

UNIVERSITY OF NEBRASKA

FREQUENTLY ASKED QUESTIONS

BRT: PROCUREMENT CONSOLIDATION



8/2/17

Q: WHAT ARE THE CHANGES BEING MADE IN PROCUREMENT?

A: Procurement is being integrated across the NU system, with procurement professionals continuing to be dedicated to specific campuses. This organizational change is a way to implement best practices across the university and to become more efficient and effective with our supply chain.

Q: WHO IS THE NEW PROCUREMENT LEADER AND HOW WERE THEY CHOSEN?

A: Maggie Witt is the University of Nebraska chief associate vice president of Procurement, effective immediately. Maggie continues her role as procurement leader at the University of Nebraska-Lincoln as well. Maggie was chosen for this role of chief procurement officer based on her decades of experience leading procurement teams and processes.

Q: HOW DOES THE REPORTING AND OVERALL STRUCTURE WORK FOR PROCUREMENT?

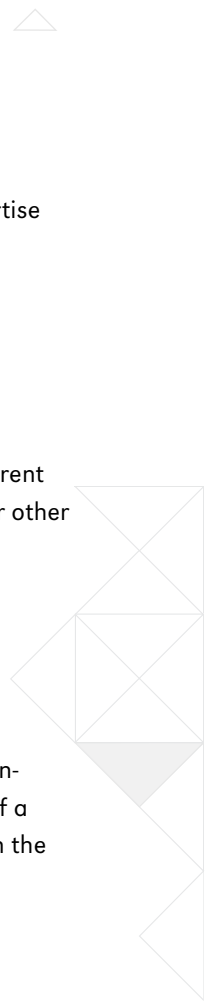
A: Maggie Witt, associate vice president of Procurement, will report to Rod Markin, chief operating officer in Central Administration and to Kim Phelps, Associate Vice Chancellor for Business and Finance at the University of Nebraska-Lincoln. All campuses within the system will continue to have Procurement expertise on their campus.

Q: DOES THIS MEAN IF I WORK IN PROCUREMENT I NOW REPORT TO THE CHIEF PROCUREMENT OFFICER?

A: Procurement professionals will now become aligned as part of a university-wide Procurement team. Current reporting relationships will remain the same. As the organization develops and evolves, any reporting or other changes will be thoroughly communicated.

Q: I WORK IN PROCUREMENT. WILL I CHANGE LOCATIONS?

A: Location changes are unlikely. Procurement will continue to have a presence at each university within the university system, and the function needs strong professionals. Subject matter expertise and location-specific knowledge is extremely helpful, and the Procurement team will rely on people at each campus. If a Procurement professional would like to change locations, however, that may be more easily facilitated in the new organization, and request for changes will be evaluated through a unified review of all operations.



Q: WE SEEMED TO BE DOING FINE WITH OUR CURRENT PRACTICES FOR MANAGING SUPPLIERS AND CONTRACTS. WHY CHANGE?

A: We have an opportunity to buy and manage the supply chain more efficiently and effectively, and we are obligated to be as cost-effective as possible as stewards of precious resources at the university. Consolidating our purchases can drive scale which can improve negotiations for university goods and services. Suppliers see the great advantage of serving customers with scale. In addition, concentrating the management of procurement to procurement professionals allows us to leverage best practices, and it allows non-procurement professionals to concentrate more fully on their primary responsibility.

Q: I CURRENTLY MANAGE THE SUPPLIERS I NEED IN MY ROLE AT THE UNIVERSITY. WHAT DOES THIS MEAN FOR ME?

A: If you are not a Procurement professional, it is more than likely your primary role isn't the purchase of products/services for the university, or the management of supplier contracts, though you likely are supporting the needs of your college/department/office in these areas. Procurement will continue to support your organization in the management of suppliers and contract negotiations specific to your operations, with a focus on driving standards and efficiencies whenever feasible. As Procurement begins to transform our processes, we will be working with campus stakeholders to ensure continuity of services and expectations of duties and responsibilities. To discuss this transition further, please contact maggie.witt@unl.edu.

Q: I BUY OFFICE SUPPLIES, RESEARCH SUPPLIES, ETC., FOR MY AREA. SHOULD I STOP?

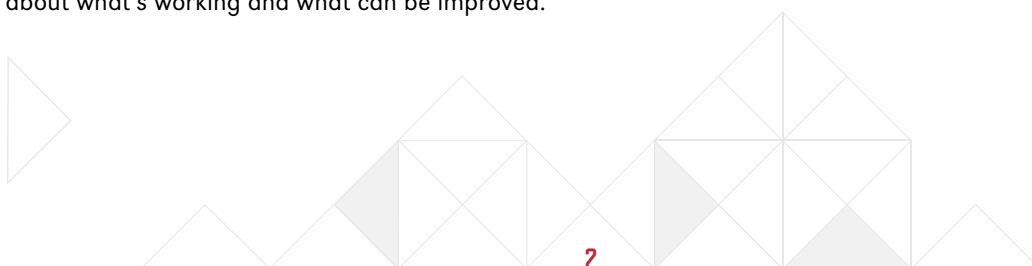
A: No. Office supplies, research supplies or any other needed materials for your work at the university should still be procured through your normal channels and the use of our Prime Supplier contracts. These two categories are excellent examples of the university negotiating highly competitive pricing resulting from scale and consolidation of our spend into two major suppliers.

Q: DOES THIS CHANGE APPLY ACROSS THE UNIVERSITY SYSTEM AT ALL CAMPUSES? WHAT ABOUT RESEARCH CENTERS OR ATHLETIC DEPARTMENTS?

A: This is an organizational change for procurement alignment across all campuses. Procurement currently works with athletic departments, research centers, and many other areas, and will continue to do so. This organizational change doesn't impact the end user.

Q: WHEN DOES ALL OF THIS GO INTO EFFECT? WHAT HAPPENS NEXT?

A: The Procurement leadership and alignment is effective immediately, and the chief procurement officer and her senior team will now begin seeking input from those in procurement areas—and those being served by procurement—across the university. The team will host a series of meetings and forums to listen and learn about what's working and what can be improved.



Q: WILL PEOPLE LOSE THEIR POSITIONS BECAUSE OF THIS CHANGE?

A: This organizational change is not about position reduction, it is about optimizing our practices. At this point, we don't have any positions slated for reduction. As time goes on, we will continually evaluate our organization and our work to provide the university with optimum procurement practices and structure. We commit to regular communication with you as we evolve.

Q: WHAT OTHER CHANGES RELATED TO PROCUREMENT CAN WE EXPECT?

A: As we refine our practices and policies, we'll communicate changes. One change we are implementing initially involves buying private brand office supplies instead of brand name. We are also centralizing the purchase of university vehicles and their related maintenance. Those two changes alone are expected to save us more than \$500,000.

