Local Spending Update
Agenda

• Purchasing Environment (NEW Value-based spending criteria)

• CU Local Spending Data

• Benchmarking

• Action plan

• Campus updates
Purchasing Environment

Business Imperatives
- Availability/Scale
- Quality
- Price
- Selection/Choice

Values-based Spending
- Sustainable Spend
- Small Business
- Diverse Spend
- Local Spend (New)

Public Procurement & E-Commerce
Colorado Spending Trends (FY 2020-21)

- 61% of all CU spend is with local businesses that maintain a CO presence and/or CO Headquarters

- This amount is spread across the following CO counties:

<table>
<thead>
<tr>
<th>County</th>
<th>Local Spend</th>
<th>% of Local Spend</th>
<th>Unique Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denver County</td>
<td>$ 339,796,991</td>
<td>57%</td>
<td>956</td>
</tr>
<tr>
<td>Arapahoe County</td>
<td>$ 78,449,374</td>
<td>13%</td>
<td>439</td>
</tr>
<tr>
<td>Jefferson County</td>
<td>$ 46,757,503</td>
<td>8%</td>
<td>380</td>
</tr>
<tr>
<td>Adams County</td>
<td>$ 45,420,598</td>
<td>8%</td>
<td>219</td>
</tr>
<tr>
<td>Boulder County</td>
<td>$ 44,803,860</td>
<td>7%</td>
<td>633</td>
</tr>
<tr>
<td>El Paso County</td>
<td>$ 11,110,796</td>
<td>2%</td>
<td>248</td>
</tr>
<tr>
<td>Larimer County</td>
<td>$ 9,028,926</td>
<td>2%</td>
<td>164</td>
</tr>
<tr>
<td>All Other</td>
<td>$ 23,148,132</td>
<td>4%</td>
<td>503</td>
</tr>
</tbody>
</table>
Initial Local Spending Program Reviews Performed in 2022
Key Peer Review Takeaways

✓ Clearly Define “Local”
✓ Analyze the Existing Supply Chain
✓ Formalize Vendor Accreditation Process
✓ Outreach to Local Businesses and Supporting Organizations

☐ Identify and Communicate Opportunities and Constraints
Early Considerations

To ensure benefits:
• Increased CU presence locally
• Further align spending with our values
• Maintain broad community impact across the state
• Bring CU’s presence to bear in local economy

Developing strategies to address:
• Adding complexity to campus buying
• Need to balance against possible increased costs
• Staff availability to run program
• Integrate local with other purchasing imperatives
Local Spending Strategy Development

3-step approach

1. Process Refinement
   • What procedural barriers exist to conducting local business?

2. Increase CU end user awareness
   • “Buy Local” campaign

3. Increase local supplier awareness
   • Seek opportunities to match CU demand with supplier capabilities
   • Enhance outreach and community partnerships
Actions Taken in past 6 months

- PSC Evaluating and Refining CU’s business model
  - Outreach programs
  - Buying process
  - Supplier training
  - Increasing local spend among CU’s largest suppliers (sub-tier spending)
  - Develop targeted spend strategies (aka set asides)
  - Leeds business school intern project

- Expand & Enhance outreach and community engagement

- Campus “Buy Local” awareness
Added New Local Business Indicator to Purchase System
Campus Commentary

• Campus ambassadors:
  CU Denver:       Antonio Farias
  CU Boulder:      Vicki Nichols
  CU Anschutz:     Neil Krauss
  UCCS:            Jenifer Furda

• Campus updates (CU Anschutz and UCCS)
The CU Anschutz Local Spending & Supplier Diversity Initiative

**Purpose:** connect local businesses in the North Aurora, Northeast Denver with CU Anschutz Medical Campus departments.

**Benefit:** CU presence and impact in the Anschutz community.

**Why:**
- Create opportunity
- Promote innovation
- Stimulate growth
- Enrich our community as a whole

**Partners:**
- The Aurora Economic Opportunity Coalition
- City of Aurora Small Business Development Center
- Havana Business Improvement District
Process Thus Far

- Anchor Mission
- Community Connector Program
- Engender Entrepreneurism in N. Aurora
- Build Partnerships, Create pilot program concept
- Build website
- Initial Focus:
  - Caterers and printing/publications
  - Vetting and review by small business center
Currently UCCS spends 70% of our dollars locally! $26M

UCCS Local & Diverse Spend

- Professional Services: 31%
- Construction: 20%
- Medical & Scientific: 9%
- Operational Goods: 8%
- Information Technology: 6%
- Public Service: 4%
- Travel, Food and Entertainment: 4%
- Moving: 2%
Why Buy Local

Local to hyper local

• Colorado
  – Southern Colorado
• El Paso County
  – Southeast Colorado Springs

Why?
  ➢ Help create community wealth
    ▪ Send their kids to college
  ➢ Put our dollars where our values are
    ▪ Spending in diverse and local companies
  ➢ $100K annual spend in a Pueblo County business
    ▪ Can be generationally life changing
How can we do better?

### Marketing Campaign
- Let the community KNOW we are spending locally

### Buy Local w Community Partners like:
- Chamber of Commerce
- Women’s Chamber
- Hispanic Chamber

### Buy Local Campaign/Education w Staff and Faculty
- All things being equal-price, value buy on “Tejon” St vs amazon.com
- Buy Hyper Local-Wild Goose V Starbucks

### Buy Local Campaign for local business
- How do you “play” with UCCS