



UNIVERSITY
of ALASKA

Many Traditions One Alaska

August 29, 2019

From: Myron Dosch, UA Chief Financial Officer

Re: Restructure of UA Procurement

Effective September 1, Procurement and Contract Services (PCS) will be integrated across the university system and report to Statewide. The integration, resulting from collaboration between the system office and campus administrative leadership, follows the Board of Regents direction to consolidate and standardize administrative areas, in response to budget pressures. The new structure will provide cost savings and efficiencies for the university.

The new University of Alaska Department of Procurement and Contract Services (PCS) will be under the direction of the Chief Procurement Officer (CPO), John Hebard. The PCS department will include the existing 12 employees located in both Fairbanks and Anchorage. This staff will manage all procurements across the system larger than \$25,000, as well as all other procurements that cannot be made using a procurement card or performed by distributed procurement staff. With the new single department structure, procurement officers will be assigned work in commodity/service groups for all locations across the system. This will allow procurement officers to become subject matter experts regarding the commodities and services they are buying, thus better able to identify economies of scale and potential saving opportunities for the university.

In addition, the PCS card administration staff will be responsible for the issuance, administration and audit of procurement cards and travel cards across the system.

Anticipated benefits of the restructure:

- 22% in budgetary savings due to a reduction of 2 FTE through attrition.
- Alignment of procurement practices and procedures across the system
- Improved ability for procurement officers to identify economies of scale and cost savings opportunities across the system
- Increased career development and job portability opportunities for procurement staff.



UNIVERSITY
of ALASKA

Many Traditions One Alaska

Initially, there are no changes to processing or working with PCS, so please continue business as usual. As changes to processes are made, they will be communicated. It is expected that full transition to a centralized procurement function can be completed by the end of October. All active delegations of procurement authority remain in place unless modified or revoked by the CPO. This includes Procurement Technicians and distributed staff with delegated procurement authority.

We appreciate your support and patience as we transition to the new structure.