Review of Procurement Services of the Shelby County Schools

December 2016

Dorsey Hopson, Superintendent of the Shelby County Schools (SCS), requested that the Council of the Great City Schools (CGCS) provide a high-level management review of the district's Procurement Services.[1] Specifically, he requested that the Council[2] —

- Review and evaluate the leadership and management, organization, and operations of the district's procurement functions
- Develop recommendations that would help Procurement Services achieve greater operational efficiency and effectiveness.

In response to this request, the Council assembled a Strategic Support Team of senior managers with extensive experience in procurement operations from other major urban school systems across the country. The team was composed of the following individuals. (Attachment A provides brief biographical sketches of team members.)

Robert Carlson, Project Director
Director, Management Services
Council of the Great City Schools

David Koch, Principal Investigator
Chief Administrative Officer (Retired)
Los Angeles Unified School District

Gary Appenfelder
Director, Purchasing & Ethics
Metropolitan Nashville Public Schools

Kristen DeCato
Director, Procurement & Risk Management
Milwaukee Public Schools

[1] The Council has conducted some 300 instructional, management, and operational reviews in over 50 big-city school districts over the last 18 years. The reports generated by these reviews are often critical, but they also have been the foundation for improving the operations, organization, instruction, and management of many urban school systems nationally. In other cases, the reports are complimentary and form the basis for identifying "best practices" for other urban school systems to replicate. (Attachment E lists the reviews that the Council has conducted.)

[2] The Council conducted a review of food services in Shelby County Schools in 2016.

Michael Eugene
Chief Operating Officer
Orange County (Florida) Public Schools

James Skrobo
Purchasing Manager
Omaha Public Schools

Christopher Steele (Retired)
Assistant Superintendent, Budget & Planning
Portsmouth Public Schools

The team conducted its fieldwork for the project during a four-day site visit to Memphis on December 11-14, 2016. The general schedule for the site visit is described below. (The Working Agenda for the site visit is presented in Attachment B.)

The team met on the first day of the site visit to discuss expectations and objectives for the review and to make final adjustments to the work schedule. The team used the second and third days of its fieldwork to conduct interviews with staff members and others (a list of individuals interviewed is included in Attachment C) and to review documents, reports, and data provided by the district (a list of documents reviewed by the team is presented in Attachment D).[3] The final day of the visit was devoted to synthesizing and refining the team's findings and to debriefing the Superintendent's Chief of Staff on the Team's preliminary conclusions.

The Council sent a draft of this document to the team members for their review to ensure the accuracy of the report and obtain their concurrence with the final recommendations. A draft of the report was also sent to the Shelby County school administration for their review and comment. District comments were sent to the team for their examination and comment. All district comments were considered as part of this final report. All observations and recommendations are current as of the team's site visit. This management letter contains the findings and recommendations that were designed by the team to help improve the efficiency and effectiveness of the district's Procurement Services. Please note that the footnotes contained herein are an integral part of this report.

The Shelby County Schools

Procurement Services

As of July 1, 2013, the Memphis City Schools were merged with the Shelby County Schools (SCS), resulting in the largest public-school district in Tennessee and 25th largest public-school district in the nation. Now, the combined SCS operates 220 schools serving 95,000

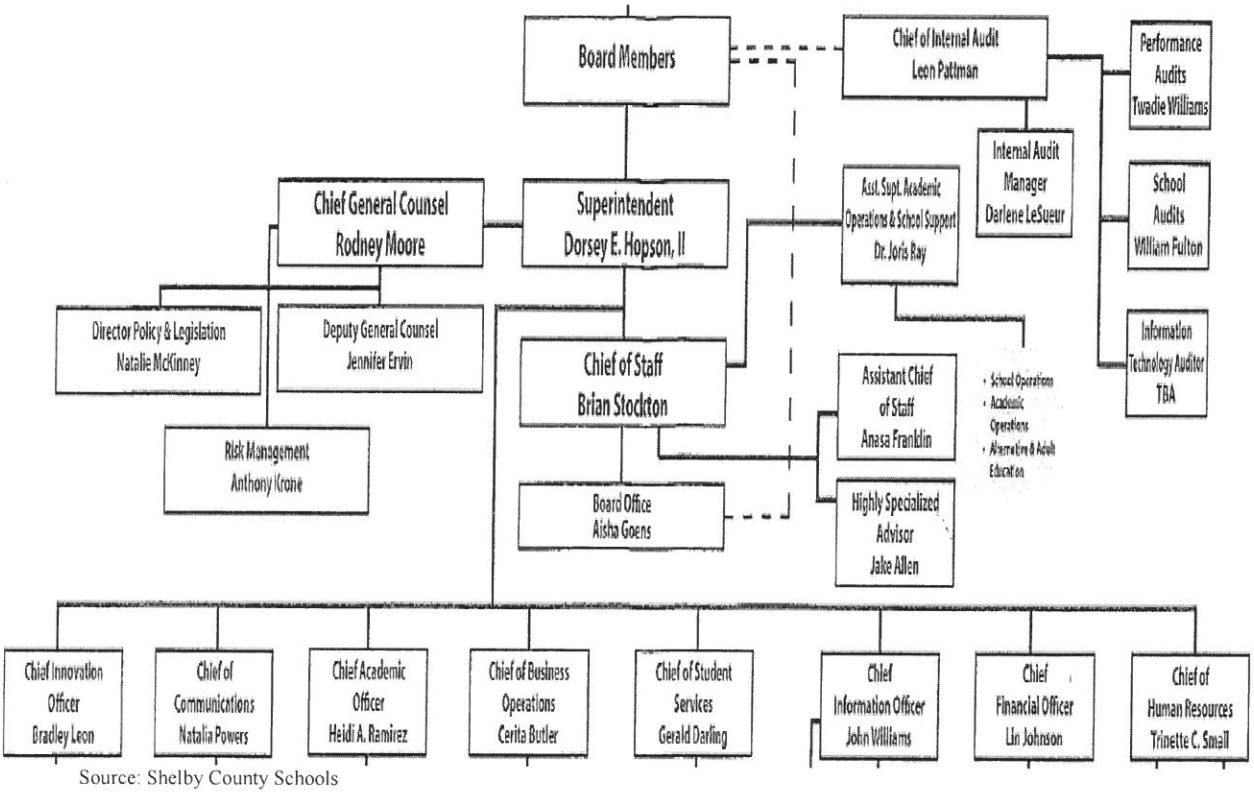
[3] The Council's peer reviews are based on interviews of district staff and others, a review of documents provided by the district, development or review of comparability data, observations of operations, and the teams' professional judgments. In conducting interviews, the teams must rely on the willingness of those interviewed to be factual and forthcoming, but cannot always judge the accuracy of their statements.

students with over 9,100 employees. Located in the southwest corner of Tennessee, SCS covers a large geographic area that spans over 460 square miles.

SCS is governed by an elected, nine-member Board of Education that appoints the Superintendent of Schools. The Superintendent is responsible to the Board of Education for the effective operation of the school system, including implementation of the district's 10-year Strategic Plan, *Destination 2025.*[4]

The Superintendent is also responsible for the efficient management of the district's resources. The approved General Fund budget for 2016-2017 was $958,913,051.[5] An abridged overview of the Superintendent's administrative organization is shown below in Exhibit 1.

Exhibit 1. Superintendent's Administrative Organization Chart



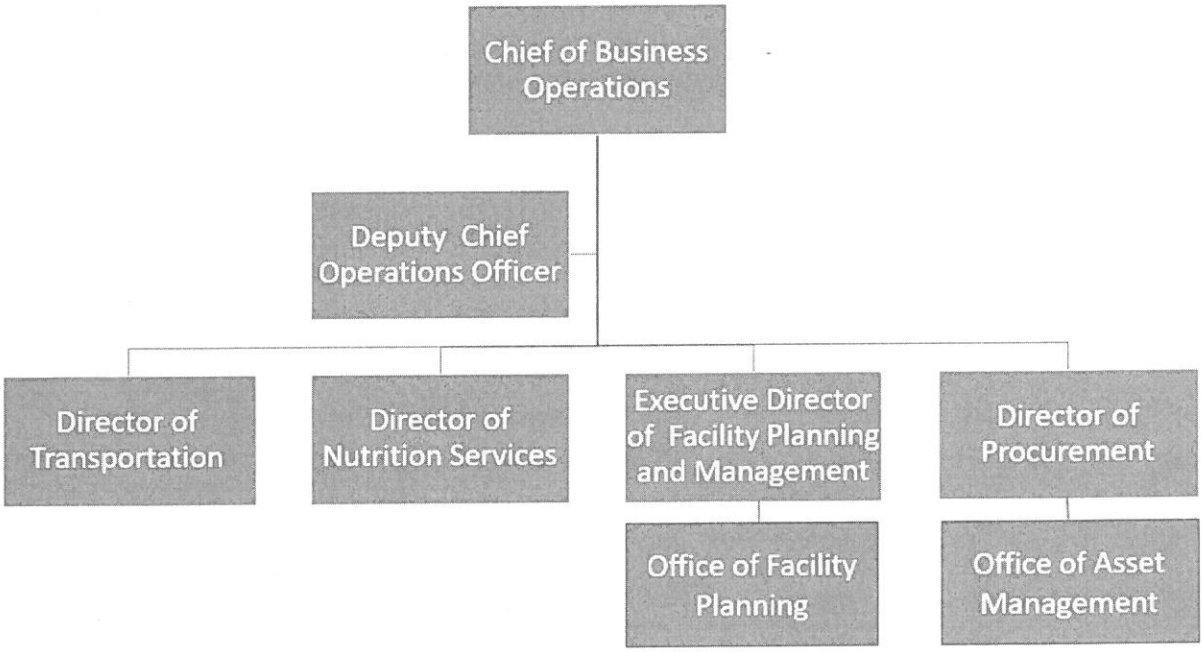
Source: Shelby County Schools

The Interim Chief of Business Operations (CBO), who is a direct report to the Superintendent, has responsibility for Transportation Services, Nutrition Services, Facility Planning and Management, and Procurement Services. The Interim Chief of Business Operations' organizational structure is shown below in Exhibit 2.

[4] The SCS Strategic Plan can be viewed at: http://www.scsk12.org/2025/

[5] The SCS FY17 Approved General Fund Budget can be viewed at: http://www.scsk12.org/finance/files/2016/FY17%20DISTRICT%20BUDGET_FINAL%20101416.pdf

Exhibit 2. Chief of Business Operations' Organization Chart

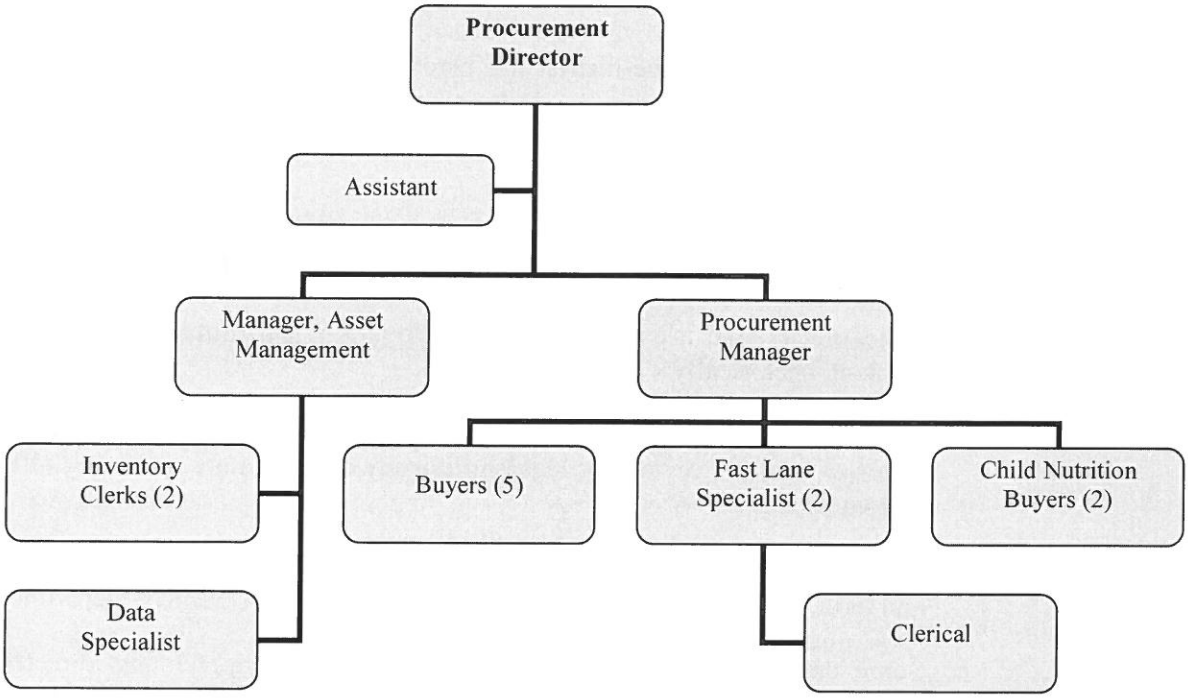


Source: Shelby County Schools

The Procurement function is headed by an Interim Director of Procurement, supported by the Procurement Manager and the Manager of Assets Management, which was a unit recently added to the department.[6] Exhibit 3 below shows this organization and its 17 positions at the time of the team's review. The Procurement Manager is responsible for five buyers, whose work is organized by commodity; two Fast Lane personnel who focus on expediting lower value orders; and two Child Nutrition Buyers who are funded by the Food Service program. The Asset Management unit of four is charged with accounting for and tracking district assets on two asset inventory systems.

[6] At the time of the site visit, the Procurement Manager and Asset Manager positions were vacant – a condition that had existed for nearly twelve months.

Exhibit 3. Procurement Services Organization Chart



Source: SCS Procurement Services Reference Manual

Findings and Observations

The overall conclusion of the Council's Strategic Support Team was that the "***Shelby County School system is encumbered by workplace culture differences remaining from the legacy districts that inhibit a unified movement forward.***" Specifically, the team's findings and observations below are organized into four general areas: Commendations, Organization, Leadership and Management, and Operations. These finding and observations and followed by a series of recommendations.

Commendations

- Many staff members in the Procurement Services unit appeared to be experienced, hardworking, and dedicated to their assigned tasks.
- The Procurement Services unit has developed an excellent Reference Manual, which is comprehensive and constitutes an effort at best practices.
- The Interim Director of Procurement Services appears to possess the interest, motivation, and energy to move the department forward by instituting improvements necessary to make the organization exemplary.

- The Procurement Services unit has begun modernization of its practices, including testing Reverse Auction acquisition techniques.

- To improve cyber security, the district has entered into a contract for recycling surplus and obsolete computers, including the destruction of their hard drives.

Organization

- The district's procurement functions are fragmented and the organization of the Procurement Services unit does not represent industry best practice. For example -

    - General Counsel staff is assigned tasks that should be performed by the Procurement Department, specifically -

        - Procurement's role in facilitating and executing agreements and General Counsel's role in reviewing legal sufficiency and form are not being reflected in current processes

        - The General Counsel's office is negotiating contract content, such as scope, price and term, which should be the responsibility of the Procurement Department.

        - Some departments are submitting proposed vendor agreements directly to the General Counsel rather than processing those agreements through Procurement Services.

        - It was reported to the team that schools often do not know where to go with contract requests.

    - The department's processes are transactional driven. As a result, the department is focused on workload and processing speed rather than strategic goals, which would enable it to achieve fiscal efficiencies and ensure internal control.

    - The placement of Asset Management in the Procurement Services unit distracts from its core business, which is to account for and track district assets. This critically important function is not getting the attention from the Chief Financial Officer that is warranted. For example -

        - The team was told that the two asset management systems maintained by the district may account for as little as 60 percent of the district's total assets.

        - The Chief Information Officer indicated that he did not have an accurate count of electronic devices in schools.

- Procurement Services appeared to be adequately staffed. However –

    - The resources in the Fast Lane unit, focused on expediting lower-value orders, would likely be more productive if converted to regular buyer positions and workloads were redistributed. Issues related to the expediting of low-dollar transactions should be

addressed through process improvements, ERP automation of work orders, and P-Card utilization.

- While productivity data were not readily available, the staffing level of the Procurement Services unit was generally higher than peer school districts of comparable size.

Leadership and Management

- While management appears to be open to innovation and new ways of doing business, nothing seems to be changing and projects languish because there is no sense of urgency and detailed implementation plans do not appear to have been developed.

- The instability and uncertainly resulting from the designation of management positions as Interim Chief of Business Services and Interim Director of Procurement Services negatively affect the department's ability to set a cohesive direction and implement positive changes.

- The process for developing specifications for the proposed new ERP did not appear to have been robust enough to ensure that the new system would not simply replicate the current "as is" processes, but rather would take full advantage of best practices. The district reported that it retained an outside consultant to work with the district and its personnel in developing the scope and specifications of a new ERP, and that the work was not a duplication of the present system. However, the team did not see any evidence that a "gap analysis" had been conducted to identify needs *versus* capabilities; that offline processes had been incorporated into the system; or that an independent verification was made that the result was best-in-class. In addition, key stakeholders reported to the team that they were not involved in the process.

- The team did not see evidence that the Procurement Services unit (which should be a critical player) has been involved in bringing custodial services in-house or that the requisite due diligence (business-case planning) has been performed by those who have been involved in the process. For example, critical steps would involve developing (a) exit strategies from the current contract, and (b) identifying manpower, plant, equipment, and supplies needed to support an in-house operation

- The Procurement Services unit does not have a business plan with specific goals, objectives, timelines, resource allocations, accountabilities, metrics and reporting procedures that are linked to the district's strategic plan. For example –

  - The department has adopted four SMART Goals for FY 17. (See Exhibit 4 below.)

Exhibit 4. Procurement Services SMART Goals for 2016-17

Destination 2025 Priority	*Metric*	*Current Baseline*	*2016 Target*

3 - Develop Teachers Leaders & Central Office	Fully implement 100% on-line vendor registration process	0%	100%
3 - Develop Teachers Leaders & Central Office	Achieve $500,000 in cost savings through procurement initiatives	10% ($50,000)	$500,000
3 - Develop Teachers Leaders & Central Office	Implement monthly staff professional development/training program	50%	
3 - Develop Teachers Leaders & Central Office	Fully implement new asset management/inventory policies and procedures	10%	100%

- However, these goals are not supported by implementation plans, timelines, defined measurements of dollar goals, or specific outcomes desired.

- The Procurement Services unit is not a data-driven organization and does not maintain a metrics dashboard to monitor operational performance. For example, the organization does not have basic purchasing information, such as –
  - Volume of requisitions, purchase orders, and contracts
  - Average size and distribution of requisitions, purchase orders, and contracts
  - Spend analysis
  - Vendor analysis
  - Dollar savings achieved through competitive procurements
  - Disaggregated order fulfillment cycle time analysis
  - Percent of contracts strategically sourced[7]
  - KPIs or other benchmarking tools to measure performance or productivity[8].
- Procurement Services is transaction-centered, has not strategically focused on supply chain management, and has not adopted many 21st century tools to leverage efficiency and generate cost savings. For example--
  - The district does not have a P-card program to generate rebate savings and reduce the volume of small requisitions and purchases orders.[9] The district reports that small

[7] The strategic sourcing process includes assessment of the current spending, assessment of the supply market, total cost analyses, identification of suitable suppliers, development of a sourcing strategy, negotiation with suppliers for service levels and added value, tracking of results, and continuous improvement.

[8] The district reports that its current ERP system does not provide these reporting capabilities, which is something the team noted as well. The district is looking for a new ERP system, but it does not have the management direction in place that would make either the old or the new systems produce the kinds of analyses that the team believes is necessary.

purchases under $500 do not require a requisition or purchase order, but can be made via a payment request. However, the team does not believe that this practice creates the same kind of efficiencies that the district would see by using P-Cards.

- It appears the district may under-utilize piggy-back contracting and buying consortia.
- The district uses an on-line solicitation platform and conducts and awards bids on-line to achieve tactical efficiencies, but does not have or use e-procurement functionalities in its ERP to increase operational efficiencies (e.g., electronic bids and paperless workflows).
- There does not appear to be a focus on the total cost of ownership in the acquisition process.
- The team did not see the Department using detailed analyses to determine if there were high demand items that should be aggregated and contracted or if strategically sourced master contracts were in use beyond office supplies, computers, and interactive boards.[10]

- Organizational silos within the district and the Business Operations group limited communications, coordination, and collaboration among the various units and negatively affected the Procurement Services Department. For example--
  - There was no formalized acquisition planning or advanced notification of expiring contracts.
  - There are no final sign-offs on solicitations from both the end users and Procurement Services unit prior to their advertisement.
  - Senior leaders of user departments cited examples where solicitation specifications had been deleted or had unapproved restrictions added by the Procurement Services unit.
  - The team was told that cancellations and reissuances of RFPs had resulted from inadequate definitions of project scope and specifications that related to communications breakdowns.
  - The Procurement Services unit does not appear to leverage the Purchasing Review Committee to advance procurement policy issues.
  - The department does not conduct customer satisfaction surveys to identify areas in need of improvement.

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[9] The team noted that over 66 percent of purchase order payments were under $500 and 80 percent were less than $1,000.

[10] The district did produce (presumably from the existing ERP system) a report of district expenditures for 2016-2017 at line item detail with vendor name, description and amount. Though not perfect, it certainly could be used as a starting point for the type of analysis commented upon. The team hopes that the new ERP system would have a purchasing module that could produce this kind of report.

- The team became aware of several weaknesses in the district's internal controls within Procurement Services operations. For example –

  - The Internal Audit Department has not conducted an enterprise-level risk assessment to direct its work, nor has it developed a formalized plan to conduct audits of the district's procurement and payment functions and processes, which the Council has found to be high-risk areas in other districts where it has conducted similar peer reviews. The team was told by the internal auditor that his office was currently responsible for school compliance and school accounting only, but that's the point. Because of the narrow focus of the internal audit unit, it has not performed an enterprise-level risk assessment nor has it developed a formal plan to do so. It has also not conducted an internal audit of procurement operations per se.[11]

  - Academic professional-services contracts that individually exceed $100,000 can be submitted directly to the Board of Education for approval without the involvement of the Procurement Services unit.

  - It does not appear that direct payments to vendors are reviewed to ensure adherence to procurement policies.

  - The Procurement Department does not uniformly perform vendor evaluations, have formally defined debarment processes, or consistently incorporate performance penalties (i.e., liquidated damages) in its contracts.[12]

  - It was reported to the team that finance personnel have no formal role in facilities construction projects and do not have automated financial systems to manage multi-year construction contracts.[13]

  - There are no automated systems controls to prevent overspending of contracts.

  - The district's policies and procedures do not prohibit supervisors and their direct subordinates from participating on the same RFP evaluation team, exposing the process to the possibility of undue influence by the ranking individuals.

  - The team noted evidence of multiple numbers in the vendor file assigned to a single vendor, which could lead to duplicate payments and inaccurate spending reporting.

  - School board policy (V,E) specifies that the "superintendent's designee and/or general counsel are responsible for drafting, reviewing and, when necessary, revising the terms and conditions of the purchase order and bidding standards. This shall occur

[11] The Council's team included a certified public accountant. (See attachment A.)

[12] The team noted that penalties are outlined in the district's contracts with the custodial cleaning services and transportation providers, and encourages the district to extend this practice to other providers.

[13] The Council has found that industry best practice includes (1) finance personnel that participates in and ensures that financial aspects are factors in project selection; (2) is the final Approver (for School Board approval of the CIP budget) for selected projects as part of the planning process; and (3) sets budget controls and is the final Approver of CIP expenditures.

annually, periodically, or on request of the board, superintendent, or the general counsel; or upon the recommendation of the purchasing department." The board's policy, however, does not clarify who has ultimate authority for these changes. In addition, contract values *could* be unilaterally increased by designated staff above their originally approved value without formal board approval.

- The team was told during interviews that Accounts Payable had to go to various departments asking for invoices rather than requiring or ensuring that vendors send their invoices directly to Accounts Payable.

- All travel expenses are not encumbered. While federal regulations require encumbrance of travel expenses incurred with federal monies, it does not appear that the district has the capability currently of encumbering all other travel-related expenses. The district reports being in the process of implementing a travel module with the ability to encumber funds for all travel expenses, but the team did not hear what the time-frame for this implementation was.

- There is no centralized receiving of capital assets to ensure they are properly identified, tagged, and accounted for.

- While personnel who breach purchasing policies are sent a notice of violation, repeat offenders are not tracked and superiors are not notified.

- None of the staff in the Procurement Services unit has professional certification[14] and there are no incentives to obtain such certifications, nor is there any formal professional development plan or cross-training for employees.

- The effectiveness of the local preference program has not been evaluated to determine if it has met the Board of Education's intended purposes and objectives.

Operations

- There is a general perception within SCS that the procurement process takes too long. While this concern appears legitimate, the team found that cycle times are affected by several external factors. For example -

  - Federal program requisitions require an excessive number (four to six) of approvals outside the Procurement Department.

  - It was reported to the team that items being presented to the Board of Education for approval require six weeks' notice to be posted on the Board's agenda.

  - Staff of the Fast Lane unit indicated that 20 percent of lower-value requisitions received are rejected due to errors.

[14] Several professional procurement organizations offer certification programs, including the Certified Public Procurement Officer (CPPO) and Certified Professional Public Buyer (CPPB) programs.

- The team was told that while there are non-federal and federal funds templates and the General Counsel's office uses a standard template in RFP/RFQ documents; the procurement unit does not always use standard templates for issuing RFPs, contracts, or terms and conditions.

- There is no formal policy or adopted procedure for protesting contract or purchase awards or other procurement decisions.

- A current memorandum of delegation for contract signatures does not exist.

- Personnel in the Procurement Services unit do not appear to be fully aware of the provisions of federal procurement guidelines and The Uniform Grant Guidance requirements and deadlines.[15]

- There is no program to encourage early-payment discounts. (The only evidence of such discounts appears to be when a vendor offers it).

Recommendations

1. Consolidate the procurement functions and resources currently in the General Counsel's office into the Procurement Services Department to provide uniformity, consistency, and efficiency in purchasing and contracting.

2. Organizationally relocate the Asset Management function under the Chief Financial Officer to bring additional focus to establishing a single, accurate inventory system for capitalized assets.

3. Reorganize the resources within the consolidated Procurement Services Department by converting Fast Lane positions into Buyers and by charging each Buyer with responsibility for priority processing of lower-value requisitions.

4. Permanently appoint leaders who have the appropriate skill-sets, training, experience, and attitude to expertly execute their responsibilities.

5. Involve all relevant stakeholders in a thorough review to confirm that the specifications in the proposed new ERP ensures that the system has the capability to take full advantage of best practices and innovative procurement techniques. The district should not rely solely on the assurances of the consultant.

6. Before embarking on a project to in-source custodial services, ensure that a comprehensive business plan has been developed in coordination with human resources,

[15] On December 26, 2013, the federal Office of Management and Budget (OMB) issued rules that combine several OMB Circulars into one document titled "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." This document is also referred to as the Uniform Grant Guidance. Administrative requirements and cost principles are effective for new awards after December 26, 2014.

finance, facilities, procurement, and school management that encompasses implementation steps, timelines, and resource requirements.[16]

7. Expand the portfolio and responsibilities of the Internal Audit Department[17] to include--

    a. Conducting an enterprise-level risk assessment

    b. Developing an annual audit plan

    c. Preforming a review and evaluation of internal controls in the procurement and disbursement areas

    d. Conducting a performance audit of the purchasing and contracting processes

    e. Supplement the Internal Audit Department's professional development program for staff to address the proposed expanded role of the unit.

8. Develop and execute a business plan for the Procurement Services Department with specific goals, implementation plans, timelines, resource allocations, accountabilities, and reporting calendars that are linked to the district's strategic plan.

9. Establish basic measures of performance, including KPIs and other benchmarking tools to measure performance and productivity, and ensure that the new ERP system can perform the following kinds of analysis---

    a. Volume of requisitions, purchase orders, and contracts,

    b. Average size and distribution of requisitions, purchase orders, and contracts

    c. Spend analysis

    d. Vendor analysis

    e. Dollar savings achieved through competitive procurement, negotiations, and cost-avoidance strategies

    f. Disaggregated order fulfillment cycle time analysis

    g. Percent of contracts strategically sourced

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[16] Since its site visit, the Council was informed that the insourcing of custodial services is no longer under consideration. The Council recommends, however, that the district require comprehensive business plans in coordination with stakeholders, which include implementation steps, timelines, and resource requirements for all major projects, programs and initiatives.

[17] The Council team has included some limited number of findings and recommendations concerning internal audits in this report because it has found high-risk problems in other districts where it has conducted similar peer reviews in the interface of procurement and internal audit.

10. Adopt a strategically focused organization by implementing a supply-chain management approach, which will leverage efficiencies and generate cost savings. These include -

    a. Implementation of e-commerce techniques for efficiently broadcasting solicitations and receiving informal quotes, bids and proposals, issuing purchase orders, and establishing automated catalogs with punch-outs to pre-contracted vendors.

    b. Implementation of a P-Card system with appropriate controls to improve efficiency (freeing up staff to focus on more strategic and higher value procurements), reduce costs, and achieve rebates.

    c. Continue expansion of piggy-back contracting and the use of buying consortia.

    d. Aggregation of multiple purchases into master contracts to balance choice and take advantage of economies of scale.

    e. Re-evaluate current purchasing thresholds (bid limits) and work with other state governmental entities to increase those that would increase efficiencies and reduce costs and delays.

    f. Establishment of a focus on the total cost of ownership.

11. Involve stakeholders in strategic procurement decisions by focusing adequate time on front–end scope development to ensure stakeholder goals and district interests are met in the procurement process.[18]

12. Establish a pre-solicitation sign off process for the Procurement Services unit and its customers to help ensure specifications and requirements are complete and agreed upon.

13. Establish a professional certification and training program for buyers, including training on The Uniform Grant Guidance requirements.

14. Create a uniform vendor evaluation system with performance measures, liquidated damages, and a debarment process that is applied to all vendors.

15. Review, update, or establish standardized templates for all RFPs, contracts, and terms and conditions.

16. Execute a current memorandum of delegation for contract signatures.

17. Create a policy and process for protesting contract awards or other purchasing decisions.

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[18] The district indicates that end-scope development for an acquisition is the responsibility of the purchasing stakeholder, not procurement. But the team notes that this is not industry best practice. The partnership on front-end scope development results in tighter specifications, reduces cycle time by avoiding amendments, improves expectations in contract deliverables, ensures legally required aggregation, improves efficiency by strategic sourcing, etc.

18. Develop a program to negotiate, automate, and track early payment discounts.

19. Breakdown organizational silos and improve communications within the Business Operations group by conducting regularly scheduled meetings, developing cross-departmental goals that require collaboration, and conducting customer satisfaction surveys.

20. Conduct evaluations of the local-preference programs to determine its effectiveness in addressing the Board of Education's objectives.

21. Evaluate the Direct Payment process (those payments made without a purchase order) to ensure these transactions are reviewed and approved by the Procurement Services unit and are in accordance with district policy.

ATTACHMENT A. STRATEGIC SUPPORT TEAM

Robert Carlson

Robert Carlson is Director of Management Services for the Council of the Great City Schools. In that capacity, he provides Strategic Support Teams and manages operational reviews for superintendents and senior managers; convenes annual meetings of Chief Financial Officers, Chief Operating Officers, Transportation Directors, and Chief Information Officers and Technology Directors; fields hundreds of requests for management information; and has developed and maintains a Web-based management library. Prior to joining the Council, Dr. Carlson was an executive assistant in the Office of the Superintendent of the District of Columbia Public Schools. He holds doctoral and master's degrees in administration from The Catholic University of America; a B.A. degree in political science from Ohio Wesleyan University; and has done advanced graduate work in political science at Syracuse University and the State Universities of New York.

David Koch

David Koch is the former Chief Administrative Officer for the Los Angeles Unified School District (LAUSD), the nation's second largest public-school system. Mr. Koch's responsibilities encompassed virtually all non-instructional operations of the District, including finance, facilities, information technology, and all business functions. Mr. Koch also served the LAUSD as Business Manager, Executive Director of Information Services, and Deputy Controller. Mr. Koch was also Business Manager for the Kansas City, Missouri Public School District and was with Arthur Young and Company prior to entering public service. He is a graduate of the University of Missouri and a Certified Public Accountant in the states of California, Missouri, and Kansas. Currently a resident of Long Beach, California, Mr. Koch provides consulting services to public sector clients and companies doing business with public sector agencies.

Gary Appenfelder

Gary Appenfelder has been the Director of Purchasing & Ethics for the Metropolitan Nashville Public Schools for nearly six years. Prior to that, Mr. Appenfelder had over 30 years of experience in private industry Procurement, Supply Chain, and Operations Management with a variety of world-leading companies such as Texas Instruments, Koch Industries, and Cray Research. He is a graduate of the U.S. Naval Academy and served his country for nine years as a U.S. Marine Corps jet pilot.

Kristen DeCato

Kristen DeCato is the Director of Procurement & Risk Management for the Milwaukee Public Schools and has been with the district for 8 years in various capacities. In this capacity, she is responsible for all district purchasing and contracting, and managing the district's risk portfolio, including workers' compensation and all insured programs. Prior to moving the public education, Ms. DeCato practiced law for 5 years, representing public and private clients, including school districts and other municipal entities. Ms. DeCato also served as a contributing

author to the white paper published by the Council of Great City School entitled: *Enterprise Risk Management in the Great City Schools*. Ms. DeCato is a graduate of James Madison University and a juris doctor from University of Pittsburgh School of Law.

Michael Eugene

Michael Eugene is the Chief Operating Officer for the Orange (Florida) County Public Schools. In that capacity, he leads Food & Nutrition Services, Transportation, Information Technology, Safety & Security, Procurement & Contracts, Warehouse Operations, and Building Code Compliance. Prior to joining Orange County, he was Business Manager for the Los Angeles Unified School District. Mr. Eugene also served as the Chief Operating Officer for the Cleveland Metropolitan School District. Mr. Eugene serves in a voluntary capacity as co-director of the Council of the Great City Schools' "Managing for Results" KPI Program. Before joining public education, Mr. Eugene was a management consultant in the private and not-for-profit sectors, specializing in performance measurement, benchmarking, and public budgeting. Mr. Eugene holds a master's degree in public administration.

James Skrobo

James Skrobo has 17 years in education procurement and is the Purchasing Manager for the Omaha Public Schools. In this capacity, he has responsibility for and experience in service contract management, manages the daily activities of a staff of 13, and is the Division's software system super user. Mr. Skrobo has long experience particularly in the procurement of the commodity areas of computers, network infrastructure, short / long term services, furniture, music supplies and instruments, classroom supplies, textbooks, special education and vehicles. Mr. Skrobo was involved in the District's original implementation of the Financial Information System software, was the Functional Lead for the 2006 upgrade, and currently is in a leadership position for an upcoming upgrade and reimplementation of that system. His prior experience in private procurement included working with General Electric's Apparatus Service Division, as well as with Kiewit Construction on the nationwide Level 3 project. Mr. Skrobo graduated from the University of Illinois with a degree in Marketing.

Christopher Steele

Christopher Steele is the former Assistant Superintendent for Budget & Planning for the Portsmouth (Virginia) Public Schools, and previously served as the Senior Director of Purchases & Supply at Norfolk City Public Schools. Mr. Steele has over 30 years' experience in operational supply chain logistics, financial management, facility management and acquisition contracting with both the public (federal, state, and K-12) and private sector. Mr. Steele holds a master's degree in engineering and business from the University of Kansas, a master's degree in human resource management from Pepperdine University, and a B.S. degree in chemistry from Pennsylvania State University. Mr. Steele attained the following certifications: Certified Public Procurement Officer (CPPO), Certified Purchasing Manager (C.P.M.), Certified Management Accountant (CMA), Certified Purchasing Card Professional (CPCP) and the highest certification level in the federal Acquisition Professional Corps.

ATTACHMENT B. WORKING AGENDA

Strategic Support Technical Assistance Team
Procurement Services
Shelby County Schools
December 11 – 14, 2016

Contact: Jenikka Oglesby, JD
Business Operations

Cell: 901-267-6134.
Email: oglesbyjc@scsk12.org

Working Agenda
Subject to Change as Required

Sunday, December 11	**Team Arrival** Holiday Inn University of Memphis 3700 Central Avenue Memphis, TN 38111	
6:15 p.m.	**Team to Meet in Hotel Lobby**	
6:30 p.m.	**Dinner Meeting** Restaurant TBD	**Dorsey Hopson** Superintendent (TBD) Cerita Butler Chief Operations Officer
Monday, December 12		
7:00 - 7:45 a.m.	Continental Breakfast	**Requirements** Internet Connectivity White Board/Flip Charts LCD Projector Central Office Barnes 214
8:00 - 9:00 a.m.	Team Interview	**Jonathan Lawshe** Interim Director of Procurement
9:15 - 10:15 a.m.	Team Interview	**Dwan Gilliom** Executive Director of Facilities
10:30 - 11:30 a.m.	Team Interview	**Marjorie Douglas/ Deanna Mcleandon** Federal Programs/ Headstart
12:00 - 1:00 p.m.	Working Luncheon	
1:00 - 2:00 a.m.	Team Interview	**Lin Johnson** Chief of Finance

2:15 - 3:15 p.m.	Team Interview	**Leon Pattman** Chief of Audit
3:30 - 4:30 p.m.	Team Interview	**Rodney Moore** General Counsel
4:15 - 5:00 p.m.	Team Interview	**Angela Carr** **Deputy Chief of Finance/ Reporting/Budget**
4:15 p.m.	Team Discussion of Work Plan for Balance of Site Visit	

Tuesday, December 13

7:00 - 7:45 a.m.	Continental Breakfast	
8:00 - 8:45 a.m.	Team Interviews	**ALL Buyers**
9:15 - 10:00 a.m.	Team Interviews	**Charkesiaha Pegus/ Tammy Bradford** Inventory Clerks/ Asset Mmgt
10:15 - 11:00 a.m.	Team Interviews	**Lisa Shaw** Fast Track Specialists
11:15 - 12:00 a.m.	Team Interview	**Victoria Locklyn** Senior Buyer, CNC
12:00 - 1:00 p.m.	Working Luncheon	
1:00 - 2:00pm	Team Interview	**John Williams** Chief IT
2:15 - 3:00 p.m.	Team Interview	**Cerita Butler** Chief of Business Operations
3:30 - 4:15 p.m.	Team Interviews	
	Team Discussion of Work Plan for Balance of Site Visit	

Wednesday, Dec.14

7:00 - 7:45 a.m.	Continental Breakfast	
8:00 – 12:00 Noon.	Team Meeting	**Discussion of Findings & Recommendations**
12:00 - 1:00 p.m.	Working Luncheon & Debriefing	**Dorsey Hopson** Superintendent (TBD) **Cerita Butler** Chief Operations Officer
1:00 p.m.	Adjournment & Departures	

ATTACHMENT C. DISTRICT PERSONNEL INTERVIEWED

- Brian Stockton, Chief of Staff
- Rodney Moore, General Counsel
- Lin Johnson, Chief Finance Officer
- Leon Patton, Chief Internal Auditor
- John Williams, Chief Information Officer
- Cerita Butler, Interim Chief of Operations Officer
- Dwan Gilliom, Executive Director, Facilities
- Jonathan Lawshe, Interim Procurement Director
- Leonard Myers, Major Construction Manager
- Jada Kirk, Facilities Financial Analyst
- Deanna Mcleandon, Headstart Program
- Marjorie Douglas, Federal Programs
- Angela Carr, Deputy Chief Financial Officer
- Tony Jones, Buyer
- Wendy Stolotz, Buyer
- Andre Woods, Buyer
- Faith Mungah, Buyer
- Tammy Bradford, Data Information specialist
- Charkesiaha Pegus, Inventory Clerk
- Lisa Shaw, Fast Lane Specialist
- Sybille Noble, Associate General Counsel
- David Lou, Accounts Payable
- Stanley Robinson, Accounting Manager

ATTACHMENT D. DOCUMENTS REVIEWED

- School District Organizational Chart, undated
- Division of Business Operations Organization Chart, undated
- Contract Request Process, 2010
- Contract Review Process, undated
- Contract Requirements, Approval and Signatory Authority, revised 6/25/13
- Insurance Requirements, undated
- Memorandum of Delegation of Signatory Authority, undated
- Necessity Contracts, undated
- Compliance to Board Policy #2006 – Purchasing Authority, May 19, 2014
- Accounts Payable User Information (payment approval process), undated
- Board Policy – 2006, Purchasing Authority, revised 4/26/16
- Board Procurement Committee Meeting Minutes, 10.5.2016
- Procurement Services Reference Manual, undated
- Procurement Services Project Request Form, undated
- How to Create a Requisition / PO on APECS, FY16
- Process for RFP/RFQ Projects, undated
- Proposed Project Request Form, undated
- Request for Proposal (template), April 11, 2014
- Sample Purchase Order, 11/19/16
- Travel Request, undated
- Direct Spend, FY 2017 (Prepared at CGCS request)
- Spend by Commodity Code, FY 2017 (Prepared at CGCS request)
- Vendor Activity, FY 2017 (Prepared at CGCS request)
- PO Spend, FY 2017 (Prepared at CGCS request)
- FY 17 Contracts to date (Prepared at CGCS request)
- 16-17 and 17-19 SMART Goals
- 2015 Compliance Document

ATTACHMENT E. HISTORY OF REVIEWS CONDUCTED BY THE COUNCIL

History of Strategic Support Teams of the Council of the Great City Schools

The following is a history of the Strategic Support Teams provided by the Council of the Great City Schools to its member urban school districts over the last 18 years.

City	Area	Year
Albuquerque		
	Facilities and Roofing	2003
	Human Resources	2003
	Information Technology	2003
	Special Education	2005
	Legal Services	2005
	Safety and Security	2007
	Research	2013
	Human Resources	2016
Anchorage		
	Finance	2004
	Communications	2008
	Math Instruction	2010
	Food Services	2011
	Organizational Structure	2012
	Facilities Operations	2015
	Special Education	2015
	Human Resources	2016
Atlanta		
	Facilities	2009
	Transportation	2010
Austin		
	Special Education	2010
Baltimore		
	Information Technology	2011
Birmingham		
	Organizational Structure	2007
	Operations	2008
	Facilities	2010
	Human Resources	2014
	Financial Operations	2015
Boston		
	Special Education	2009
	Curriculum & Instruction	2014

	Food Service	2014
	Facilities	2016
Bridgeport		
	Transportation	2012
Broward County (FL)		
	Information Technology	2000
	Food Services	2009
	Transportation	2009
	Information Technology	2012
Buffalo		
	Superintendent Support	2000
	Organizational Structure	2000
	Curriculum and Instruction	2000
	Personnel	2000
	Facilities and Operations	2000
	Communications	2000
	Finance	2000
	Finance II	2003
	Bilingual Education	2009
	Special Education	2014
Caddo Parish (LA)		
	Facilities	2004
Charleston		
	Special Education	2005
	Transportation	2014
Charlotte- Mecklenburg		
	Human Resources	2007
	Organizational Structure	2012
	Transportation	2013
Cincinnati		
	Curriculum and Instruction	2004
	Curriculum and Instruction	2009
	Special Education	2013
Chicago		
	Warehouse Operations	2010
	Special Education I	2011
	Special Education II	2012
	Bilingual Education	2014
Christina (DE)		
	Curriculum and Instruction	2007
Cleveland		
	Student Assignments	1999, 2000
	Transportation	2000
	Safety and Security	2000
	Facilities Financing	2000

	Facilities Operations	2000
	Transportation	2004
	Curriculum and Instruction	2005
	Safety and Security	2007
	Safety and Security	2008
	Theme Schools	2009
Columbus		
	Superintendent Support	2001
	Human Resources	2001
	Facilities Financing	2002
	Finance and Treasury	2003
	Budget	2003
	Curriculum and Instruction	2005
	Information Technology	2007
	Food Services	2007
	Transportation	2009
Dallas		
	Procurement	2007
	Staffing Levels	2009
	Staffing Levels	2016
Dayton		
	Superintendent Support	2001
	Curriculum and Instruction	2001
	Finance	2001
	Communications	2002
	Curriculum and Instruction	2005
	Budget	2005
	Curriculum and Instruction	2008
Denver		
	Superintendent Support	2001
	Personnel	2001
	Curriculum and Instruction	2005
	Bilingual Education	2006
	Curriculum and Instruction	2008
	Common Core Implementation	2014
Des Moines		
	Budget and Finance	2003
	Staffing Levels	2012
	Human Resources	2012
	Special Education	2015
	Bilingual Education	2015
Detroit		
	Curriculum and Instruction	2002
	Assessment	2002
	Communications	2002

	Curriculum and Assessment	2003
	Communications	2003
	Textbook Procurement	2004
	Food Services	2007
	Curriculum and Instruction	2008
	Facilities	2008
	Finance and Budget	2008
	Information Technology	2008
	Stimulus planning	2009
	Human Resources	2009
Fresno		
	Curriculum and Instruction	2012
Guilford County		
	Bilingual Education	2002
	Information Technology	2003
	Special Education	2003
	Facilities	2004
	Human Resources	2007
Hillsborough County		
	Transportation	2005
	Procurement	2005
	Special Education	2012
	Transportation	2015
Houston		
	Facilities Operations	2010
	Capitol Program	2010
	Information Technology	2011
	Procurement	2011
Indianapolis		
	Transportation	2007
	Information Technology	2010
	Finance and Budget	2013
Jackson (MS)		
	Bond Referendum	2006
	Communications	2009
Jacksonville		
	Organization and Management	2002
	Operations	2002
	Human Resources	2002
	Finance	2002
	Information Technology	2002
	Finance	2006
	Facilities operations	2015
	Budget and finance	2015
Kansas City		

	Human Resources	2005
	Information Technology	2005
	Finance	2005
	Operations	2005
	Purchasing	2006
	Curriculum and Instruction	2006
	Program Implementation	2007
	Stimulus Planning	2009
	Human Resources	2016
	Transportation	2016
	Finance	2016
	Facilities	2016
	Curriculum and Instruction	2016
Little Rock		
	Curriculum and Instruction	2010
Los Angeles		
	Budget and Finance	2002
	Organizational Structure	2005
	Finance	2005
	Information Technology	2005
	Human Resources	2005
	Business Services	2005
Louisville		
	Management Information	2005
	Staffing study	2009
Memphis		
	Information Technology	2007
	Special Education	2015
	Food Services	2016
	Procurement	2016
Miami-Dade County		
	Construction Management	2003
	Food Services	2009
	Transportation	2009
	Maintenance & Operations	2009
	Capital Projects	2009
	Information Technology	2013
Milwaukee		
	Research and Testing	1999
	Safety and Security	2000
	School Board Support	1999
	Curriculum and Instruction	2006
	Alternative Education	2007
	Human Resources	2009
	Human Resources	2013

	Information Technology	2013
Minneapolis		
	Curriculum and Instruction	2004
	Finance	2004
	Federal Programs	2004
	Transportation	2016
	Organizational Structure	2016
Nashville		
	Food Service	2010
	Bilingual Education	2014
	Curriculum and Instruction	2016
Newark		
	Curriculum and Instruction	2007
	Food Service	2008
New Orleans		
	Personnel	2001
	Transportation	2002
	Information Technology	2003
	Hurricane Damage Assessment	2005
	Curriculum and Instruction	2006
New York City		
	Special Education	2008
Norfolk		
	Testing and Assessment	2003
	Curriculum and Instruction	2012
Omaha		
	Buildings and Grounds Operations	2015
	Transportation	2016
Orange County		
	Information Technology	2010
Palm Beach County		
	Transportation	2015
Philadelphia		
	Curriculum and Instruction	2003
	Federal Programs	2003
	Food Service	2003
	Facilities	2003
	Transportation	2003
	Human Resources	2004
	Budget	2008
	Human Resource	2009
	Special Education	2009
	Transportation	2014
Pittsburgh		
	Curriculum and Instruction	2005

	Technology	2006
	Finance	2006
	Special Education	2009
	Organizational Structure	2016
	Business Services and Finance	2016
	Curriculum and Instruction	2016
	Research	2016
Portland		
	Finance and Budget	2010
	Procurement	2010
	Operations	2010
Prince George's County		
	Transportation	2012
Providence		
	Business Operations	2001
	MIS and Technology	2001
	Personnel	2001
	Human Resources	2007
	Special Education	2011
	Bilingual Education	2011
Reno		
	Facilities Management	2013
	Food Services	2013
	Purchasing	2013
	School Police	2013
	Transportation	2013
	Information Technology	2013
Richmond		
	Transportation	2003
	Curriculum and Instruction	2003
	Federal Programs	2003
	Special Education	2003
	Human Resources	2014
Rochester		
	Finance and Technology	2003
	Transportation	2004
	Food Services	2004
	Special Education	2008
Sacramento		
	Special Education	2016
San Diego		
	Finance	2006
	Food Service	2006
	Transportation	2007
	Procurement	2007

San Francisco		
	Technology	2001
St. Louis		
	Special Education	2003
	Curriculum and Instruction	2004
	Federal Programs	2004
	Textbook Procurement	2004
	Human Resources	2005
St. Paul		
	Special Education	2011
	Transportation	2011
Seattle		
	Human Resources	2008
	Budget and Finance	2008
	Information Technology	2008
	Bilingual Education	2008
	Transportation	2008
	Capital Projects	2008
	Maintenance and Operations	2008
	Procurement	2008
	Food Services	2008
	Capital Projects	2013
Toledo		
	Curriculum and Instruction	2005
Washington, D.C.		
	Finance and Procurement	1998
	Personnel	1998
	Communications	1998
	Transportation	1998
	Facilities Management	1998
	Special Education	1998
	Legal and General Counsel	1998
	MIS and Technology	1998
	Curriculum and Instruction	2003
	Budget and Finance	2005
	Transportation	2005
	Curriculum and Instruction	2007
	Common Core Implementation	2011
Wichita		
	Transportation	2009