

# 2016 Best Practices Proposal Form



**CACUBO**  
Central Association of College  
& University Business Officers

Completed proposals are to be submitted to [bestpractices@cacubo.org](mailto:bestpractices@cacubo.org) or by contacting Donna Rohlfer, Director, CACUBO Best Practices Awards, [rohlfedm@miamioh.edu](mailto:rohlfedm@miamioh.edu).  
The deadline is April 30, 2016.

## Best Practices Program Submission:

**Title:** *University Services – The Reengineering of Logistics*

## Primary\* Contact Information:

*The primary contact must be a CACUBO member institution of higher education.*

Institution: Michigan State University

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\*Additional team contacts, partners, and references listed at the bottom of this form.

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## Institution Information:

Institution:  Research  Comprehensive/Doctorate  Small Institutions  Community College

Year Founded: 1855

Geographical Location: Main campus: East Lansing, Michigan. MSU is located on every continent and active in over 200 countries.

Number of Students: >49,000

Website: <http://msu.edu>

<http://usd.msu.edu>

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## **Statement of the Problem:**

Reflective of many leading institutions, Michigan State University's (MSU) intra-campus presents a significant challenge as it relates to pedestrians and vehicles maneuvering in a restricted landscape. Numerous institutional, private, and commercial service vehicles provide redundant delivery services impacting the student experience, environment, institutional capacity and resources, and cost effectiveness.

## **Identify the Solution (250-words maximum):**

MSU's University Services, through its Logistics arm, provides an enhanced central receiving and distribution services by consolidating receiving and delivery activities. This includes cross docking and commingling inbound shipments including less-than-truckload, truckload, parcel carriers, supplier delivered shipments and warehouse stock. Logistics engaged United Parcel Service (UPS) to coordinate all university business ground shipments through Central Receiving. The goal of the initiative was to 1) eliminate unnecessary package handling, 2) increase utilization of available capacity and resources, 3) reduce and eliminate redundancies, 4) mitigate pedestrian risks, and 5) reduce the related carbon footprint.

Key components included process review and redesign, metrics development, and analysis of parcel flow to establish post-implementation benchmarks. UPS engineers helped assess our available capacity through route studies, process analysis, redesigning delivery routes. Following the study and project implementation, Logistics was able to eliminate five service vehicles from campus circulation, a reduction of 345 daily stops—or more than 80,000 stops annually. Although the legacy state provided same day and next day delivery, UPS engineers determined our effectiveness rate (planned capacity vs. actual capacity) was 49%. Today, MSU's effectiveness rate measures 97%, a result of the redesign of delivery routes and improved load-to-delivery processes.

Per UPS, "MSU's one delivery initiative set the standard for central delivery processes in a public university setting. Through this project, Logistics improved safety on campus, reduced carbon emissions, improved risk mitigation and operational efficiencies."

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## Implementation Timeline:

*Initially deployed in 2012, the phased project approach was initiated with preplanning/design January-March, full project plan deployment to completion April thru August.*

1. Phase I: Define Objectives. Reengineering receiving and delivery processes provided enhanced services by consolidating central receiving and distribution activities, improving staffing assignments, cross-training, and improving delivery services to campus. University Services engaged with UPS to coordinate the UPS business ground activity through Central Receiving. Additional benefits include risk mitigation, improved use of available capacity and resources, reduction in opportunity costs, and improved environmental considerations.
2. Phase II: Identified stakeholders, project scope, costs (retrofit of vehicles and necessary technology), possible reduction in opportunity costs, communication plan, and potential project risks.
3. Phase III: Project deliverables. Identified “available” capacity (route study, new routes and new inbound shipment workflow) with the goal of reducing routes from six to four and eliminating five service vehicles. Performed a cost benefit analysis of university resources, related risks, and environmental factors. Established full operational capacity through a phased approach with staggered work assignments that match resources to needs. Retrofitted five cargo vans with shelving, allowing for full cube capacity. Coordinated cross-training of Logistics team, evaluated production and load requirements, determined reduction of idle fleet, deployed GPS technology and daily e-tracking of route assignments. UPS committed to sort-to-defined routes and early morning/time specific delivery to Central Receiving.
4. Developed and captured metrics based on defined time standards, stops, total deliveries and exceptions, and idle time (includes use of GPS devices, full visibility, idle time, speed, distance, location, stops, trips).
5. Phase IV: Phased deployment ensuring all project facets are synchronized and functional.
6. Phase V: Ongoing measurement, analysis, continuous improvement, and review of controls to ensure the uninterrupted flow of deliveries on campus.

## Benefits & Retrospect: (brief statement)

The reengineering of Logistics encompasses the primary principles of planning, compliance, and delivery. The project initiative has improved the overall *institutional* effectiveness through reduction and elimination of redundant deliveries. Five service vehicles have been eliminated, mitigating community risk while contributing to institutional sustainability initiatives. The support model’s use of technology provides daily, monthly, and annual metrics that ensure visibility and adherence to delivery standards. Additionally, MSU’s current UPS receipt-to-delivery is more timely than delivery previously provided by UPS directly. The project serves as a model for other institutions in their quest to advance logistics in higher education. As designed, the support model remains agile and allows for future expansion as the institution requires.

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## Additional Contact Information:

### Additional Contact #2:

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### Additional Contact #3:

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### Additional Contact #4:

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