PASSPort to Success: From Goods to Great Procurements

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PASSPort to Success

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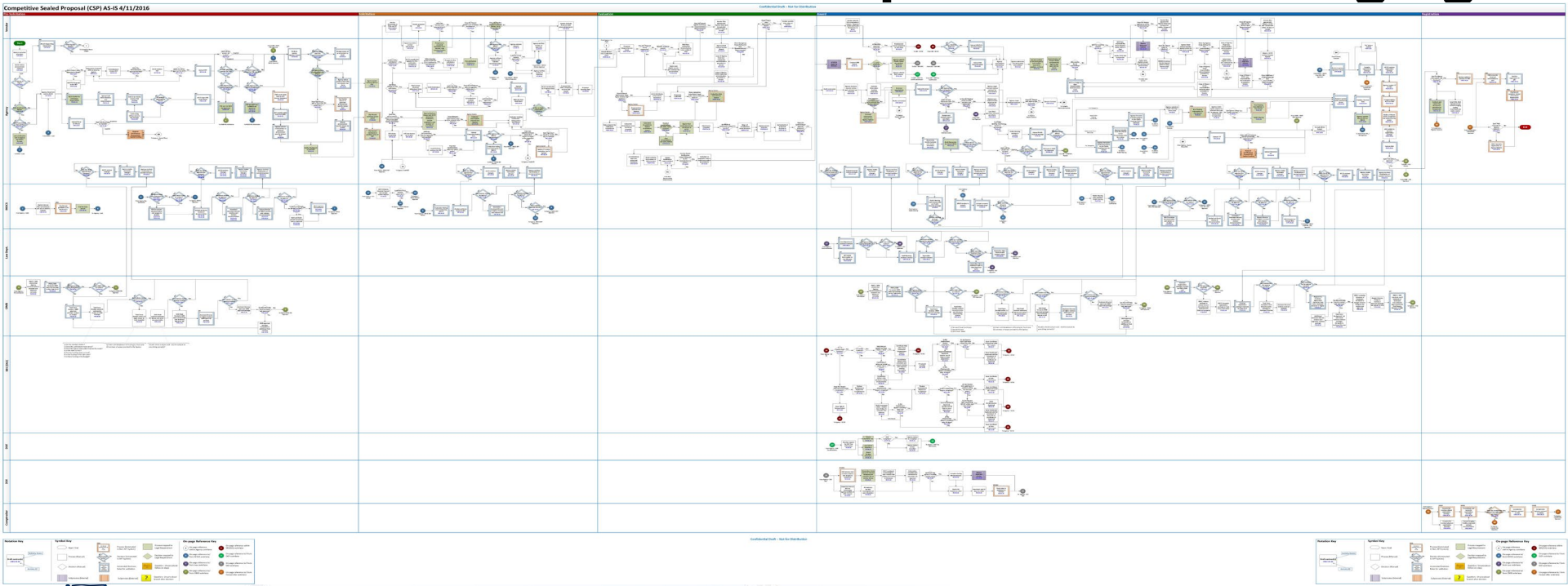
Procurement Remains Complex and Challenging



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Heavy reliance on paper limits impact

Width = 14”

Depth = 4”

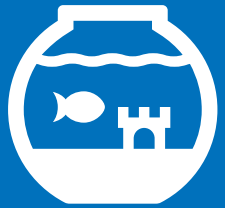
Height = 9”

Weight = 12 lbs

Mobilized with Key Principles for Transformation

SUPPORTING VENDORS AND AGENCIES WITH CHANGE

CONSTANTLY ITERATING ON THE TECH TO IMPROVE PROCESSES



RADICAL TRANSPARENCY LEADS TO IMPROVED SERVICE AND PERFORMANCE

MOST COMPLIANCE MAINTAINED THROUGH SYSTEM FUNCTIONALITY

RAISE THE BAR FOR OUR PROCUREMENT WORKFORCE

NYC's Procurement and Sourcing Solutions Portal

RELEASE 1 Vendor Management

Replaced Paper VENDEX

- Online, self service vendor accounts
- Reduced filing time for vendors
- Vetting data shared by agencies
- Improved contract performance evaluation management

RELEASE 2 Requisition to Pay

Enhances Ordering of Goods

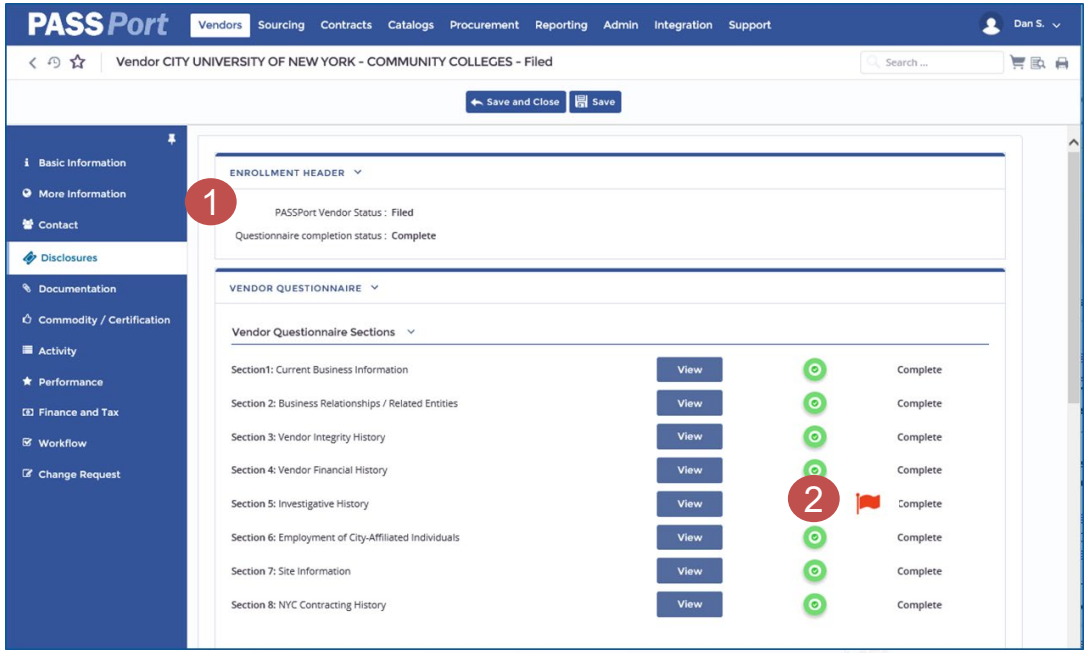
- Easier to update and find goods on requirements contracts
- Improved ordering/receipt management
- Electronic invoicing and better payment tracking

RELEASE 3 Source to Pay

Establishes One Platform

- Transparent workflow management w/oversights (OMB, MOCS, Comptroller)
- Digital proposal submission/review
- Contract authoring/e-signature

Release 1: Faster disclosure filing by vendors



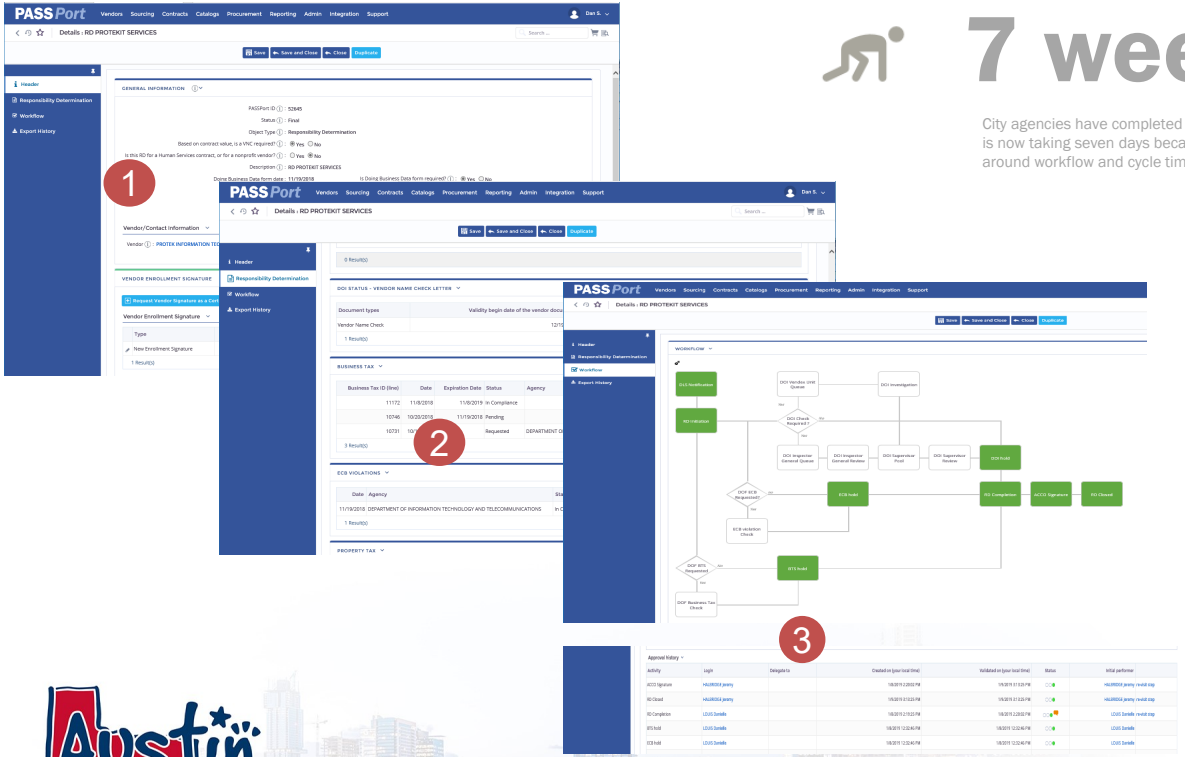
1. VENDEX now online. Managed in a self-paced environment by vendors

2. Easy to update filings and address concerning information.

4 weeks → *1 day*

Prior process was manual, paper-based. Vendors now manage their account and their information in a self-paced environment. Most vendors can complete the process within a day.

Release 1: Easier data sharing between agencies



7 weeks → 7 DAYS

City agencies have completed 11,337 Responsibility Determinations in PASSPort. A process that would typically take seven weeks is now taking seven days because PASSPort enables information sharing, integration with related systems, and transparency around workflow and cycle time.

1. Vendor background and integrity information shared across agencies
2. Established an interface with central agency responsible for capturing business tax and other violations.
3. Transparent workflows and task management provide real time tracking on status and cycle times

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People-centered design and implementation

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From Goods to Great Procurement

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DCAS at a Glance

1 Human Capital

Supports City agencies' workforce needs in recruiting, hiring, and training City employees

–

300,000+ city employees supported

2 Fleet Management

Largest municipal fleet. Implementing conservation and safety programs throughout the City's 31,000+ owned/leased vehicle fleet.

3 Facilities Management

Provides overall facilities management for 55 public buildings;

4 Real Estate

Purchases, sells, and leases approx. 23M sq. ft. of real property

5 Citywide Procurement

Purchases, inspects, and distributes supplies and equipment (more than $1 billion);

6 Energy Management

Implements energy conservation programs throughout City facilities. establishes, audits, and pays utility accounts that serve more than 4,000 buildings;

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Who we serve

Office of Citywide Procurement (OCP):

- Supports 100+ city agencies. Mayoral & Non-Mayoral
- Provides support to 10,000+ Users of procurement systems
- Provides support to 1,000 contracted vendors
- Manages over 1,100 Citywide Requirements contracts for goods and services

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Financial Management System Modules

- Budget
- Inventory
- Accounting
- Small Purchase
- Punch-out Catalog
- Vendor Disclosures
- Payee Information Portal
- Comptroller Registration

DCAS Procurement Systems

- Direct Order
- Requirements Contracts
- Receiving
- Requisition
- Storehouse Requisitions
- P-Card
- WMS SaaS
- Inspection Databases (4)
- Spend Cube SaaS
- SQL Data Warehouse
- Public Notice

All other Citywide Systems (other non-financial)

- Industry Specific Procurement Systems
- Citywide Procurement Tracking System
- Agency Specific Procurement Systems
- FairTax
- Case Management Law
- Performance Tracker
- Labor Compliance
- others

KEY:
- Internal
- Public-facing
- Legacy

Making the Case

Cloud-based procurement tools

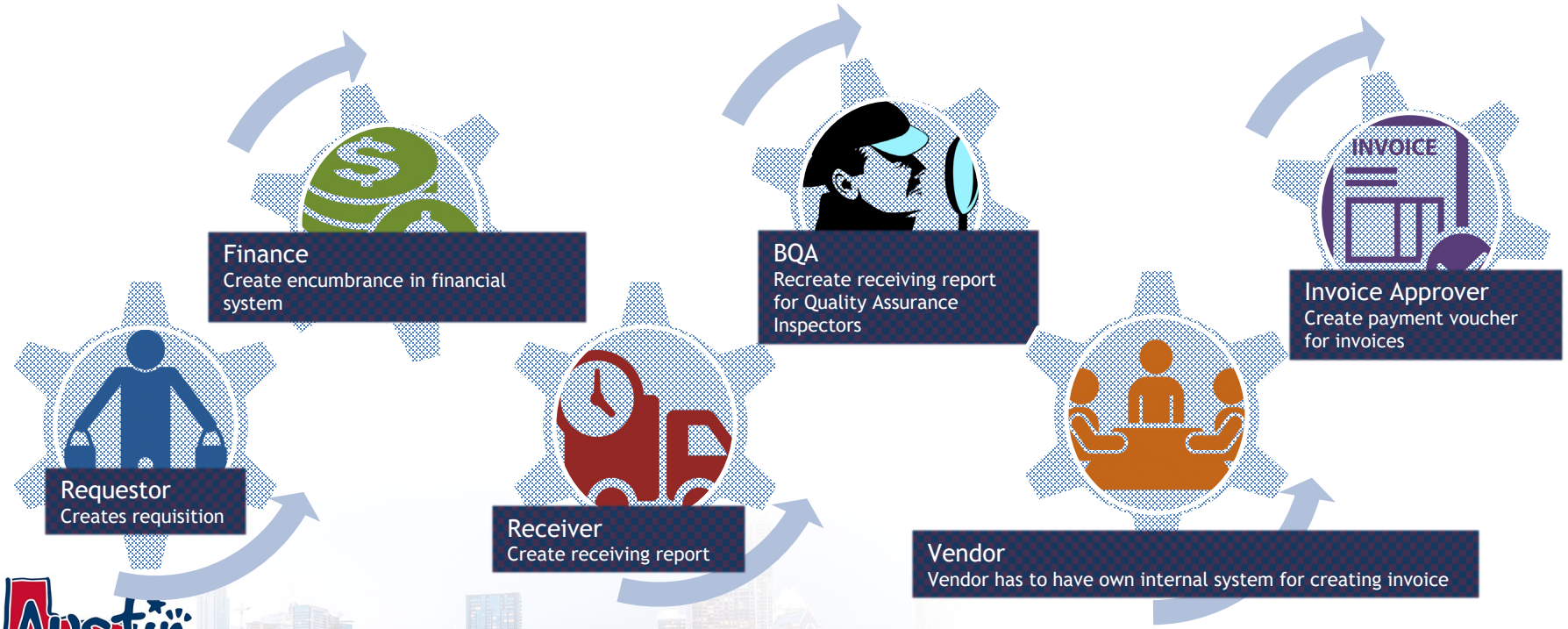
Giving team members back their time to focus on strategic roles.

A digital procurement solution assists your teams in reducing repetitive operational functions of procurement.

Cloud-based procurement solutions should be able to provide:

Vendor/Supplier Management	Purchase Requests	Purchase Orders	Receiving Reports	Invoice Approval	Analytics	Integrations
Enroll, update, and manage vendors on one platform.	Form to record, review, approve, and track purchase requests.	Automatically generate and dispatch POs from approved purchase requests.	Digital receiving reports reduce the use of paper and automate receiving process.	Approve invoices quickly and have the system automate matching processes.	Capture & create data-driven insights from procurement-related data.	Connectivity between the procurement cloud and essential financial systems.

REQ TO PAY Before



Min of 6 different systems!

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REQ TO PAY After

PASSPort — Entire process occurs in PASSPort

Requestor
- Selects items from online catalog, and submits requisition

Req Approver
- Agency approver reviews requisition and approves and PO is created

Vendor
- Vendor receives PO, sends goods
- Creates invoice and submits to agency

Receiver
- Creates digital receipt, returns, and requests for deductions on deliveries
- BQA included in this process

Agency Inv. Approver
- Approves vendor submitted invoice

FMS
- PASSPort automatic interface can create encumbrances and disbursements to vendor

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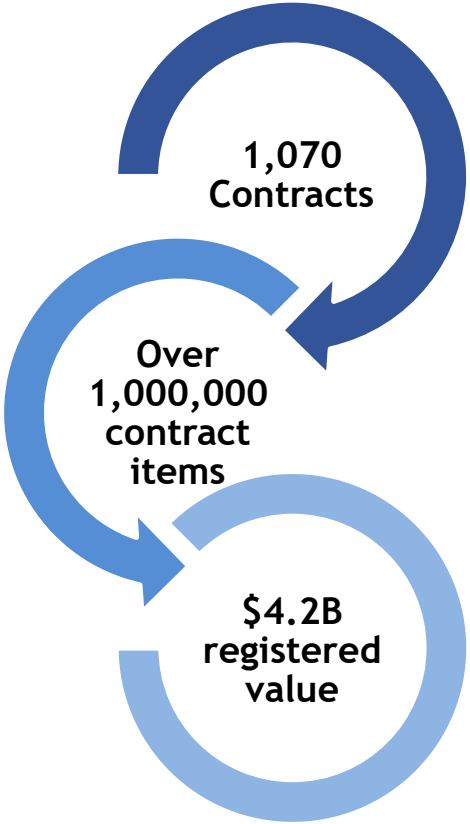
Outcomes:
- Allows agencies to order and pay for goods they need to operate in one system
- Reduced administrative burden, system automates many processes (PO, Receipt, Invoice match)
- Streamlined purchasing, receiving, & payment process into one workflow
- Transparency: agency users have visibility into any purchase as it progresses through workflow

Catalog Management

Pre-State

- Information is static – only see catalog changes in paper memo copies
- Catalog updates are reflected retroactively.
- No comprehensive repository of items in real-time.
- Price changes aren't done in real-time and often affect many requisitions at different points in their life cycle



Catalog Management

Post-State

- Price changes can be reflected in real-time
- DCAS maintains ability to approve/reject price changes citywide
- Greater flexibility to add/remove items available to agencies to purchase
- System automatically highlights proposed changes prior to publishing changes
- System flags existing requisitions that may be affected by a change in catalog
- Comprehensive record of all changes to catalog maintained

User Experience – Transparency & Accountability

Pre-State

- End-users unable to independently track progress of their requisitions – cannot easily hold players accountable for delays or failures
- Agencies can only see their own requisitions/orders, and are unable to view orders from other agencies for comparative research

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User Experience – Transparency & Accountability

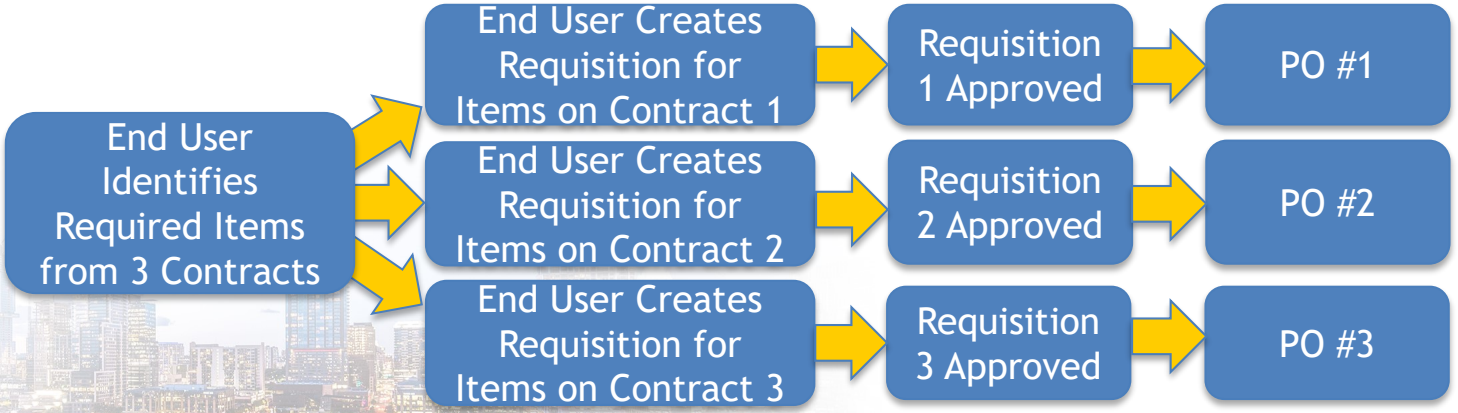
Post-State

- End users can see the progress of their requisition from initiation to invoice payment:
  - Visibility includes assigned players, time of task receipt, time of task completion
  - Opportunity for performance metrics i.e. cycle time
- Abilty to hold users accountable for work as workflow is transparent to all users
- End users from any agency can see any other agency's orders for comparative research purposes

User Experience – Maximizing Efficiency

Pre-State

- Items from different contracts cannot be mixed on the same requisition
  - Items from each contract must be on their own requisition
  - Results in unnecessary additional work



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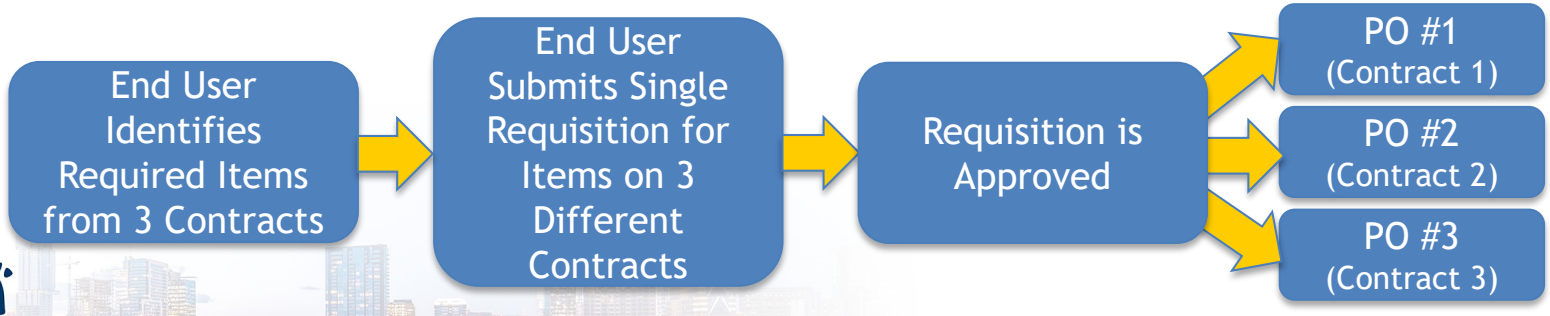
User Experience – Maximizing Efficiency

Post-State

- Items from different contracts can be ordered on the same requisition
  - Requisition automatically splits into separate POs based on contract
  - Consolidation of requisition input = less work on end users and increased efficiency



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Receiving/Invoicing

Pre-State

- City receipt and invoicing processes are paper-based
- End-users have minimal visibility into the receiving and invoicing processes
- AP teams must manually verify the invoice and the receipt to determine validity of invoice
- Reconciliation requires a long turn-around time due to errors on the receipt or on the invoice itself

End User Cannot See This

Receiving/Invoicing

Post-State

- All receipts and invoices are housed in the same enterprise system
  - The invoice, receipt, and order are all linked together for easy viewing
  - End users can view all receipts and invoices for their orders
- Vendor cannot submit invoice unless receipt is created by the Agency for that order
- Vendor cannot invoice for items not received by the Agency
- Invoices are automatically verified by the system prior to review by AP teams
  - If the invoice doesn't match the receipt, the invoice is blocked until it is fixed by the vendor
- All invoice deductions are recorded in-system

Best Practices

Make technology work for you

You own the tech – the tech does not own you

Don’t select software, then structure your workflows and processes around that chosen technology, using various "work-arounds" to extract and view the data.

Instead, review the processes that need improvement, and then select the technology that best satisfies those process needs.

Best Practices

Citywide Requisition Approvals

Business process improvement

Pre-State

Buyer review/approval is a risk-mitigation measure implemented by OCP. Buyer approval was required on 700+ contracts, this was done to ensure that agencies were not purchasing items they didn't need. e.g. - SBS purchasing ammunition

Post-State

System rules hide visibility of prohibited items from an agency purchasers view. Utilizing system tools Buyer approval on contracts was reduced by 71%

Best Practices

Invoice Approval Check

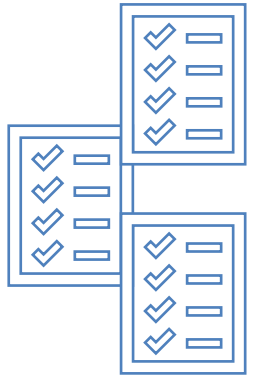
Giving team members back their time.

Pre-State

Invoice approvers would need to gather paper copies of the:

- Purchase order
- Receiving report
- Invoice

And then conduct a line by line check to ensure the agency was not over invoiced.



Post-State

All documents are contained digitally in one system because of this a line item discrepancy check can be done by the system before the invoice is made ready for agency approval.

The appropriate user(s) are notified if there is any reconciliation that needs to be done.

Best Practices

Transparency

Greater accountability and minimizing risk.

Utilizing data analytics and automation, agencies can reduce fraud and maverick spend (purchasing)

- ✓Define and implement procurement policies correctly.
- ✓Monitor and record every step of the procurement process.
- ✓Identify and manage a list of approved suppliers
- ✓Establish reliable & effective procurement contracts
- ✓Conduct audits with regular frequency

Best Practices

Process Efficiency

Don't become complacent with your processes.

- Make sure to regularly review your business processes – they can always be improved.
  - Changes in workforce, techniques, and technology can quickly make existing processes obsolete
  - "It's always how we've done it" is not a good reason to keep processes the way they are if they aren't optimized.
- Engage your employees and stakeholders when reviewing processes
  - Identify pain points at the front line
  - What works? What doesn't?

Q & A

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Contact Us

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