

# Webinar: Tracking and Reporting on Responsible Purchasing



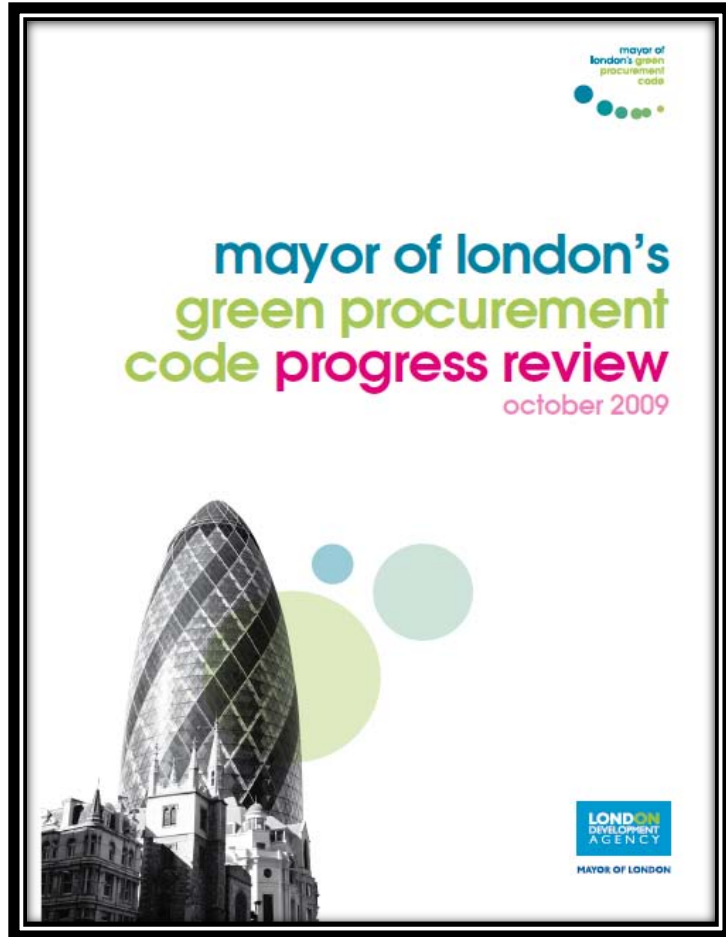
**Moderator: Jonathan Cohen**  
**March 11, 2010**

# Tracking Spending and The Model Responsible Purchasing Report



**Vincent Kitira**  
**RPN Manager**  
March 11, 2010

# Agenda



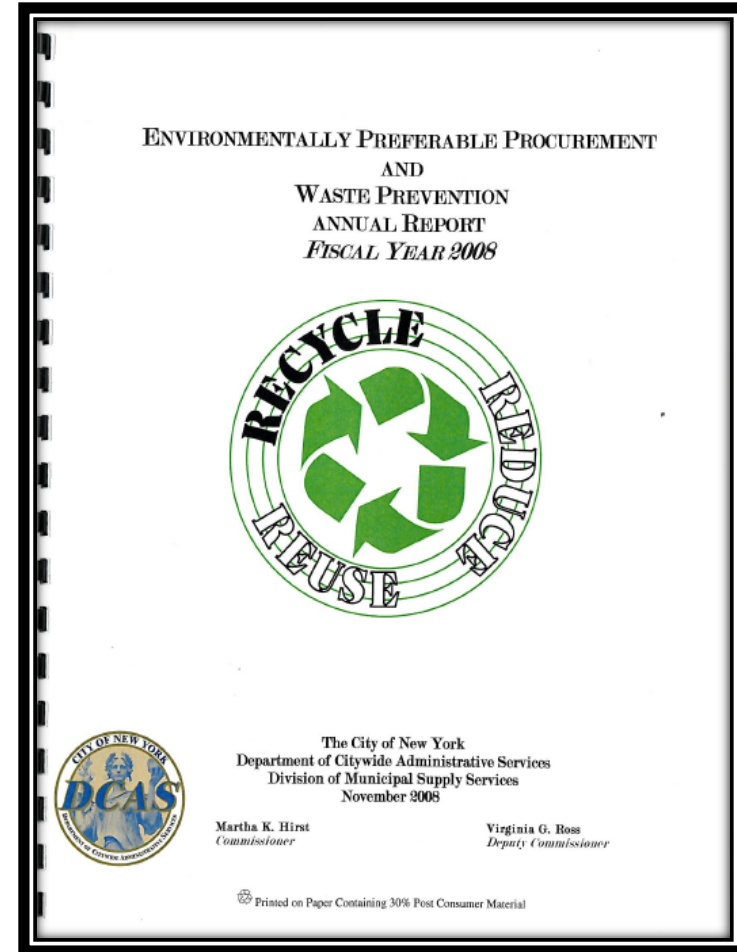
1. Why Track and Report?
2. What to Track?
3. How to Track?
4. Case Studies from N.Y.C. and D.C.
5. Model Responsible Purchasing Report



# My Background



- City of New York EPP Program Manager
- Responsible for Annual and Biannual EPP Reports



# 1. Why Track and Report?

- Meet reporting requirements
- Share your success!
  - Identify cost and resource savings
  - Measure environmental benefits using [calculators](#)
  - Demonstrate the financial case for an Responsible Purchasing Program
  - Identify challenges and opportunities
  - Plan for future efforts



## 2. What to Track?

- Define **“GREEN”** products
- Consider Federal Gov’t definition for Environmentally Preferable: *“products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. The product or service comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal.”*
  - Evaluate the ENTIRE lifecycle!
  - This definition does not include social considerations

## 3. How to Track?

- Best Practices – can be found in the RPN Model Responsible Purchasing Report

1. Form a **Team**
2. Define “**GREEN**”
3. Establish a Baseline
4. Review Current Practices
5. Set Goals
6. Design and Implement **Tracking System**
7. Monitor and Measure Progress
8. Gather Data and Calculate Benefits
9. Write and Distribute Responsible Purchasing Report



# Tracking Systems

- **Approach #1: Ask vendors for purchase data, utilizing contract language**
  - **Pros:**
    - Burden on vendors to supply data
    - Gives valid data on quantity purchased, dollar value and green attributes of products and services
  - **Cons:**
    - Can be time consuming
    - Data can be hard to come by





# Tracking Systems

- **Approach # 2: Use your own purchasing system to track purchases**
  - **Pros:**
    - Exact quantity and dollar values measured
    - Can give insight into barriers to green product purchases
    - Long term savings
  - **Cons:**
    - Creating a system can be consume time and money and requires support of relevant colleagues
    - Buyers may have trouble identifying green products
    - Data might be inaccurate depending on user knowledge





## 4. Case Study: DC

- First attempt: **Indicator System**



- Buyer would mark Green Product Indicator as “GREEN”

- Produced unreliable data
- No definition for “GREEN” products
- Indicator applied to entire purchase orders, not individual items
- Problems assessing “GREEN” services





## 4. Case Study: DC

- New Approach: **Green Commodity Codes**
  - Pros:
    - Tied to Individual Products
    - Description can be tailored to D.C.’s definition of “GREEN”
    - Non-Green products can be removed from catalog
  - Cons:
    - Does not address service contracts
    - Cannot differentiate between “shades of green”



## 4. Case Study: NYC

- Used a hybrid model:
  - Got some data from vendors
  - Also estimated purchases using contract term lengths and bid award amounts
    - **Example:** If the winning bid on a 5 year “green” paper contract was \$10 million, it was estimated that  $\$10\text{M} / 5 \text{ years} = \underline{\$2 \text{ million/year}}$  was spent on “green” paper that year
    - Many weaknesses to this approach



# 5. Model Responsible Purchasing Report

- Designed to help any institution
- **3 Components:**
  - Guidance Document
  - Model Language
  - Sample Excerpts from existing Responsible Purchasing Reports

# Sections

- Executive Summary
- Responsible Purchasing Policies
- Purchase Summary
- Purchase Details
- End-of-Life Management
- Recognition
- Challenges and Opportunities
- Acknowledgements and Add'l Resources



# Thank You!



## Vincent Kitira

**RPN Manager**

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**301-891-3683**



# EPP Annual Report

**Eric Nelson**  
**Environmental Purchasing Program**  
**King County, Washington**

**Responsible Purchasing Network Webinar**  
**March 11, 2010**



# 2008 Annual Report

King County  
Environmental Purchasing  
2008 Annual Report



King County  
Department of Executive Services  
Finance and Business Operations Division  
Procurement and Contract Services Section  
Environmental Purchasing Program

## EPP Overview

- ▶ Policy
- ▶ Program
- ▶ Implementation
- ▶ Challenges
- ▶ Opportunities

# Purchases and Savings

## Summary

- ▶ \$54 million
- ▶ \$837,000 savings
- ▶ 30 commodities
- ▶ 50 contracts

## Methodology

- ▶ Total dollars
- ▶ “Calculators”

## Products

- ▶ Office
  - Toner Cartridges
  - Paper
- ▶ Operations & Maint
  - Cleaners
  - Carpet
- ▶ Vehicular
  - Lubricants
  - Hybrid Vehicles

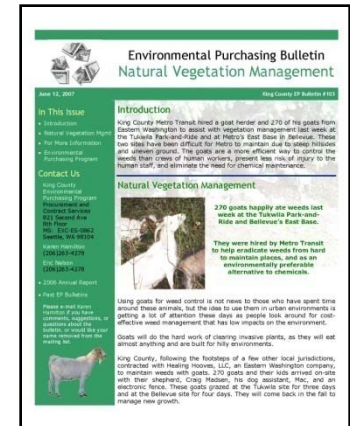
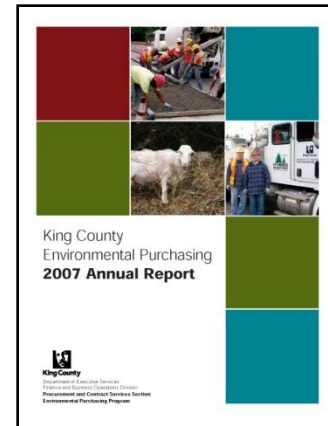
# Green Cleaners

- ▶ Worker health & safety
- ▶ Cleaning protocols
- ▶ Chemical reduction
- ▶ Cost savings
- ▶ Green Seal certified
- ▶ Microfiber cloths & mops
- ▶ Great performance



# Supporting Program Elements

- ▶ Agency Liaison Network
- ▶ Website
- ▶ EP Bulletin
- ▶ Internet Discussion Groups
- ▶ Public Involvement
- ▶ Publicity
- ▶ Model Policy
- ▶ Allied Programs



# Environmental Initiatives



- ▶ Hybrid Bus Grant
  - \$2.2 million from FTA
- ▶ Shoreline Transfer Station
  - Earned LEED Platinum

## Contact

Eric Nelson

Environmental Purchasing Program Manager

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(206)263-9294 / (206)263-9300

[www.kingcounty.gov/procurement/green](http://www.kingcounty.gov/procurement/green)



# Join RPN

**Because Every Purchase Matters.**

## **Membership Benefits:**

- ▶ **Model policies and specifications**
- ▶ **Green purchasing webinars**
- ▶ **Certified green products database**
- ▶ **Expert sustainability speakers**
- ▶ **Responsible Purchasing Awards**

## **Consulting Services:**

- ▶ **Custom green specifications**
- ▶ **Green purchasing policies**
- ▶ **Life Cycle Analyses**
- ▶ **Green office audits**
- ▶ **Cost-saving green practices**



***“RPN provided us with the data analysis demonstrating the long-term, positive environmental effects made by shifting to more responsibly made products.”***

*Perry Plumart, Deputy Director, Green the Capitol Office,  
U.S. House of Representatives. Office of Greening the Capitol*

RPN's series of Responsible Purchasing Guides includes best practices, policies, specs, standards, case studies, calculators, group contracts, and green product lists for:



- ▶ Carbon offsets
  - ▶ Cleaners
  - ▶ Computers
  - ▶ Drinking water
  - ▶ Faith organizations
  - ▶ Fleet vehicles
  - ▶ Fluorescent lighting
  - ▶ Food services
  - ▶ Graffiti remover
  - ▶ LED lighting
  - ▶ Office electronics
  - ▶ Office paper
  - ▶ Paint
  - ▶ Renewable energy
  - ▶ Tires & wheel weights
  - ▶ Toner cartridges
- ... and more coming soon

For membership inquiries & consulting rates,  
please contact:

The Responsible Purchasing Network  
[www.ResponsiblePurchasing.org](http://www.ResponsiblePurchasing.org)  
[rpn@newdream.org](mailto:rpn@newdream.org)

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# Membership and Consulting Available

[www.ResponsiblePurchasing.org](http://www.ResponsiblePurchasing.org)

**1-877-68-DREAM**

**rpn@newdream.org**





# **EcoPurchasing:** **How to Count What Really Counts**

*Responsible Purchasing Network Webinar*

*Sandra Cannon*

*EcoPurchasing Consultants*

*March 11, 2010*



# What Counts Depends on Your Objectives

## Required of Federal Agencies – Designated Single Attribute Products & Contracts

- Biobased/Recycled content
- ENERGY STAR/FEMP qualified
- EPEAT registered
- Non-toxic
- Ozone depleting alternatives
- WaterSense labeled
- Contracts



# What Counts Depends on Your Objectives

## **Optimal – Complete Life Cycle Products**

### **\*As a Minimum – Revolving Door Life Cycle Products**

- Socially responsible manufacturer?
- Raw materials (renewable resource?)
- Manufacturing process (energy/water efficient?)
- Carbon footprint
- \*Packaging (returnable?)
- \*Distribution/transportation (locally produced?)
- \*Operation (energy/water efficient?)
- \*Maintenance (healthy for staff?)
- \*Special handling (toxic?)
- \*Disposable (reusable or at least recyclable?)



# Tracking is Tough Systems to Gather Statistics

- **Build capability into purchasing software/system**
- **Build requirement into contracts/purchasing agreements**





# Build Capability into Purchasing Software/System

- **Supplies quantity and dollar volume of designated products**
- **Supplies reasons for not purchasing: cost, availability, performance**
- **Identifies purchasing problems**
- **Does NOT verify validity of input**
  - **garbage in/garbage out principle applies**





# Using Commercial Software to Track Environmentally Preferred Purchasing

## Example: DOE's Pacific Northwest National Lab

- PCard Pro/Now P-Card Web Solutions software
- Integrates with Oracle, PeopleSoft, SAP, & other
- Includes single attribute product reporting
- Requires programmer to revise software for each newly designated product/component
- Each P-card purchaser inputs info for their purchases (products not services) monthly
- PNNL bears the cost of the system





**Modify**



**Purchase Type Group:**

- None Selected
- Automated Data Processing
- Laboratory Supplies
- Maintenance Supplies
- Office Products**
- General Commodities
- Services

**Purchase Type Sub-Group:**

- Plastic Desktop Accessories
- Index Cards and Manila Folders
- Toner Cartridges
- Plastic Envelopes
- Printer Ribbons
- Paper - Glossy
- Paper - Newsprint
- Paper - Uncoated, Copy**
- Paper - Uncoated, Other(Post-its,Notepads,Calende
- Solid Plastic Office Products

**Use Recycled Item?**

- No**
- Yes**





Help

**Modify**

OK

Cancel

**Purchase Type Group:**

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- Solid Plastic Office Products

**Use Recycled Item?**

**No**     **Yes**

**Reason For Not Using Recycled Item**

- 
- Cost too high**
- Availability lacking**
- Performance inadequate**

# Using Commercial Software to Track Environmentally Preferred Purchasing



## Example: DOE's Strategic Petroleum Reserve

- SAP - commercial software
- Functions as a database
- Data collection from Purchase Requests/Orders
- Data collection from credit card purchases
- SAP supplemented by Excel spreadsheet
- SAP is more easily customized than other software – such as tracking future products that become designated





## Edit Credit Card Purchases

Submit Clear Screen Previous Next

Transaction Number	1116	Credit Card Holder	S064MV
Order Date	09/21/2005	Received Date	09/21/2005
Vendor Name	WAL-MART		
Description of Item	PLASTIC GARBAGE CANS		
Total Purchase Price	24.12	Total Quantity	1
Site	BC	Approving Official Flag	
Dispute Flag			
Comments	NEEDED FOR TEMPORARY TRAILERS		
Credit Memo	<input type="checkbox"/>	Ref Number	<input type="text"/>
		Propose Ref Number	<input type="text"/>

Description	Cost Cntr	WBS	GLACT	Matl. No.	PR	PR Line	Qty.	Total	
PLASTIC GARBA...		04098883-05-05	50440				1	24.12	AP Info
									AP Info
									AP Info
									AP Info
									AP Info



# Input Affirmative Procurement Information

Submit Clear Screen

Enter Affirmative Procurement Information for this Item

Line Item Description	PLASTIC GARBAGE CANS
Affirmative Procurement	<input type="checkbox"/>
Item meets the AP requirements of	
recycled content	<input type="checkbox"/>
Item Purchased	<input type="checkbox"/>
Item with Recoverd Content "Not	
Procured" Because:	<input type="checkbox"/>
Category Code	<input type="checkbox"/>
Comments/Justification	





# Build Requirement into Contracts/ Purchasing Agreements

- **Supplies valid statistics**
- **Does NOT supply statistics for all purchases—those without contracts or purchasing agreements**
- **Does NOT always identify purchasing problems**



# Using Contracts to Track Environmentally Preferable Purchasing



- **Specify designated materials**
- **Specify reporting requirement**
- **Define reporting requirement**
  - **Data to be reported**
  - **Reporting schedule**





THE CITY OF SAN DIEGO

[www.sandiego.gov/environmental-services](http://www.sandiego.gov/environmental-services)



# City of San Diego Environmental Services Department

Donna Chralowicz  
EPP Program Coordinator



# Background

- 2005 – EP<sup>3</sup> began as pilot project in Environmental Services Department (ESD)
  - Track department purchases and prepare internal report
- April 2007 – EP<sup>3</sup> Administrative Regulation 35.80
  - Oversight by Purchasing and ESD
  - Department responsibilities
  - Annual Report to Mayor's office

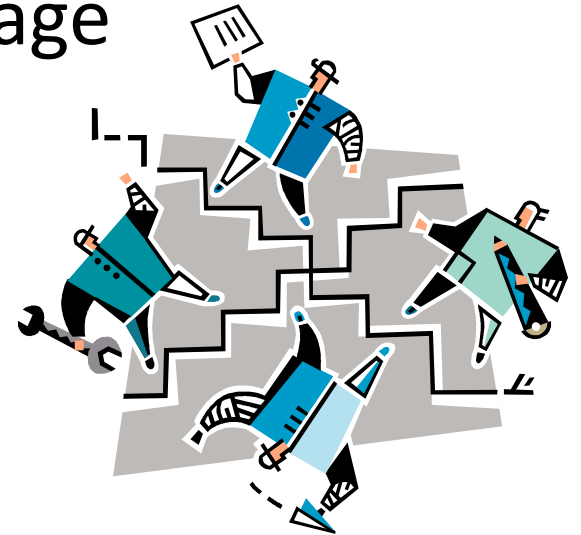


# EP<sup>3</sup> Criteria

- Established twelve environmentally preferable categories to aid decision-making
  - 1) Alternative Energy Source
  - 2) Bio-based
  - 3) Biodegradable
  - 4) Compostable
  - 5) High Recycled Content
  - 6) Low Toxicity
  - 7) Low Volatile Organic Compounds (VOC)
  - 8) Pollution Reduction
  - 9) Recyclable
  - 10) Repairable
  - 11) Resource Efficient
  - 12) Reusable

# Implementation Strategies

- Identify key commodities/goals
- Include in bid & contract language
  - Minimum standards
  - Reporting
- Department by department
- Pilot projects
- Seizing an opportunity as it arises
- Bottom line



# Tracking & Reporting Strategies

- Department liaisons
- First year – surveys to each department
  - Types of purchases
  - Dollars spent
  - Green purchases
- Didn't produce a lot of data on green purchases, but was a good starting point



# Tracking & Reporting Strategies

- Reports from vendors
  - Good for citywide/multi-department purchases
  - Annual, semi-annual, quarterly
  - Get comprehensive data
  - Build relationship with vendor and explain EPP goals, products, training, etc.
  - Sometimes difficult to get info because you're not the contract administrator/purchaser

# Tracking & Reporting Strategies

- Reports from departments/employees
  - Good for department-specific purchases or specialty items
  - Can be difficult to get information
  - May miss some data
- Spreadsheets
  - Contacts for products or functional units
  - Trainings & outreach
  - Report data, dollars spent, savings
- Document conversations/data
  - Emails
  - Notes/memos



# Annual Report

- Introduction
- Environmentally Preferable Purchasing Program
  - AR 35.80
  - Program Goals
  - Program Implementation
  - Future Challenges & Opportunities
- Citywide Purchases
  - Summary Table
  - Purchase Detail
- Conclusion

# Purchase Summary Table

Citywide FY08 EP <sup>3</sup> Purchases <sup>(1)</sup>	FY08 Amount
<b>Paper &amp; Office Products</b>	
Recycled copy/printing paper <sup>(2)</sup>	\$ 672,906
Office products <sup>(3)</sup>	\$ 534,198
Konica Minolta copiers/printers <sup>(4)</sup>	\$ 2,379,286
Computers, monitors, printers	\$ 1,986,711
Computer equipment recycling	\$ 25,900
Technotrash recycling	\$ 1,529
<b>Subtotal</b>	<b>\$ 5,600,530</b>
<b>Vehicles &amp; Maintenance</b>	
Hybrid vehicles	\$ 477,716
Coolant (1,500 gallons)	\$ 4,380
Re-refined oil (3,363 quarts)	\$ 7,473
Liquefied natural gas fuel (46,940 gallons)	\$ 49,835
Retreaded tires	\$ 518,052
<b>Subtotal</b>	<b>\$ 1,057,456</b>
<b>Building and Construction Materials</b>	
Slurry seal <sup>(5)</sup>	\$ 6,800,000
Overlay <sup>(5)</sup>	\$ 14,200,000
Asphalt	\$ 1,284,850
Aggregate road base (100% recycled)	\$ 140,000
Asphalt crack sealer <sup>(5)</sup>	\$ 858,000
Traffic cones	\$ 24,780
LEED Silver certified building – Fire Station 47 <sup>(5)</sup>	\$ 5,306,190
<b>Subtotal</b>	<b>\$ 28,613,820</b>

# Purchase Detail

## Energy Efficiency and Alternative Power

- The majority comes from self-generated power at cogeneration facilities using methane from sewage treatment and landfill disposal. Excess power is sold to San Diego Gas and Electric (SDGE). Some of the power is produced through an agreement with a private third party that produces and sells the power to the City at a negotiated below market rate.
- A little over 1 MW comes from hydroelectric power generated by the flow of treated wastewater to the ocean outfall.



*Photovoltaic system at Alvarado Water Treatment Plant*

# Contact

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City of San Diego, Environmental Services

[sandiego.gov/environmental-services](http://sandiego.gov/environmental-services)

