

# Supplier Strategy & Source Selection

March 16, 2023

Dana Allen

David Ramos





# BEFORE WE GET STARTED

---

- This session will be recorded.
- The chat has been disabled, please use the Q&A function to submit questions.
- At the end of the session, time permitting, we will have a Q&A session.
- As a reminder, this preview session is not training. You will be introduced to new terms and concepts and see system sneak peeks!



# SESSION TOPICS

---

Procurement  
Critical Concepts

Source  
Selection

Oracle Procurement  
Supplier Overview

Preparing for  
Oracle Procurement

# PROCUREMENT

## Critical Concepts



# QUICK DEFINITIONS

Term	Description
Agreement Supplier	Agreement suppliers are already contracted with UCOP and/or UC Riverside and offer the best overall value in price, quality, and service expectations.
Oracle Procurement	In July 2023, Oracle Procurement will replace UCR's eBuy procurement system.
Oracle Supplier Portal	In July 2023, the Oracle Supplier Portal will replace the supplier registration process/vendor maintenance process performed in UCR's Vendor Request System.
Procurement Card (PCard)	The procurement card (PCard) is encouraged for purchases with suppliers who are not registered in Oracle Procurement for allowable orders below \$10,000.
Purchase Order (PO)	A purchase contract written on a University purchase order form which becomes effective either through execution of both parties, or upon execution by the University and performance by the supplier.
Restricted Items	Purchases Requiring Special Approvals: Regardless of the procurement method utilized and dollar amount, the required approvals indicated must be obtained prior to purchasing the item or obtaining service.
Small Business	UC is committed to providing business opportunities for certified Small Businesses (SBE), Women Owned Businesses (WBE), and Disabled Veteran Business Enterprises (DVBE). This policy helps UC invest in and enrich our local communities with jobs and economic stability while furthering our sustainability goals and mission of teaching, research and public service.



# Supplier Strategy

---

## **UCR is moving to a Campus-wide Supplier Strategy**

This will increase UCRs ability to leverage spend and ability to better negotiate agreements due to consolidated spend

### **What does this mean for you?**

- Not all current UCR suppliers and Purchase Orders will be converted into the new Supplier Portal/Oracle Procurement module
- A smaller supplier database is easier to manage and working with a smaller database presents a lower risk to the University.
- Improved efficiency in the procure to pay process, ability to develop strong standards with invoice submission and payment methods
- New supplier portal and request process will be implemented in July 2023



# Supplier Strategy

---

## Maintaining a smaller database with Agreement Suppliers

Agreement suppliers are already contracted with UCOP or UC Riverside and offer the best overall value in price, quality, and service expectations.

- An agreement supplier is recognized through a formal competitive bid process or through a negotiation process if little-to-no competition in the market exists.
- The benefits of working with our agreement suppliers include:
  - A long-term contract outlining the mutual responsibilities of the university and supplier
  - Negotiated terms and conditions (T&C's), for example shipping and returns processes and payment terms/methods
- Contributes to the UC system's ability to negotiate better discounts/benefits.





# Supplier Strategy

---

## Supplier Conversion Criteria

### 1. Agreement Suppliers

- UC-wide agreements
- Local UCR agreements

### 2. Suppliers associated with:

- DAPOs with balances greater than \$200 within last 6 months
- POs with balances greater than \$200 within the last 2 years

Some situations will prevent purchase order conversion from eBuy to Oracle Procurement due to data incompatibilities with Oracle requirements





# Procurement Responsibilities

## Of the Department and Supplier



### 1 Department

Create the PO before the order is fulfilled



### 2 Purchase Order

Contract protecting both department and supplier



### 3 Withhold

Suppliers should not fulfill the order until the PO is issued



### 4 Supplier

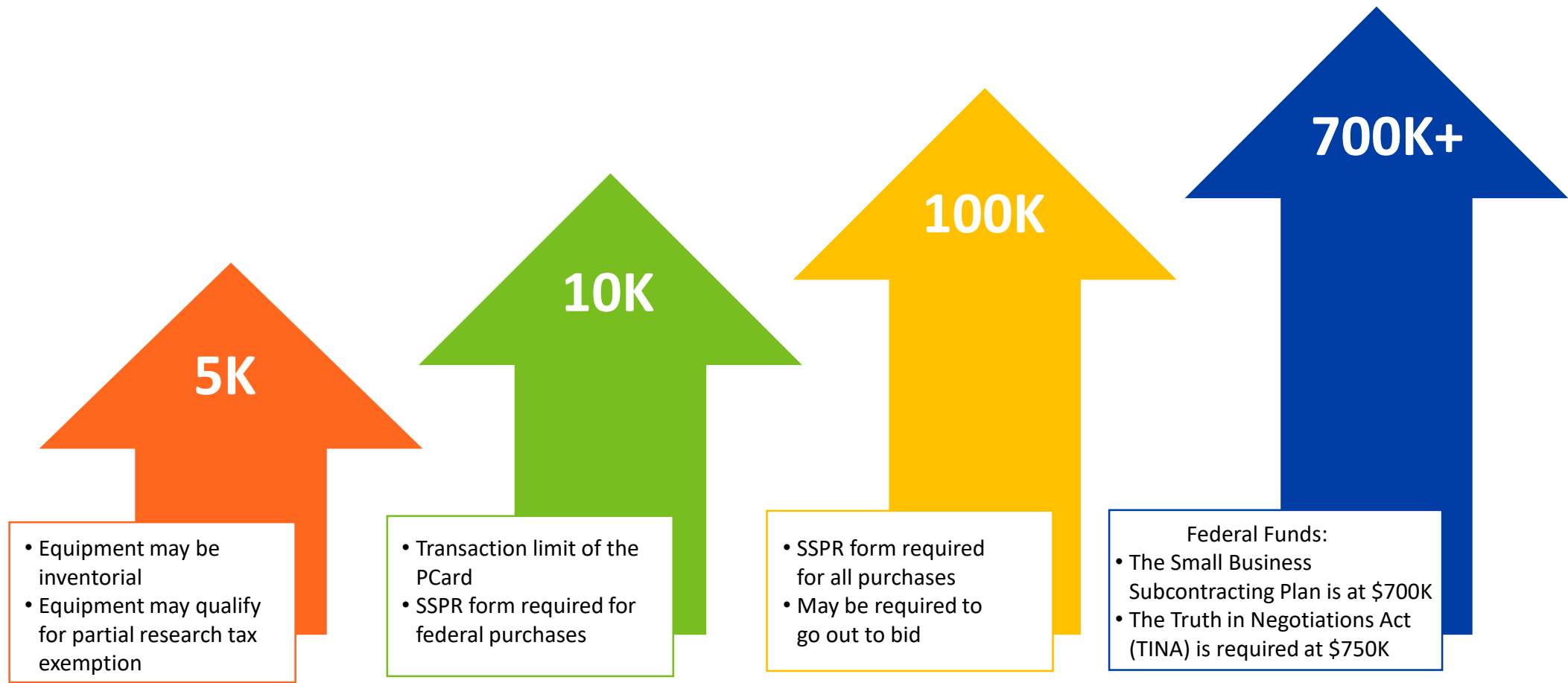
Suppliers must submit invoices to Transcepta or [apinvoice@ucr.edu](mailto:apinvoice@ucr.edu) for payment

# Source Selection



# Purchasing Thresholds

Once you're ready to begin purchasing there are thresholds which are helpful to keep in mind:





# Small Business First Program

UCOP's Small Business First (SB1st) Program became policy September 1, 2020, with full compliance expected by March 1, 2021. *UCR requested a waiver until July 1, 2023.*

## Program Goals:

- Non-construction contracts and procurements between \$10,000 and \$250,000 to be awarded to certified/registered Small Businesses (SBEs), Women Owned (WBE) and/or Disabled Veteran Business Enterprises (DVBES), wherever applicable
- 25% of UC annual spending completed with small and diverse businesses (UCR is currently at 18% of this spending requirement)

## What does this mean for you?

- SB1st uses a streamlined quotation process to increase procurement opportunities for SBEs, WBEs and DVBES. This direct 'quote-to-award' ability speeds up and simplifies the procurement process and opens doors to larger opportunities.
- To make an award, only one quote is required for purchases below \$100,000, and only two quotes are required for purchases between \$100,000 – \$250,000 (quotes must be from certified small businesses)

## UCOP SB1st Quick Reference Guide

**Small Business First makes a difference.**

With [Small Business First](#) (SB First), the University of California (UC) is committing to providing more easily accessible business opportunities for [certified Small Businesses \(SB\)](#) and [Disabled Veteran Business Enterprises \(DVBES\)](#). This policy helps UC invest in and enrich our local communities while furthering our sustainability goals and mission of teaching, research and public service.

**Streamlined process...**      **Only one or two quotes needed...**

**Small Business First - Decision Tree**

Is my purchase between \$10,000 - \$250,000 in annual value?  
YES → Is my purchase Federally funded, in whole or part?  
NO → Can I purchase from an existing strategically sourced agreement?  
NO → Does my purchase meet any other policy exceptions?  
NO → Your purchase must comply with Small Business First  
YES → Your purchase is NOT required to comply with Small Business First

**Website Resources:**  
UC Procurement Website: Home page  
Small Business First webpage: UC Staff  
Small Business First webpage: Suppliers  
Small Business First FAQ

**Supplier Search Resources:**  
SIO Explorer Professional: UC supplier database search tool  
Cal eProcure: State of California supplier search database



# Inventorial/Research Equipment Considerations

---

- Equipment owned by or in the custody of UC Riverside that:
  - Have a total acquisition cost of \$5,000 or greater (total cost includes the costs needed to get the asset ready for use, such as, sales tax, shipping and any installation costs).
  - Is not disposable or consumable.
  - Stand alone.
  - Have a useful life of at least one year.
  - Qualify as tangible personal property (can be appraised for value).
- If the piece of equipment cost(s) is **less than \$5,000** in total cost (including sales tax, shipping and any installation costs), it is **not** considered inventorial equipment and is not required to be entered into UCR's Asset Management System (AMS) at acquisition. Alternatively, Inventorial Equipment (**\$5K+**) is required to be entered into AMS, assigned a property tag and tracked throughout its life-cycle while in the care and custody of UC Riverside.
- Inventorial equipment in support of research may qualify for a partial research tax exemption. The reduced rate applies to:
  - Machinery and equipment that will be used at least 50% of the time, and for over one year, in research and development anywhere in California.
  - The exemption includes leased equipment, special purpose buildings, and non-inventorial equipment such as computers that are subject to the same requirements stated above.
- Due to the above requirements, inventorial equipment suppliers must be setup in the Oracle Supplier Portal in order to track the equipment with a property tag. The buyer will determine the method of payment (i.e., PO or PCard).



# Supplier Selection

---

## Questions to consider when sourcing good and services:

- Are there any procurement threshold considerations?
- Do I need to provide multiple quotes or additional documentation to make this purchase?
- Will purchases only be made on a limited basis?
- Can the purchase be made with the PCard?
- Is there a small business that offers a similar good or service?
- Is there a UC or UCR agreement for the given product or service?
- If the supplier is not in Oracle, does another catalog supplier provide the same or comparable product?

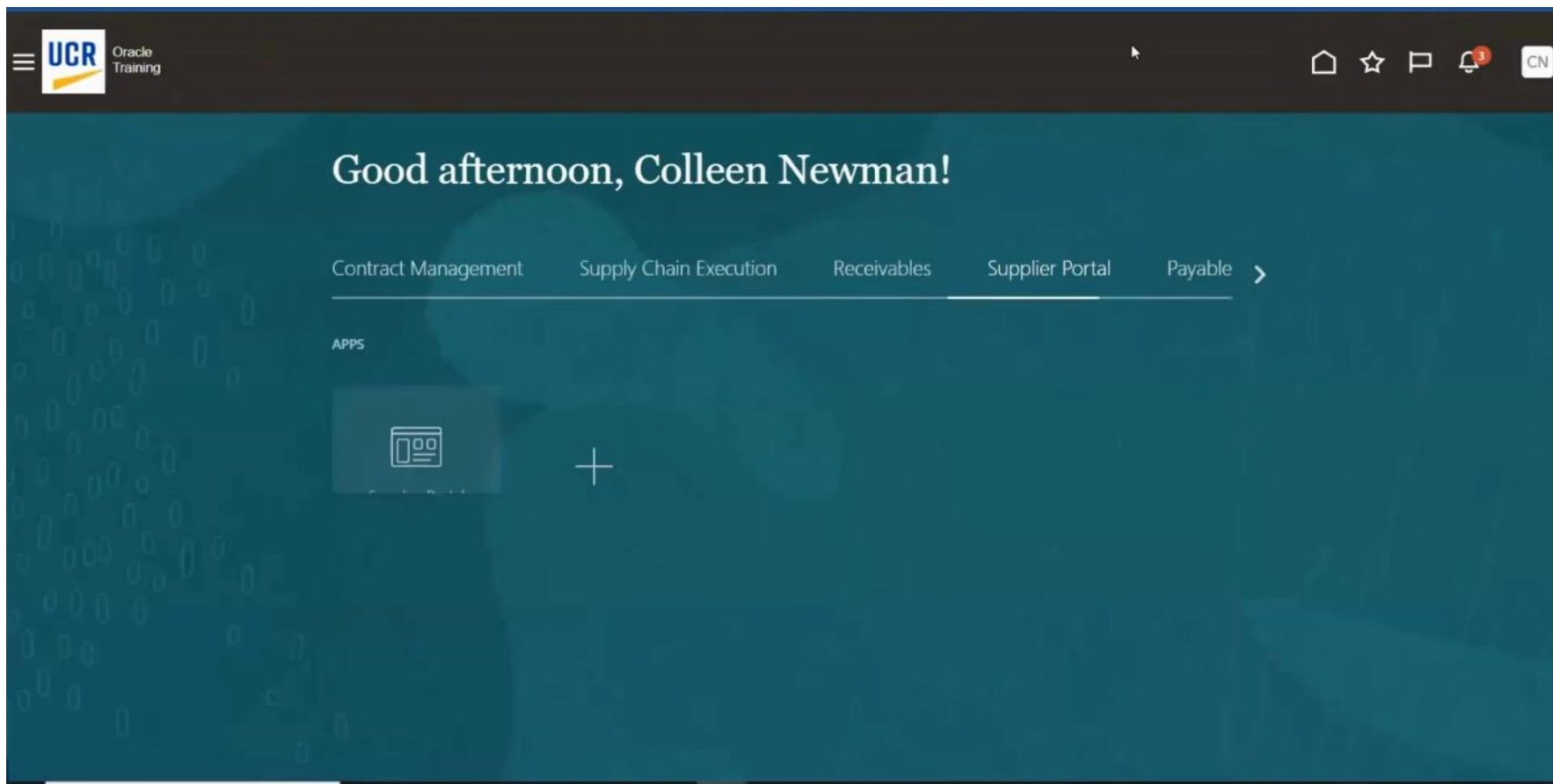
# ORACLE PROCUREMENT

## Supplier Overview



# Supplier Search

Let's take a look at how you will search for suppliers in Oracle based on Business Classification





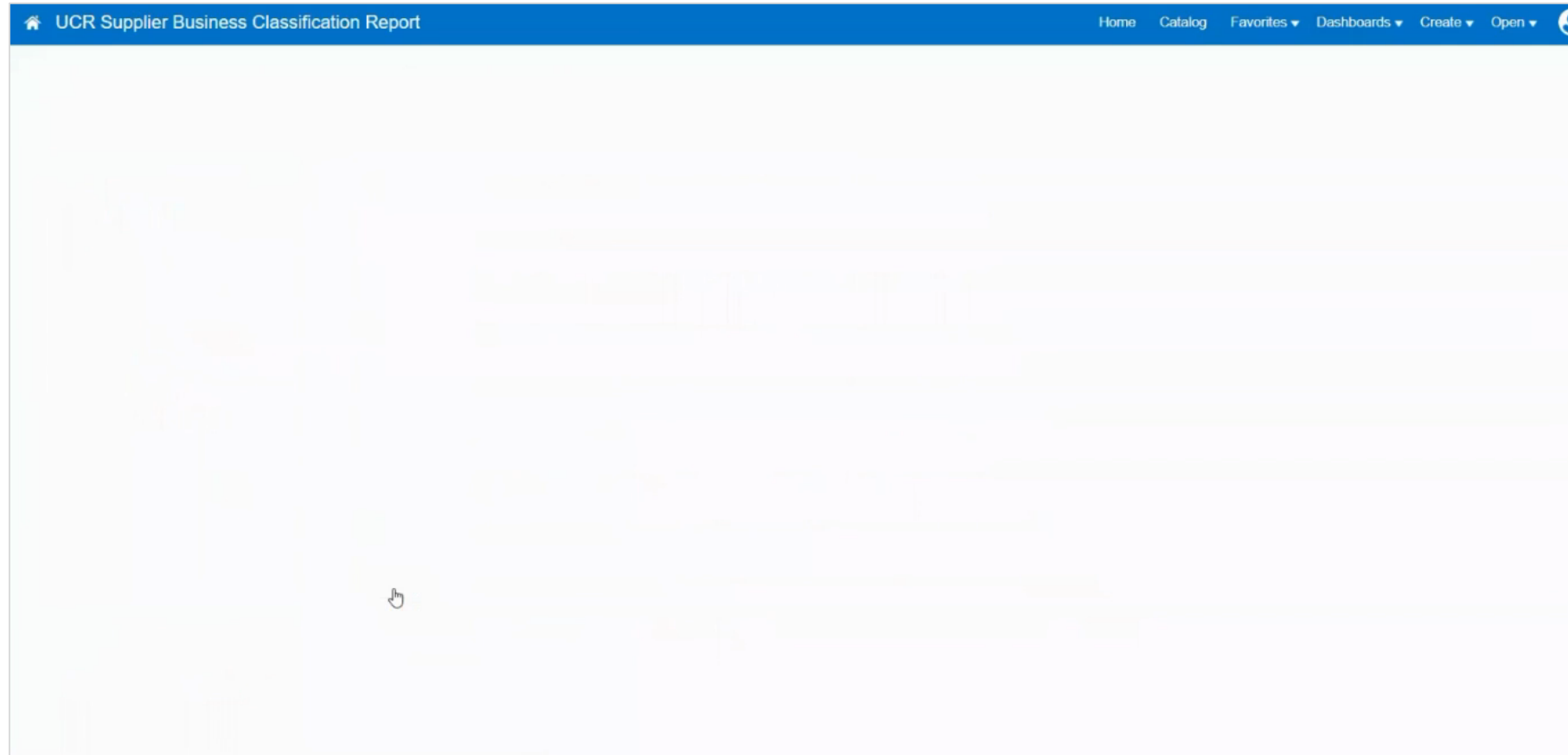


# Supplier Reports



UCR Supplier Business Classification Report.xdo  
/shared/Custom/UCR/Reports/Supply Chain/Procurement/BI

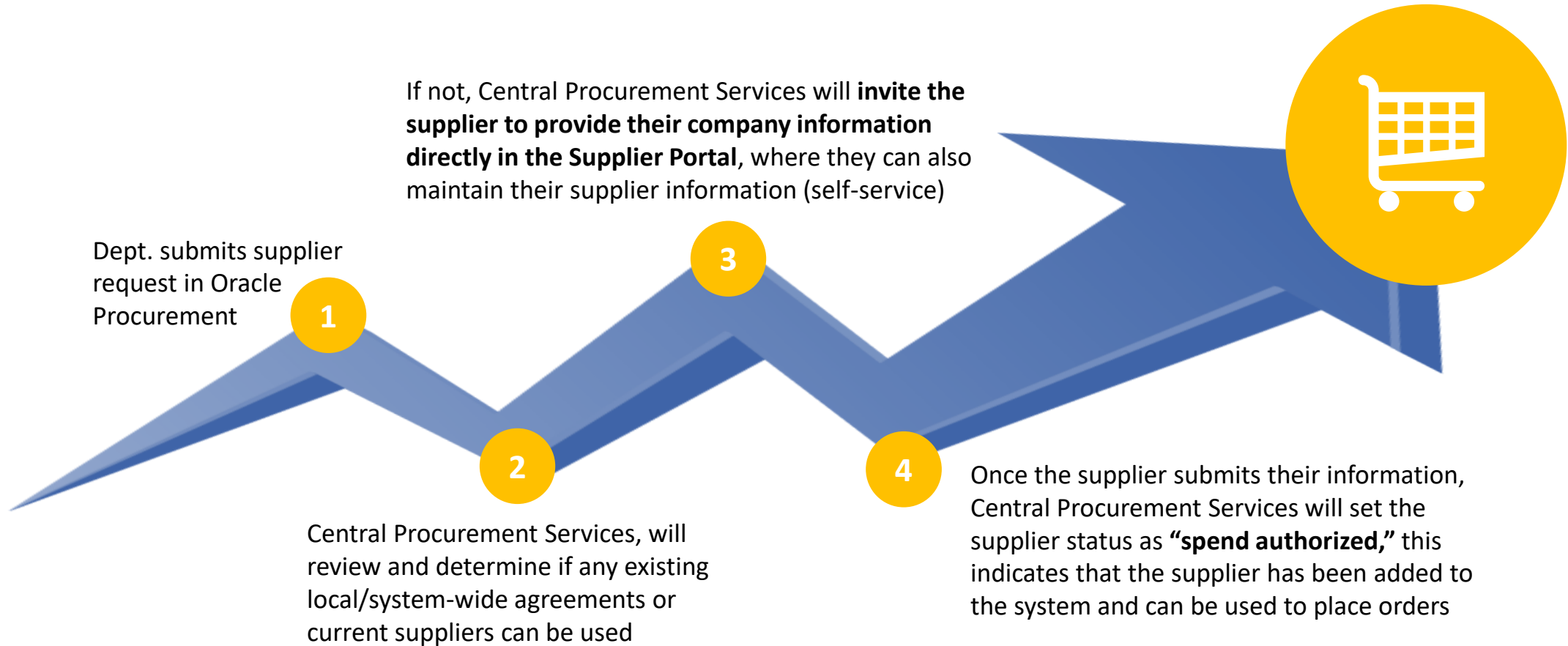
Let's take a look at how you will pull the Supplier Business Classification Report





# Supplier Request

A supplier request should only be initiated if a supplier does not accept a PCard or the purchase is over \$10k and a similar supplier is unavailable (no Supplier Agreement exists). Reminder, the PCard restricted item list prevails.





# Supplier Request

It is important to note, the supplier approval process will be closely managed. Adding a new supplier to the system will require a strong justification for the need.

The screenshot shows the Oracle Procurement Cloud user interface. At the top left is the UCR Oracle Training logo. The top right contains navigation icons: a home icon, a star, a flag, a notification bell with a red '3' badge, and a user profile icon labeled 'CN'. The main header area displays a personalized greeting: "Good evening, Colleen Newman!". Below the greeting is a horizontal breadcrumb menu with the following items: "Intercompany Accounting", "Budgetary Control", "Cash Management", "Fixed Assets", and "Procurement" (partially visible). The interface is divided into two main sections: "QUICK ACTIONS" on the left and "APPS" on the right. The "QUICK ACTIONS" section lists several tasks with corresponding icons: "Process Requisitions", "Manage Orders", "Manage Agreements", "Manage Buyer Assignment Rules", "Manage Procurement Agents", and "Shop". The "APPS" section features a grid of application tiles: "Purchase Requisitions" (shopping cart icon), "Purchase Agreements" (handshake icon), "Purchase Orders" (document icon), "My Receipts" (document icon), "Catalogs" (book icon), and "Suppliers" (group of people icon).



# Supplier Maintenance

Help us check in with our Suppliers!

- ❑ Have they updated their profile?
- ❑ Is the email on their profile correct?
- ❑ Remind them to:
  - Submit their invoices to Transcepta or [apinvoice@ucr.edu](mailto:apinvoice@ucr.edu) for payment
  - Check status of payments in the Supplier Portal
  - Provide updated certifications



# Supplier Portal

It is important to note, the supplier portal is for suppliers to update their information, review POs/ invoices and payment status.

The screenshot shows the UG Riverside Supplier Portal interface. At the top left is the UG RIVERSIDE logo with 'SIT3 & SIT2 Instance' next to it. In the top right corner, there are icons for home, a flag, a bell, and a user profile labeled 'BS'. The main content area features a greeting: 'Good evening, BIORAD SUPPORT!'. Below this is a navigation bar with 'Supplier Portal', 'Tools', and 'Others' tabs. Underneath is an 'APPS' section containing a 'Supplier Portal' icon (a red square with a white grid) and a plus sign. At the bottom, there is a 'Things to Finish' section with two cards: 'Assigned to Me' showing a count of '0' and 'Created by Me'. To the right of these cards is a notification area with a bell icon and the text 'You have no open notifications.'

# Preparation



# Take Action

- **Document your suppliers and favorites in eBuy.** Remember, not all suppliers are being brought over (bringing everything over the past 2 years, repost the conversion criteria)
- If you know of suppliers that are small businesses but are not certified please encourage them to get certified! This will allow them to upload their certifications in the Oracle Supplier Portal and become a registered UC small business.
- Feel free to share the Small Business First materials with your suppliers!



**THANK YOU!**

IMPACT23: Modernizing UC Riverside's Financial Systems

*EMAIL: [Impact23@ucr.edu](mailto:Impact23@ucr.edu)  
WEBSITE: [Impact23.ucr.edu](http://Impact23.ucr.edu)*