

Review of the Toledo-Lucas County Sustainability Commission Sustainable Procurement Guidance Document

Presented by

**Russ Schifferly – member of TLCSC-EQS
Consultant at Resource Recycling Systems**

Why create a sustainable procurement guidance document?

TLCSC wanted to create a free template document for local business, government and NGO's to help the community be more economically competitive and help the environment!

- Identifies the benefits of sustainable procurement/purchasing
- Provides information on widely accepted green product certifications (see companion green product certifications directory on the web site)
- Promotes evaluation of the cost and eco-impact of goods and services
- Explains implementation and evaluation of sustainable procurement
- Fosters improvements in your current procurement program

Why a template guidance document?

- The template guidance document allows you to place your organizations name in the document and tailor it to the level of sustainable procurement detail that you want.
- This guidance document will help your organization on a path to create a procurement policy = use it as you choose to.



What are the benefits of sustainable purchasing?

- Examples!

- Cost savings
- Competitive business advantage !
- Better contractor bid specifications
- Conserve natural resources - raw materials
- Emissions, toxics and waste reduced - reducing exposure health risks for staff, visitors, community
- Reduced utilities usage
- Lower impact on the Earth's environment
- Identify and use environmentally preferable products
- Use of local companies, workers, materials, services



Why worry about waste?

- Waste is Costly!
 - Disposal and handling \$\$
 - Wasted product/raw materials
 - Fines for regulatory non-compliance
 - Health and safety risks for exposure to staff, visitors, community
- Companies pay for waste 3 times...
 - Product purchase
 - Material handling
 - Disposal



What is included in the guidance document?

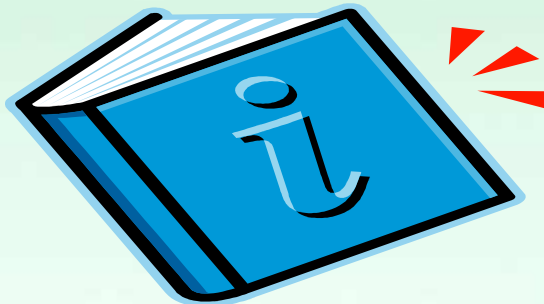
TABLE OF CONTENTS

INTRODUCTION	
1.0 STATEMENT OF POLICY	
2.0 PURPOSE	
3.0 SUSTAINABLE PRODUCTS AND SERVICES.....	
3.1 Product Certification	
3.2 Product Reduction.....	
3.3 Recycled Content Products	
3.4 Energy Savings	
3.5 Water Savings	
3.6 Green Building Construction	
3.7 Landscaping	
3.8 Toxics and Pollution	
3.9 Vehicles and Fleet.....	
3.10 Forest Conservation.....	
3.11 Bio-based Products	
3.12 Contracts for Bio-based Construction and Services.....	
3.13 Social Sustainability.....	
3.14 Social Commitments and Meetings.....	
4.0 POLICY PRIORITIES.....	
5.0 POLICY IMPLEMENTATION	
5.1 Roles and Responsibilities	
5.2 Training and Awareness	
5.3 Communication.....	
5.4 Procedures	
6.0 POLICY EVALUATION	
6.2 Assessing the Sustainable Purchasing Policy	
6.3 Sustainable Purchasing Policy Metrics	
7.0 DEFINITIONS.....	
APPENDIX 1 SUPPLIER SUSTAINABILITY QUESTIONNAIRE	

Why is this policy guidance document different?

It provides:

- Implementation information and checklists to assess implementation
- Web links for green products and certifications
- Contract language to obtain green suppliers
- Product life cycle cost evaluation form
- Supplier sustainability questionnaire for their operations



Green Product Certifications

- A standard is a set of guidelines and criteria against which a product can be judged. A certification says that a product meets those criteria.
- We have ID'ed several certifications that can assist organizations in selecting green products for procurement



Important Factors for Sustainable Procurement Success

- We want this procurement document to be a key component for the success of your organizations total sustainability plan.
- Improve your bid specifications by requesting sustainability information from suppliers.
- Establish your organization's prioritized goals for a procurement policy before implementation.
- To be effective this policy needs management signature approval and should be incorporated into the business strategy.
- To have real impact employees should be held responsible to implement the policy and measure their organizations procurement improvements.

Set Policy Priorities

- Create your own priorities based on organization needs and requirements
- Start buying simpler green products first to gain experience and success
- Health and safety of employees and the public
- Environmental impact of products/services – evaluation score/weigh
- Still follow local, state and federal requirements



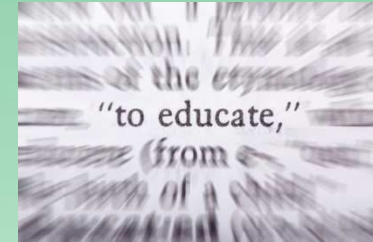
Policy Implementation Plan for Sustainable Procurement

- Choose the procurement policy management team
 - Management, buyers, other departments, divisions
- Finalize Sustainable Procurement Policy Document
 - Obtain feedback from stakeholders on the process and allow questions
 - Implement feedback by modifying the document
 - Establish procedures to carry out the policy
- Internal implementation
 - Inform management
 - Make sustainable procurement part of company procurement policies
 - Establish implementation roles and responsibilities
 - Determine metrics and create procurement benchmarks
 - Communicate implementation to the procurement team and staff
 - Schedule sustainable procurement policy training in all departments
 - Help buyers know how to identify sustainable products and local vendors
 - Create lists that meet policy requirements

Policy Implementation Plan for Sustainable Procurement - cont'

- Training – key to success

- Management
- Purchasing staff
- Project managers



- Procedures

- Include evaluation of buying standards
 - Environmental impacts, health-safety
 - life-cycle costs – installation, performance, O&M
 - Product performance and availability
 - Price – evaluate using web-based calculators where available

- External implementation

- Place your policy on web site
- Communicate policy to suppliers
- Include policy information to customers questions on sustainability

Policy Implementation Plan for Sustainable Procurement – cont'

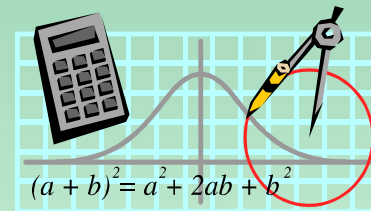
- Refine procurement policy
 - Review it quarterly and use feedback
 - Include customer expectations by product category. Eg. Your product certifications
 - Provide definitions for terminology and definitions for improvements
 - Evaluated current purchasing practices to establish priorities for change
 - Material/service frequency of purchase or expense
 - Items that have a large impact on health and the environment
 - Re-evaluate your green list of preferred products/supplies for procurement
 - Create specifications for products, services, construction, trans, facilities, equipment
 - Evaluate success
 - Track and report procurement – review invoices
 - measure key indicators – resources saved, reduced emissions, cost savings
 - Collect success stories
 - Audit suppliers
 - Obtain more feedback and modifying the policy

Policy Evaluation

- Evaluate regularly – the buying process/ completeness
- Is your policy fully implemented?
- Does your policy provide strategies to meet your sustainability goals?
- Measure performance – use checklist in guidance document
- Evaluate data needed to measure progress
- Compare and measuring
 - Number of sustainable products/ services contracts that meet your policy
 - Types of products/services acquired
 - Number of staff trained
 - Reduction in waste generated, emissions, utility cost savings
 - Suppliers who have sustainability programs
 - Is your procurement policy in line with your current and future budgets?

Procurement Metrics

- Metrics are important for clearly communicating goals, informing for decisions related to those goals and measuring progress toward achieving those goals.

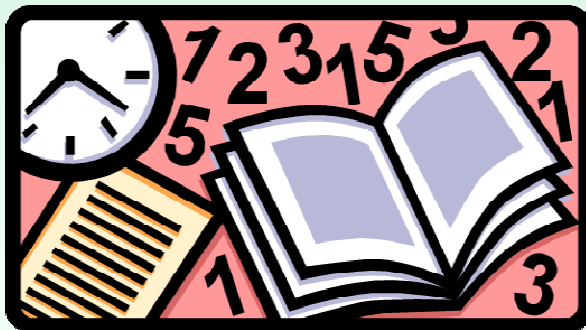


- All data sources must be identified:
 - Vendor invoices and reports (material types, weights, service frequencies, costs)
 - Purchasing (costs, purchased quantities)
 - Operational staff (operational performance)
 - Client product/service performance

What is needed for successful implementation

– Requires:

- Approval and support from management
- Incorporation into business plan and management strategy
- Goals set for improvement
- Allowing staff creativity for solutions
- Measurement of program success
- Employee engagement and responsibility for program



Where is the procurement guidance document located?

- Find the sustainable procurement template document at **www.Lucascountygreen.com/docs.html**
(see the companion green product certifications directory and fact sheet)
 - It is packed with information to get you started on the path to a sustainable procurement program.

Contact Information

- Russ Schifferly
 - works for Resource Recycling Systems
(www.recycle.com)
 - RSchifferly@recycle.com
 - (313) 304-8007
 - contact me for help with your sustainable procurement program.



Resource Recycling Systems
Sustainable Systems for a Waste-Free Future

RESOURCE RECYCLING SYSTEMS

Sustainable Systems for a Waste Free Future

416 Longshore Dr. | Ann Arbor, MI 48105 | 734.996.1361 p | 734.996.5595 f | www.recycle.com