

Accounts Payable and Procurement Services Annual Report



Fiscal Year 2021
July 1, 2020 - June 30, 2021

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A Message from Julie Jones



Julie & Emme enjoying some water and wine!

As we gear up for Fiscal Year 2022 year-end, it is next to impossible for me to remember Fiscal Year 2021! I have procrastinated beyond what is reasonable in writing this introduction, because I absolutely did NOT want to talk about the COVID pandemic. So, what am I going to do? I am going to embrace what FY21 really was for most of us and talk about the COVID pandemic.

Accounts Payable and Procurement Services settled into what has now become our defined hybrid work model with grace and determination. As with most of us, finding the balance between enjoying the flexibility of working from home and the structure to shut down when the workday “should” be done was challenging. We leaned on our friends in Human Resources to find ways to adjust and learn strategies that would allow us to enjoy this new way of life.

One of the blessings of a pandemic is that you are forced to search for more outdoor activities. Lucky for me, wineries came out of the gate early with options to enjoy time with folks in your “bubble” away from home. Many also allowed you to bring your fur-family! This photo captures a day out with my cousin’s pup, Emme, at a local PA winery (always look local first!). The story behind this photo centers around Emme having to stay with me for two weeks while her humans recovered from COVID. I am certain many of us can relate to this situation over the last two plus years.

What is the purpose of my ramblings in this introduction, you ask? I have often said that this pandemic has shown me, more often than not, the very best in people. We have all had to learn the true definition of self-care and boundaries, and many of us have found renewed connection with family and loved ones. As we continue to find our way together, I encourage us all to take that extra moment when we are frustrated, tired, or even sick and remember what we have all been able to accomplish together. You will be amazed!

Most sincerely,

A handwritten signature in blue ink that reads "Julie Ann Jones".

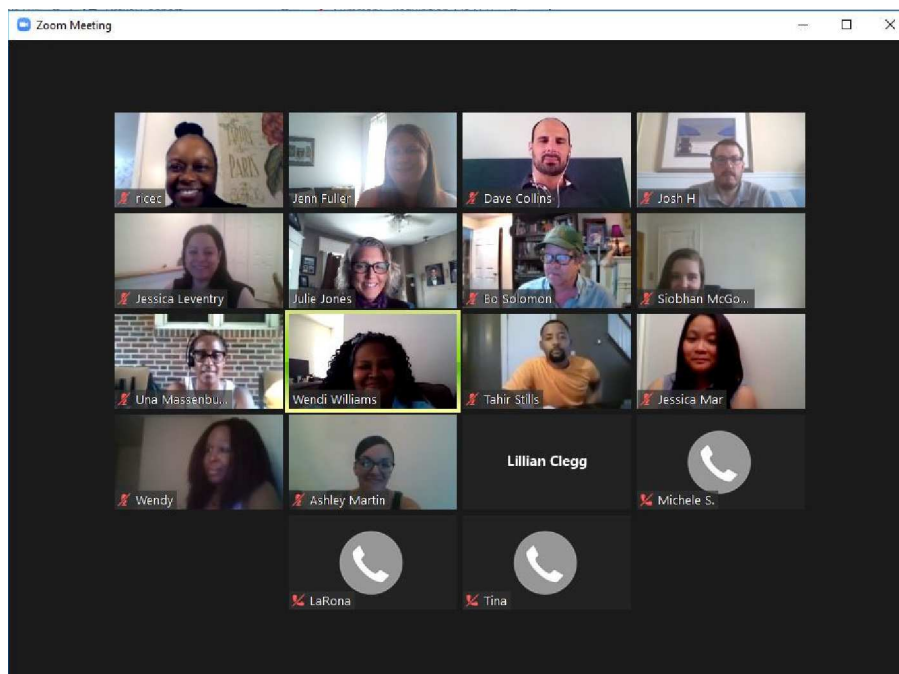
Julie Ann Jones
Vice President & Chief Procurement Officer

COVID Continues

As the realization set in that COVID-19 was not going anywhere, Accounts Payable and Procurement Services shifted gears. Purchases were monitored to ensure they were in line with University Policies and Guidelines while also being adaptable to the new remote learning environment. With the close monitoring of University spend, the Strategic Sourcing team saw an increased volume of requisitions that required review.

The department also settled into the new hybrid remote work model. Each team became proficient in effectively communicating with each other via Zoom meetings and Teams chats. Monthly meetings were held to ensure teams were kept current on departmental updates and virtual happy hours and a holiday party were held to keep morale up!

The end of FY21 saw the University beginning to prepare for the return to campus for fall semester. With that, there was another shift in purchasing to ensure enough PPE (personal protective equipment) was acquired and purchases such as plexiglass partitions and floor signage were made as social distancing measures were put in place.



Accounts Payable and Procurement Services on a Zoom call

Working for Procurement Services: "A Drexel Co-Op's Experience"

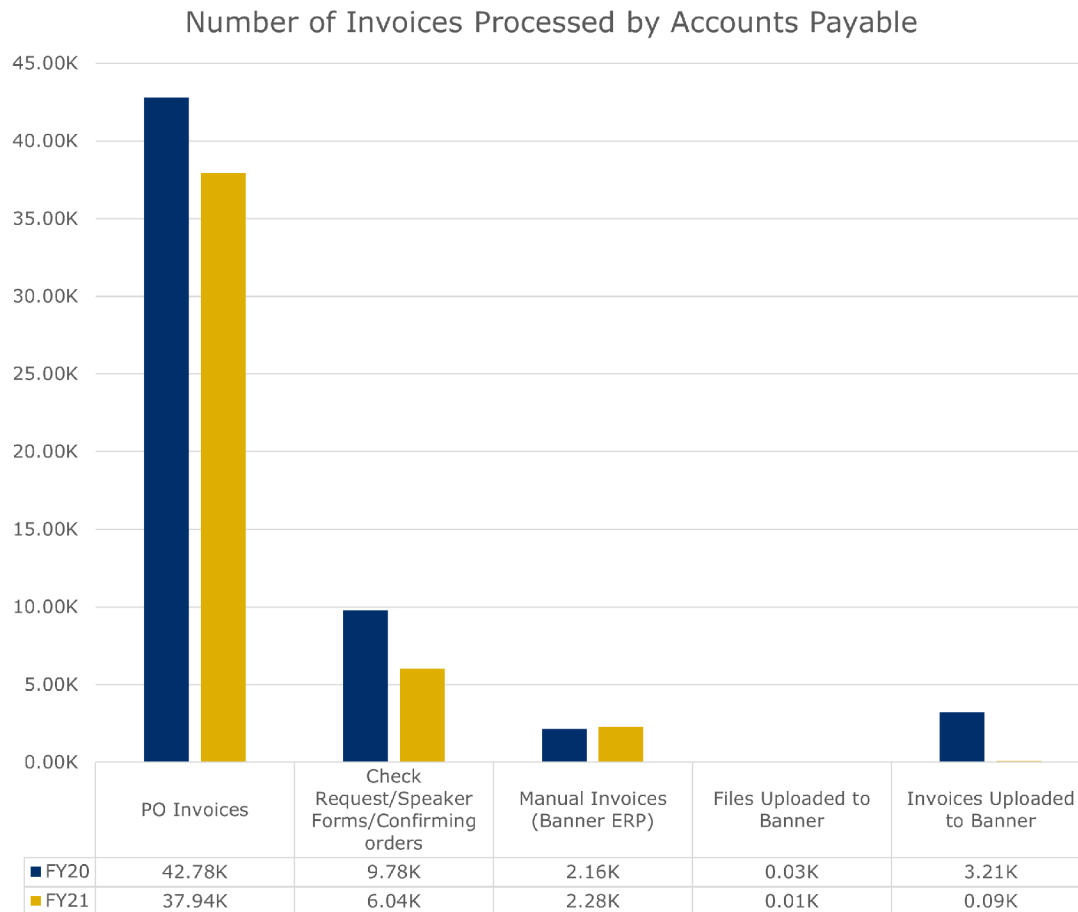
I came to work in Procurement Services as part of Drexel's Co-op program. I worked with Executive Director, Supplier Inclusion, Allen Riddick, over the course of my six-month term. During my time with Procurement Services, I assisted in the department's initiatives to support Diversity & Inclusion and form connections with all sorts of businesses. This included working on creating a catalogue of local suppliers comprised of minority, women, LGBTQ+, Veteran, service-disabled, and small businesses that Procurement Services met and engaged with. This catalogue was meant to be used as a resource for other departments within Drexel, to learn more about diverse businesses that Procurement Services has encountered and encourage further collaboration with local businesses.

Additionally, I worked with Procurement Analyst Joshua Hurdle and Executive Director of AP and Procurement Support Michele Arias on a project to ensure that Drexel's diverse suppliers were properly identified within Smart Source. We gathered data from various third-party certifying agencies and cross-referenced them with our own supplier database. We were able to confirm diversity certification for thirteen of Drexel's suppliers with a combined supplier spend of over \$1,000,000, which we were able to identify as certified diverse spend. Overall, my co-op with Procurement Services was a very fulfilling and educational experience for me. Everyone in the department was an absolute joy to work with, and I'm grateful that I was given the opportunity to contribute to the business operations of the University. Working in Procurement Services taught me many valuable lessons that I will carry with me during the rest of my time studying at Drexel and into my future career path.

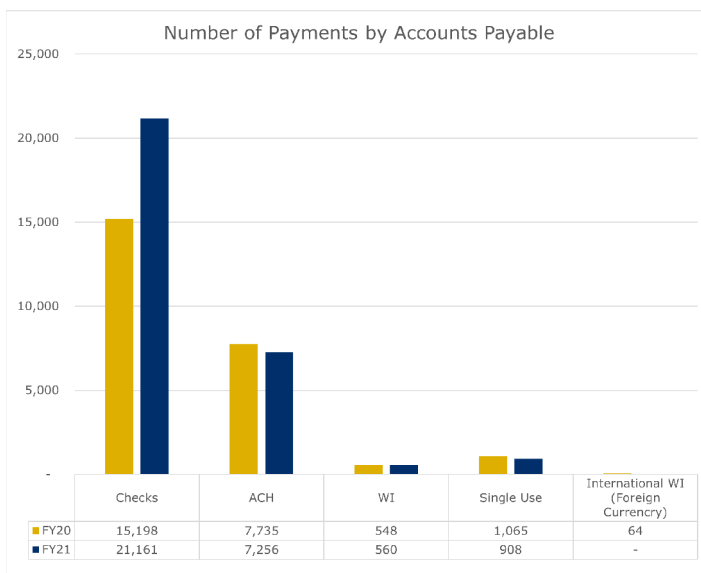
-Mario DiPasquale
Class of 2023




Accounts Payable



The figure above indicates the number of invoices processed by type of order. The decrease in numbers from FY20 to FY21 was due to the continued monitoring of spend in FY21.

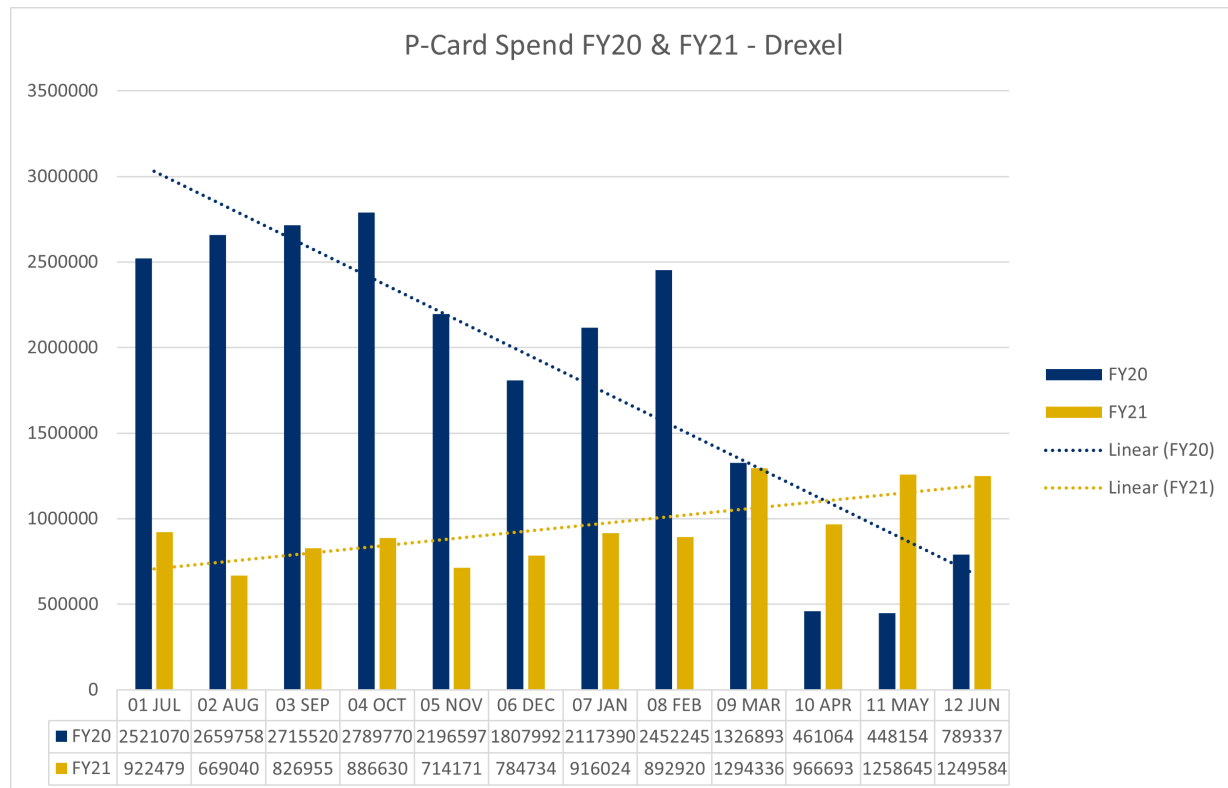


 In FY20, 57,928 invoices were processed and 24,610 payments were made

In FY21, 46,351 invoices were processed and 29,885 payments were made 

The figure above indicates the different types of payments made for FY20 and FY21.

P-Card



The figure above indicates the P-Card spend comparison between Fiscal Year 2020 and Fiscal Year 2021 for Drexel Chart of Accounts. The significant drop in March through June of Fiscal Year 2020 was due to purchasing restrictions put in place for COVID-19. P-Card spend slowly increased in Fiscal Year 2021 as operations began to return to normal.

P-Card Exceptions for Critical Purchases

As the campus prepared to re-open for incoming students in the fall of 2021, the volume of purchases coming through Smart Source began to increase. In maintaining compliance without compromising efficiency, the P-Card and Sourcing teams collaborated to allow essential purchases under current policy to go through P-Card. For these special cases, the decision was made to utilize the P-Card Exception Form on a temporary basis. Allowing Procurement Services to help facilitate the use of the P-Card Exception Form gave departments the autonomy to work with their suppliers directly and obtain their purchases on time as shortages in supply chain demands climbed.

P-Card

Staying on Top of P-Card Renewals

For well over a year the P-Card team has proactively worked on projects aimed at reducing risks and strengthening the integrity of the P-Card Program. Efforts included suspending cards with low or infrequent spend, limiting non-essential purchasing, reducing individual card limits where appropriate and selectively reviewing new card applications for essential need within the context of each department. During this time, we worked with departments in identifying existing cards with limited use to shift to Departmental Cards or Travel Cards (P-Card specifically for travel).

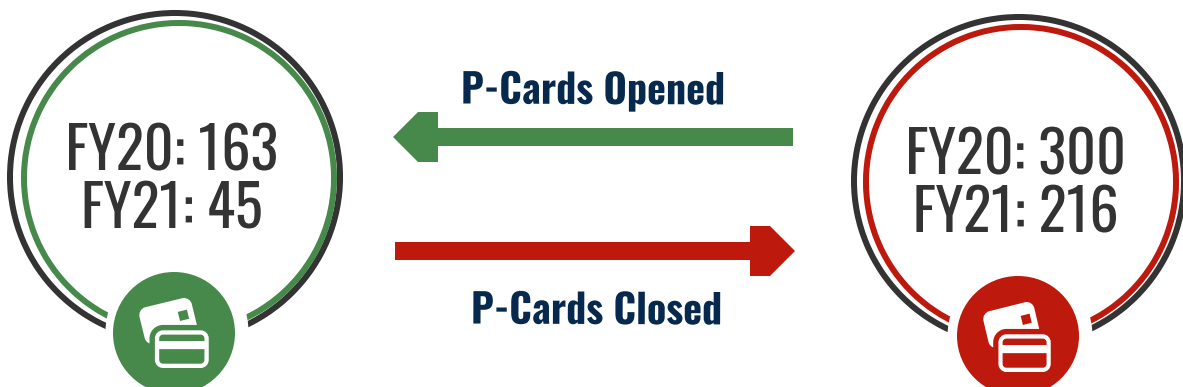
AVERAGE # OF P-CARDS USED IN ANY GIVEN MONTH

516

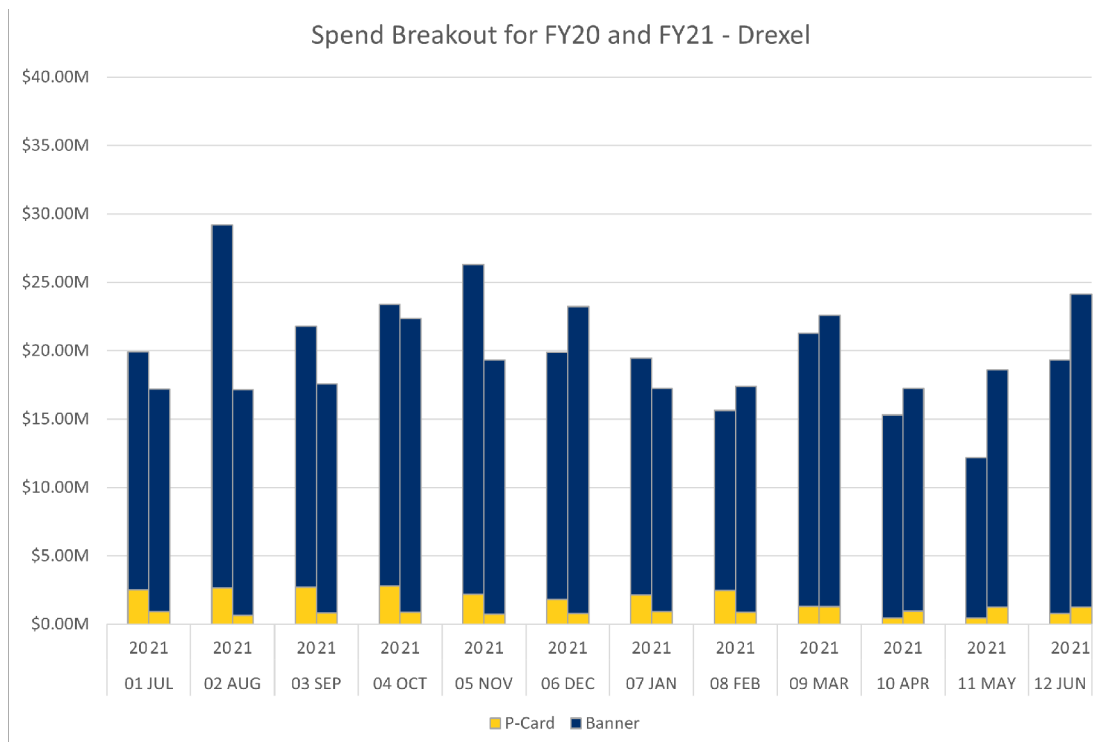
P-CARDS IN CIRCULATION
1,170

Additionally, in response to the inherent risks posed by delivery of renewal cards to unattended offices, the P-Card Office reached out to over 500 cardholders to coordinate and redirect renewal cards to home addresses. As a result of our efforts, 368 renewal cards were safely rerouted to alternate addresses for Cardholders who were working remotely.

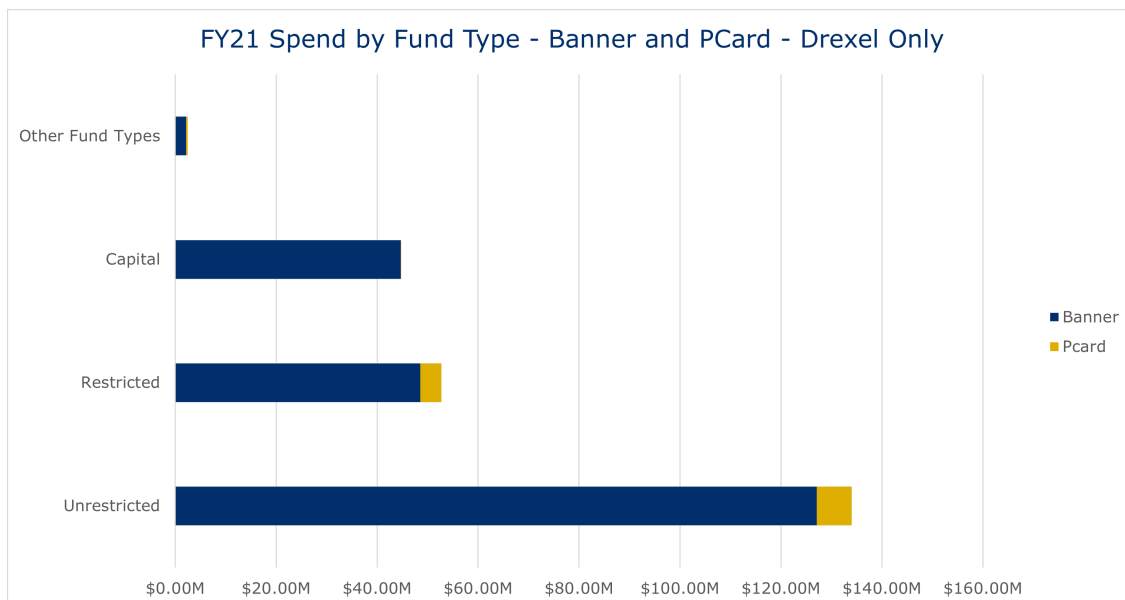
As campus operations started to re-open, the P-Card Office made a conscience decision to lift suspensions on most cards and revert business mailing addresses back to the appropriate campus locations.



Spend at a Glance



The figure above indicates the overall trend in spending in FY20 and FY21 for Drexel Chart of Accounts. P-Card Spend is any purchasing completed on a University P-Card. Banner Spend (Banner is Drexel University's ERP system) includes any purchasing completed through Smart Source as well as confidential University purchases.

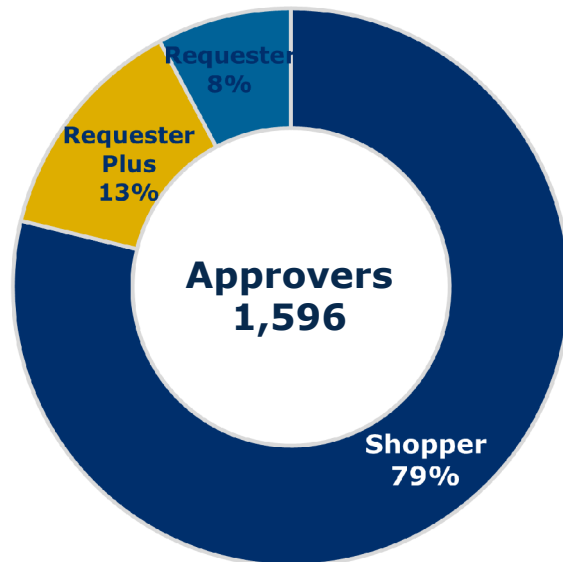


The figure above indicates spend by fund type for FY21 for Drexel Chart of Accounts. "Other" includes Agency, Endowment, Bank and Load funds.

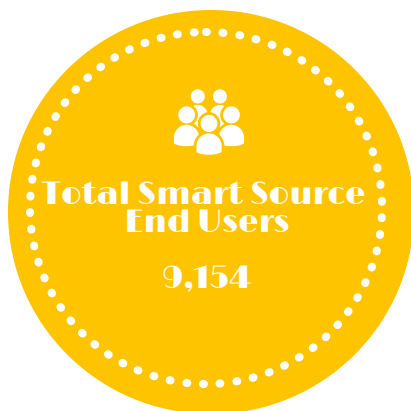
Procurement Support

In fiscal year 2021, Procurement Support focused on system improvement aimed at making Smart Source more user-friendly, customizable, and interactive. Smart Source now features enhanced search functionality for requisitions, purchase orders, and invoices. Users may take advantage of custom search filters and preferences, all of which may be pinned and saved for quick reference.

Smart Source End Users



This figure shows the breakdown of role assignments in Smart Source for FY21.



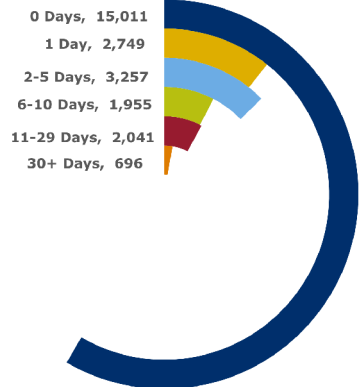
Additionally, JAGGAER, which hosts Smart Source, enabled Supplier Scorecard functionality in FY21, which allows for the collection, measurement, analysis and reporting of supplier-related categories and key performance indicators resulting in increased visibility into supplier performance. Procurement Support will be implementing this functionality which will assist with sourcing functions, business reviews, and overall supplier management. Procurement Support will continue to work with JAGGAER and the Drexel community to make the e-procurement experience as efficient as possible.

Fiscal Year	Trainings	Total Attendees
FY20	12	82
FY21	10	44

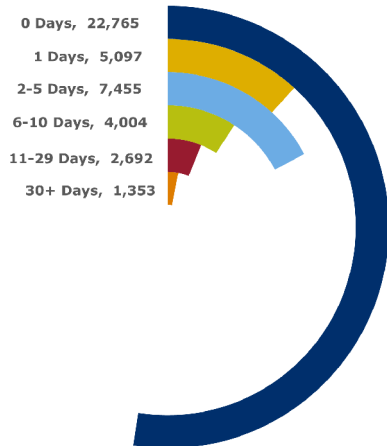


Strategic Sourcing

Requisition Cycle Time (Procure)

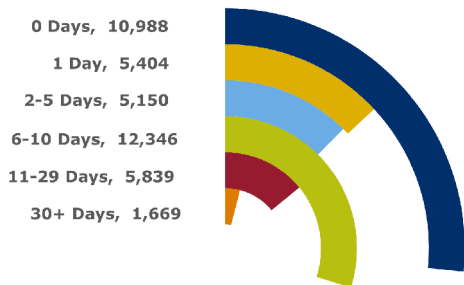


Invoice Cycle Time (Pay)



The figures above indicate the cycle times for Smart Source Requisition and Invoice documents. Purchase Order documents are excluded because their short, automated workflow often takes less than one minute.

Procure to Pay Cycle Time



The figure above indicates the duration of time from the moment a requisition document is entered into Smart Source until its associated invoice document is paid.

In addition to driving compliance with competitive bidding and supporting the RFP process, Strategic Sourcing also aims to secure cost savings and cost avoidance through direct negotiation with suppliers on a case by case basis. Examples may include leveraging consortium agreements, securing additional discounting where pricing was not already negotiated, termination of services the University no longer needs, and negotiation of large fees or penalties.

In FY21, Strategic Sourcing either identified opportunities for additional discounting or worked to secure additional discounting following discussion with the purchasing department, resulting in an average additional discount of 7% off the quoted purchase price. Additionally, Strategic Sourcing was able to negotiate a reduction in almost \$50,000 in penalties and fees invoiced to the University. Please contact sourcing@drexel.edu if you believe additional savings may be secured on large purchases or if charges from a supplier do not align to expectations or contractual terms.

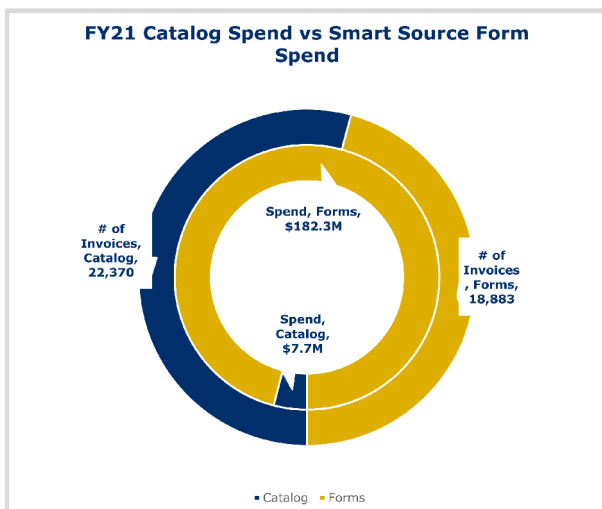
Strategic Sourcing

Top Supplier Spend by Fund Type

Restricted Funds	
Supplier Name	Spend
McKesson Drug Company	\$5.26M
Regents Of University of California Davis	\$1.69M
Fisher Scientific	\$1.04M
Trustees of the University of Pennsylvania	\$0.89M
Assessment Technologies	\$0.87M

Unrestricted Funds	
Supplier Name	Spend
Aetna Student Health Agency Inc	\$14.45M
Allied Universal Security Services	\$5.32M
Arthur J Gallagher Risk Management Services Inc	\$4.49M
Constellation NewEnergy, Inc.	\$3.62M
Aramark Services Inc	\$3.61M

Capital Funds	
Supplier Name	Spend
BSI Construction, LLC	\$24.77M
Hunter Roberts Construction Group LLC	\$7.27M
P Agnes Inc	\$3.60M
ePlus Technology Inc	\$1.23M
Mason Building Group	\$0.90M



The figure above compares spend of non-catalog requests vs. catalog requests against the number of invoices received for non-catalog requests vs. catalog requests. While spend for non-catalog requests is significantly higher, volume of invoices for catalog requests is higher.

★ Savings Spotlight ★

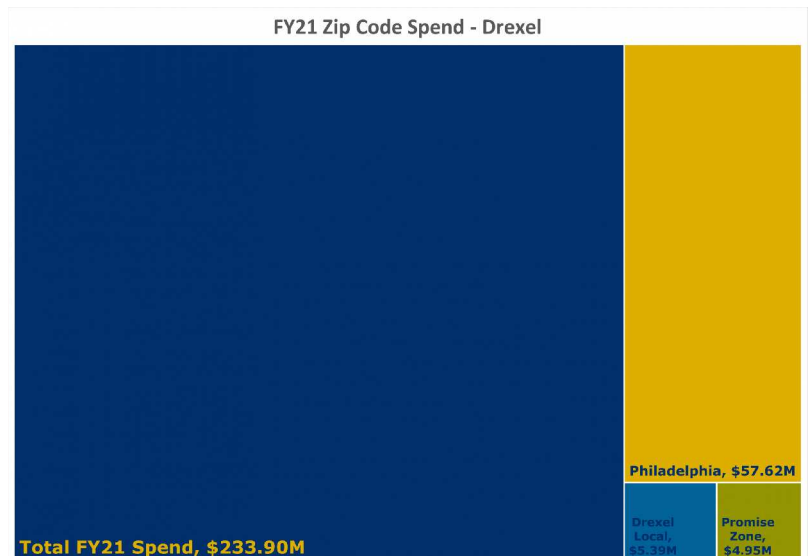
IT submitted an urgent request via sole source to furnish and install HyFlex capability in two of the large auditoriums on campus. Although two other suppliers were contacted they did not respond and the department asked that Sourcing award business without additional bids. Given that additional bids could not be obtained due to the time constraints of the install, Sourcing inquired for a discount and the supplier was able to provide a 10% discount, which generated savings through direct negotiations of over \$5,000.

Supplier Inclusion

Throughout the challenges and transitions the University and local community faced in Fiscal Year 2021 (FY21), Accounts Payable & Procurement Services continued its push as a local department with a worldwide mission. The Supplier Inclusion team worked vigorously to ensure that Drexel University not only continued, but enhanced its support of local diverse businesses. They launched Microsoft (MS) Bookings, a digital scheduling tool that is part of the Microsoft Office suite. MS Bookings helped simplify their engagement process with their suppliers immediately. With the new tool, Procurement Services was able to schedule more introductions and allow suppliers the freedom to book meetings with Drexel at their own convenience.

While spend as a University reduced due to the effects of the pandemic, the department increased its focus on introducing more suppliers to Drexel stakeholders by fostering more relationships. These meetings with local businesses and Drexel were proven to be successful by Drexel getting a stronger understanding of the capabilities and capacity of businesses within the community.

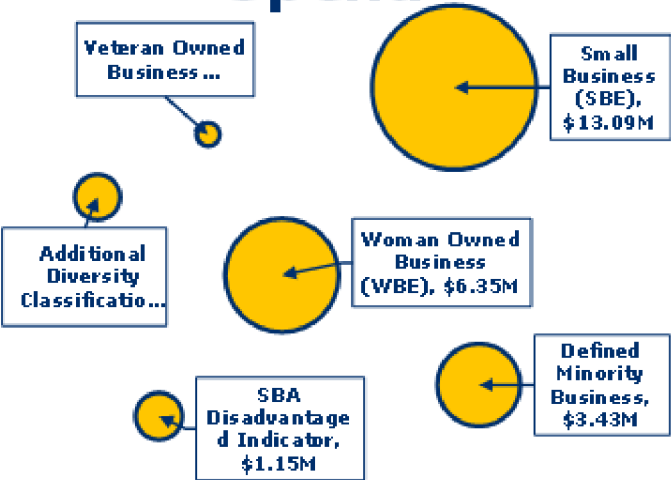
The Supplier Inclusion team is pleased to announce that through our dedication and support of engaging with diverse and local businesses, Drexel is aiming to increase its diverse supplier spend by 5-10% in FY22. They continue to encourage the University to work with their team to identify local and diverse business to work with on all purchasing needs.



The figure above indicates Drexel University's total FY21 Spend relative to spend in the Philadelphia, Drexel Local, and the Promise Zone. Philadelphia encompasses all 87 Philadelphia county zip codes. Drexel Local is defined as the 7 West Philadelphia zip codes that Drexel recognizes as an important component of its anchor mission. The Promise Zone is roughly 2 square miles that is bounded by 48th street to the west, the Schuylkill River to the east, Girard Avenue to north and Sansom Street to the south. For more information about the Promise Zone, visit drexel.edu/uhc/.

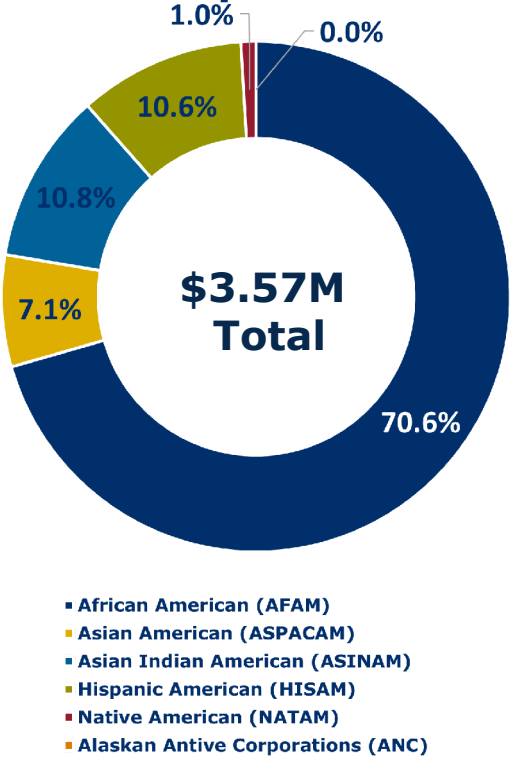
Supplier Inclusion

FY21 Supplier Inclusion Spend



Please note that one supplier may fall into multiple diversity categories.

FY21 Total Minority Spend

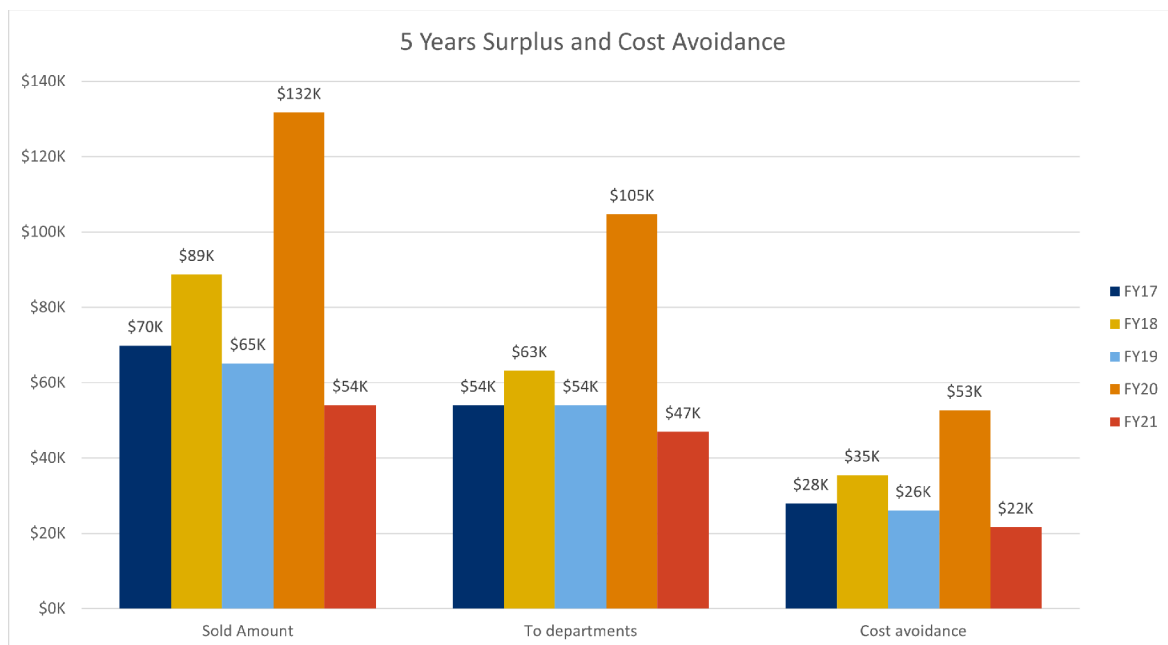


In FY21, Accounts Payable and Procurement Services also began its strategic management and oversight of Drexel’s progress and compliance to the City of Philadelphia’s Economic Opportunity Plan. Majority of capital projects at Drexel are encouraged to follow these plans, which are documents created by the Philadelphia’s Department of Commerce to ensure use of minority, women, and disabled-owned businesses and laborers on contracts over \$100,000. Within one year Drexel has enhanced its communication and partnerships with general contractors Turner, Wexford, Clemens, and Perryman. Drexel now plays an active role in supporting these contractors achieve economic and workforce equality.

Sustainability & Surplus

Drexel Climate & Sustainability submitted its first ever AASHE STARS report in March of 2021, reaching a Bronze rating for FY20. The submission for FY21 appears to be on track for a Silver rating. Improvements for FY21 include Purchasing STARS ratings increases due to published sustainable purchasing guidelines, EPEAT electronics verification, and with cleaning and paper products sustainable purchasing guidelines.

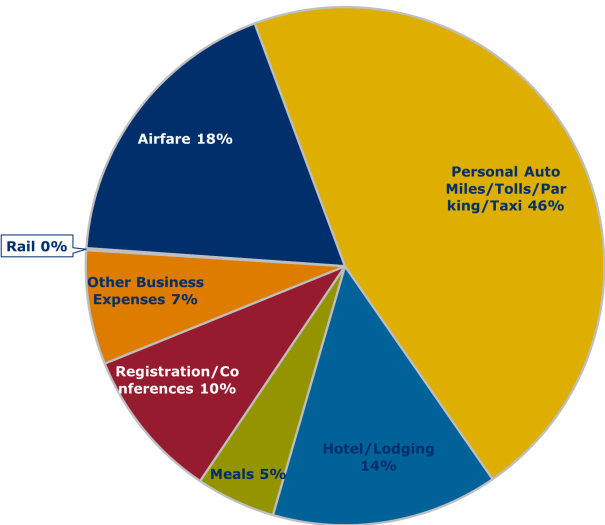
The Climate & Sustainability working group presented the AASHE STARS report findings to President John Fry, Helen Bowman CFO, Paul Jensen, Provost, and Alan Greenberger, VP for Real Estate and Facilities. This group agreed to become the Executive Committee for bi-annual meeting updates. Steering Committees composed of a mix of students, staff, faculty, representing academics, operations, and engagement have begun meeting and will expand in the fall of 2021.



The above figure shows the surplus amount sold, amount of money returned back to department and total cost avoidance via surplus sales over a 5-year period.

Bo Solomon was named University Sustainability Officer for Drexel University in November 2020. He continues to work with the Drexel Climate & Sustainability team to this day with the goal of formally establishing an Office of Climate & Sustainability.

FY21 Travel Reimbursements for Drexel Staff & Faculty



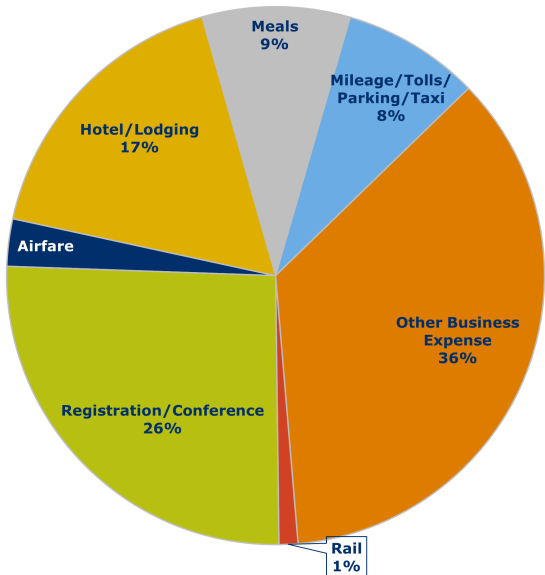
The figure above indicates reimbursement spend for Drexel University, Academy of Natural Sciences and Drexel University Online Chart of Accounts.

World Travel: Spotlight on Our Travel Management Company

At the onset of the pandemic World Travel was at the forefront working diligently to assist numerous travelers to reaccommodate flights and coordinate their return home. World Travel provided continuous communication to the University advising of all unused tickets, frequent updates on each airline regarding the changes in policies concerning the refund and exchange of unused tickets, and waivers extended due to interruption of travel caused by the global crisis at hand.

During the period of 07/01/2020 – 06/30/2021, World Travel aided in obtaining refund for nonrefundable tickets using waivers amounting to \$7,635.00. In addition, they were able to exchange nonrefundable tickets for future travel in the amount of \$80,735.00. Due to the professional and knowledgeable guidance offered, Drexel travelers returned home safely, and travel funds were protected and available for future travel.

FY21 Travel Total Spend for the Entire Drexel Community



The figure above indicates spend for Drexel University Chart of Accounts only.

Contact Directory

General Inquiries: 215.895.2876

Option 1: Accounts Payable **acctpay@drexel.edu**

- Invoice, Check Request or Confirming Order Status
- Gift Card Policy Process
- Stop Payment, Copy Cashed Check
- Can be reached directly at 215.895.2840

Option 2: Strategic Sourcing **sourcing@drexel.edu**

- Appropriate Form Usage
- Requisition Status
- Purchase Order Status
- Purchasing Policy
- RFPs & Competitive Bidding Requirements

Option 3: P-Card **pcard@drexel.edu**

- P-Card Inquiries

Option 4: Travel **travel@drexel.edu**

- Travel Advance
- Travel Reimbursements
- Expense Reports



Option 5: Procurement Support **askprocure@drexel.edu**

- Supplier Registration
- Supplier Records
- Smart Source Training
- Smart Source Technical Support & System Issues

Option 6: Supplier Inclusion **supplierinclusion@drexel.edu**

Feedback

**The Accounts Payable & Procurement Services Annual Report is available on the Reports page of the AP & Procurement Services website at:
drexel.edu/procurement/policies-resources/reports/**

**The FY21 Annual Report was prepared by
Jennifer Fuller and Joshua Hurdle
from the Drexel University Accounts Payable and
Procurement Services Department**

**Any inquiries or suggestions for the next
Procurement Annual Report can be emailed to:
procurementfeedback@drexel.edu**

**Our report is meant to be viewed online as a PDF. Please
think twice before printing to help save a tree.**

