Sustainable Procurement

Using Sustainability Spend Analysis to Create a Sustainability Purchasing Program

Central Coast Sustainability Summit

October 11, 2018 | 11:15 am – 12:30 pm
About Us

• **Award-winning sustainability consultancy founded in 2005**
  – Advanced life cycle assessment sciences
  – Best quality impact data
  – Information technology

• **Global client-base**
  – Fortune 500 companies
  – Federal and local governments
  – Nonprofit organizations

• **Climate Change Consultancy Partner of CDP**
Speakers

Kathy T. Rhoads
Principal Consultant
IERS, LLC

Camille Herrera
Graduate Researcher
Bren School

Summer Broeckx-Smith
Lead Analyst
IERS, LLC

Heather Perry
Sustainable Procurement Analyst
UCSB
Agenda

1. What is sustainable procurement and sustainability spend analysis?
2. Case Study: UCSB Residential Dining Services
3. Case Study: California Department of General Services
4. Sustainable procurement in higher education
5. Q&A
1. What is sustainable procurement and sustainability spend analysis?
What is Sustainable Procurement?

**Procurement** is the process of finding, acquiring, and buying goods and services from an external source.
What is Sustainable Procurement?

**Procurement** is the process of finding, acquiring, and buying goods and services from an external source.

**Sustainable Procurement** takes into account the economic, environmental, and social impacts of an entity’s spending.*

*Source: UK Governments Sustainable Procurement Task Force. Adapted from the definition by UK Governments Sustainable Procurement Task Force to which Chartered Institute of Purchasing & Supply (CIPS) was a contributor. Combined with National Institute of Governmental Purchasing, Inc. (2012). Public procurement dictionary of terms. Herndon, VA: NIGP.
Why is it important?

1. Operational

4. Supply Chain
What is Sustainability Spend Analysis?

Quantifies environmental impacts across an organization’s supply chain using financial data.

- Greenhouse gas (GHG) emissions
- Primary energy use
- Water consumption
- Waste generation
Ideal View

- Complete with 100% accuracy and precision
- Primary data
- Resource intensive
- Unrealistic
Sustainability Spend Analysis

- Comprehensive
- Secondary data
- Monetary units
- Resource efficient
- Systematic
- Data readily available
Benefits of Spend Analysis

- Efficient, comprehensive procurement impacts
- Accurately identify procurement opportunities for impact reduction
- Data-driven, targeted supplier engagement for primary data collection
- Set Science-Based Targets
- Improved CDP score potential
Hybrid Analysis

- Comprehensive
- Primary and secondary data
- Physical or monetary units
- Resource efficient
“The findings mean that we can more easily identify focused interventions that are likely to have the greatest impact and deliver results more efficiently. We will also be able to help suppliers identify areas of their own operations where improvements can be made.”

Jez Cutler, Head of Environment & Sustainability, Travis Perkins plc
Recommended Process

1. Sustainability spend analysis
2. Primary data collection
3. Hybrid result
How to implement spend analysis?
Sustainability Spend Analysis Process

1. Collect procurement data for Purchased Goods & Services and Capital Goods
Sustainability Spend Analysis Process

1. Collect procurement data for Purchased Goods & Services and Capital Goods

2. Map procurement to purchasing categories
Sustainability Spend Analysis Process

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3. Apply emissions factors
Sustainability Spend Analysis Process

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4. Organize results into meaningful categories
Sustainability Spend Analysis Process

1. Collect procurement data for Purchased Goods & Services and Capital Goods

2. Map procurement to purchasing categories

3. Apply emissions factors

4. Organize results into meaningful categories

5. Identify hotspot categories
Why use spend analysis to identify hotspots?

- Raw material 1: 35%
- Machining & processing services: 12%
- Raw material 3: 11%
- Other raw materials: 11%
- Raw material 4: 6%
- Raw material 5: 5%
- Raw material 6: 4%
- Packaging: 4%
- Raw material 7: 2%
- Raw material 8: 1%
- Raw material 9: 0.6%
- Raw material 10: 0.5%
- Production equipment: 0.4%
- ICT: 0.1%
- Electrical & instrumentation: 0.1%
- Industrial cleaning: 0.1%
- Personnel related: 0.0%
- Office supplies: 0.0%
- Safety, health/PPE: 0.0%
- Laboratory goods: 0.0%
- Professional services: 0.0%
- Energy & utilities: 0.0%

% of GHG emissions
Key Takeaways

✓ Sustainability spend analysis dramatically reduces the time and resources for calculating procurement-related supply chain impacts.

✓ Calculations enable data-driven, targeted next steps.

✓ Supplier-specific data can be integrated using hybrid analysis.
2. Case Study:
UCSB Residential Dining Services
Evaluating the Supply Chain Impacts of UCSB’s Residential Dining Services
The Green Initiative Fund (TGIF) Grant

- $3.47 fee/student (undergraduate and graduate student)/quarter
- +$170,000 per year
- UCSB student, staff, or faculty can submit project proposals
- “Quantifiable change (energy, waste, water reduction, etc.) while also educating the campus community”
What we are trying to do?

- Understand the environmental footprints of food purchases
  - ~$6.5 million/year (2017)

- Potentially
  - Develop low-footprint menus
  - Understand the information-behavior relationship
  - Reduce our footprints while maintaining nutritional value
What has been done so far?

- Food purchase data mapped with environmental impact data (CEDA).
- GHG emissions and human health impacts analyzed.
Top spend

02A Fresh Fruit & Vegetable, 21%
01A Meat, 13%
09H Other Staples, 6%
06A Fluid, 6%
08A Bread & Bagel & Bun & Tortilla, 5%
05A Egg, 4%
06B Hard Cheese, 4%
01C Fish, 4%
All Other CBORD Categories, 29%
Summary results

- 8,240 metric tonnes of GHG emissions, which means (according to EPA):
- Greenhouse gas emissions equal to
- $\text{CO}_2$ emissions equal to
Top 10 Climate Change Impacts (supply chain)

Size of bubble is reflective of category weight in pounds

- Poultry and egg production
- Animal (except poultry) slaughtering, rendering, and processing
- Fluid milk and butter manufacturing
- All other food manufacturing
- Fruit and vegetable canning, pickling, and drying
- Flour milling and malt manufacturing
- Frozen food manufacturing
- Cheese manufacturing
- Vegetable and melon farming
- Fruit and tree nut farming
Top 10 Human Health Impacts, Cancer (supply chain)

Size of bubble is reflective of category weight in pounds

- Vegetable and melon farming
- Fruit and tree nut farming
- Poultry and egg production
- Frozen food manufacturing
- Flour milling and malt manufacturing
- Animal (except poultry) slaughtering, rendering, and processing
- Fluid milk and butter manufacturing
- Cheese manufacturing
- All other food manufacturing
- Fruit and vegetable canning, pickling, and drying
Top 10 Human Health Impacts, non-Cancer (supply chain)

Size of bubble is reflective of category weight in pounds

- Poultry and egg production
- Animal (except poultry) slaughtering, rendering, and processing
- Fluid milk and butter manufacturing
- Cheese manufacturing
- Fruit and tree nut farming
- Frozen food manufacturing
- Fruit and vegetable canning, pickling, and drying
- Vegetable and melon farming
- Seasoning and dressing manufacturing
- All other food manufacturing

UCSB 2017 RDS Spend Converted to 2014 Producer Prices (USD)
Next steps

• Mitigation of environmental footprints
  – What to reduce, what to increase, and how much?
  – Conditional optimization problem.
Next steps

• Low footprint menu?
• How to induce behavioral change?
3. Case Study: State of California Department of General Services
Background

Executive Order B-18-12
Green Building Initiative (2012)

“It is further ordered that State agencies purchase and use environmentally preferable products that have a lesser or reduced effect on human health and the environment when compared with competing goods that serve the same purpose whenever they are applicable, perform well, and are cost-effective.”
Background

DGS Procurement Division

• Environmentally Preferable Purchasing (EPP) program
  • Buying Green Guide
  • State Contracting Manual’s Management Memos
Background

DGS Procurement Division

• Environmentally Preferable Purchasing (EPP) program
  • Buying Green Guide
  • State Contracting Manual’s Management Memos

• FI$Cal (Financial Information System for California)
  • Enables procurement to be tracked along with green purchases
  • Sustainable Purchasing Leadership Council Outstanding Case Study Award for integrating sustainable purchasing into eProcurement process
Project Objectives

Project aimed to understand:

1. The top-contributing departments, commodities, services, and suppliers to supply-chain impacts.
2. How DGS and other state departments are already addressing the supply-chain impacts of state spend.
3. How the state can prioritize future efforts to further mitigate the supply-chain impacts of its spend.
SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

ANALYZE
Identify impacts within spending. Prioritize categories for action.

PLAN
Identify and select proven strategies for mitigating impacts while delivering value.

LAUNCH
Convene a cross-functional team appropriate for the cycle’s objectives.

IMPLEMENT
Set goals, timelines and policies. Train staff and engage suppliers.

REPORT
Track and benchmark performance. Evaluate for continuous improvement.

COMMIT to the strategy.
COMMIT to the strategy.

PLAN
Identify and select proven strategies for mitigating impacts while delivering value.

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Sustainability Spend Analysis

- **Fiscal Years:** 2012-2015
- **Line items:** 300,000+
- **Total spend:** $97 billion
  - Excludes spending <$5,000
  - Excludes Caltrans, Water Resources, and Corrections and Rehabilitation
- **Database:** Comprehensive Environmental Data Archive
- **Impact categories:** GHGs, toxicity, energy, waste, and water
- **Results generated by:** State department, purchasing categories, vendors
Data Collection

Spend by department (Billions of dollars)

- Health Care Services, Department of ($54.26B)
- Social Services, Department of ($5.79B)
- High Speed Rail Authority, California ($3.43B)
- Corrections and Rehabilitation, Department of ($3.38B)
- Transportation, Department of (Caltrans) ($3.06B)
- State Hospitals, Department of ($3.04B)
- Public Health, Department of ($2.71B)
- Water Resources, Department of ($2.38B)
- Correctional Health Care Services ($2.30B)
- Employment Development, Department of ($1.47B)
- Remaining purchasing departments ($14.10B)
Data Collection

Spend categories (Billions of dollars)

- Public health administration ($57.23B)
- Environmental technology advisory services ($1.36B)
- Temporary medical staffing needs ($1.15B)
- Architectural engineering ($1.03B)
- Re training or refreshing training services ($1.00B)
- Financial assistance ($0.98B)
- Urban project or program administration or management services ($0.94B)
- Administrative agencies services ($0.93B)
- Information technology consultation services ($0.84B)
- Community outreach programs ($0.82B)
- All remaining ($31.04B)
High Impact Spend

DEPARTMENTS

- All others (17%)
- General Services (2%)
- Forestry and Fire Protection (2%)
- High Speed Rail Authority (3%)
- State Hospitals (3%)
- Public Health (3%)
- Water Resources (3%)
- Caltrans (5%)
- Social Services (5%)
- Corrections and Rehabilitation (5%)
- Health Care Services (54%)

SPEND CATEGORIES

- All others (22%)
- Nonresidential commercial and health care structures (1%)
- Support activities for agriculture and forestry (1%)
- Other educational services (1%)
- Physicians, dentists, and other health practitioners (1%)
- Other nonresidential structures (2%)
- Residential structures (2%)
- Management, scientific, and technical consulting (2%)
- Waste management and remediation (2%)
- General state and local government (9%)
- Hospitals & Health Care (57%)
Further Investigation

Percent of GHG emissions

- Petroleum refineries
- Animal slaughtering (including beef)
- Real estate
- Direct emissions from Sector
- Electricity
- All other contributors

Hospitals
Further Investigation

- Petroleum refineries
- Animal slaughtering (including beef)
- Real estate
- Direct emissions from Sector
- Electricity
- All other contributors

Hospitals

Percent of GHG emissions
Electricity

Total GHG emissions (million metric tons CO\textsubscript{2}-eq)

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<thead>
<tr>
<th></th>
<th>CA grid mix</th>
<th>100% renewables using PPAs for Hospitals directly</th>
<th>100% renewables using PPAs in the supply chain of Hospitals</th>
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</thead>
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<td>Potential reduction of 2.0 - 3.1 million metric tons CO\textsubscript{2}-eq.</td>
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<td>All other contributors</td>
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<tr>
<td>Supply chain electricity</td>
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<tr>
<td>Direct electricity</td>
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Further Investigation

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Hospitals
Further Investigation

- Petroleum refineries
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- Real estate
- Direct emissions from Sector
- Electricity
- All other contributors

Hospitals

- All other contributors
- Electricity
- Direct emissions from sector
- Animal slaughtering, rendering, and processing
- Cattle ranching and farming

Beef slaughtering, rendering and processing
Beef Packaging

![Bar chart showing kg CO₂ eq. per kg beef for Canned beef, Fresh beef, and Frozen beef, with layers representing Beef production, Packaging, Warehouse storage, Retail refrigeration, and Transport.](iersweb.com)
Beef Packaging

**Bar Chart**

- **Y-axis**: kg CO₂-eq. per kg beef
- **X-axis**: Canned beef, Fresh beef, Frozen beef

**Legend**
- Beef production
- Packaging
- Warehouse storage
- Retail refrigeration
- Transport

**Graphs**

- Canned beef: 27 kg CO₂-eq. per kg beef
- Fresh beef: 26.5 kg CO₂-eq. per kg beef
- Frozen beef: 25.5 kg CO₂-eq. per kg beef
Recommendations

1. Closer collaboration among state departments and agencies
2. Prioritize development of EPP specifications based on high impact products and services
3. Deploy and expand DGS expertise beyond direct purchases through Executive Order B-18-12
4. Consider other criteria in sustainable procurement for services and products not addressed by traditional EPP specifications
5. Develop a system that informs procurement officers, suppliers, and grant recipients about the ESE impacts of their procurement
4. Sustainable procurement in higher education: UC Sustainable Procurement Policy
UC SUSTAINABLE PROCUREMENT
HISTORY AND POLICY DEVELOPMENT
OCTOBER 11TH, 2018
Overview

I. Historical Overview of Sustainable Procurement at the University of California

II. Development of NEW Sustainable Procurement Policy, Guidelines, and Governance

III. Highlights of key policy changes

IV. Highlights from the Guidelines

V. Concessions and Implementation
Why is sustainability integral to the UC?

The University of California mission – teaching, research and **public service**.

UC is an anchor institution in California

- 150 years old
- 238,700 students
- 198,300 employees
- 1.7M living alumni
- Contributes $46.3B to CA economy
- Operating budget $34.5B (3x the state of Arizona)
- Undergraduates
  - 83% CA residents
  - 42% first generation
  - 38% qualify for Pell grants
  - Majority are Latino or Asian American

Target 12.7 of SDG 12, **Ensure sustainable consumption and production patterns**: “Promote public procurement practices that are sustainable, in accordance with national policies and priorities.”
Framework: UC Sustainable Practices Policy

- Green Building Working Group
- Climate Change Working Group
- Sustainable Transportation Working Group
- Sustainable Operations Working Group (Green Labs)
- Sustainable Food Service Working Group
- System wide Sustainability Steering Committee
- Water Working Group
- Sustainable Procurement Working Group
- Zero Waste Working Group

2007 - Environmentally Preferable Purchasing Policy
2018 - Sustainable Procurement Policy
UC Sustainable Procurement Circa 2016

Challenges faced...

- Complexity of organization
- Vague policy language
- Last updated 2011
- No connection to governing procurement policy
- No effective means of measuring sustainability in Procurement
- Lack of product detail/classification in centralized spend analysis tool
- Diverse financial systems

Needs...

- Definition of "green" products
- Clear guidance
- Flexible language that can be updated
- Policy that reflects UC values and strategic targets
- Means and methods for accountability
- Recognition that sustainability ≠ "green"
UC’s Sustainable Procurement Vision

Address all areas of supply chain

Balance all elements of sustainability

Educate stakeholders and provide tools

People

Process

Technology

Consideration of sustainability in all three is sustainable procurement
Policy Update Overview

**Sustainable Procurement Policy**
Main policy provides key principles, requirements, and definitions, and sets targets for Economically & Socially Responsible as well as Green Spend

**Sustainable Procurement Guidelines**
1. Defines UC “Green” or environmentally preferable
2. Defines UC "Economically and Socially Responsible“
3. Defines UC “Sustainable Spend” (pilot)
4. Provides guidance for solicitations (beyond certifications)

Can be updated at most annually
Can be updated regularly
# Sustainable Procurement Policy

<table>
<thead>
<tr>
<th>Highlights</th>
<th>Effective as of August 10th, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New Name</strong></td>
<td><em>Environmentally Preferable Purchasing</em> → <em>Sustainable Procurement</em></td>
</tr>
</tbody>
</table>
| **Updated Packaging Requirements** | • Emphasis on landfill diversion  
                                       • Ban on expanded plastic foam material by 2020 |
| **New Supplier Requirements** | • Identification of products meeting UC standards in e-commerce catalogs  
                                          • Filterable, quarterly green spend reporting |
| **Requirements for Bids** | At least 15% of quality points from competitive bid evaluations must be allotted to sustainability criteria (effective July 2019) |
Sustainable Procurement Policy

New Purchasing Targets

Within 3 Years
Reach 100% compliance with Required Level green standards and 25% Preferred Level Green Spend for select product categories.

Within 5 Years
Reach 25% addressable spend with Economically & Socially Responsible Suppliers.

Over Time...
Add new product and service categories and scope of EaSR suppliers will be expanded in the Guidelines.

New Annual Reporting Requirements

% Green Spend / Category Spend
% EaSR Spend / Total Spend
Establishing Policy Targets

• Green Spend target
  - Based on historical STARS data for Purchasing categories (Electronics, Cleaning Supplies, Copy Paper)
  - Today, spend meeting the Preferred Green Criteria ranges from 3% – 100%, depending on the campus and category

• EaSR Spend target
  - Based on State’s Small Business target
  - Today, EaSR spend ranges from 0.5%–20% across campuses
# Guidelines: Green Spend Categories (Example)

<table>
<thead>
<tr>
<th>Category</th>
<th>Preferred Level Criteria</th>
<th>Recognized Labels and Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electronics</strong></td>
<td>ENERGY STAR ®</td>
<td><img src="images/energy_star.png" alt="Energy Star" /></td>
</tr>
<tr>
<td></td>
<td>EPEAT Gold Registered</td>
<td><img src="images/epeat_gold.png" alt="EPEAT Gold" /></td>
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<tr>
<td><strong>Cleaning Supplies</strong></td>
<td>A minimum of <strong>75%</strong> of purchases are certified by:</td>
<td><img src="images/green_seal.png" alt="Green Seal" />  <img src="images/ul_ecologo.png" alt="UL Ecologo" />  <img src="images/epa_safer_choice.png" alt="EPA Safer Choice" />  <img src="images/fsc.png" alt="Forest Stewardship Council (FSC)" /></td>
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<tr>
<td></td>
<td>• Green Seal</td>
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<td>• UL Ecologo</td>
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<td></td>
<td>• EPA Safer Choice</td>
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<tr>
<td></td>
<td>• Forest Stewardship Council (FSC)†</td>
<td></td>
</tr>
<tr>
<td><strong>Compostable Food Service Ware</strong></td>
<td>Certified Compostable by Biodegradable Products Institute (BPI) or Green Seal (GS-35), or made 100% from uncoated, unlined, obviously plant-based material, and on the Cedar Grove Accepted Items List for Commercial Compostability, and meets additional criteria as described in the Compostable Food Service Ware section of the Guidelines</td>
<td><img src="images/compostable.png" alt="Compostable" />  <img src="images/green_seal.png" alt="Green Seal" />  <img src="images/cedar_grove.png" alt="Compostable (Cedar Grove)." /></td>
</tr>
<tr>
<td><strong>Water Appliances/Fixtures</strong></td>
<td>WaterSense® Certified</td>
<td><img src="images/watersense.png" alt="WaterSense" /></td>
</tr>
<tr>
<td><strong>Energy Star Applicable Equipment</strong></td>
<td>ENERGY STAR ®</td>
<td><img src="images/energy_star.png" alt="Energy Star" /></td>
</tr>
</tbody>
</table>

25% Target
Must first meet Required Level


† Note that the goals for this category are different from all the other Green Spend goals.
Guidelines: Economically & Socially Responsible

Define the UC-recognized business types and certifications that support economic diversity and social sustainability, foster competition, and strengthen the California economy.

- Recognized Certifications – reputable government or nationally recognized certifications and criteria

Concessions Made

**Reporting**
→ Only UC systemwide suppliers for first 2 years

**15% sustainability requirement**
→ CPO’s can grant exception → delayed implementation → no annual reporting

**“Sustainable Spend” (Green + EaSR Spend)**
→ Goal simplified to pilot → no reporting

**Technology and Enforcement**
→ Supplier flagging and product prioritization/restrictions will take time to implement → few enforcement measures available
Implementation

✓ Website updates
✓ Template document updates
✓ Webinar Deep-Dive Trainings system wide
✓ Library of Supplier Questions to fulfill 15% requirement
✓ Integration with e-commerce and spend analytics

Responsible Parties:
- Sustainable Procurement Working Group,
- UCOP Strategic Sourcing,
- Procurement Departments,
- Sustainability Offices,
- Supplier Diversity/Small Business Coordinators,
- Department Buyers,
- Analytics Teams
Thank you
Questions?

Contact us: info@iersweb.com
Scope 3 Categories

**UPSTREAM**
- Purchased Goods & Services
- Capital Goods
- Fuel & Energy Related Activities
- Upstream Transportation & Distribution
- Waste Generated in Operations
- Business Travel
- Employee Commuting
- Upstream Leased Assets

**DOWNSTREAM**
- Downstream Transportation & Distribution
- Processing of Sold Products
- Use of Sold Products
- End of Life Treatment of Sold Products
- Downstream Leased Assets
- Franchises
- Investments
Scope 3 Categories: Procurement

UPSTREAM
- Purchased Goods & Services
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DOWNSTREAM
- Downstream Transportation & Distribution
- Processing of Sold Products
- Use of Sold Products
- End of Life Treatment of Sold Products
- Downstream Leased Assets
- Franchises
- Investments
Resources

• IO-LCA databases
  – Comprehensive Environmental Data Archive (CEDA)
  – Eora multi-regional IO (MRIO) database
  – United States Environmentally Extended Input-Output (USEEIO)
  – EXIOBASE
  – Open IO-Canada
  – Carnegie Mellon’s EIO-LCA model
  – 3EID (Embodied Energy and Emission Intensity Data for Japan Using Input-Output Tables)
<table>
<thead>
<tr>
<th>Greenhouse gas emissions (kg CO2-eq.)</th>
<th>Corrections and Rehabilitation</th>
<th>Forestry and Fire Protection</th>
<th>General Services</th>
<th>Health Care Services</th>
<th>High Speed Rail Authority</th>
<th>Public Health</th>
<th>Social Services</th>
<th>State Hospitals</th>
<th>Caltrans</th>
<th>Water Resources</th>
<th>All other departments</th>
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Challenges/Barriers to a UC Spend Analysis

- Large amount of off-contract spend where we don't see classification (full UNSPSC/NAICS codes)
- Limited visibility/access to Construction and p-card spend
- System wide spend analysis tool (CalUSource) does not draw high level classification data, even if that data is available at the campus level (how will we collect the data, how long will it take, resources required)
- We already have a carbon neutrality target, zero waste goal, and targets set around water and green building...
- Other areas of policy tackle electricity, flights, green building, green labs ... will spend analysis changes these priorities?
### Governance Structure: Sustainable Procurement Policy and Guidelines

#### Sustainable Procurement Working Group
- 1 Procurement member from each UC campus
- Meets monthly
- Initial body to propose recommendations for updates to both the Policy & Guidelines
- Staffed by UCOP Offices of Procurement & Sustainability

#### Procurement Leadership Council
- Chief Procurement Officer from each UC campus
- Meets weekly
- Only required authorizing body for changes to Guidelines
- First authorizing body to review changes to Policy

#### Sustainability Steering Committee
- Vice Chancellor or Assoc. Vice Chancellor from all UC sites + student and faculty representatives
- Meets annually
- Second authorizing body to review changes to Policy
How previous policy addressed procurement

- Spoke to general principles associated with environmentally sustainable procurement (no focus on economic or social impacts)
- Only requirement in the policy was for electronic goods to be EPEAT bronze certified
  Did not provide accountability or goals
- Listed a limited group of recognized certifications:
  - ENERGY STAR
  - EPEAT
  - GREENGUARD
  - Green Seal
  - WaterSense

How it worked in practice...

- Reporting requirements weren't included in most contracts; Suppliers often used their own definitions and standards
- No consistent methodology was used to calculate sustainable spend
- Lack of education around the content and value behind the policy
Each University’s Procurement department will integrate sustainability into its processes and practices, including competitive solicitations, in order to satisfy the sustainable purchasing goals outlined above for products, as well as for the procurement of services. The University will do so by:

a. Allocating a minimum of 15% of the points utilized in solicitation evaluations to sustainability criteria. Criteria may include, but is not limited to, sustainable product attributes, supplier diversity, supplier practices, contributions to health and wellbeing, and materials safety. This requirement will go into effect on July 1st, 2019. Exceptions to this policy may only be granted by the appropriate Policy Exception Authority.

This minimum criteria requirement is an important message to all UC suppliers that we are serious about our assessment of TCO and creating a sustainable environment for the communities we serve.
Training on what sustainability criteria can include?

Sustainability criteria is a wide ranging description, which may include an evaluation of suppliers based on –

- **Their operational practices**
  - Codes of conduct, CSR policies
  - Employee treatment (wages, benefits, working environment – education, training, enrichment, etc.)
  - Investment policies
  - Community investment/public service
  - Facilities/buildings and their operation
  - Safety and human health

- **Their environmental impact**
  - Extraction of raw materials
  - Material attributes
  - Facilities/buildings and their operation
  - Delivery of services and products
  - Safety and human health

- **Their business status**
  - Are they a diverse supplier?
  - Are they a B-corp, non-profit, etc.
The Guidelines define UC "Green" certifications, minimum and preferred criteria for product/service categories. For each product category the Guidelines define:

- **UC-Recognized Certifications & Standards** – reputable single or multi-attribute product certifications/standards upon which the foundation of category criteria is based
- **Required Level Green Criteria** – minimum standard all products in a category must meet
- **Preferred Level Green Criteria** – preferred standards that meets the Green Spend goal

*Additional category specific technical specifications are included in Guidelines Section 7*