

University of California Legal Spend Dashboard

Project Lead

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Team

<u>UC Legal</u>	<u>ITS (UCOP)</u>	<u>Data Source Experts from</u>
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Jeane Oribello	Krishna Mohan	Sedgwick

Executive Sponsor

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Project Statement

UC Legal (UCL) successfully implemented its Legal Spend Dashboard (LSD), a business intelligence tool that has matured UCL on the Capability Maturity Matrix bell curve by moving the Division from data reporting and analytics towards strategic and forward looking legal resource planning and response. A Capability Maturity Matrix is an assessment tool for evaluating an organization's progress toward a goal; in this case the goal is to provide systemwide UCL Leadership at 17 locations (UCOP, 10 campuses, five medical centers and LBNL) with a self-help tool to facilitate real-time data driven decision-making. The LSD achieves the goal by providing a platform refreshed quarterly for UCL Leadership. The LSD facilitates decisions about resource allocation related to the containment of outside legal expenses, the identification of outside counsel expenditure trends as they emerge to provide opportunities to implement corrective actions to mitigate legal and financial risk.

Project Narrative

For the first time, UCL Leadership is able to easily visualize and quickly access information regarding outside counsel expenditures from five isolated sources that are administered by three UCOP Divisions (Risk Services (in coordination with an external vendor – Sedgwick), Knowledge Transfer Office, and UCL), and two campus Technology Transfer Offices. The Project Team normalized outside counsel financial data and expenditure from 358,000 rows of data across extract files for a five year period and

built interactive dashboards in Tableau, a data visualization application available via web browser, accessible from mobile devices, and securely behind UC's Single Sign On (SSO) application.

Background

The University of California spent ~\$153M on outside counsel legal fees in FY19-20, and corresponding data is captured in several different databases under the auspices of three "Programs":

- **Core:** Legal spend housed in the CounselLink database and administered by UCL at UCOP.
- **Risk:** Spend for UC's self-insured programs are housed in the iVos database and administered by Sedgwick, a third-party vendor.
- **Tech Transfer:** Patent prosecution – and some related patent litigation – costs are housed in the Patent Tracking System (PTS), which is administered by the Knowledge Transfer Office at UCOP. This is a custom-built application in a .NET environment.
 - Patent Prosecution costs incurred at the San Diego campus are house in an Oracle database, which is administered by the UC San Diego Office of Innovation and Commercialization.
 - Some patent prosecution cases are independently managed directly by the UCLA licensees, and are therefore not present in PTS.

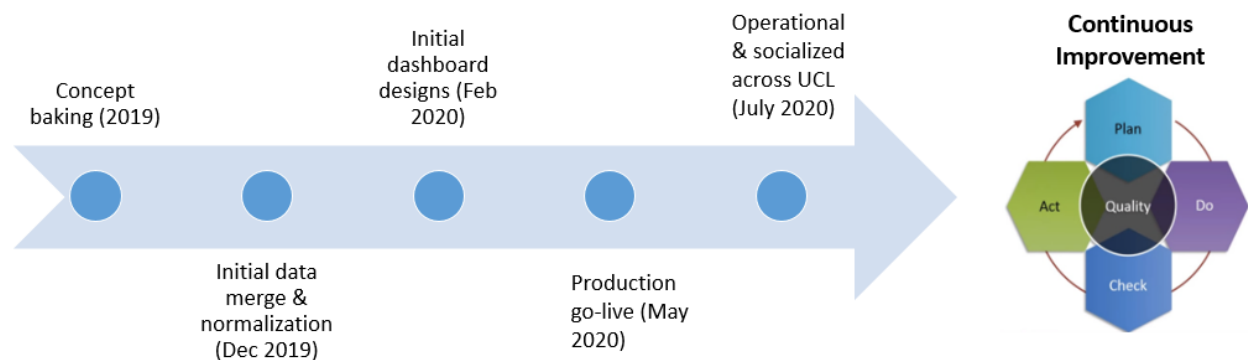
From FY 2016 to FY 2021 Q2, outside counsel legal expenses averaged \$134M per year across all three Programs (Core, Risk, & Tech Transfer) for a total of \$741M during this time period. Over a ten-year period, outside counsel legal expenses have increased at an average rate of 5.2% annually – which is only slightly higher than the average rate of growth of the University, which is 4.8% over the same period.

Prior to the creation of the LSD, UCL had high-level visibility into the gross spend for all three Programs but not in a single comprehensive manner, i.e., data for each Program could not be reviewed in relation to each other. As a result, individualized reports needed to be developed to gain visibility into trends, hot spots, or other metrics by location or at a systemwide level. The LSD provides the ability to look across the three Programs (Core, Risk and Tech Transfer) for the first time. This "10,000 foot" view into legal spend is beneficial from both a financial standpoint and in terms of resource allocation as it gives the management team information about staffing levels ratios for different types of legal work.

Collaboration & Timeline

The Project Team was highly collaborative. UCL worked closely with the various data source experts in the Risk and Tech Transfer Programs to standardize quarterly output, perform necessary data integrity review, and interpret the data. UCL team members collaborated with Information Technology Services at UCOP to normalize the data across the three Programs, draft visualizations and tables, and ultimately publish the LSD in the Tableau application.

LSD is a “living” resource, and represents an ongoing process of continuous improvement and collaboration. In addition to streamlining and making more accessible outside counsel expenditure data from the three Programs, the Project Team is collaborating with systemwide UCL Leadership to identify key performance indicators to add to the LSD to strengthen reporting, resource allocation and risk mitigation.



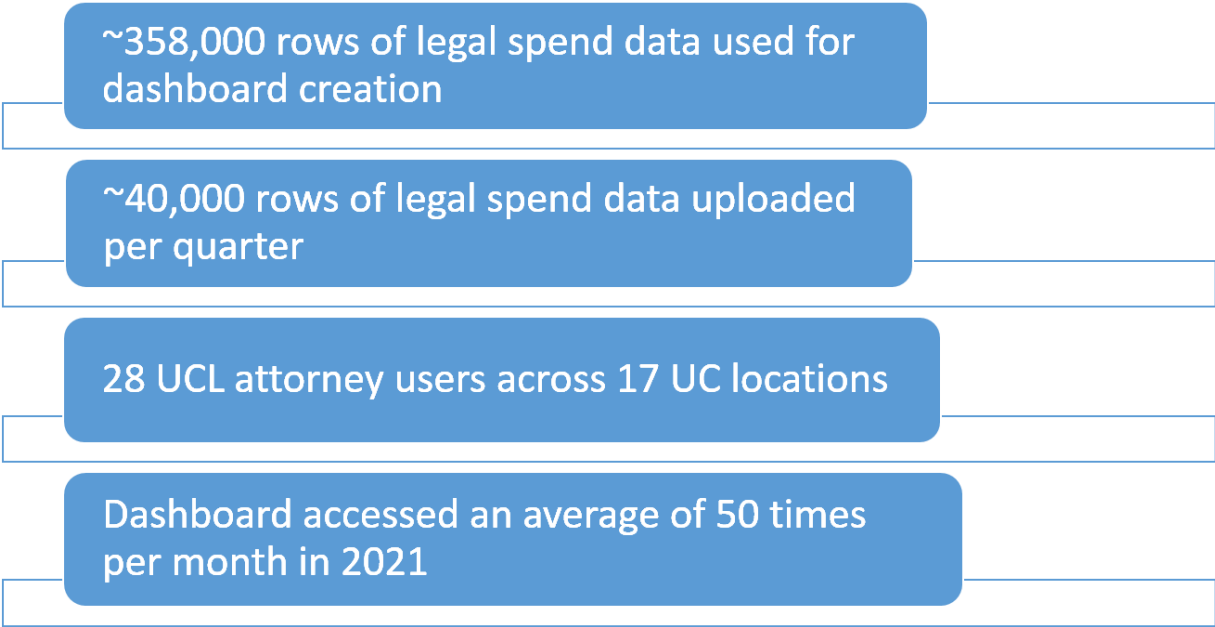
Success & Impact

Project success is illustrated by the improved negotiation position that UC enjoys vis-à-vis its outside counsel and legal vendors as a result of this increased visibility. For example, UCL Leadership is now able to see that there are roughly 40 firms that have done legal work for two Programs, and at least 6 firms have done legal work for all three Programs. An impact highlight is that one high-volume firm has invoiced the University of California for 121 separate matters across all three Programs since fiscal year 2016 for a total of nearly \$29M. Prior to LSD implementation, UCL Leadership would only have easy visibility into its Core-related outside counsel expenditures, which at \$14.2M represents less than half of the firm’s UC portfolio. Furthermore, there is overlap by the aforementioned firm in the subject matter for the work being done across Programs. Armed with this information, UCL leaders are able to investigate firm billing consistency across UCL, KTO, and Risk.

As shown above, the information displayed in the LSD empowers the University to use the volume of potential legal work across our three Programs and all locations to achieve consistent and portfolio-level vendor pricing and accountability. The vendor data also allows UCL to execute *diversity, equity, and*

inclusion initiatives across all Programs by reporting on firm diversity data in concert with UCL’s internal review of firms via an Equity and Inclusion Report Card.

Usage Metrics



Screenshot Illustrative Samples

