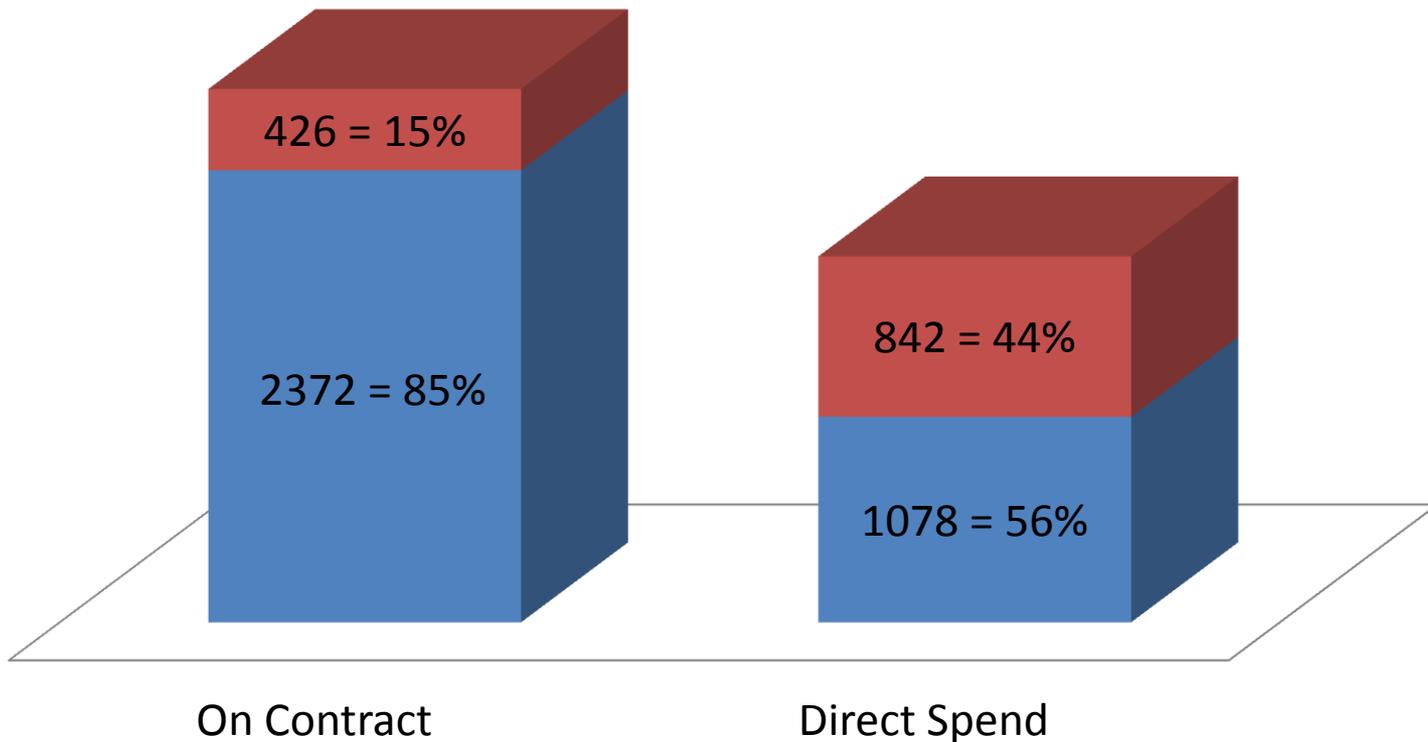
Direct Spend



- Incorrect Account Code (\$185,897.74)
- Correct Account Code (\$1,703,481.40)

UNSPSC Defects for Clothing by Procurement Method

■ Correct UNSPSC Code ■ Incorrect UNSPSC Code



Sigma level: On Contract Purchases*

Purchases made on contract:

- Correct Yield 84.77%
- Defects 15.23%
- DPMO 152,252/1,000,000
- Process Sigma **2.53**

* Quarterly performance metric

Sigma level: Direct Spend Purchases*

Purchases made on contract:

- Correct Yield 56.25%
- Defects 43.85%
- DPMO 438,542/1,000,000
- Process Sigma **1.65**

* Quarterly performance metric

Top UNSPSC Codes found in clothing data

Category Code	Category Description	# of transactions
91101800	Clothing rental	873
53102700	Uniforms	683
53100000	Clothing	562
47111700	Dry cleaning equipment	455
53101500	Slacks and trousers and shorts	407
91100000	Personal appearance	211
53101600	Shirts and blouses	187
53111600	Shoes	135
53102300	Undergarments	135
91111500	Laundry services	124
53103000	T shirts	111
10000000	Live Plant and Animal Material	94
76000000	Industrial Cleaning Services	89
53102500	Clothing accessories	74
53101800	Coats and jackets	66
53102400	Hosiery	61
53111500	Boots	45
53102900	Athletic wear	31
81141800	Facilities management	26

Examples of incorrect UNSPSC Codes found in clothing data

- Art design services
- Assembly services
- Bandages & dressings
- Beds
- Communication devices
- Collectibles
- Fabric & leather protection
- Freight container
- Hardware
- Identification documents
- Jewelry
- Lamps & light bulbs
- Live plant & animal material
- Mailing services
- Misc. Agriculture
- Personal care products
- Signage
- Tape
- Target games & equipment
- Transport. Services equipment

What is “clothing?”

UNSPSC (Category) Codes

Question:

Are we being too narrow in defining clothing?
Should we broaden our interpretation of what
we define as “clothing?”

Examples of incorrect UNSPSC Codes found in clothing data

- Art design services
- Assembly services
- Bandages & dressings
- Beds
- Communication devices
- Collectibles
- Fabric & leather protection
- Freight container
- Hardware
- Identification documents
- Jewelry
- Lamps & light bulbs
- Live plant & animal material
- Mailing services
- Misc. Agriculture
- Personal care products
- Signage
- Tape
- Target games & equipment
- Transport. Services equipment

Choices...

Account Codes - Clothing

Account Code	Description	Usage - # of transactions	
1. 521701	WEARING APPAREL EMPLOYEES	3796	98%
2. 521702	WEARING APPAREL-PATIENT&INMATE	1766	
7. 527600	WEARING APPAREL-RENTAL	1570	
5. 526115	CLOTHING MAINTENANCE-STEMPLOY	837	
4. 521704	WEARING APPAREL/EMPL ID-DNR&DHS	81	2%
9. 560505	WEARING APPAREL(RPTC)	45	
6. 526117	CLOTHING MAINTENANCE PINW	19	
3. 521703	WEARING APPAREL/VOLUNTEERS	17	
8. 550101	ST ASSIST-NON-TAX-CLOTHING-JFS	0	

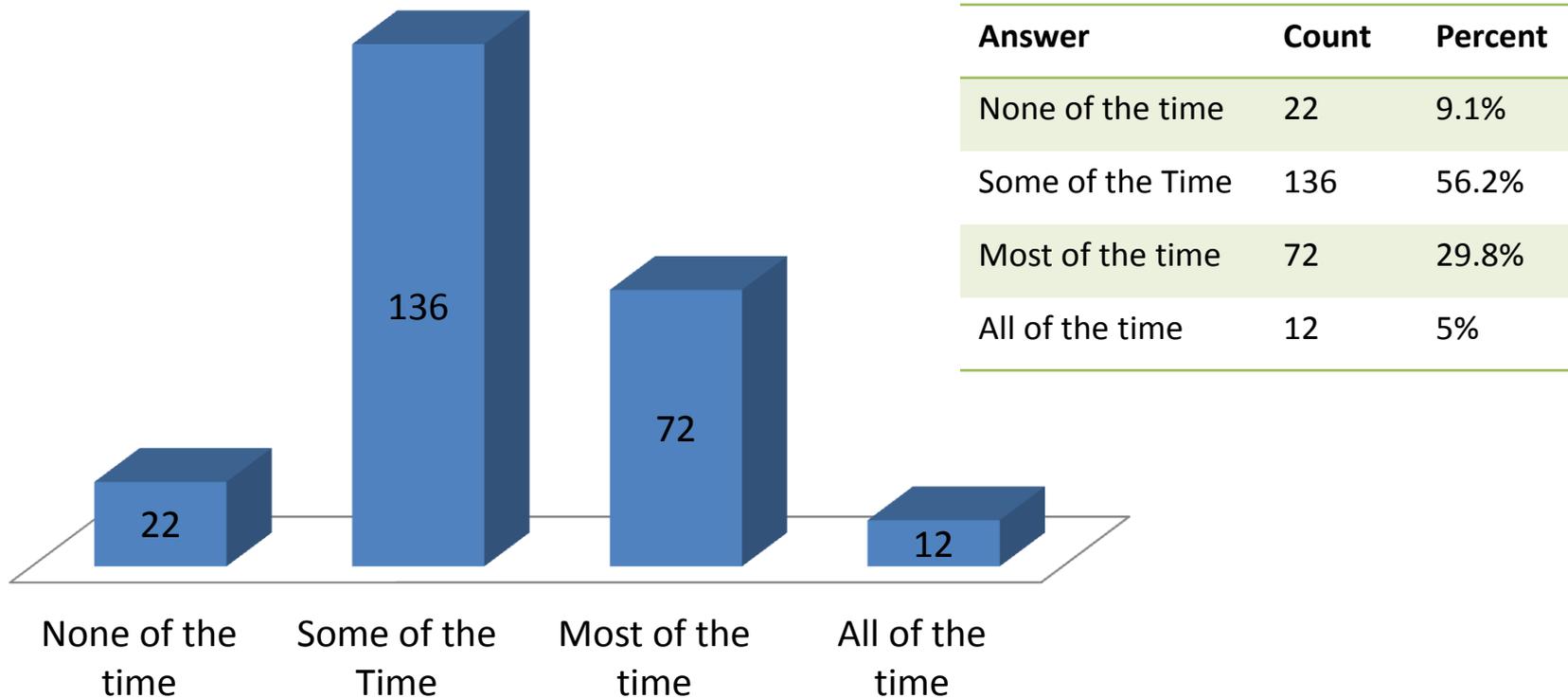
Too many choices...

UNSPSC = OAKS Category Codes

Level	Count	Digits	Example
• Segment	56	2	xx000000
• Family	420	4	xxxx0000
• Class	3,819	6	xxxxxx00
• Commodity	49,022	8	xxxxxxxx

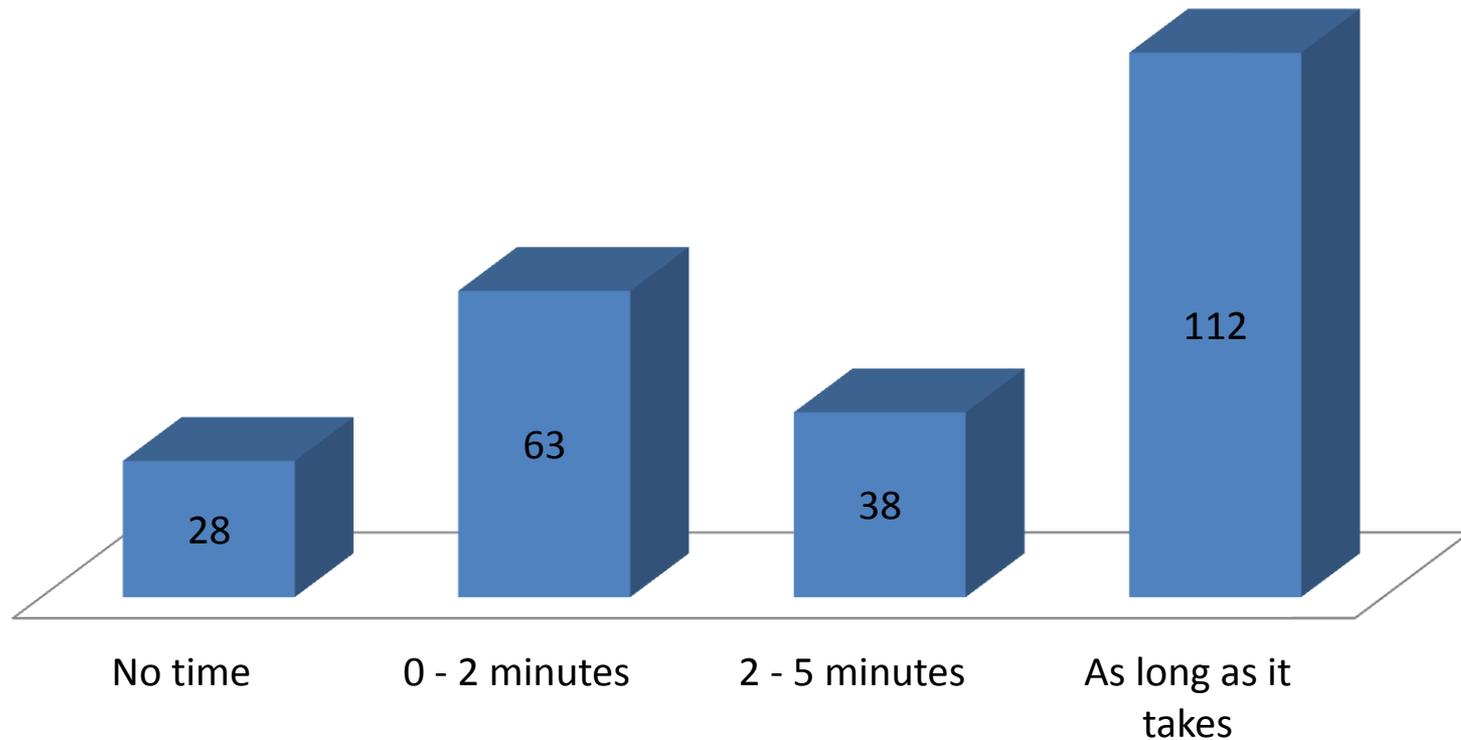
Finding the correct UNSPSC code

Requisitioners indicate that they experience difficulty in finding a category (UNSPSC) code that accurately describes the item that they're procuring:



Tolerance for searching for the correct UNSPSC Code

On average, requisitioners search for the category (UNSPSC) code before entering it into OAKS for:



Extensive User Population with the Freedom to Choose (Clothing category)

1,515 - Procure-to-pay users

x 168 - UNSPSC clothing code choices

254,520 - Opportunities for errors

Extensive User Population with the Freedom to Choose (All categories)

1,515 - Procure-to-pay users
x 3,819 - UNSPSC code choices

5,785,785 - Opportunities for errors

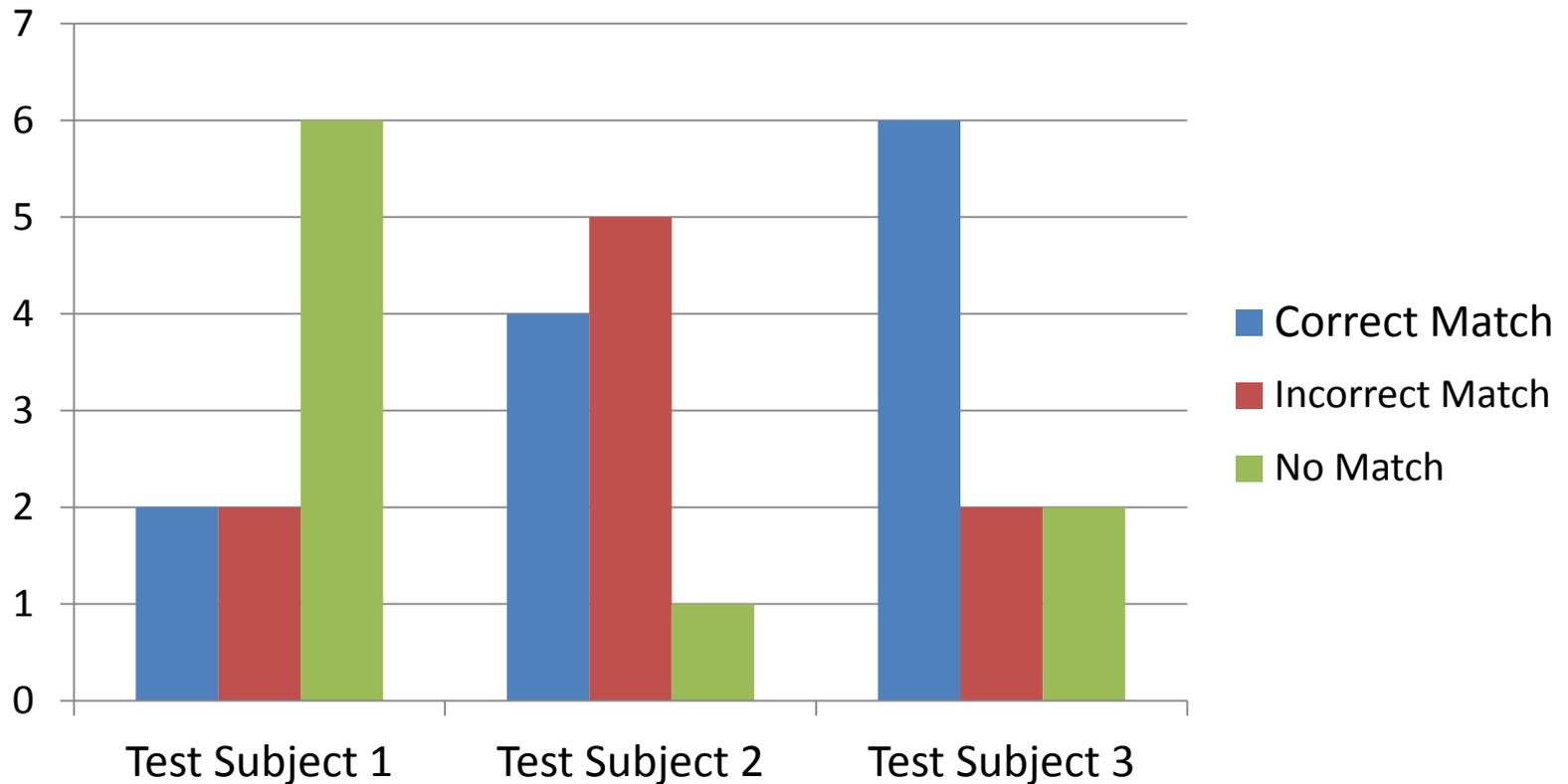
Study

- Question: Can agency users enter incorrect category (UNSPSC) codes without realizing it?
- Study:
 - Two blind tests given several days apart
 - Three test participants
 - Ten scenarios
- Test:
 - Can we achieve repeatability in the codes entered?
 - Individuals are able to provide the same “repeat” responses
 - Can we achieve reproducibility in the codes entered?
 - The group of individuals respond similarly across both tests

Study

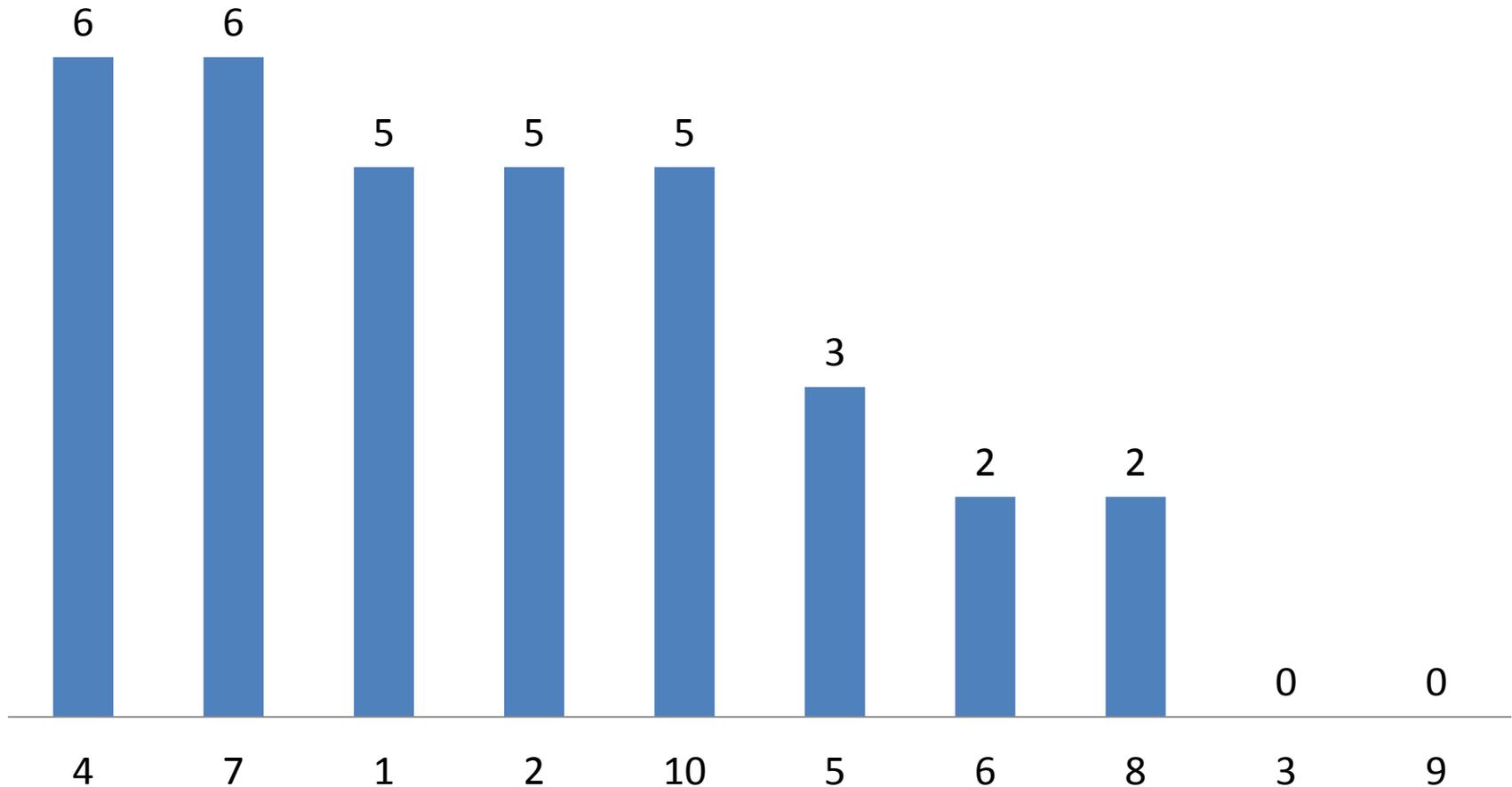
- Sample Scenarios:
 - You are purchasing a **fire extinguisher** for a new office. What category code would you enter for this item?
 - You are purchasing a **21 cubic foot refrigerator**. What category code would you enter for this item?
 - You are purchasing a **single user license of Visio Professional 2010**. What category code would you enter for this item.
 - You are buying **carpet** for your office's waiting area. What category code would you enter for this item?

Repeatability at 6 digit (xxxxxx00) level



	Test Subject 1	Test Subject 2	Test Subject 3	Total
Correct Match	2	4	6	12
Incorrect Match	2	5	2	9
No Match	6	1	2	9

Reproducibility at the 6 digit level = 57% (Example: xxxxxx00)



Question #

Reproducibility

- Scenario 4: You are purchasing a **set of tires** for a state-owned car. What category (UNSPSC) code would you enter for these items?
 - Correct: 25172504 Automobile or light truck tires
- Scenario 3: You are purchasing a **case of Deep Woods Off** to protect employees from mosquitos. What category (UNSPSC) code would you enter for these items?
 - Correct: 10191500 Pesticides or pest repellents
 - Incorrect: 85111704 Mosquito management or control services
 - Incorrect: 49121500 Camping and outdoor equipment
 - Incorrect: 49120000 Camping and outdoor equip & accessories

Choices + errors...

Patterns of Data Errors - UNSPSC

Type of Data Error	Correct Data	Incorrect Data
Transposition of number	25 <u>1</u> 03012	25 <u>0</u> 13012
Wrong number	2 <u>5</u> 103012	2 <u>6</u> 103012
Too few numbers	25103012	251030_
Code omissions	25103012	_____
Incorrect code	25103012	16507000
Incorrect vendor name	The Acme Co.	Acme Inc.
Incorrect vendor address	4500 Pointer Road Tallasse AL	4500 Pointe Road Tallahassee AL

Observations

- Defects exist in the data and must be mitigated
- The current UNSPSC coding system is extensive
- Users want more descriptive Account codes
- Users are unknowingly contributing to the volume of defective data:
 - By entering incorrect codes (UNSPSC and Account codes)
 - By not populating the contract field
 - By not populating the UNSPSC field
- Direct spend purchases and p-card purchases capture only fiscal fields which results in only one data point for spend analyses

Question:

How much did state agencies collectively spend on supplies and services during FY2012?

\$798 million

Question:

In FY2012, how many transactions were entered by state agencies to accomplish the \$798,000,000 spent on supplies and services?

430,909 transactions

Question:

What is the most frequently mis-used UNSPSC Code found across all spending categories?

Live Plant and Animal Material

UNSPSC # 10000000

4,901 transactions

\$11,694,959.10



A dash “-” = Not Available

When a “-” is entered into an UNSPSC (category) code, the “-” is replaced with “Not Available.”

FY2012:

- # of transactions: **11,575**
- Total Spend: **\$85,770,715.08**

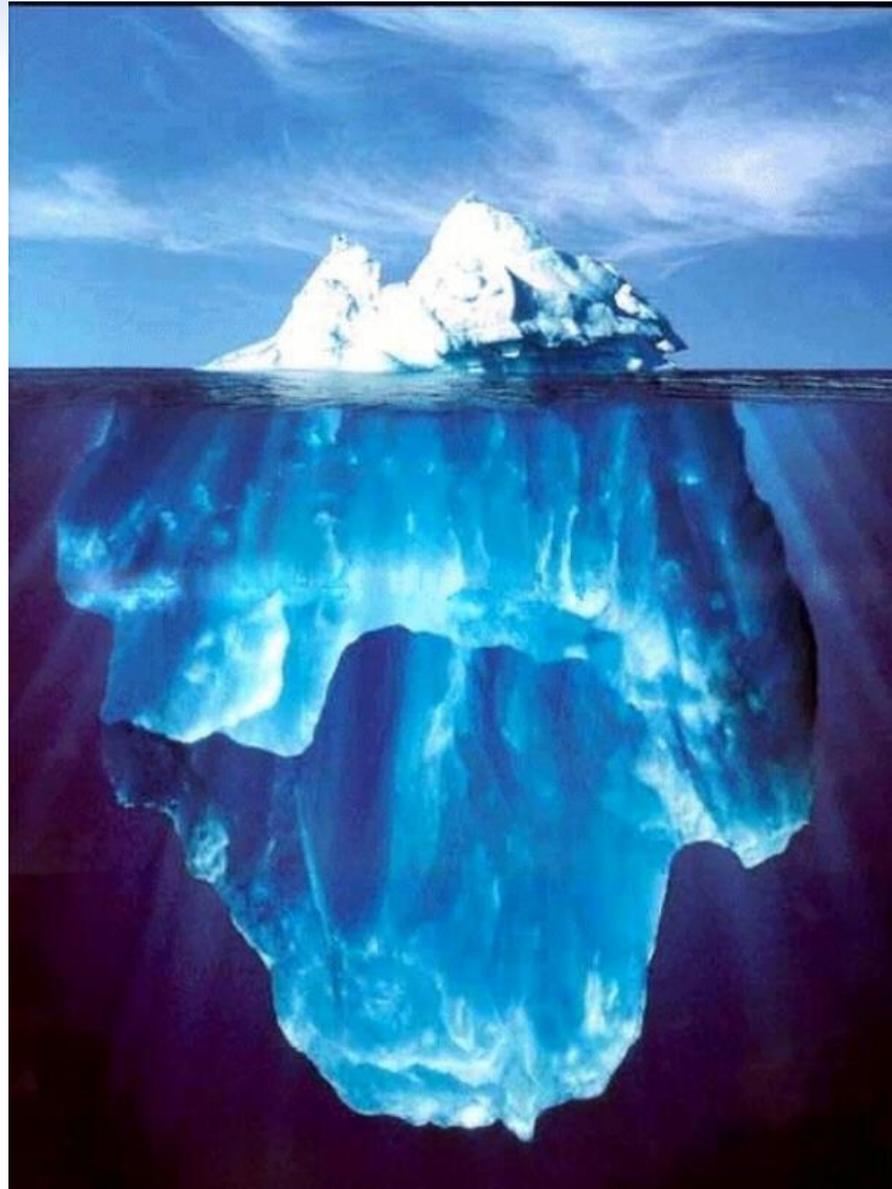
Every entry counts.

Strategic Sourcing scenario... - Shoes and Boots

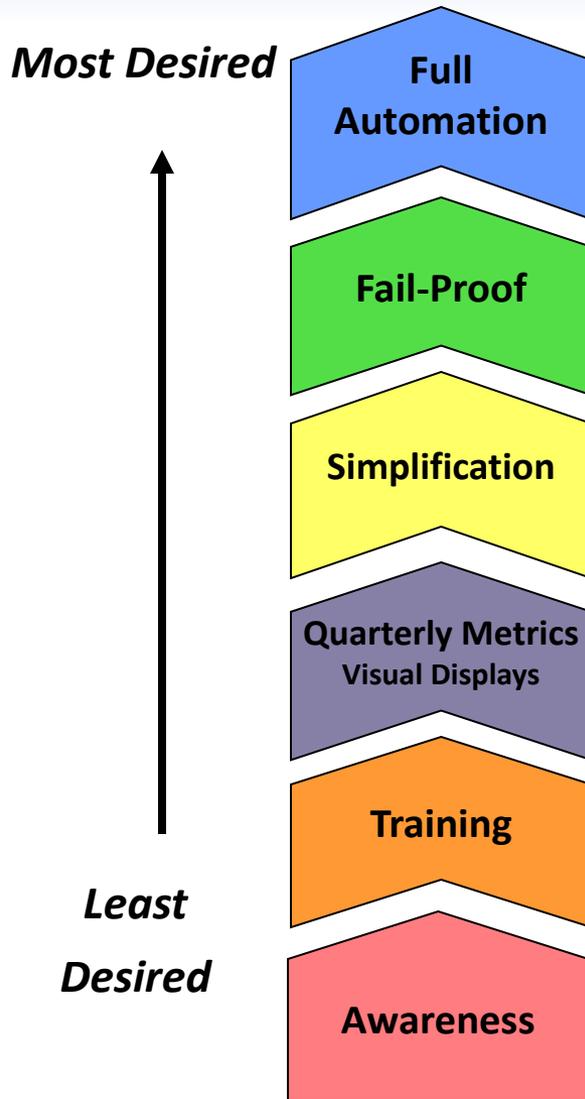
Known spend:
\$581,189.39
(138 transactions)

Unknown spend:
\$ _____ ?

- 1) Dash “-”
- 2) Live Plant/Animal Material



Fix It



- **No Manual Intervention**

- **e Catalog**

- **Reduce choices**

- **Defect feedback/visibility**

- **Training/Refreshers**

- **Awareness of the problem**

+ Code changes
+ User accuracy
+ automation
= Significant reduction in defects

Users modify behaviors but the defect risks remain

Cost* per UNSPSC entry

- Baseline cost* per UNSPSC entry: \$.75
- Assuming improvements could cut the UNSPSC search time and entry time by 50%
- The revised cost for each UNSPSC entry error could be \$.38

** Cost estimate is based on P2P user survey: average time users spend searching for and entering a UNSPSC code*

Improvements

- UNSPSC Codes
 - Reduce the coding choices
 - Identify categories targeted for strategic sourcing and ensure a viable list of choices exists
- Account Codes
 - Analyze and recommend enhancements to Account Codes based on categories targeted for strategic sourcing
- Training
 - Enhance training programs to educate on use
 - Establish online & “quick hit” training sessions to refresh user awareness

DAS & OBM's next steps...

- DAS will identify the spend categories for evaluation
- DAS and OBM will facilitate a “multi-agency working group” to analyze and recommend improvements to:
 - UNSPSC Codes
 - Account Codes
- Multi-agency working group
 - 4 or 5 agency procurement representatives
 - DAS procurement representative
 - OBM state accounting representative

Your next steps...

- Repeat your P2P mantra: “Every entry counts.”
 - Enter accurate UNSPSC codes
 - Enter correct Account codes
 - Enter contract numbers
- Study your internal processes for practices that could inhibit correct coding
- Attend OAKS training sessions
- Provide feedback

It had long since come to my attention that people of accomplishment rarely sat back and let things happen to them. They went out and happened to things.

- Leonardo da Vinci

OhioDAS

To submit a question, please send a
'high priority' email to

DAS.StatePurchasing@das.state.oh.us

Please indicate **"SPUG Question"** in the subject line.



Thank you for your questions and participation!

Next on the Agenda...

IT Procurement Services: What are WSCA, STS2
and IT Staff Augmentation?

**Dan Myers, IT Procurement Analyst
and**

Maria Roberts, IT Procurement Analyst

Department of Administrative Services / Office of Procurement
Services / Office of Information Technology

IT Procurement Services

What are WSCA and STS2?

Dan Myers

IT Staff Augmentation

Maria Roberts

Western States Contracting Alliance (WSCA) Hardware Contracts

Dell Marketing LP (Contract #0A1067)

Hewlett-Packard Company (Contract #0A1068)

Lenovo, Inc. (Contract #0A1069)

- Check contracts for availability and for best pricing (STS vs. WSCA)
- Agencies must not contradict State IT Direction and DAS Policies or Standards when purchasing from WSCA Contracts
- Caveat emptor
- WSCA Purchases are NOT candidates for the IT Express Procurement Program

Contract Information on the State Procurement Website Coming Soon!

Enterprise Buy IT Equipment Contracts

The state of Ohio has negotiated pricing from Dell, HP and Lenovo for product offerings that support the state standards for PCs and servers

- Standard Business Class Desktop
- Specialty Class Desktop
- Specialty Class Desktop vPro Enabled
- Standard Mobile 14" Notebook
- Standard Mobile 15" Notebook
- Standard Desktop Notebook
- Standard Monitors – 20", 22" and 24"

Enterprise Buy IT Equipment Contracts - continued

Dell Marketing LP (STS #534278)

Hewlett-Packard Company (STS #534275)

Insight Public Sector Inc. (Lenovo Products) (STS #534242)

- Multiple Resellers (including Certified Ohio MBEs)
- Only a Single Quote from an Authorized Reseller is Required
- IT Express Program Eligible

For More Information:

<http://das.ohio.gov/Divisions/InformationTechnology/StatewideEnterpriseBuys.aspx>

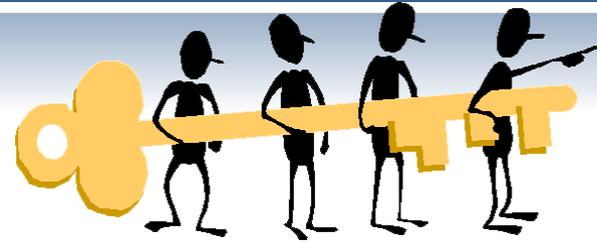
STS Pricing Recommendations

- Whenever Possible Seek Multiple Competitive Quotes
- Remember STS Prices are Ceiling Prices
- Expect Some Level of Discounting on Significant Purchases
- Verify that the Quoted Prices are at or Below STS Price

Contact IT Procurement Services for Assistance Resolving Issues and Negotiating Additional Discounts

- STS Contracts C through M
 - Contact Cyrus Carter at 728-0906 or Cyrus.Carter@das.state.oh.us
- STS Contracts A through B and N through Z
 - Contact Dan Myers at 995-0536 or Dan.Myers@das.state.oh.us

Keys to Success



- Ensure you choose the lowest price between available contracts
- Verify that any selected products meet applicable standards and/or policies
- Think Big – Larger volumes leverage better pricing
- Begin With The End In Mind – Strategize purchases to meet long term goals of the enterprise

IT Staff Augmentation

- Faster
- Easier to use
- Equal or better quality
- More standardized across all vendors
- Friendlier to MBE/EDGE/small business
- Simpler to invoice and pay
- More measurable and accountable



Components

- Twenty-seven job titles based on the State's IT needs
- Skills matrix based on technologies/supply and demand
 - Legacy, Core, and Emerging
- Fixed rates based on market conditions within the State
- Web-based management system known as Peoplefluent
 - Access anytime, anywhere
 - Enter requirements
 - Review candidates, timesheets and expense



Workflow

Agency creates the requirement in the Peoplefluent system

CAI AM validates the requirement for completeness and submits to vendor network

Create

Validate

CAI Account Manager (AM) consults with Agency and qualifies need

Vendors submit candidates

Consult

Submit

Candidate is engaged, begins assignment, and submits timesheets each week

CAI AM qualifies candidates and forwards qualified candidates to Agency within four business days of release

On-Board

Qualify

CAI AM coordinates interview and on-boarding process

Agency reviews candidates and selects interviewees

Coordinate

Interview

● CAI

● Ohio

● Vendors

OhioDAS
General Services Division | Office of Procurement Services
Service - Support - Solutions

The Network

- There are currently 129 vendors in the open vendor network.
 - 80 are Ohio based vendors
 - 51 are Ohio MBE and/or EDGE certified
- The current vendors have filled 139 engagements at 17 different state agencies.
- Not using the Contract? You may be missing valuable opportunities to aid you in filling your agency IT staffing needs.



Keys to Success



- Maintain contact with your CAI Account Manager.
- CAI will work directly with your agency to discuss needs, positions and skills to ensure candidates can meet your needs
- CAI will educate candidates on the specifics of the position
- CAI will review candidate resumes prior to sending to the agency

Team Information

- Maria Roberts, IT Procurement Analyst, phone: 614-466-7620
 - Email: ITProcurement@das.state.oh.us
 - Website: click here [IT Staff Augmentation](#)
- Lori Hubbard, MSP Account Manager, phone: 614-940-0569
 - Email: lori_hubbard@compaid.com
- Ron Vogel, MSP Account Manager, phone: 614-940-0572
 - Email: ronald_vogel@compaid.com
- CAI Help Desk, phone: 800-635-5138
 - Email: MSPNetwork_Help@compaid.com



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Please indicate **"SPUG Question"** in the subject line.



Thank you for your questions and participation!

A Few Reminders...

- This webinar has been recorded and can be viewed in its entirety on our website @ www.procure.ohio.gov/PDF/SPUG/SPUG.HTM
- Presentation materials will also be available on our website to download
- Live audience: Please remember to complete your evaluation forms before you leave today. Please place them on the registration table.
- Webinar audience: Please email evaluation forms to sinuon.todd@das.state.oh.us

Thanks for attending today!
This concludes today's webinar meeting.
Have a great afternoon!



<http://procure.ohio.gov/PDF/SPUG/SPUG.HTM>