

Purchasing Working Group Final Report

21st Century Demonstration Project Grant

January 2012



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Summary and Background

Education is a significant enterprise in Nassau County, particularly when it comes to non-instructional functions and administration, including purchasing. The functions of the purchasing office are simple, yet vast and complex. It is the role of the purchasing office in school districts to procure goods and services for use by teachers, administrators, and students. These services range from energy sources and commodities such as gasoline, diesel fuel, salt, and paper to legal, financial and other professional services such as building condition survey services.

All school districts have staff dedicated to purchasing functions. Generally, local governments and school districts are required to advertise for competitive bids when procurements exceed certain dollar thresholds. Purchase contracts involving expenditures in excess of \$10,000 (\$20,000 effective June 22, 2010)⁴ and contracts for public work involving expenditures in excess of \$20,000 (\$35,000 effective November 12, 2009) are subject to competitive bidding under the law.¹ Contracts are awarded to the “lowest responsible bidder” after public advertisement for sealed bids. As many of the school districts in both Nassau County and the entire state serve large populations of students and administrators, there are numerous products and services that schools require annually that must be competitively bid to vendors.

Individuals staffed in the purchasing offices of school districts are also responsible for coordinating with other departments within their respective districts, particularly in larger districts with significant purchasing, finance, accounting, maintenance, and legal functions. Coordination among these departments allows for school districts to maximize the benefits of their purchases and services under contract. Also, in many school districts, purchasing offices work closely with BOCES to provide centralized services that a school district may not have the ongoing need to staff with full time employees. These services can range from payroll services, accounting, and centralized purchasing of textbooks and other supplies. BOCES provides a significant benefit for small school districts by ensuring that their needs are met in the same manner as larger schools with greater resources.

With 56 school districts in a county that is only 285 square miles, Nassau County has more schools per square mile than any other county in New York as well as being home to the second largest student population in the State outside of New York City. In order to administer and provide the education of these 200,000 plus students, school districts annually purchase supplies and services that allow for this system to function properly. However, over time, costs associated with the purchasing function have increased significantly, largely driven by employee costs, which have increased by \$1.5 million, or 64.6 percent, from 2006 to 2010.²

According to data reported to and published by the State Education Department (SED)³, total purchasing function expenditures in Nassau County have increased from an estimated \$3.0 million in 2005-06 to almost \$4.5 million in 2009-10 (See [Figure 1](#)). However, this represents a relatively small component of

¹ <http://www.osc.state.ny.us/localgov/pubs/lmg/seekingcompetition.pdf>

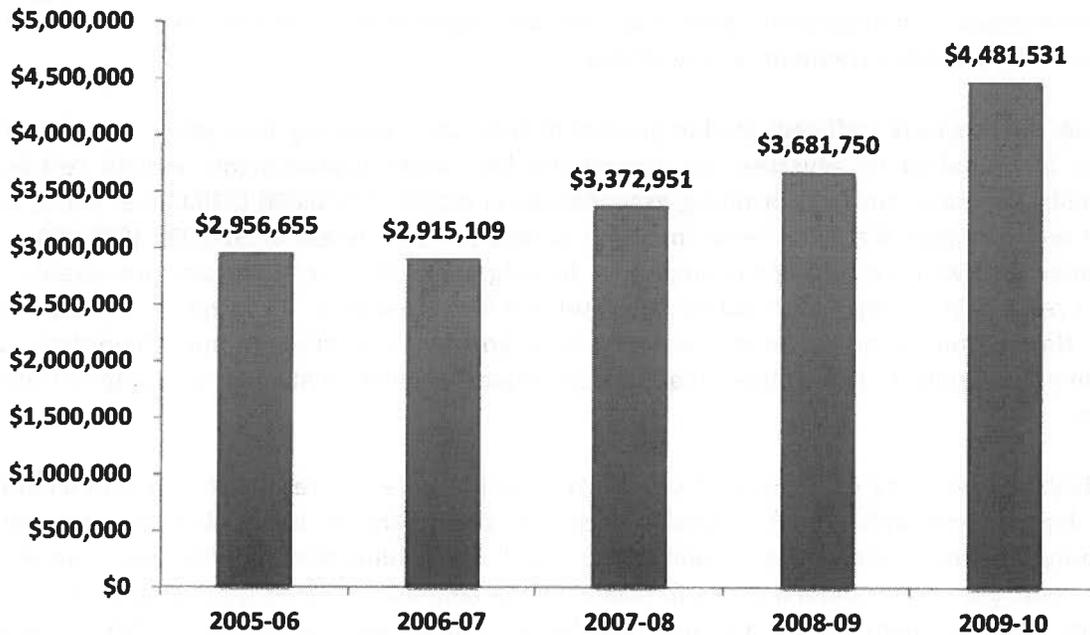
² Based on data obtained from the New York State Office of the Comptroller

³ School districts annually report data to the State Education Department via the State Aid Management System. This data is compiled into comprehensive electronic files commonly referred to as “ST-3 data”.



total school district spending in Nassau County, which was \$5.1 billion in the 2010 school year.⁴ Also, the purchasing function is a wide-ranging expense area that could be interpreted to cover many services, items, and staff. However, the data reported to SED and presented in the chart below largely only captures the administrative costs of the purchasing function and some nominal supplies and materials.

Figure 1: Total Nassau County School District Estimated Purchasing Function Expenditures: 2005-06 to 2009-10



For a multitude of reasons, school districts, like other levels of government purchase and contract for varying professional services on an annual basis. These services are wide-ranging, from financial and legal services to maintenance and pupil transportation services. One of these recurring expenses for school districts is building maintenance. There are currently 371 schools buildings within the 56 public school districts in Nassau County.⁵ This amount ranks second to only Suffolk County.⁶ Maintenance and safety are paramount requirements and one service that is required by state law is a building condition survey, or “BCS”.⁷ These surveys are conducted by licensed, professional architects and engineers on a rolling five year basis. All buildings owned by the school district must be inspected and those results must be made public. This process is a vast and can be a costly undertaking for school districts.

⁴ Based on data obtained from the New York State Office of the Comptroller

⁵ Reflects universe of separate school buildings, segregated by individual BEDS code, per school district. Does not reflect individual buildings but rather individual schools.

⁶ This ranking does not account for the five counties that comprise New York City – Brooklyn, Bronx, Manhattan, Queens, and Richmond.

⁷ In 1998, legislation titled “Rebuilding Schools to Uphold Education”, also known as RESCUE, was enacted by the State Legislature.



Working Group and Initiative History

The Steering Committee identified cooperative purchasing of goods and services as a top priority area and immediately began to pursue cooperative purchasing opportunities between the schools, BOCES, the County, and other municipalities through the Purchasing Working Group. While the Purchasing Working Group initially had planned to implement a “Just-in-Time” purchasing program, it was later deemed not feasible for school districts and the working group shifted their focus to cooperative purchasing opportunities.⁸ The Purchasing Working Group pursued the issuance of a cooperative RFP for the 2010 Building Condition Survey (BCS) and Visual Inspections for 2011 through 2013. The RFP was released in May 2010, and proposals were reviewed through August in anticipation of inspections beginning in September.

The Purchasing activities were led by a working group of 14 members, which consisted of school board members, business officials (both from BOCES and school districts), facility directors, County officials and consultants. Table 1 details working group membership and affiliations:

Table 1: 21st Century Demonstration Purchasing Working Group

Name	Affiliation
Al Chase	Garden City School District
Anthony Fierro	Nassau BOCES
Terry Hood	Great Neck School District
Frank Intagliata	Nassau County
Armand Markarian	Manhasset School District
Michael Perina	Nassau BOCES
Angela Pierce	Syosset School District
Bara Ross	Nassau County
Michael Schlenoff	Nassau County
Dennis Sheridan	Hewlett-Woodmere School District
Joan Siegel	Nassau BOCES
Robert Transom	Oceanside School District
Stephen Witt	Hewlett-Woodmere School District

Over the past two years, the working group conducted business in monthly meetings, or as often as needed as they investigated, researched and analyzed cooperative purchasing opportunities. Minutes of these meetings can be found in Appendix D of this document. The main tasks undertaken by the working group included:

General Project Management

- ✓ Solicited working group members from a broad base of stakeholders, including: School board members (individual districts and BOCES), school business officials, and technical consultants
- ✓ Organized meeting schedules and coordinated with working group members to maximize attendance and participation

⁸ The Lessons Learned section of the report explains why the JIT program was not pursued by the Purchasing Working Group.



- ✓ Developed a work plan which outlined: An overview of group objectives; group members; and point-by-point activity categories with corresponding deliverables and timeline milestones

Technical Activities

- ✓ Drafted RFP for a firm to provide building condition survey services to school districts
- ✓ Conducted outreach activities to generate publicity

Cost Savings Documentation and Analysis

- ✓ Collected data on building condition survey costs for three most recent rounds of surveys (2000-01, 2005-06, and 2010-11 school years) via survey and state agency data sources
- ✓ Provided description in narrative and graphical format of total school district building condition survey expenditures, with analysis of spending trends, cost drivers and data adjustment for outliers and other anomalies
- ✓ Developed multi-year spending forecast with "high-end" and "low-end" estimates

Building condition surveys of all district buildings are required by State Education Law to be conducted every five years; in the interim, annual visual inspections are required.

Annual Visual Inspections:

- Require districts to inspect physical facilities for evidence of movement, deterioration or structural failure.
- Inspections may be conducted by a team of district officials, although some districts procure a professional engineer or licensed architect as part of a Building Condition Survey contract.

Building Condition Survey:

- Initially conducted on all school buildings in November 2000; subsequent surveys are conducted in five-year intervals (2005, 2010 and so forth).
- Must be conducted by a licensed architect or professional engineer, and involves inspection of all program spaces and major building system components.
- Significant reporting requirements to the State Education Department.

The last round of State-mandated building condition surveys were due for all districts by November 15, 2010, and reports by the licensed architect or professional engineer performing the survey were scheduled to be submitted on January 15, 2011.

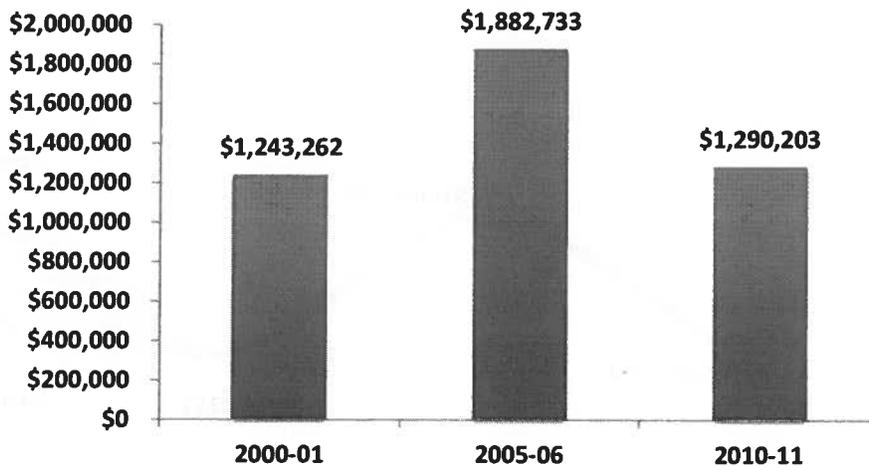
Prior to this cooperative initiative, most school districts procured building condition survey services individually. This initiative aimed to leverage the combined purchasing power of Nassau school districts and Nassau BOCES to achieve maximum costs savings. All 56 school districts and BOCES were invited to participate and 25 school districts and BOCES confirmed they utilized the cooperative RFP. School District participation was limited due to multiple school districts negotiating with BCS vendors before the joint RFP was issued and other unique circumstances.



Historical Initiative Spending

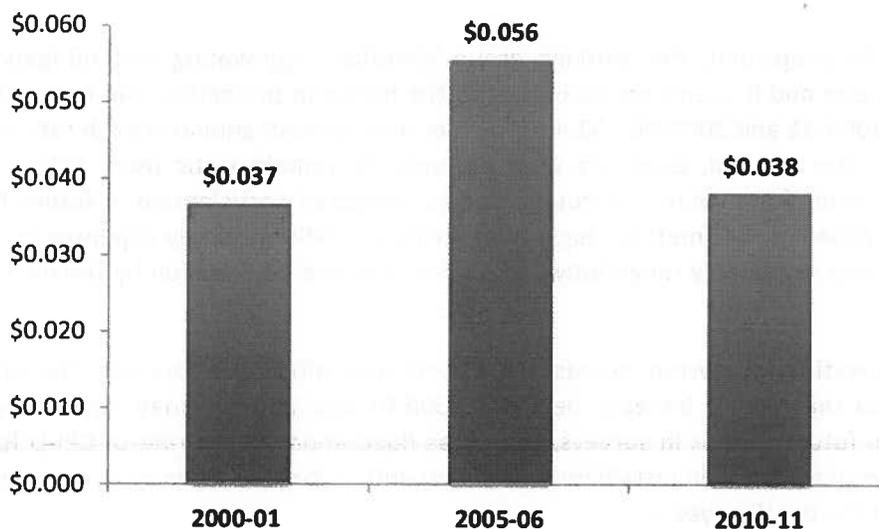
As the building condition survey is conducted on a five-year rolling basis, only three rounds have occurred since the implementation of the law. Between 2000-01 and 2005-06, estimated spending for building condition surveys increased by 51.4 percent, from \$1.2 million to \$1.9 million over this time period. However, between 2005-06 and 2010-11, expenditures for these services are estimated to have decreased by 31.4 percent to \$1.3 million, similar to the amount spent in 2000-01.

Figure 2: Estimated BCS Spending, All Nassau School Districts and BOCES



The return to 2000-01 spending levels during the 2010-11 round not surprisingly had a similar effect on cost per square foot. Estimated per square foot spending for all districts in Nassau County increased from \$0.037/ft² in 2000-01 to \$0.056/ft² in 2005-06; it then decreased to \$0.038/ft² in 2010-11.

Figure 3: Estimated Average BCS Expense per Square Foot, All Nassau County Districts and BOCES

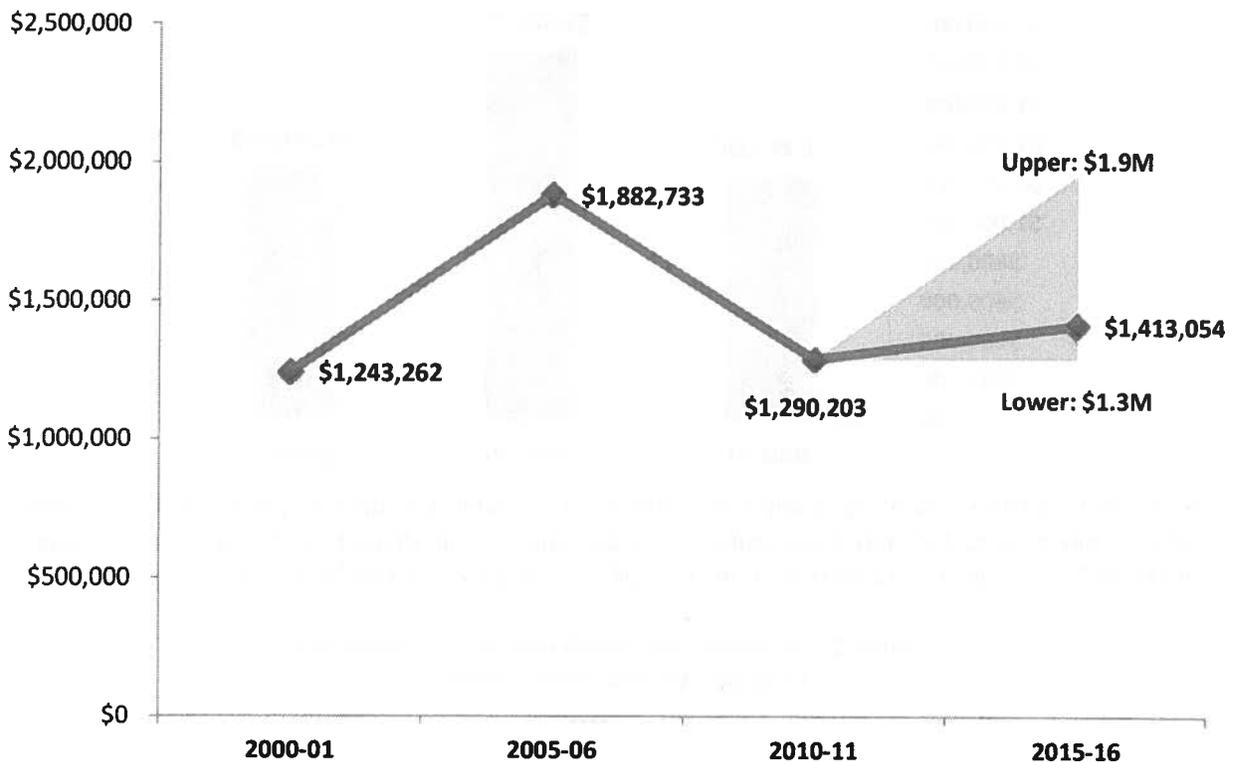




Current Services Forecast

Baseline data indicates that building condition survey expenditures have decreased from 2005-06 spending levels. However, expenditures for all districts could further increase or decrease in the coming years. Based on Regional CPI-U Forecasts through Fiscal Year 2015 estimated by the New York City Independent Budget Office, countywide baseline expenses for BCS services is projected to be \$1.4 million in 2015-16, the next school year where BCS services are required.

Figure 4: Total Building Condition Survey Spending, Estimates and Forecast Range



In developing the projection, the working group identified aggravating and mitigating factors that resulted in high-end and low-end projections. For the high-end projection, the rate of increase in BCS costs between 2000-01 and 2005-06 - 51.4 percent or a compound annual growth rate of 10.93 percent - was used. For the low-end, expenses were assumed to remain static from 2010-11. The low-end projection may result from volume discounts due to increased participation in future RFPs by Nassau school districts. Based on this methodology, total building condition survey expenses for Nassau County school districts may reasonably range between \$1.9 million and \$1.3 million by the next round in 2015-16.

As with any projection, numerous events and factors may affect the forecast. The projected annual change based on the rate of increase between 2000-01 and 2005-06 may not be representative of growth between future rounds in surveys, as well as fluctuations in the rate of CPI-U for the NY-NJ-CT region due to recent economic instability and uncertainty. Also, the forecast is constrained by limited available data in the baseline years.



Building Condition Survey Forecast Confidence Range High-End Scenarios: The following scenarios are possible under certain parameters, as described below, and may result in higher than estimated costs:

- State regulations or laws mandate annual surveys be conducted, rather than on a five year rolling basis. This could be compelled by a natural disaster, such as hurricanes or flood damage that significantly impacts structural integrity of aging buildings.
- School districts bid services out individually and are unable to take advantage of volume discounting.
- School districts again issue joint RFP for BCS services but vendor responses decline, resulting in fewer competitive prices.
- Overall BCS service vendors incur unmitigated cost pressures that result in higher pricing structures.
- Other.

Building Condition Survey Forecast Confidence Range Low-End Scenarios: These scenarios would have a positive effect on school district spending by reducing those costs associated with BCS services:

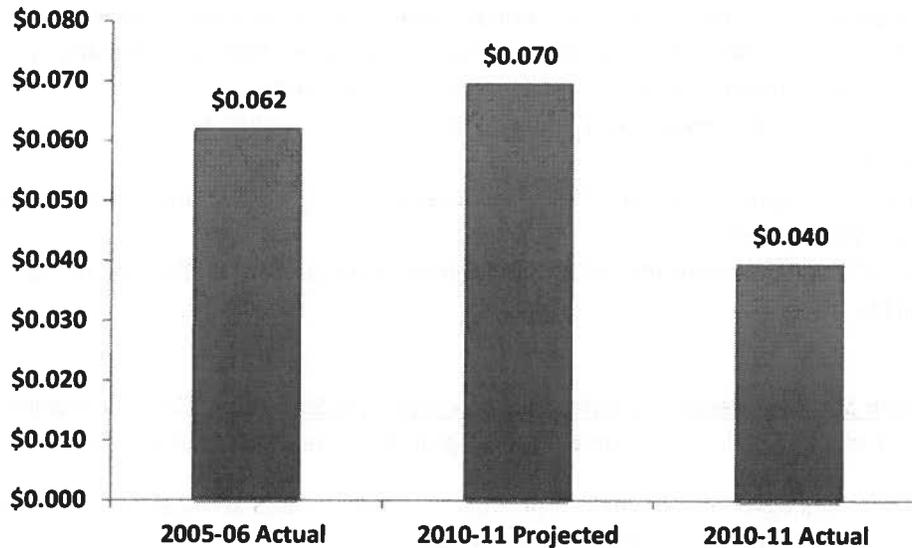
- Shared services agreements and cooperative bidding for BCS services results in lower flat rates or volume discounts for all participating districts.
- Greater participation by school districts in joint RFP provides for even greater volume discounts from vendors.
- More service providers establish a presence in Nassau County to respond to the business opportunity represented by a cooperative bid.
- Other.

2010-11 Building Condition Survey Costs & Savings

Based on bids received from seven firms, school districts were able to achieve considerable savings in 2010-11 compared to what was projected to be spent in that same year and prior period historical spending. Total Actual spending for 2010-11, based on surveyed data, amounted to approximately \$0.04/ft². Projected amounted to \$0.07/ft². The projection assumed BCS spending levels comparable to 2005-06 with some minimal price inflation.



**Figure 5: BCS Expense per Square Foot for Participating Districts,
2005-06 Actuals vs. 2010-11 Projections and Actuals**



The working group employed two cost savings methodologies when reviewing the results of the BCS RFP. The first savings methodology ([Table 2](#)) is the most conservative and assumes that savings are equal to 2005-06 actual and estimated BCS spending by participating school districts and BOCES less 2010-11 actual spending by the participating school districts and BOCES. Estimates include all school districts that confirmed they used the RFP prices.

Table 2: 2005-06 vs. 2010-11 Actual Spending for Participating School Districts

	2005-2006 Spending for Participating School Districts	2010-11 Actual Spending for Participating School Districts	2010-11 Savings
2005-06 Actual Spending Less 2010-11 Actual Spending:	\$896,679	\$572,444	\$387,670

The second cost savings methodology ([Table 3](#)) is less conservative and assumes that savings are equal to 2010-11 projected BCS spending for the participating school districts and BOCES less 2010-11 actual spending by the participating school districts and BOCES. 2010-11 projected spending was estimated by inflating 2005-2006 BCS spending at the Long Island regional CPI-U from 2006 to 2011 (12.1%, see [Appendix C](#)).

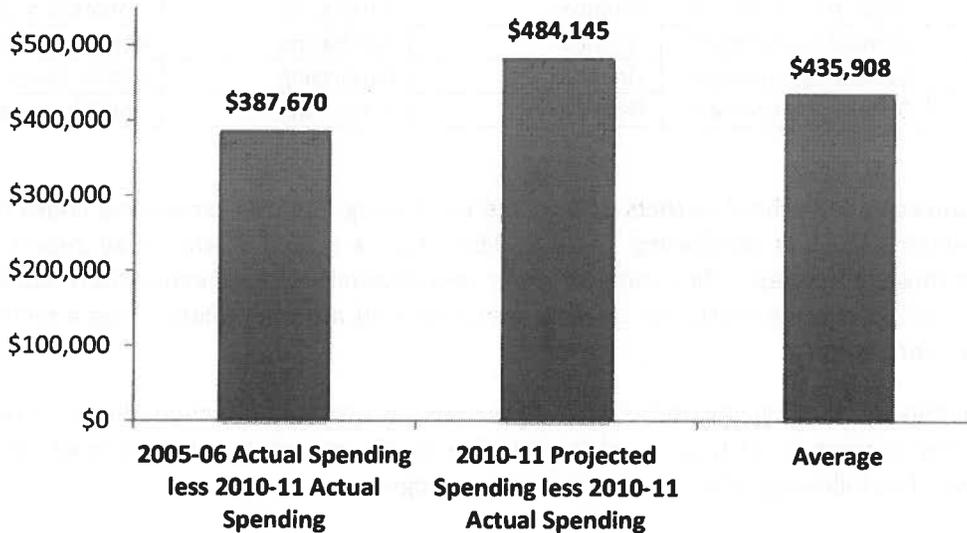
Table 3: 2010-11 Projected vs. Actual Spending for Participating School Districts

	2010-11 Projected Spending	2010-11 Actual Spending for Participating School Districts	2010-11 Savings
2010-11 Projected Spending less 2010-11 Actual Spending:	\$1,005,559	\$572,444	\$484,145



As [Figure 6](#) details, savings estimates range from \$387,670 to \$484,145. While other cost saving methodologies would have provided greater savings estimates (e.g., using BCS growth trends) the purchasing working group concluded that the more conservative cost savings methodologies were appropriate.

Figure 6: Cost Savings Methodologies Comparison



Methodology and Data Notes

Historical Purchasing Function Expenditures

PFM collected various purchasing data via survey instruments and publicly available data sources. Total purchasing costs, as illustrated in [Figure 1](#), were estimated by reviewing and analyzing school district data provided to the New York State Education Department (SED) through the State Aid Management System (SAMS) and segregated using the hierarchy of accounting and object codes, school districts self report. The following codes are provided to school districts to report on purchasing function spending:



Table 4: State Education Purchasing Account Codes

Account Number	Expenditure Level 1	Expenditure Level 2	Expenditure Level 3	Description
A1345.15	General Government ⁹	Finance ¹⁰	Purchasing	Instructional Salaries
A1345.16	General Government	Finance	Purchasing	Non-instructional Salaries
A1345.2	General Government	Finance	Purchasing	Equipment
A1345.4	General Government	Finance	Purchasing	Contractual and Other
A1345.45	General Government	Finance	Purchasing	Materials and Supplies
A1345.49	General Government	Finance	Purchasing	BOCES Services
A1345.0	General Government	Finance	Purchasing	Total Purchasing

In some instances not all school districts utilized the purchasing function accounting codes as displayed in Table 1 when reporting purchasing costs to SED (e.g., a school district may report purchasing expenditures through business office codes or other central administration expenditure codes). In order to estimate total purchasing costs, the working group derived a methodology using a factor based on school district enrollment.

This methodology involved dividing total purchasing costs, as reported by school districts under account A1345.0, by the percentage of total enrollment in Nassau County those school districts that provided data represent. The following table details that methodology:

Table 5: Total Purchasing Costs Methodology

	2005-06	2006-07	2007-08	2008-09	2009-10
Purchasing Data Submitted	\$1,508,530	\$1,555,635	\$1,672,280	\$1,857,676	\$2,191,431
Total Enrollment, Schools Submitting Data	106,262	110,502	102,078	103,218	99,922
Total Enrollment, Nassau County	208,269	207,070	205,889	204,569	204,343
% Factor	51.02%	53.36%	49.58%	50.46%	48.90%
Pro-Rated Total	\$2,956,655	\$2,915,109	\$3,372,951	\$3,681,750	\$4,481,531

Note: The historical annual purchasing costs are estimated and the data is subject to limitations including the interpretation of expenditures and their respective codes by administrative staff and business officials when they are reporting and other validity issues of self-reported data.

Building Condition Survey Historical Spending

To determine BCS baseline cost estimates, the working group compiled survey data from participating school districts as well as data provided by SED, with a preference towards using survey data. For non-participating school districts and participating districts where incomplete data was provided, a weighted cost per square foot factor was derived to estimate total spending. This factor was derived by dividing total reported costs for BCS services by total square footage of those school districts that provided both data elements. This methodology was conducted for all three rounds of expenses (2000-01, 2005-06, and 2010-11). The weighted cost factor determined for 2000-01 was \$0.037/ft², 2005-06 was \$0.056/ft²

⁹ Per the OSC Accounting and Reporting Manual, General Government Support is defined as services provided by the governmental entity for the benefit of the public or governmental body as a whole.

¹⁰ Per the OSC Accounting and Reporting Manual, Finance, a sub category under General Government Support, is defined as expenditures for providing financial, record keeping and other related services of the government.

and for 2010-11 the factor determined was \$0.038/ft². [Figure 2](#) details historical and current BCS spending per square foot for all Nassau school districts. As shown, 2010-11 BCS square footage prices are comparable to those from 2000-01. Although not all school districts confirmed they participated in the RFP, the RFP likely resulted in a dampening effect on overall BCS spending for all school districts.

Savings achieved through the RFP were derived by surveying participating school districts as well. There were 25 school districts and BOCES that confirmed that they participated in the Nassau BOCES RFP for Building Condition Survey services.¹¹ The working group and Nassau BOCES administered two separate surveys in effort to collect historical spending data and other necessary metrics to perform a cost savings analysis. The first survey (bid survey) was developed to assess building data for specifications required to complete the RFP. This data was also used for estimating costs savings. Data requested included: total building square footage, total number of buildings, year constructed, number of stories, 2000-01 and 2005-06 Building Condition Survey spending. 2000-01 and 2005-06 baseline data was used for estimating cost trends and savings.

The second survey (award survey) was administered after the RFP was released and responding vendors were prequalified. This survey asked school districts to confirm they participated in the RFP, to identify the selected vendor and BCS price, and to confirm the square footage reported in the bid survey. The award survey was designed to confirm that the data used in the cost savings analysis was current and accurate.

Lessons Learned

Concerns with Just in Time Purchasing: During the initial meetings of the working group, the idea for “Just in Time Purchasing”, or JIT, was considered. The original model/template for JIT purchasing was developed based on the version that was being used at the time by the County. School districts would purchase under contracts with Staples and Grainger, using customized profiles with authorized individuals within the school district and a participating bank that would keep track of expenses through a declining balance system. An authorized user would make a purchase from the vendor; the vendor would subsequently contact the bank regarding the purchase; and finally the bank would send a consolidated bill to the school district at the end of the month.

Initial reaction from working group members was positive. However, concerns were raised as to the legality of adopting the County’s practice of reconciling monthly credit card statements on a spot-check basis to corresponding itemized receipts and invoices. The need to reconcile these documents would require additional end-state administrative work, which would essentially negate any savings and efficiencies. Another concern was that the potential existed for a lack of oversight controls at the initial and concluding phases of a JIT system. The working group was concerned with the possible issues that would arise such as penalties and negative audit findings.

Based on these findings, it was determined that JIT would not be feasible but school districts should work towards ensuring compliance with all State-prescribed best practices for accounting and purchasing when exploring future initiatives.

¹¹ One school district they reported they were able to negotiate with their previously selected vendor to the square footage prices that were in the BOCES RFP. For this reason, they were included in the cost savings analysis.



Explore Areas of Greater Savings: One of the key benefits of exploring a cooperative bid for building condition surveys was that it is a relatively standard service that school districts are required to retain. All 56 school districts in Nassau County have many unique characteristics and therefore unique needs. However, there are areas that do not vary significantly. By beginning this initiative with a service that is fairly standard across school districts, it demonstrated the capacity for broader savings in other areas where services or products are easily transferable and standard. A next step for the working group includes exploring areas of purchasing and expense that are of significant cost, transferable and uniform across all districts.

Increased Participation on Future Initiatives: In order to leverage the maximum amount of savings through cooperative purchasing, school districts should look to increasing their participation in these cost-saving initiatives. It should be noted that the working group is currently exploring opportunities for cooperative purchasing of gasoline and diesel fuel for school district fleet vehicles, as well as natural gas and GASB-45 professional services. As fuel and energy prices continue to escalate and the demand for GASB-45 and other professional services increases, both the County, school districts, and other municipalities may benefit from a cooperative arrangement. However, these savings can only be maximized if a sizeable amount of schools and governments participate. As there are currently 56 school districts and 70 general purpose units of government in Nassau, there is viable potential for increased purchasing power and opportunities for volume discounts across varying goods and services.

OTHER???

Prototype Modifications

Many of the above-described implementation steps and challenges will be common to all cooperative purchasing consortiums. However, modifications may be made to accommodate for unique school district considerations that are not present in Nassau County:

Spanning a Multi-County Geographic Area: The purchasing working group involved participants only from Nassau County school districts and Nassau BOCES. The combined enrollment of districts and the availability of local firms to respond to the RFP presented enough of a cumulative effect to only involve school districts in the county boundaries. However, areas with low populations and rural counties may not be able to involve enough school districts to effectively capitalize on combined purchasing power. Also, the availability of firms from which to competitively award a bid or proposal may be limited in suburban or rural areas. In these instances, school districts may form consortiums that span a multi-county area or otherwise wide geographic territory. Many contractual services that are bid or solicited for proposals are common to all state school districts.

Increase Scope of Services in Future RFPs: In sparsely populated areas or those areas where participation among school districts is limited, future working groups or cooperatives may consider structuring RFPs to include a wide variety of related services such as HVAC, general construction, plumbing and electrical services as they are related under the scope of capital improvements to facilities, or similar services that may be related or provided by single firms or providers. By consolidating multiple services into a single contract vehicle, participating school districts may realize “volume” savings as well as retain multiple services through a single provider, thereby reducing time and expenses dedicated to the administration and management of these services.



OTHER???



Appendix A: Building Condition Survey Cost Data

Awarded (Yes/No)	School District Name	Total square footage	2000-01 Actual/Estimated Spending ¹	2005-06 Actual/Estimated Spending ²	2010-11 Projected Spending	2010-11 Actual Spending	2005-06 actual/estimated spending less 2010/11 actual spending	2010-11 projected spending less 2010/11 actual spending
No	Baldwin Central School District	758,875	\$7,000	\$7,000				
Yes	Bellmore Union Free School District	197,586	\$9,000	\$9,588	\$10,752	\$4,940	\$4,648	\$5,813
No	Bellmore-Merrick							
No	Bethpage							
Yes	Carle Place School District	274,206	\$7,440	\$7,440	\$8,343	\$6,855	\$585	\$1,488
-	East Meadow							
Yes	East Rockaway	191,850		\$8,030	\$9,005	\$5,756	\$2,275	\$3,250
No	East Williston School District	289,296	\$8,650	\$10,718				
Yes	Elmont School District	465,382	\$20,000	\$25,000	\$28,036	\$32,577	-\$7,577	-\$4,541
-	Farmingdale School District	1,249,009	\$35,000	\$57,500				
-	Floral Park-Bellerose School District	215,830						
Yes	Franklin Square School District	359,056		\$12,200	\$13,681	\$8,976	\$3,224	\$4,705
-	Freeport School District	1,022,535	\$25,000	\$89,000				
No	Garden City School District	649,524	\$10,000	\$15,000				
No	Glen Cove	541,356				\$0		
Yes	Great Neck School District	1,482,303	\$40,000	\$66,704	\$74,803	\$37,058	\$29,646	\$37,745
Yes	Hempstead School District	746,327	\$27,120	\$68,308	\$48,184	\$67,169	-\$24,203	-\$18,986
Yes	Herricks School District	713,387		\$55,130	\$61,824	\$21,402	\$33,728	\$40,423
Yes	Hewlett-Woodmere School District	622,420	\$7,707	\$9,637	\$10,807	\$43,569	-\$33,933	-\$32,762
No	Hicksville School District	847,536		\$136,312				
No	Island Park							
Yes	Island Trees School District	496,502		\$18,500	\$20,746	\$12,413	\$6,087	\$8,334
No	Jericho							
-	Lawrence School District	661,900						
Yes	Levittown School District	1,307,791		\$154,935	\$173,748	\$39,234	\$115,701	\$134,514
Yes	Locust Valley	426,123	\$15,485	\$24,532	\$27,511	\$28,763	-\$4,231	-\$1,252
-	Long Beach							
Yes	Lynbrook School District	453,905	\$40,000	\$30,000	\$33,643	\$13,617	\$16,383	\$20,026
-	Malverne School District	264,110	\$10,500	\$14,580				
No	Manhasset School District	523,924		\$27,500				
No	Massapequa School District	1,356,727	\$42,500	\$45,750				
-	Merrick							
No	Mineola							
Yes	Nassau BOCES	691,606		\$25,000	\$28,036	\$34,580	-\$9,580	-\$6,545
No	New Hyde Park-Garden City Park School District	228,047	\$10,500	\$10,926				
-	North Bellmore							
Yes	North Merrick School District	155,683		\$8,500	\$9,532	\$4,670	\$3,830	\$4,862
Yes	North Shore School District	508,373	\$28,000	\$30,503	\$34,207	\$30,502	\$1	\$3,704
Yes	Oceanside School District	909,553	\$41,000	\$67,000	\$75,136	\$27,287	\$39,713	\$47,849
Yes	Oyster Bay-East Norwich School District	364,200	\$13,234	\$20,967	\$23,513	\$9,105	\$11,862	\$14,408
No	Plainedge School District	495,259	\$0	\$20,000				
No	Plainview-Old Bethpage School District	1,080,911	\$0	\$50,000				
Yes	Port Washington School District	837,789	\$38,000	\$34,313	\$38,479	\$20,945	\$13,368	\$17,535
Yes	Rockville Centre UFSD	565,000		\$95,000	\$106,535	\$14,125	\$80,875	\$92,410
No	Roosevelt School District	713,000	\$0	\$0				
Yes	Roslyn School District	564,683	\$20,520	\$31,287	\$36,457	\$14,117	\$18,392	\$22,339
-	Seaford							
No	Sewanhaka School District	1,069,300	\$70,000	\$25,000				
Yes	Syosset School District	985,167		\$49,500	\$55,511	\$49,500	\$0	\$6,011
-	Uniondale							
-	Valley Stream CHS							



Awarded (Yes/No)	School District Name	Total square footage	2000-01 Actual/Estimated Spending ¹	2005-06 Actual/Estimated Spending ²	2010-11 Projected Spending	2010-11 Actual Spending	2005-06 actual/estimated spending less 2010/11 actual spending	2010-11 projected spending less 2010/11 actual spending
Yes	Valley Stream Thirteen School District	273,948	\$9,665	\$10,076	\$11,299	\$6,849	\$3,227	\$4,451
Yes	Valley Stream Twenty-Four School District	121,677	\$6,500	\$7,500	\$8,411	\$7,000	\$500	\$1,411
Yes	Valley Stream Thirty School District ³	177,251	\$15,049	\$9,030	\$10,126	\$5,321	\$3,709	\$4,805
No	Wantagh							
Yes	Westbury School District	522,289		\$18,000	\$20,186	\$26,114	-\$8,114	-\$5,929
No	West Hempstead							

Notes:

1. Spending amounts in red are not actual spending but estimated historical spending. Historical spending was estimated from the weighted average square footage spending for the school districts that did report for 2000-01. 2000-01 weighted average spending/square foot was \$0.036.
2. Spending amounts in red are not actual spending but estimated historical spending. Historical spending was estimated from the weighted average square footage spending for the school districts that did report for 2005-06. 2005-06 weighted average spending/square foot was \$0.058.
3. Valley Stream 30 did not technically participate in the BOCES BCS RFP but was able to utilize the square foot prices that were awarded in the RFP and therefore is included in this analysis.
4. Assumes that savings are equal to 2005-06 actual and estimated spending less 2010-11 actual spending. Estimates include all school districts that confirmed they used BOCES RFP prices. There are a few instances where it appears school districts realized negative savings; however this is likely due to artificially low historical spending. These instances were removed from the aggregate savings estimates since it is assumed that the RFP provided the current market rates and therefore negative savings are not possible.
5. Assumes that savings are equal to 2010-11 projected spending less 2010-11 actual spending. 2010-11 projected spending has been estimated by growing 2005-2006 BCS spending at the Long Island regional CPI-U from 2005 to 2010 (13.2%). There are a few instances where it appears school districts realized negative savings, however this is likely due to artificially low historical spending. These instances were removed from the aggregate savings estimates since it is assumed that the RFP provided the current market rates and therefore negative savings are not possible.



Appendix B: Total School Buildings & 2009-10 Enrollment, by County

County Description	Total 2009-10 County Enrollment	Total Public Buildings	Total Non-Public	Total Buildings
Albany	39,367	76	43	119
Allegany	7,029	32	5	37
Broome	28,732	66	9	75
Cattaraugus	13,804	51	13	64
Cayuga	9,978	30	10	40
Chautauqua	20,310	70	22	92
Chemung	12,163	26	8	34
Chenango	8,273	30	2	32
Clinton	11,555	38	6	44
Columbia	7,894	24	4	28
Cortland	6,831	23	3	26
Delaware	5,951	32	3	35
Dutchess	45,541	90	39	129
Erie	130,148	229	104	333
Essex	4,012	26	7	33
Franklin	7,753	28	4	32
Fulton	8,742	28	1	29
Genesee	8,900	29	4	33
Greene	6,839	24	2	26
Hamilton	535	15	0	15
Herkimer	10,098	37	3	40
Jefferson	18,248	50	5	55
Lewis	4,235	19	3	22
Livingston	8,509	30	2	32
Madison	10,781	38	3	41
Monroe	112,671	205	65	270
Montgomery	7,437	21	5	26
Nassau	204,343	371	131	502
Niagara	31,092	63	16	79
Oneida	34,505	88	6	94
Onondaga	72,373	137	31	168
Ontario	16,892	41	6	47
Orange	63,613	98	33	131
Orleans	6,733	19	1	20
Oswego	21,823	52	4	56
Otsego	7,891	34	4	38
Putnam	16,251	29	7	36
Rensselaer	21,789	53	18	71
Rockland	41,164	75	82	157
St. Lawrence	15,477	58	16	74
Saratoga	35,330	63	15	78
Schenectady	22,784	49	8	57



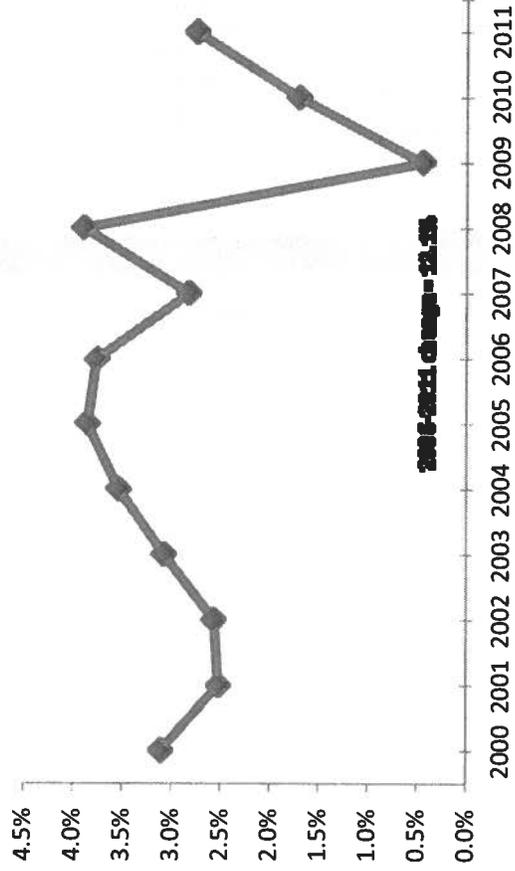
County Description	Total 2009-10 County Enrollment	Total Public Buildings	Total Non-Public	Total Buildings
Schoharie	4,879	18	1	19
Schuyler	2,002	9	0	9
Seneca	4,378	17	7	24
Steuben	16,236	53	7	60
Suffolk	250,008	417	83	500
Sullivan	9,944	27	11	38
Tioga	7,949	26	4	30
Tompkins	11,561	38	6	44
Ulster	25,643	62	21	83
Warren	9,975	29	2	31
Washington	9,158	34	2	36
Wayne	15,255	48	2	50
Westchester	146,332	297	105	402
Wyoming	4,745	18	3	21
Yates	2,535	7	24	31
State Total w/o NYC	1,688,996	3,697	1,031	4,728

Source: New York State Education Department, New York State Office of the Comptroller

Appendix C: Consumer Price Index, All Urban Consumers, NY-NJ-CT-PA

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2006	215.9	216.4	218.2	220.2	221.6	222.6	223.1	224.1	222.9	221.7	220.9	221.3	220.7
2007	221.767	223.066	224.551	225.78	227.146	228.258	228.628	228.326	228.308	228.552	229.504	229.395	226.94
2008	229.869	231.02	233.122	233.822	236.151	238.58	240.273	240.55	240.089	238.403	234.498	233.012	235.782
2009	233.402	234.663	235.067	235.582	235.975	237.172	237.6	238.282	238.568	238.38	238.777	238.427	236.825
2010	238.97	238.862	240.101	240.529	241.075	240.817	241.147	241.569	241.485	241.981	241.96	241.874	240.864
2011	242.639	243.832	245.617	246.489	248.073	248.505	249.164	250.058	250.559	250.051			247.499
												CPI Inflation Factor:	12.1%

Change CPI-New York-Northern New Jersey-Long Island- 2000-2011¹²



¹²Data for 2011 incomplete. Annual CPI derived from average of CPI-U for NY-NJ-CT-PA region for January through October data.



Appendix D: Purchasing Working Group Meeting Notes

NYS 21st Century Demonstration Project Grant

Purchasing Committee

Meeting Notes: September 29, 2009

I. Attendees

School district business officials present: Terry Hood (Great Neck), Angela Pierce (Syosset), Kelly Grym (Manhasset), Camille Birmelin (Floral Park), Maureen Kenney (Sewanhaka)

School district business absent: Al Chase; Michael Jaime

School district superintendents: Bill Johnson (Rockville Centre)

School Board representatives

Nassau BOCES

Nassau County: Frank Ryan

JP Morgan Chase: Scott Grossman, Carol Mark

PFM: Dottie Johnson, Robert Fiato

II. Administrative/Housekeeping

- A. Distribution list: Frank will provide a listing of email addresses for all members of the working group.

ACTION ITEM: Once a list of emails is received from Frank, PFM will setup and maintain an email distribution list/listserv of all members of the Working Group.

- B. Handouts

ACTION ITEM: Frank brought to the meeting several handouts on Nassau County's JIT purchasing program, which he will email to the group.

III. Significant issues discussed

A. Overview of Just-in-Time (JIT) purchasing

1. How it works: The model/template for JIT purchasing will be the version currently used by Nassau County. The County has contracts with two vendors: Grainger and Staples. The participating school districts build profiles for specific authorized individuals with the specific vendor by cost center, and at the participating bank that keep track of expenses through a declining balance system. An authorized user would make a purchase from the vendor, the vendor sends a message to the bank, and at the end of the month a consolidated bill is sent from the bank (not the vendor) to the district. It's essentially a credit line, with no money deposited at all.

2. Declining balance: The bank authorizes or rejects a purchase, and money is deducted from a credit line. The credit line continues to decline until it reaches



zero – this “declining balance” concept mirrors the budgetary situation of many districts and municipalities.

3. Restrictions/parameters: When a JIT system is setup, the system is handled by the bank and all restrictions/parameters are specified at the onset. Restrictions can be arranged for a variety of reasons, and can be customized for schools with their own rules.
4. Supplies are delivered the next business day (“Just-in-Time”), eliminating the need for long-term storage

B. Identifying savings

1. Invoicing: The pricing with vendors won’t necessarily generate savings per-se, but administrative savings will result from paying just one check a month to the bank instead of handling a multitude of invoices.
2. The back-office: Most of the costs in purchasing are in the back-office processes, and savings will generally be generated through attrition. Therefore, as part of the methodology for quantifying cost savings, it will be important to identify policies and procedures within each school district, and quantify the time and cost involved in invoice processing, reconciliation and audit.

C. Participants

1. Initial pilot districts: The initial effort will probably be conducted on a trial basis with a sampling by all interested districts.
2. Optional: The key is that any purchasing changes or innovations would ultimately be optional. Districts operate with their own idiosyncrasies, so adapting this initiative will not be mandatory.

D. Bank coordination

1. Initial training: Carol and Scott indicated that JP Morgan Chase would conduct training for all skill levels on how to use new purchasing systems. The training may take place over several sessions, at one central location. Chase has offered to provide experience of other districts that now use the P-Card system for purchases.
2. Questions were raised relating to the bank payment schedule: Chase usually requires 28 days to receive a payment, but other arrangements might be made in terms of payment schedules and grace periods, particularly to accommodate unique school district circumstances, such as the timing of claims audit review and school vacations.

E. Office of the State Comptroller concerns

1. What has been discussed: The Office of the State Comptroller (OSC) gave the verbal “okay” to implementing new JIT processes. Comptroller DiNapoli participated in this conversation.
2. Spot-check auditing versus line-item auditing: Questions remain as to the state level and claims auditor acceptability of spot-check review. The County Comptroller signed off on this for Nassau County, but OSC or local school boards may not be similarly agreeable for school district participation.



3. **“Credit Card Accountability” pamphlet:** An OSC pamphlet published online (“Credit Card Accountability,” available at <http://www.osc.state.ny.us/localgov/costsavings/creditcard.pdf>) outlines the strict OSC purchasing requirements. The group believes that many of the proposed changes by this Working Group are significant departures from the levels of control specified by OSC.
4. **What needs to be done:** Any new innovations must receive explicit written approval from OSC. In addition, someone from the County Comptroller’s Office will be invited to future meetings.
ACTION ITEM: Dottie Johnson from PFM will invite a representative from OSC to participate in a future meeting and review the plans and processes for the purchasing initiative.

F. Review of current district processes

1. **From “Req to Check”:** Every district official participating in this working group needs to document their current relevant policies and purchasing processes from requisition to payment (“req to check”). These processes will be culled and synthesized into one document, and presented to the OSC as the foundation for a discussion of baseline processes in place now and potential innovations/changes.
2. **Costs:** Integral to identifying current processes is to make costs explicit. When district officials quantify all purchasing process costs, the Working Group will begin to quantify current purchasing costs and project future savings.
ACTION ITEM: Every district official on this working group will email to Dottie Johnson and Bob Fiato at PFM an outline of their purchasing policies and processes and, if possible, costs, and PFM will compile a compendium of universal purchasing processes among districts. This will be presented to the OSC as the foundation for a discussion of the new initiatives.
3. **Other Issues:** Many school districts have limited orders with Staples and Grainger. A favorite purchase source is *School Specialty* (<http://www.schoolspecialty.com/>). Greater participation might be expected if this source were a participating vendor.

IV. Schedule of future meetings

A. Tuesday, October 20

1. **Purpose:** Discuss findings regarding school district purchase policies and procedures. Establish work plan. Schedule future meetings, including one with OSC representative.
2. **Time:** 9:30 AM – 11:30 AM
3. **Location:** To be determined by Frank
ACTION ITEM: Frank will confirm the meeting location

NYS 21st Century Demonstration Project Grant

Purchasing Committee

Meeting Notes: October 20, 2009

I. Attendees

School board representatives: Stephen Witt (Nassau BOCES); Bob Transom (Oceanside)
School district business officials: Terry Hood (Great Neck), Camille Birmelin (Floral Park),
Maureen Kenney (Sewanhaka)
Nassau County: Frank Ryan
Office of the State Comptroller: John Clarkson (OSC Office of Budget and Policy Analysis)
JP Morgan Chase: Scott Grossman, Carol Mark
PFM: Dottie Johnson, Robert Fiato

II. Administrative/Housekeeping

A. Nassau County Procedures

ACTION ITEM: Frank will email to the group a collection of files detailing the county's purchasing information, procedures and instructions

B. School District Procedures: Several school business officials brought to the meeting a run-down of district purchasing policies. Those instructions will be analyzed to identify commonalities and differences in purchasing. Business officials serving on the committee who have not yet provided such a rundown are requested to do so as soon as possible. Such an analysis is integral to developing the initiative, as well as to properly identifying baseline costs and quantifying savings.

ACTION ITEM: Frank and Dottie will analyze received procedures/policies and determine how to best utilize the information for grant initiative development purposes

ACTION ITEM: District officials who have not yet provided a run-down of purchasing procedures/policies are requested to do so.

III. Significant issues discussed

A. District participation in initiative

1. School districts (both among working group membership and outside the working group) will participate in a purchasing consortium or adopt any new procedures on strictly a voluntary basis.
2. Identifying as many districts as possible to participate in the initiative, both on a trial run basis and under full-scale implementation, will increase economies-of-scale and potential savings



3. Working group business officials indicate that , while districts have varying volumes of transactions per year, smaller numbers of checks are being cut, as many purchase orders are “blanket orders” combined into a single payment
4. Districts concerns which may need to be addressed include:
 - a. The time and effort required to setup a P-card program
 - b. The ability to add additional controls
 - c. The time required to determine what products employees would be authorized to purchase
 - d. The ability to access and review continuously changing lists of restricted items
 - e. The authorization to review statements online instead of by hard copy

B. JIT additional benefits to districts

1. **Rebates**: The Chase officers mentioned that there’s the potential for cash rebates based on a percentage of annual card spend, but further information is required to make a determination. The bank’s ability to provide cash rebates and the magnitude of any such rebates is dependent on a variety of factors and they are not in a position to make any representations now. Examples of data needed include the amount of total annual card spend, the avg. transaction size, the number of card users, the number of school districts that will be involved and the card platform / solution that works best. It’s likely that the answers to all of these questions will not be available until the program is in a later stage of development.
2. **Inventories**: One of the most significant benefits to the County from JIT purchasing has been a reduction of inventories on-hand

- C. Initiative expansion**: A possible area for expansion may be a cooperative consortium between the County, BOCES and districts to purchase IT equipment and automotive/bus parts

D. OSC approval

1. The Office of the State Comptroller gave verbal approval to implementing new JIT processes, but written verification is still being requested for districts to form a consortium and engage in just-in-time purchasing, with specific clarification required on:
 - a. Use of credit cards by school districts for payments
 - b. Spot-checking auditing versus line-item auditing (the requirement of reconciling credit card statements to itemized receipts and invoices)
 - c. Printing bank statements from the Internet and using for official documentation

ACTION ITEM: Frank and Dottie will generate a list of specific concerns and request written authorization from the State Comptroller via a letter to the OSC. Working members are asked to communicate to Frank and Dottie any requested policy clarifications or concerns.



- E. **Baseline costs and forecasting:** PFM is in the process of constructing a baseline analysis and forecast of purchasing costs and potential savings. A survey will be sent to all districts in November, and pre-survey interviews will be conducted to accurately capture all relevant items.

ACTION ITEM: Interested business officials are requested to schedule a time with PFM to discuss purchasing procedures and qualifications, how district controls may differ from what is in place on the county level, and provide a general overview of district spending in this area.

IV. Next meeting

A. Thursday, November 5

1. Time: 10:00 AM – 11:30 AM

2. Location: To be determined by Frank

ACTION ITEM: Frank will confirm the meeting location

ACTION ITEM: PFM will circulate a teleconference dial-in number and participant code for those who wish to participate in the meeting off-location.



NYS 21st Century Demonstration Project Grant

Purchasing Committee

Meeting Notes: November 5, 2009

I. Attendees

School board representatives: Stephen Witt (Nassau BOCES); Bob Transom (Oceanside)
School district business officials: Al Chase (Garden City); Terry Hood (Great Neck), Angela Pierce (Syosset)
Nassau County: Frank Ryan
Office of the State Comptroller: Joe Ruggiero
JP Morgan Chase: Scott Grossman, Carol Mark
PFM: Dottie Johnson, Robert Fiato

II. Significant issues discussed

- A. State Comptroller guidelines and mandates:** Based on the issue abstracts distributed prior to the meeting, it was agreed that no OSC regulations or state laws appear to prohibit school district Just-in-Time purchasing

1. A 2008 OSC audit found that procurement cards for small-dollar purchases could save millions for participating agencies and districts

ACTION ITEM: The press release of the Comptroller's procurement card study will be emailed to working group members

2. A letter is being drafted to present to the Comptroller granting authorization for district participation in JIT purchasing

ACTION ITEM: A draft OSC letter will be distributed to working group members

- B. School district procedures and policies:** School districts participating in Just-in-Time purchasing may have to write new procedures and policies establishing internal controls over the new processes, although OSC authorization will ensure that the State will not block or inhibit school district participation in JIT

1. Existing purchasing processes and procedures vary greatly across school districts, which highlights the complexity involved in adopting a common Just-in-Time system

2. District claims auditors require verification of every piece of documentation in reviewing purchases, and such requirements may have to be modified to use monthly statement spot-checks in JIT purchasing

3. In JIT purchasing school districts will be responsible for retaining and storing documentation such as packing slips



4. Administrative savings are inherent in JIT purchasing, and therefore districts must be careful not to hamstring the process

C. Quantifying costs and savings:

1. Studies: Grainger and the State Comptroller have completed studies which quantified the costs and savings from Just-in-Time purchasing

ACTION ITEM: Just-in-Time analyses and studies will be emailed to the working group

2. Interviews: PFM will be in contact with working group members to schedule interviews to gather costs and savings information and data

ACTION ITEM: Meeting requests with school district business and purchasing officials will be arranged by PFM

D. Vendor participation: School Specialty has expressed interested in participating in Just-in-Time as a vendor, but still needs to make a final determination on whether it is feasible based on variables such as volume and other technical issues

E. Bank participation: Other banks have contacted working group members expressing interest in providing banking intermediary services in a Just-in-Time consortium, and a request for proposals (RFP) may subsequently be issued

F. Initiative expansion: The next step for the purchasing initiative may be for the county and school districts to form buying cooperatives for purchase of ostensible non-education items such as snow plows and tires

1. State law allows school districts to join with counties and buy based on county bids
2. Nassau County may wish to establish a comprehensive and user-friendly database of bids for interested school districts to access
3. The County incurred expensive third-party and vendor fees when attempting cooperative purchasing in the past

III. **Next meeting**

A. **Wednesday, November 18**

1. Time: 10:00 AM – 11:30 AM

2. Location: 1 West Street, Mineola; conference room to be determined by Frank



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: November 18, 2009

I. Attendees

School board representatives: Bob Transom (Oceanside)

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck), Angela Pierce (Syosset); Robert Bartels (Rockville Centre); Kelly Grym (Manhasset)

Nassau County: Frank Ryan

Office of the State Comptroller: Joe Ruggiero

PFM: Dottie Johnson, Robert Fiato

II. Administrative issues

- A. Revisions to 11/5 minutes:** Strike "...and therefore districts must be careful not hamstringing the process" from letter B, item 4

III. Significant issues discussed

- A. Just-in-Time:** Concerns were raised regarding proceeding with Just-in-Time purchasing for school districts:
1. Districts making purchases made through Just-in-Time systems may not have the legal authority to adapt the County's practice of reconciling monthly credit card statements on a spot-check basis to corresponding itemized receipts and invoices;
 - a. Reconciling statements on an item-by-item basis would eliminate Just-in-Time purchasing end-stage administrative savings and efficiencies;
 2. The potential lack of oversight controls at the initial and concluding phases of a Just-in-Time purchase may raise misgivings with district claims auditors, thereby further compromising any potential administrative savings from new purchasing processes;
 - a. Just-in-Time purchasing does not easily provide for the level of internal control now required of school districts in terms of acceptance and acknowledgment of items received;
 - b. Claims auditors and the State Comptroller may penalize districts if items received in-stock do not match invoice amounts or charges – a verification process that is not inherent to Just-in-Time purchasing in terms of checking every purchase for services rendered and items received;
 - c. Spot checking costs of items purchased to determine authorization for payment results in a majority of JIT savings, and it is unlikely that process would be approved by either the State Comptroller's auditors or local school boards.
 3. District purchasing is decentralized and involves very few staff, unlike the County which employs more than 500 purchasing professionals;



- a. Most districts have just one or two employees to execute purchasing processes, and hence would realize little or no savings if administrative efficiencies were to occur;
- 4. Just-in-Time purchasing is generally restricted to one or two vendors selling materials and supplies, meaning that only a small percentage of traditional paper purchase orders could be converted to electronic processing;
 - a. Although Just-in-Time purchasing offers the ability to restrict the purchase of certain items, the traditional purchase order system provides the opportunity to review all purchases for budget compliance and take a proactive approach to preventing misuse and fraud

ACTION ITEM: PFM and Frank will prepare a status update on JIT purchasing for the next steering committee meeting (Dec. 9)

- B. OSC letter: The draft letter to the State Comptroller requesting permission for school districts to participate in JIT purchasing will be submitted to obtain written feedback in case individual districts decide to proceed with JIT, or if aspects of JIT purchasing are relevant in other purchasing initiatives
 - 1. Include Nassau County procedures (sent by Frank) with the letter
 - 2. Modify fourth bullet in first issue in issue abstracts: Add "via merchant category assignment"
 - 3. In cover letter, change "Just-in-Time purchasing clearly offers a viable option" to "may offer"
- C. Expansion opportunities: Working group members will brainstorm and consider new purchasing opportunities for immediate study and implementation

ACTION ITEM: Working group members will bring ideas for new purchasing initiatives to the next meeting

- D. District purchasing procedures: Al Chase provided a flowchart of Garden City's purchasing procedures; other districts may provide written explanations in addition to interviews to assess district processes and purchasing opportunities

IV. Next meeting

- A. **Thursday, December 3**
 - 1. Time: 10:00 AM – 11:30 AM
 - 2. Location: 1 West Street, Mineola



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: December 17, 2009

I. Attendees

School board representatives: Stephen Witt (Nassau BOCES); Bob Transom (Oceanside)
School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset); Robert Bartels (Rockville Centre)
Nassau County: Frank Ryan
PFM: Robert Fiato

II. Administrative issues

- A.** A new working group chair and meeting location may be needed if the new county administration hires a new director of purchasing

III. Significant issues discussed

- A. Just-in-Time Purchasing:** The letter to OSC on just-in-time purchasing was emailed to the State Comptroller's office (via Joe Ruggiero) on December 3; the working group will move ahead with cooperative purchasing initiatives in the meantime
- B. Cooperative purchasing**
- 1. Structure:** Nassau BOCES will join with school districts via an IMA (Inter-Municipal Agreement)
 - a. BOCES as the facilitator
 - 2. Vendors:** Specify in RFP that the solicitation will be an estimate of the product/service
 - a. Real volume estimates may be obtained from incumbent vendors providing the service/product to districts opting into the bid
 - 3. Participants:** Buy-in will be needed especially from district business officials
 - a. Potential expansion to smaller municipalities and units such as special districts and villages that have the potential for big savings
 - b. Specify in the bid that additional political subdivisions may join the cooperative bid
 - 4. Opportunities:**
 - a. Utilities- natural gas, electric, gasoline, energy management represent big-ticket potential options
 - b. Fire inspections and building inspections (building condition surveys) are natural areas for cooperative purchasing that we may begin to pursue in the near term
 - a. Start with pursuing cooperative purchasing in the smaller areas and then expand to the bigger items such as utilities once districts see the potential value



- b. Working group business officials (Terry, Angela) will introduce potential ideas at the Nassau BOCES/NASBO Advisory Committee meeting

ACTION ITEM: PFM will prepare a briefing on initiative expansion opportunities to solicit feedback from working group members' not in attendance and for all to use in discussing with relevant audiences

ACTION ITEM: Working group members are to recommend via group email new cooperative purchasing opportunities, starting with assessment of fire inspections/building inspections

IV. Next meeting

A. Wednesday, January 13

1. Time: 10:00 AM – 11:00 AM
2. Location: To be determined
3. Topics: Finalize new cooperative purchasing initiatives (if not finalized before); data collection and bid structure



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: January 13, 2010

I. Attendees

School board representatives: Stephen Witt (Nassau BOCES); Bob Transom (Oceanside)
School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset); Robert Bartels (Rockville Centre)
Office of the State Comptroller: Joe Ruggiero
PFM: Robert Fiato

II. Administrative issues

- A.** Terry Hood will act as group chairperson on an interim basis; may remain as permanent chairperson or someone from the County may be asked to join per input from the Steering Committee

III. Significant issues discussed

- A. District stand-alone bids:** A listing was provided of 2009-10 cooperative bids in which district business officials handle and coordinate a specific bid for an item/service
1. Such bids are based on how the lead district itself puts together the bid package
 2. Bid packages in this respect may be very different depending on who is taking the lead
 3. Some bids may be able to be coordinated through BOCES
- B. BOCES:** A meeting has been scheduled with BOCES officials to determine whether BOCES will be able to act as facilitator in new cooperative bidding opportunities
1. BOCES already handles about 60 bids
 2. The possibility of adding new goods/services to be coordinated through BOCES will result in greater standardization of bids and a time-saver for participating districts
 3. BOCES charges districts a fee to participate in cooperative bidding and purchasing, but the possibility of new opportunities may entice more districts to sign up
- C. Building and grounds participation:** Many of the potential purchasing ventures being examined will require significant buy-in and participation from building and grounds officials
1. Representatives from the Nassau County Chapter of the New York State Association for Superintendents of School Buildings & Grounds will be invited to participate in the group following next week's meeting
 2. Building and grounds feedback will also be important for determining which functions make sense to maintain on a quadrant basis
- D. County:** The County cannot extend time & materials bids to school districts due to prevailing wage laws and regulations, but districts could piggyback on such county bids if the rulings on prevailing wage were relaxed



IV. Next meeting

A. Wednesday, January 20

1. **Time:** 10:15 AM

2. **Location:** Nassau BOCES, 71 Clinton Road, Garden City

3. **Topics:** BOCES personnel will join to discuss facilitation of cooperative bids

NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: January 20, 2010

I. Attendees

School board representatives: Bob Transom (Oceanside)

School district business officials: Terry Hood (Great Neck); Angela Pierce (Syosset) **BOCES officials:** Joan Siegel; Michael Perina

PFM: Robert Fiato

II. Significant issues discussed

A. Advantages to BOCES-led cooperative purchasing:

1. BOCES knows how to write bid specifications and handle the process
2. Enhance district-led bids and promote coordination among buildings and grounds officials
3. A ready-made forum for quickly expanding cooperative purchasing
4. Provide ready-to-use bid specifications and RFP templates
5. Audit safeguards

B. RFP Structure: Any services that will require the issuance of an RFP will specify that purchase orders will come directly from districts, not BOCES

C. Areas to focus on: Smaller and manageable functions including fire inspections, building condition surveys, and sweeping (vehicular and non-vehicular locations)

D. Data Collection: PFM will begin data collection for historical costs and forecasting in the preliminary areas; forecasting to be used to demonstrate savings

III. Upcoming Meetings

A. Tuesday, February 2

1. Time: 10:00 AM
2. Location: Nassau BOCES, 71 Clinton Road, Garden City
3. Topics: Facilities directors will join
4. Alternate date: February 10

B. Friday, February 26



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: February 2, 2010

I. Attendees

School board representatives: Steve Witt (Nassau BOCES); Bob Transom (Oceanside)

Nassau BOCES: Joan Siegel; Michael Perina

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset)

Facilities directors: Armand Markarian (Manhasset); Dennis Sheridan (Hewlett-Woodmere)

PFM: Bob Fiato

II. Significant issues discussed

- A. BOCES update:** BOCES officials met with grounds and maintenance representatives to discuss pursuing a cooperative RFP for fire inspections and building condition survey, and a bid for parking lot sweeping
1. Using RFPs for the building surveys and fire inspections, as professional services, will ensure that an award is not just presented to the lowest responsible bidder and will allow districts to select vendors based on subjective considerations
 2. Awards will likely go to multiple vendors given the far-reaching impact of the services
 3. Group will immediately pursue the building surveys, as the annual cycle for fire inspections and parking lot sweeping has passed
- B. BOCES-led bidding/RFPs concerns and comments**
1. Cataloging school specs in a central location with a universal template will result in significant time savings for districts
 2. Presents an opportunity to leverage more state aid/reimbursement
 3. BOCES bids are blanket-purchase agreements, which gives districts the flexibility to order throughout the year without being constrained to specific volumes
- C. Municipal government expansion:** Intent is to expand cooperative purchasing to other subdivisions, but the immediate areas of focus are only applicable to schools.
1. Town, city and county buildings don't receive state aid and hence do not have to perform annual fire inspections or five-year building surveys
 2. Municipalities wishing to take more of a property management view in running facilities still may wish to sign on to cooperative bidding for initial areas
 3. The general template for BOCES-led bidding will facilitate a model for other subdivisions to join in additional areas
- D. New ideas:**
1. Continued refinement of the buildings and grounds-led bids
 2. Creation of a master list/webpage with available district equipment
- E. Grant Data Collection:** PFM is looking to determine time and monetary savings of new cooperative purchasing ventures
1. Working group feedback will be solicited in the development of a survey to gather historical costs



2. Documenting historical costs and forecasting are requirements of grant, and will aid in developing prototypes and expansion of initiatives to all districts

F. Next Steps:

1. BOCES will meet with buildings and grounds officials to finalize the technical RFP for the building condition survey, to be followed by working group review and distribution
2. Steve Witt will continue to solicit involvement and input from the new county administration
3. PFM will circulate a draft survey to gather historical spending data for current-services/savings forecasts
4. Buildings and grounds officials will continue to participate in the working group and offer valuable input

III. Next meeting

A. Friday, February 26

1. Time: 10:00 AM

2. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: March 8, 2010

I. Attendees

School board representatives: Bob Transom (Oceanside)

Nassau BOCES: Joan Siegel; Michael Perina; Tony Fierro

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck);

Nassau County: Michael Schlenoff (Purchasing)

PFM: Bob Fiato

II. Significant issues discussed

A. BOCES update: BOCES purchasing officials met with facilities services officials to discuss the RFP for the building condition survey

1. A sample building condition survey RFP was reviewed and will be adapted for use by school districts
2. A draft list of specifications for the RFP is also being prepared, which will prove useful in the immediate future as well as for future bids
3. The draft list of specs and RFP plans will be presented at upcoming meetings of business officials and buildings & maintenance representatives to update them on progress and solicit feedback

B. New ideas:

1. Suffolk County has approached Nassau County about pursuing joint bids for various services, though Nassau is waiting for action from Suffolk to move forward
2. Some entities in Nassau County have experienced success with attracting grant money to develop new cost-saving alternative energy and net metering technologies
3. Nassau County is considering a cooperative bid with school districts for gasoline and fuel oil
4. This group in the long-term may also pursue big-ticket items such as joint energy bids/RFPs, though participation would be needed by all school districts in order to be taken seriously by LIPA. Energy audits by LIPA may also be an opportunity once building data is acquired.

C. Grant Data Collection:

1. PFM emailed to the group a draft of the purchasing survey; survey was agreed to be distributed to districts though data on procurement staffing/labor will be imprecise
2. Survey will be emailed as an Excel attachment due to the information-intensive nature of the requested data

D. Action Items/Next Steps:

1. BOCES will discuss the building survey RFP at upcoming meetings of school business and buildings & maintenance officials, and distribute a draft list of needed RFP specs



2. PFM distribute the historical costs survey to all school districts

III. Upcoming meetings

A. Monday, March 22

1. Time: 10:15 AM (*new meeting time*)
2. Location: Nassau BOCES, 71 Clinton Road, Garden City

B. Monday, April 12 (*tentative*)

1. Time: 10:15 AM
2. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: March 22, 2010

I. Attendees

School board representatives: Bob Transom (Oceanside)

Nassau BOCES: Joan Siegel; Michael Perina; Tony Fierro

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Bob Fiato

II. Significant issues discussed

- A. BOCES update:** Tony mentioned the building survey/visual inspection RFP informally at the recent Building and Grounds meeting, but will formally make an announcement at the next B&G meeting on April 13 (second Tuesday of April)
- B. RFP process:** BOCES has designed the RFP process to allow districts to use subjective criteria in selecting a firm
1. First step: BOCES will interview and pre-qualify firms according to mandatory minimum criteria; no rating will be assigned
 2. Second step: Districts will use the list of pre-qualified firms to interview vendors, and assign a score using a rating sheet provided by BOCES. After a set period of time (approximately a month) districts will communicate with BOCES their preferred vendor and BOCES will aggregate the information and work with firms to determine final cost/square foot based on the total square footage of buildings in interested districts.
 3. Cost savings: Quantifying the cost savings will be straightforward based on the combined purchasing power of districts – comparing the initial vendor RFP quote to the cost per square foot for each firm negotiated by BOCES in the final stages of the process
 4. Timeline:
 - a. Late April: Issue RFP
 - b. May: Receive vendor responses
 - c. June: Vendor pre-qualification by BOCES
 - d. July: Districts interview and select firms
 - e. August: BOCES coordinates final district/vendor matches and fees
 - f. September 15-November 15: Conduct building inspections
- C. Services rendered:** The RFP will invite vendors to perform annual visual inspections in years 2-5, after the 2010 building condition survey
- D. Data collection:** An online survey was prepared to gather building and costs data; will be distributed to districts week of 3/22
- E. Action items/next steps:**
1. BOCES will distribute to group draft of RFP and scoring sheet



2. Terry will email the Oceanside building specs spreadsheet prepared by Bob Transom; collection of such data may be useful in creating bid specs for many services and products, and utilizing purchasing power
3. Survey to be distributed to districts and data aggregated
4. The BOCES bid calendar will be discussed at an upcoming meeting to identify potential upcoming new opportunities

III. Next meeting: Monday, April 19

- A. Time: 10:00 AM
- B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: April 19, 2010

I. Attendees

School board representatives: Bob Transom (Oceanside)
Nassau BOCES: Joan Siegel; Michael Perina; Tony Fierro
School district business officials: Al Chase (Garden City); Terry Hood (Great Neck)
Facilities directors: Armand Markarian (Manhasset); Dennis Sheridan (Hewlett-Woodmere)
Nassau County: Michael Schlenoff (Purchasing)
PFM: Bob Fiato

II. Significant issues discussed

- A. RFP update:** The timeline for the issuance of the RFP will have to be pushed back to account for districts continuing to provide data
1. Draft RFP completed by Tony; will be reviewed by Armand and Dennis, and sent to the BOCES attorney
 2. The RFP includes a pre-qualification and scoring matrix
 3. RFP also asks firms to provide an hourly rate for services going above and beyond the minimum flat rate, thereby allowing individual districts and firms to look at specifically-requested items
- B. Survey update:** 17 districts have completed or substantially completed the survey
1. BOCES building data will be included in survey results
 2. Continue follow-up to districts via email
 3. Business and facilities officials will also send reminders to their respective groups
 4. The deadline for responses will be April 28
- C. New long-term ideas:**
1. Natural gas
 - a. Take advantage of the lack of competitive rates on the State contract
 - b. Have the schools and all localities (towns, villages, fire, special districts, etc.) cooperatively bid for natural gas to achieve greater buying power
 - c. Eastern Suffolk BOCES has an existing bid for natural gas and electric that may be expanded to the other LI BOCES
 2. Energy audits
 - a. Oceanside is currently participating in an energy audit from NYPA that shows how buildings are being operated and how power is being consumed; could be expanded to other districts
 - b. No immediate costs to the schools
 - c. Districts may be able to finance improvements through LIPA
 - d. Could be used to explore energy alternatives such as solar power
 - e. NYPA should be invited to discuss the potential of such services with this group, school business officials, and any interested municipalities
- D. Action items:**



1. Bob Fiato will send out an update on responding districts by middle of the week of 4/19
2. Nassau BOCES building data will be incorporated in survey results
3. Armand and Dennis will review RFP and note any changes
4. Facilities and business officials will remind their respective groups about the RFP and survey deadline
5. Michael Schlenoff will continue to assess interest of villages, towns, etc. of joining energy co-ops
6. Terry, Bob Transom and Joan will have a conference call with NYPA before any larger group meeting

III. Next meeting: Wednesday, May 5

A. Time: 10:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: May 5, 2010

I. Attendees

School board representatives: Steve Witt (Nassau BOCES)

Nassau BOCES: Joan Siegel; Michael Perina; Tony Fierro

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset)

Facilities directors: Armand Markarian (Manhasset)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Bob Fiato

II. Significant issues discussed

A. Survey update: 36 districts have completed or substantially completed the survey; follow-up will be continued in discussions with business and facilities officials, but results are now final for inclusion in the RFP specs

B. RFP Update: The RFP will be issued next week to a list of 11 firms recommended by districts and BOCES

C. Energy (new initiatives):

1. State programs: A conference call has been scheduled for May 12 with a representative(s) from NYPA, although the call may be delayed until June in consideration of workloads and activity on the RFP

2. Natural Gas: BOCES will be meeting with Eastern Suffolk BOCES this week to discuss Nassau districts and municipalities joining the ES BOCES bid for natural gas

- a. Would involve purchase of natural gas commodity (not delivery) from an ESCO (energy services company)
- b. Suffolk districts and the Town of Brookhaven have saved up to 20% on natural gas fuel so far through the ES BOCES bid, although additional savings could be possible with the addition of new Nassau districts/localities
- c. In order to participate for next heating season, signup would need to occur by July; would involve a six-month commitment for those signing up
- d. Data collection would have to be quick and assess current energy usage by districts, using the format on existing bills/invoices so respondents could easily lift the information and plug it in to a survey or email
- e. Some districts may be concerned whether they can get off their current rate structures, which may include variables such as interruptible rates
- f. But even just a few additional Nassau districts joining would be a "win-win" for everyone



D. Action items:

1. Joan will discuss next steps with ES BOCES regarding the natural gas bid

III. Next meeting: Tuesday, June 15

A. Time: 10:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: June 15, 2010

I. Attendees

School board representatives: Steve Witt (Nassau BOCES); Bob Transom (Oceanside)

Nassau BOCES: Michael Perina; Tony Fierro

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset)

Facilities directors: Armand Markarian (Manhasset); Dennis Sheridan (Hewlett-Woodmere)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Bob Fiato

II. Significant issues discussed

- A. RESCUE Compliance Services RFP update: 8 vendors have been scheduled for pre-qualification interviews by BOCES, to be held on June 24-25
- B. District participation in RESCUE RFP: Districts will need approval from their boards to participate in the RFP. The RFP leaves room for individual districts to request vendors to examine specific areas based on an hourly fee.
- C. Natural Gas Bid (ES BOCES) update: BOCES is still in communication with Eastern Suffolk BOCES about the natural gas bid
 1. School district involvement: Nassau districts would have to cross-contract, since they are not a component of the host ES BOCES
 2. County/municipality involvement: Any political subdivision of the county can participate in the bid if the county joins; a village or town may also be able to join a BOCES bid just as easily as an individual school district but that needs to be confirmed
 3. Open-access period: The July 1 deadline for the next six-month window to join the bid may not be realistic at this point, but an open-access period may be possible to negotiate based on the potential large amount of new participants from Nassau
- D. State Comptroller: A new representative from the State Comptroller would be welcomed to participate in the group; the issue will be raised at this week's Steering Committee meeting
- E. Action items:
 1. Bob will email list of districts that responded to RESCUE Compliance RFP survey



2. Info on the RESCUE Compliance RFP will be presented to facilities officials and business officials at upcoming meetings
3. BOCES will stay in contact with ES BOCES to determine whether the natural gas bid is still possible

III. Next meeting: Tuesday, June 29

A. Time: 11:30 AM (*note new time*)

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: June 29, 2010

I. Attendees

School board representatives: Steve Witt (Nassau BOCES); Bob Transom (Oceanside)

Nassau BOCES: Michael Perina; Tony Fierro

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset)

Facilities directors: Armand Markarian (Manhasset); Dennis Sheridan (Hewlett-Woodmere)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Bob Fiato

II. Significant issues discussed

- A. RESCUE Compliance Services RFP update: 8 vendors have been scheduled for pre-qualification interviews by BOCES, to be held on June 24-25
- B. District participation in RESCUE RFP: Districts will need approval from their boards to participate in the RFP. The RFP leaves room for individual districts to request vendors to examine specific areas based on an hourly fee
- C. Natural Gas Bid (ES BOCES) update: BOCES is still in communication with Eastern Suffolk BOCES about the natural gas bid
 - 1. School district involvement: Nassau districts would have to cross-contract, since they are not a component of the host ES BOCES
 - 2. County/municipality involvement: Any political subdivision of the county can participate in the bid if the county joins; a village or town may also be able to join a BOCES bid just as easily as an individual school district, but that needs to be confirmed
 - 3. Open-access period: The July 1 deadline for the next six-month window to join the bid may not be realistic at this point, but an open-access period may be possible to negotiate based on the potential large amount of new participants from Nassau
- D. State Comptroller: A new representative from the State Comptroller would be welcomed to participate in this group; the issue will be raised at this week's Steering Committee meeting
- E. Action items:
 - 1. Bob will email list of districts that responded to RESCUE Compliance RFP survey



2. Info on the RESCUE Compliance RFP will be presented to facilities officials and business officials at upcoming meetings
3. Nassau BOCES will stay in contact with ES BOCES to determine whether the natural gas bid is still possible

III. Next meeting: Tuesday, June 29

A. Time: 11:30 AM (*note new time*)

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: September 13, 2010

I. Attendees

School board representatives: Steve Witt (Nassau BOCES); Bob Transom (Oceanside)

Nassau BOCES: Tony Fierro, Joan Siegel

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset)

Facilities directors: Dennis Sheridan (Hewlett-Woodmere)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Brad Friedman

II. Significant issues discussed

- A. RESCUE Compliance Services RFP update: The RFP was successful, providing favorable prices to participating districts- 24 school districts responded. The building condition survey is a multi-year contract (four years).
- B. Public Relations: Once the total school district savings have been estimated we need to do a press release. This working group will develop the savings estimates and share with the community outreach working group.
- C. Non-Participating School Districts: The working group should reach out to school districts that decided not to use the bid to determine why they are not participating. This will be helpful for future RFPs.
- D. Natural Gas Bid update: The Nassau County natural gas bid opening occurred in July. The County legislature approved the negotiated deal with Hess.
 1. Political Subdivision Involvement: It is expected that any political subdivision will be able to use this contract but the paperwork is still being drafted and will be shared with the political subdivisions upon completion.
- E. Long Island Purchasing Council: Led by Nassau County and Suffolk County Purchasing Directors, the Council aims to realize cost savings through the joint bidding and purchasing of common goods and services among the Counties and underlying political subdivisions.
 1. First Bid: The first bid issued by the Council will be for paper and sewer district chemicals. Michael would appreciate input from the working group regarding other commodities he should recommend to the Council for bidding. The working group initially recommended office and cleaning supplies.
 2. Other Considerations: Both counties have multi-year contracts so supplies will only be rebid once their current contracts expire. Also, schools generally have stricter policies regarding supplies that can be purchased (e.g., green policies for cleaning products) so this may limit some bidding opportunities.



F. Action items:

1. Michael will distribute the blanket order form for natural gas to the working group once it is completed and approved.
2. The working group will review the commodity list on Suffolk County's purchasing website to identify potential short-term bid opportunities.
3. PFM will work with BOCES to finish collecting and analyzing RESCUE Compliance services results.

III. Next meeting: Thursday, October 14th

A. Time: 10:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: October 14, 2010

I. Attendees

School board representatives: Steve Witt (Nassau BOCES); Bob Transom (Oceanside)

Nassau BOCES: Tony Fierro, Michael Perina

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck);

Facilities directors: Armand Markarian (Manhasset)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Brad Friedman

II. Significant issues discussed

A. Long Island Purchasing Council

1. Nassau County is working on the consortium bid for paper. Michael Schlenoff asked Bob Hanna to ask school districts what their paper needs are so that they could be included in the bid. Note: there are multiple paper types, sizes, and qualities that are likely to be requested by bid participants.
2. Also, it is unclear whether the paper bid will have colored paper or recycled paper options, and whether it includes inside delivery.

B. Opportunity Areas

1. Kitchen Facilities/Support Staff: Most schools have their own facilities but the kitchen staff is a combination of school district employees and contract staff. Nassau County receives better prices for food/supplies than the State contract and this may be something that that school districts could also benefit from.
2. Natural Gas: All school districts should be able to use the County natural gas bid. Savings will likely varying by school district. We should work with Hess and the participating school districts to identify aggregate cost savings.
3. Sand/Salt: Storage and purchase of salt may be an opportunity. Note: there are different salt types for different uses (e.g., sidewalks generally use bagged salt while roads are usually covered with a sand/salt mixture)

C. RESCUE Compliance Cost Survey

1. PFM is currently working with BOCES and the participating school districts to collect the necessary data to perform the cost savings analysis and will share preliminary results at the next working group meeting.



D. Action items:

1. Terry will look into school district food service operations
2. Michael will determine where the County currently stores salt/sand
3. Terry, Armand, and Michael will research use of bagged salt/sand
4. PFM will finish collecting cost data and distribute RESCUE compliance services cost savings analysis at the next working group meeting

III. Next meeting: Wednesday, November 10th

A. Time: 10:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: November 10, 2010

I. Attendees

School board representatives: Steve Witt (Nassau BOCES); Bob Transom (Oceanside)

Nassau BOCES: Tony Fierro, Michael Perina

School district business officials: Al Chase (Garden City); Terry Hood (Great Neck); Angela Pierce (Syosset)

Facilities directors: Armand Markarian (Manhasset)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Brad Friedman

II. Significant issues discussed

A. Old Business

1. Terry is still working with Armand on evaluating the feasibility of salt/sand initiative.

B. Food Operations

1. County put out a milk and orange juice bid and received prices that were \$0.05 less than the state contracts.
2. Note: The County does bids at all intervals (monthly/semi-annually/annually) depending on the commodity. Food service orders are posted on the County website.

C. Bi-County Paper Bid

1. School districts have expressed interest in participating on the County paper bid. The paper is based off of a set load delivery schedule. Michael will confirm this.

D. Building Condition Survey Cost Savings Analysis

1. The preliminary building condition survey cost savings analysis was distributed to the working group. The preliminary analysis determined the initiative saved hundreds of thousands of dollars.
2. The working group asked that PFM follow-up one final time with the participating school districts to confirm the award information used in the analysis.

E. Natural Gas Bid

1. The school districts need additional information on how to participate on the County natural gas bid. The school districts are working with Hess on how to participate.
2. Note: the county bid included a political subdivision clause on page 12 of the bid document and in the blanket purchase order.
3. Armand shared a draft analysis that estimated school districts could save approximately 16% if they participate in the natural gas bid. He was asked to share the analysis with the working group.



F. Other Opportunities

1. **Window air conditioners:** Currently school districts bid off of the State contract but they might be able to receive a better price from a cooperative bid. It is estimated that school districts purchase 4-5 window air conditioners every year.
2. Nassau County does not have a contract for window air conditioners; they are purchased as needed.

G. Action items:

1. PFM will follow-up with school districts that participated in the BCS services RFP
2. Armand will distribute his draft natural gas cost savings analysis to the working group.
3. Michael Perina will determine if BOCES has information on window air conditioners.

III. Next meeting: Wednesday, December 8th

A. Time: 10:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: December 8, 2010

I. Attendees

Nassau BOCES: Tony Fierro, Michael Perina

School district business officials: Terry Hood (Great Neck); Angela Pierce (Syosset)

Facilities directors: Armand Markarian (Manhasset); Denis Sheridan (Hewlett Woodmere)

Nassau County: Michael Schlenoff (Purchasing)

PFM: Brad Friedman

II. Significant issues discussed

A. New Business

1. The working group reviewed and commented on the purchasing slide summary that was drafted by the community outreach working group. This slide will be presented at the Open Meeting on January 26th.

B. BCS Cost Savings

1. PFM explained the BCS costs savings analysis and methodology. The working group requested additional follow-up to confirm the data for select school districts. A revised analysis will be distributed to the working group.

C. Food Operations

1. County buys food by location.
2. The county can structure a food bid to have two costs. One cost for the county and one cost for other bid participants.
3. The county has the flexibility to award select sections of the bid.

D. Energy

1. High area of opportunity: gasoline, fuel oil, compressed natural gas
2. It is estimated that county has 3,000-4,000 vehicles in its fleet.
3. There are two compressed natural gas filling sites in the county.

E. County Natural Gas Bid

1. Note: the county bid included a political subdivision clause that provided for all political subdivisions to participate.

III. Next meeting: Thursday, January 13th

A. Time: 11:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: January 13, 2011

I. Attendees

School board representatives: Steve Witt (Hewlett Woodmere); Bob Transom (Oceanside)

Nassau BOCES: Tony Fierro, Michael Perina

School district business officials: Terry Hood (Great Neck); Al Chase (Garden City)

Facilities directors: Armand Markarian (Manhasset)

Nassau County: Michael Schlenoff (Purchasing); Bara Ross (Purchasing)

PFM: Brad Friedman

II. Significant issues discussed

A. Old Business

1. The working group reviewed and commented on the purchasing slide summary that was drafted by the community outreach working group. This slide will be presented at the Open Meeting on January 26th.

2. It was recommended that we make sure regional newspapers are invited to the Open Meeting.

Note: the Open Meeting was subsequently postponed until March 1st.

Action Item: PFM will follow-up with the community outreach working group to confirm that regional newspapers have been invited to the Open meeting.

B. Energy:

1. Natural Gas Bid

- a. The working group will develop a memo that informs school districts of the natural gas bid and provides them instructions for participating in the bid.
- b. It was recommended to survey school districts to see how they have gas delivered to their buildings with the goal of convincing providers to bring high-pressure gas to all buildings.

2. Oil

- a. It was also recommended to survey schools to see which districts were using oil. There may be an opportunity to bring known oil quantities to the provider to negotiate prices

C. Other

1. The working group is looking at issuing a RFP for GASB 45 services for school districts and municipalities.
2. The working group will continue to follow-up on the salt/sand storage program with the county. County storage sites have been identified but we might want to survey the Towns to assess their interest and where there storage sites are located.

III. Next meeting: Thursday, February 10th



- A. Time: 11:00 AM
- B. Location: Nassau BOCES, 71 Clinton Road, Garden City

NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: February 10, 2011

I. Attendees

School board representatives: Steve Witt (Hewlett Woodmere), Bob Transom (Oceanside)

Nassau BOCES: Michael Perina, Joan Siegel

School district business officials: Terry Hood (Great Neck), Angela Pierce (Syosset)

Facilities directors: Armand Markarian (Manhasset), Dennis Sheridan (Hewlett Woodmere)

Nassau County: Michael Schlenoff (Purchasing), Bara Ross (Purchasing)

PFM: Brad Friedman

II. Significant issues discussed

A. Media Update

1. Terry Hood reviewed what she shared with Newsday regarding the BCS RFP results and new initiatives the working group is pursuing including, natural gas, GASB 45, and workers comp.

B. Salt/Sand

1. The draft salt/sand memo was reviewed and comments/suggestions were provided by the working group. A needs assessment survey will be sent out shortly.

C. Outreach

1. It was noted that in order to meet the goals of the grant we needed to do more outreach and we should keep this in mind as we are exploring new initiatives. Pursuing broad initiatives will help maximize participation.

D. Purchasing Mechanisms

1. An RFP provides more flexibility than a bid and is probably more appealing to school districts.
2. For cooperative bidding there are many different mechanisms for issuing bid/RFPs (BOCES, county, LIPC, etc.) however the focus should be on what is the most effective/efficient way to do the bid/RFP.

E. LIPC

1. County attorneys are still working on the appropriate language for LIPC so that school districts can join the council and participate on bids.
2. LIPC is moving ahead with paper. Next up will be sewer and storm water chemicals. The board is exploring pool chemicals-most municipalities have a need but Suffolk County has no pools. Right now they are surveying the partners for the types of pool chemicals and will be doing a bid in March.

F. Natural Gas

1. The informational memo is nearly complete and will be distributed to the schools shortly.

G. GASB 45 RFP



1. The working group is pursuing the GASB 45 services RFP. Currently the RFP is being revised.

H. Energy:

1. The working group would like to survey the school districts that are using high pressure gas and oil.

III. Next meeting: Thursday, March 10th

A. Time: 11:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City

NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: March 10, 2011

I. Attendees

School board representatives: Steve Witt (Hewlett Woodmere), Bob Transom (Oceanside)

Nassau BOCES: Michael Perina, Joan Siegel, Anthony Fierro

School district business officials: Terry Hood (Great Neck), Angela Pierce (Syosset), Al Chase (Garden City)

Facilities directors: Armand Markarian (Manhasset)

Nassau County: Michael Schlenoff (Purchasing), Bara Ross (Purchasing)

PFM: Brad Friedman

II. Significant issues discussed

A. New Business

1. Angela Pierce is retiring but noted that she would still like to participate. The working group is thankful that she will continue as an active member.

B. Open Meeting

1. Terry Hood thanked those for attending the Open meeting. There was a good turn out and members have been receiving positive feedback. Attendees have expressed interest in gas, paper, and other bid goods.

C. GSA Contracts

1. Schools/municipalities currently can't use GSA contracts, but there are probably savings there for localities for select equipment/supplies.

D. Roofing Services

1. There are two components: roof construction and roof repair

2. Note: roofing projects need SED approval and drawings need to be approved by independent architect/contractor.

3. Roof warranties should cover repair work. The manufacturer has the option to utilize certified roof repair contractors.

4. Preventative maintenance could be an important component of joint purchasing.

5. Roofing is very technical and there is a myriad of types of roofs and materials.



E. GASB 45 RFP

1. Joan will be sending something out very soon. She will need active employees and retirees from interested entities.

F. Nassau County Shared Services Office

1. Michael Schlenoff has been appointed the Nassau County Acting Commissioner of Shared Services
2. The first RFP issued by the office will be for school district internal audit services.

G. Energy

1. Gas and or oil are energy sources for school districts. Some school districts that only use oil would benefit from converting to natural gas given current commodity prices. National grid would have to convert the supply lines to gas for the school districts and this would likely require school districts to commit to using gas for a certain period of time. Note: State law requires school districts to be able to switch from natural gas and oil sources.

H. LIPC Update

1. LIPC is still reviewing other energy initiatives (electricity, gasoline, etc.)

III. Next meeting: Wednesday, April 13th

A. Time: 11:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: April 13, 2011

I. Attendees

School board representatives: Dennis Sheridan (Hewlett Woodmere), Bob Transom (Oceanside)

Nassau BOCES: Michael Perina, Joan Siegel

School district business officials: Terry Hood (Great Neck), Angela Pierce (Syosset), Al Chase (Garden City)

Facilities directors: Armand Markarian (Manhasset)

Nassau County: Michael Schlenoff (Purchasing), Bara Ross (Purchasing)

PFM: Brad Friedman, Blair Gearhart

II. Significant issues discussed

A. New Business

1. None

B. Roofing Services

1. Preventative maintenance for roof repairs such as inspections every five years can extend the builder's warranty on the roof. Further discussion is needed to determine whether this is feasible in Nassau.

2. Discussion was had on whether or not to issue an RFP for inspection services, with the possibility of a bulk rate for multiple school districts. Boilerplate RFP language would be needed.

C. GASB 45 RFP

1. So far nine districts have responded to the RFP for GASB 45 services.

2. In order to identify cost savings, information should be gathered on how much each school district paid for their interim and full studies for GASB 45.

3. Questions were raised on whether or not school districts should use a separate company for updates rather than the same company that did the full study.

D. Energy

1. The working group would like to survey the school districts on their energy supply and sources. There is a need for further discussion on what to include in the survey and what other information/data the working group would like to collect through survey instrument.

III. Next meeting: Wednesday, May 11th

A. Time: 11:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: May 11, 2011

I. Attendees

School board representatives: Bob Transom (Oceanside)

Nassau BOCES: Michael Perina, Joan Siegel

School district business officials: Terry Hood (Great Neck), Al Chase (Garden City)

Facilities directors: Armand Markarian (Manhasset), Dennis Sheridan (Hewlett Woodmere)

Nassau County: Michael Schlenoff, Bara Ross, Frank Intagliata

PFM: Blair Gearhart

II. Significant issues discussed

A. New Business

1. None

B. Roofing Services

1. Preventative maintenance for roof repairs such as inspections every five years can extend the builder's warranty on the roof.
2. Further discussion is needed to determine whether this is feasible in Nassau and what school districts/municipalities should be included.
3. Discussion was had on whether or not to issue an RFP for inspection services, with the possibility of a bulk rate for multiple school districts. Boilerplate RFP language would be needed.

C. GASB 45 RFP

1. So far nine districts have responded to the RFP for GASB 45 services.
2. In order to identify cost savings, information should be gathered on how much each school district paid for their interim and full studies for GASB 45.
3. Questions were raised on whether or not school districts should use a separate company for updates rather than the same company that did the full study.

D. Energy

1. The working group would like to survey the school districts on their energy supply and sources. There is a need for further discussion on what to include in the survey and what other information/data the working group would like to collect through survey instrument.

III. Next meeting: Wednesday, July 20th

A. Time: 11:00 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: August 17, 2011

I. Attendees

School board representatives: Bob Transom (Oceanside)
Nassau BOCES: Angela Pierce, Michael Perina, Tom Roccanova
School district business officials: Terry Hood (Great Neck)
Facilities directors: Armand Markarian (Manhasset), Dennis Sheridan (Hewlett Woodmere)
Nassau County: Frank Intagliata
PFM: Jackie Dunn

II. Significant issues discussed

A. New Business

1. None

B. Diesel Fuel

1. Explore opportunities to put out diesel only for bid and separating from heating oil.
2. School districts are hesitant to commit to an approximate fuel quantity due to pricing but will need to look at the pricing formula, which is consistent with State formula.
3. Schedule meeting with school district representatives to answer questions that districts may not answer on a survey
 - a. The summer vacation has also complicated responses as many districts do not know certain cost estimates
 - b. Would also create a captive audience, may provoke more responses and enthusiasm in initiative
 - c. How do we approach districts? Separately? Via BOCES meeting?

C. Natural Gas

1. "Trigger" – to buy in at a certain price, creating a stop loss situation that results in no purchase above the trigger price.
 - a. Institute stop loss at point to create "caveat of savings"
2. Hess Natural Gas has a Trigger Hotline (1-732-750-6464) that gives fuel price reports. The County offered this vendor hotline as a way for administrators/districts to stay informed and know when to adjust a trigger. If prices are dropping, one can lower the trigger and lock in at even lower rates.

D. BOCES

1. Next meeting will be held in late September – hope to finalize plans in October
2. Prices of oil are currently at lowest point, however there is no critical need to bid during the summer
3. Gasoline usage is consistent on a daily basis
4. Need to check termination agreements to determine if there is a 30-day notice required to switch contracts



5. Nassau County will be ready to go by site location for the next meeting.

- III. **Next meeting: September 27th, 2011**
 - A. **Time: 10:30 AM**
 - B. **Location: Nassau BOCES, 71 Clinton Road, Garden City**



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: September 27, 2011

I. Attendees

School board representatives: Steven Witt (Hewlett Woodmere)

Nassau BOCES: Michael Perina, Anthony Fierro

School district business officials: Terry Hood (Great Neck), Angela Pierce (Nassau ASBO),
Melissa Burak (Lynbrook), Al Chase (Garden City),

Facilities directors: Armand Markarian (Manhasset)

Nassau County: Frank Intagliata (Purchasing), Michael Schlenoff (Purchasing), Bara Ross
(Purchasing)

PFM: Blair Gearhart

II. Significant issues discussed

A. New Business

1. None

B. Survey Revisions

1. Officials from OGS indicated that if a school district decides to utilize any other avenue for fuel purchases, and previously submitted a requirement letter to OGS; NYS can hold said district liable to meet minimum requirement purchase through awarded vendor.
2. The Working Group will reach out to districts to see if they submitted minimum fuel requirement letters to OGS, and will also advise them of their potential liability if they deviate from NYS Contract (i.e. new proposed Nassau County Shared Services fuel bid).

C. Gasoline Purchasing – New Bid through County in October, 2011

1. Frank Intagliata walked the Group through the expectations and details of a contract he is working to bid out in mid-October.
2. Contract will include a "performance bond", requiring vendor to provide gas to districts in times of emergency (i.e. natural disasters such as hurricanes, snowstorms, and flooding).
3. Contract will be for approximate quantities of fuel which will not force districts to use a required amount.
4. Nassau County's bid for gas purchasing will have same pricing structure as State contract, with State pricing as "ceiling price". State contract does not include a performance bond (requires vendor to deliver gas within 4 hours of notice).



5. It's Nassau County's hope that there will be increased participation by the school districts, resulting in higher volumes and greater purchasing power. **Districts must respond ASAP (first week in October) so that Nassau County can create framework for bid.**

- a. Armand Markanian noted that an approximate volume for all school districts could be derived using NYSIR data. Mr. Markanian will apprise the Group of the results when available.

D. Consulting Contracts

1. After Fuel purchasing is finalized, members of the Group expressed interest in exploring opportunities for collective purchasing of consulting services related to the following:

- a. Environmental engineering
- b. Architecture
- c. Structural engineering
- d. RESCUE

2. Working Group will discuss future outreach to districts to analyze what they are currently paying and where savings can be found.

III. Next meeting: October 13th, 2011

A. Time: 10:30 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



NYS 21st Century Demonstration Project Grant

Purchasing Working Group

Meeting Notes: October 13, 2011

I. Attendees

School board representatives: None

Nassau BOCES: Michael Perina, Joan Siegel, Tom Roccanova, Anthony Fiero

School district business officials: Terry Hood (Great Neck), Al Chase (Garden City), Armand Markanian (Manhasset)

Nassau County: Michael Schlernoff (Purchasing), Frank Intagliata (Purchasing), Bara Ross (Purchasing)

PFM: Blair Gearhart

II. Significant issues discussed

A. New Business

1. None

B. Gasoline Purchasing – Countywide Bid Update

1. Frank Intagliata reported that a minimal amount (less than 200,000 gallons) was reported by school districts, which would not materially affect the bid. Frank has chosen to modify the price formula to achieve savings

2. No school districts committed to using the contract. However, Frank is optimistic that he will be able to reduce the handling charge from \$0.25/gallon to \$0.17, or 32 percent.

3. There will be a P-Card available for participating districts to use at a list of predetermined and negotiated locations

C. Hess Contract

1. As of today, total savings achieved have been \$61,000

a. It's estimated that 70% of these savings are attributable to Nassau BOCES

2. Contract awarded to Hess was a cost basis contract, meaning no firm price set for fuel

D. Natural Gas Purchasing

1. Amount of natural gas in Northeast is abundant due to multiple convenience sources

2. Frank Intagliata believes that natural gas will be in the low \$4 range for the entire winter

a. Current rates for November, December and January are \$3.50/gal, \$3.70/gal and \$3.86/gal, respectively

b. This is the time to create awareness among school districts that there are savings to be had if these prices are taken advantage of.

E. Cooperative Bid on Commodities



1. Michael went before the Nassau County Legislature regarding a cooperative bid on rock salt
 - a. This proposal was well received by four different legislators, with encouragement to aggressively move ahead with this initiative in Eastern Long Island
2. Michael has asked that the group discuss commodities specifically conducive to a cooperative bid, either through the 21st Century Shared Services Working Group or the Long Island Joint Purchasing Committee (LIJPC)
3. Goal is to start initial research on effort this year in anticipation of next school year, which looks to be more uncertain due to ongoing financial difficulties in Nassau County

F. Architectural Services RFP

1. Tony has recommended that any RFP developed for architectural services needs to be tailored specifically to the needs of school districts. An RFP put out by County may not reflect what needs to be accomplished or required in a school building.
2. School districts could develop RFP and customize it to their needs and the County could put it out.

III. Next meeting: November 22nd, 2011

A. Time: 10:30 AM

B. Location: Nassau BOCES, 71 Clinton Road, Garden City



Appendix E: Building Condition Survey Request for Proposals (RFP)

NASSAU COUNTY DEPARTMENT OF
SHARED SERVICES

MICHAEL SCHLENOFF Acting Commissioner



REQUEST FOR PROPOSALS (RFP) FOR INTERNAL AUDIT SERVICES FOR SCHOOL
DISTRICTS

RFP No. Shared 0311-1109

Proposal Submission Date: April 5, 2011



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I. GENERAL INFORMATION

A. Introduction.

In accordance with Ordinance No.15-A-2011, on behalf of a consortium of school districts in Nassau County (the “Consortium”), the Nassau County Acting Commissioner of Shared Services (the “Acting Commissioner”), with the assistance of the Nassau County Comptroller (“Comptroller”), , is soliciting proposals from qualified Certified Public Accountant (C.P.A.) firms to provide the Consortium with internal audit services. This Request for Proposals (“RFP”) describes the scope of work requested to be performed; minimum proposer qualifications; required proposal format and content; proposal evaluation criteria; and required terms of any agreement resulting from this RFP.

Nassau County (“the County”) has 56 independent school districts, each of which is legally required to obtain annual internal audits of their operations. The County is working with the Consortium which includes many of the school districts to retain one or more audit firms to handle the internal audit functions of any school district within the County that seeks to retain such services through the Consortium contract. The County will only be responsible for facilitating the solicitation of services. The individual school districts within the Consortium will be the sole contracting parties and will be solely responsible for managing their contracts with the retained audit firms; the costs of the internal audit will be billed directly to the contracting school districts.

The consortium expects to enter into an agreement with one or more vendors submitting the proposals most advantageous to the Consortium. Potential vendors with verifiable qualifications and demonstrated ability are invited to submit proposals for the RFP services.



The Consortium is committed to a policy of equal opportunity and does not discriminate against vendors on the basis of age, sex, sexual orientation, race, color, creed, religion, ethnicity, national origin, disability, marital status, familial status, veteran status or any other basis protected under federal, state, and local laws, regulations and ordinances.

B. RFP Contact.

The sole contact for the submission of proposals to the County solely on behalf of the Consortium, and inquiries relating to this RFP is:

Michael Schlenoff
Acting Commissioner of Shared Services
240 Old Country Road, Suite 307
Mineola, New York 11501

Fax: (516) 571-4263

Email: Sharedservices@nassaucountyny.gov

All inquiries should be submitted in writing or by facsimile transmission or email. Contact with anyone else in the County government or the Consortium including elected officials, County or School District personnel or their agents or consultants, regarding this RFP, is strictly prohibited.

Violation of this requirement may be grounds for eliminating a proposal from consideration.

C. Proposed Preparation Costs.

Neither the Acting Commissioner, the Comptroller, the County nor any school district shall be liable for any costs incurred in the preparation and production of a proposal in response to this RFP or for any work performed prior to the issuance of a contract.



D. Rejection of Proposals.

This RFP does not commit the Consortium or any school district to award a contract, or to otherwise procure the services sought by this RFP. The Consortium reserves the right to accept or reject any or all proposals received, to negotiate with all qualified proposers, to engage more than one proposer, and to cancel this RFP in part or in its entirety if the Consortium determines that it is in the best interest of the Consortium to do so. As stated above, the County shall not be a party to any contract awarded pursuant to this RFP. Its role is solely to facilitate this procurement.

E. Addenda to Request for Proposals.

Addenda to this RFP may be issued prior to the proposal submission date and will be posted on the County website. In addition, addenda will be furnished by email to prospective proposers who have specifically informed the RFP Contact, specified in Section I (B) above, of their interest in receiving addenda.

F. Submission of Proposals and RFP Timetable.

1. Submission of Proposals.

The original proposal and ten (10) copies should be submitted in a sealed envelope addressed to the RFP Contact. An authorized representative of the vendor must sign the original. The proposal should also be submitted electronically to Michael Schlenoff at sharedservices@nassaucountyny.gov

To be considered, proposals must be mailed or hand-delivered so as to be received by the RFP Contact located at 240 Old Country Road, Room 307, Mineola, NY 11501, no later



than April 5, 2011. If proposers are mailing the proposal, they must allow sufficient time for mail delivery to ensure timely receipt of their proposals, and should consider using registered or certified mail with return receipt requested. Late proposals will not be considered.

It is each Proposer's responsibility to carefully review all the requirements of this RFP, including the scope of work, the specifications and terms and conditions. It is further the proposer's responsibility to ask questions, request clarifications, or otherwise advise the Acting Commissioner of Shared Services if any language, specifications or requirements of this RFP appear to be ambiguous, contradictory, or to inadvertently restrict or limit the vendors that could meet the requirements of this RFP to a single source.

If a proposer takes exception to any requirement of this RFP, the Proposer must clearly set forth the exception in its proposal, referencing the affected RFP section, paragraph and page. The Proposer must set forth the reason(s) for the exception and indicate what (if any) alternative is being offered by the Proposer. The Consortium shall determine (in its sole discretion) the acceptability of any proposed exception(s). Where the Consortium rejects a proposed exception, the Consortium may offer the vendor an opportunity to withdraw its exception and propose an alternative. However, even where the Consortium does not reject a proposed exception to the RFP prior to the issuance of a Notice of Intent to Award to a Proposer, the Consortium reserves the right to negotiate with the Proposer regarding any such exceptions. Regardless of whether or not the Consortium rejects proposed exceptions to the RFP, such exceptions will be considered by the Consortium in evaluating the completeness and adequacy of the proposal. Proposers shall be deemed to



have accepted all requirements of this RFP to which they have not specifically and clearly stated an exception in their proposal.

2. RFP Timetable.

- | | |
|--|----------------|
| a. Release of Request for Proposals: | March 15,2011 |
| b. Final date for Submission of Questions: | March 22, 2011 |
| c. Final date for Submission of Proposals: | April 5, 2011 |
| d. Approximate date for Selection of Vendor: | April 22, 2011 |

Dates indicated above are subject to change at the sole discretion of the County and the Consortium. The County and the Consortium reserve the right to request a presentation or additional information from some or all of the proposers.

G. Additional Information May Be Required.

The Consortium may award a contract or contracts based upon proposals received without discussion. Each proposal, therefore, should be submitted in the most favorable terms. However, the County and Consortium reserve the right to request additional data, oral discussions, or presentations in support of written proposals from any or all proposers. In addition, the County and the Consortium reserve the right to make on-site visits to the proposer's place of business to assess and/or evaluate the proposer's qualifications. A review of the SAS 70 of all proposers will be an integral part of selection process.

H. Independent Price Determination.



By submission of its offer, the proposer's certify (and in the case of a joint offer, each party hereto certifies as to its own organization) that, in connection with the procurement:

1. The prices in this offer have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition, as to any matters relating to such prices with any other proposer or competitor; and
2. Unless otherwise required by law, the prices that have been quoted in this offer have not been knowingly disclosed by the proposer prior to award, directly or indirectly, to any other proposer or competitor; and
3. No attempt has been made or will be made by the proposer to induce any other person or firm to submit or not to submit an offer for the purpose of restricting competition; and
4. No elected or appointed official or employee of the County or any School District that is a member of the Consortium shall benefit financially or materially from this contract. The Consortium may terminate this contract if gratuities were offered or given by the proposer or his or her agency to any such official or employee.

I. Time Validity of Proposal.

The proposer must guarantee that the proposal submitted will be valid for 180 days following the submission deadline.

J. Disclosure of Proposal Contents.

Information submitted to the County, including the information contained in proposals submitted in response to this RFP, may be subject to disclosure under the New York Freedom of Information Law ("FOIL") and other laws. If a vendor is submitting information that it believes is protected



from disclosure under FOIL or similar laws, it should clearly identify, at the time of submission, the information at issue and the basis for non-disclosure. If the County receives a request for disclosure of the identified information and the County determines that the identified information is required by FOIL or any other law to be disclosed, the County will use reasonable efforts to notify the vendor prior to disclosing the information in order to enable the vendor to take such action as the vendor deems appropriate. .

K. Anticipated Contract Term.

The Consortium expects that the contract will be for a three-year term, beginning with internal audit services for the school districts' fiscal years ending June 30, 2012, with the option for two additional one-year renewals at the sole discretion of the Consortium, subject to all required Consortium approvals.

L. Award of Contract

The Consortium shall select a proposer(s) by means of a Notice of Intent to Award issued by the RFP evaluation Committee. Neither the selection of a proposer nor the issuance of a Notice of Intent to Award shall constitute the Consortium's acceptance of the proposal or a binding commitment on behalf of the Consortium to enter into a contract with the proposer, as any binding arrangement must be set forth in definitive documentation signed by all parties and shall be subject to all requisite approvals.

**THE FOLLOWING SCOPE OF SERVICE SHOULD BE TREATED AS A GUIDELINE IN
PREPARING A PROPOSAL RESPONSE, AND MAY BE SUBJECT TO NEGOTIATIONS**



RESULTING IN A FINAL AGREEMENT. THE PROPOSER SHOULD PROVIDE A PROPOSAL IN APPENDIX B WHICH MEETS THE SCOPE REQUIREMENTS SET FORTH BELOW.

II. SCOPE OF WORK

The Scope of Work to be furnished by the selected vendor responding to this RFP is to provide the deliverables, perform the tasks, and meet the requirements listed below and discussed in detail in the following sections. The internal audits and related work under the contract resulting from this RFP must be conducted in accordance with Generally Accepted Auditing Standards (GAAS), as promulgated by the American Institute of Certified Public Accountants, with Generally Accepted Government Auditing Standards (GAGAS), as promulgated by the United States General Accounting Office in its publication, Government Auditing Standards, with standards issued by the Governmental Accounting Standards Board (GASB), Generally Accepted Accounting Principles (GAAP), standards promulgated by the New York State Comptroller and Regulations of the New York State Commissioner of Education; and Regulations of the Federal Government regarding Federal Funds (Yellow Book) and the U.S. Office of Management and Budget (OMB) Circular A-133, Audit of State, Local Governments and Non-Profit Organizations.

1. The Internal Auditor(s) will complete an initial Risk Assessment for each school district that requests its service in the first year of service for which a proposal is submitted or where appropriate, evaluate, adjust and adopt an existing risk assessment.
2. The Internal Auditor(s) will complete an annual Risk Assessment update in each of the subsequent year(s) of service.



3. The Internal Auditor(s) will identify the universe of key systems and processes with the greatest risk to the District, rank and prioritize those risks and make recommendations for the testing of the applicable systems and processes in the form of an annual internal audit plan. The Internal Auditor will submit a proposed audit plan to the School District Audit Committee for approval. The internal auditing firm will review the most recent external audit, management letter, District response to the management letter and interviews with appropriate District personnel in determining the initial risk assessment protocols.

4. Subsequent to the Risk Assessment and testing, an internal audit report shall be issued to the School District Audit Committee and Board of Education that identifies and prioritizes (categorizes) the District's significant risks. The report will outline the results of testing and assessments, include recommendations for corrective action, identify the responsible party charged with overseeing corrective action and alert the School District Audit Committee and the Board of Education of any problems encountered during the execution of the audit/testing. Affirmation of agreement with recommendations for corrective action by responsible parties and a timeline for implementation shall be indicated in all instances. Disagreements as to recommendations for corrective action shall also be indicated and will be reported to the School District Audit Committee for potential escalation to the Board of Education. The report shall also detail any further testing that is recommended by the Internal Auditor to be performed subsequent to the implementation of the corrective plan in order to mitigate the identified risk.

5. The audit scope, based on a proposed audit cycle, will include tests of the various operational and control systems of the District (i.e., financial systems, computer security and access systems, extra classroom activities and school food service including free and reduced price meal



application process) and other processes or areas the Internal Auditor considers necessary based on the areas of risk identified to the school district.

6. Some of the audit areas, based on the system(s) selected for review by the Internal Auditor, shall include, but may not be limited to, the following:

- Payroll audits to determine if the individuals included on the payroll are bona fide district employees, are paid at their approved salaries and wages, and receive only those benefits to which they are entitled (includes a review of separation and balloon payments, employee withholdings and leave accrual balances in accordance with contractual provisions)
- Procurement audits to determine if purchases and public work contracts exceeding the statutory competitive bidding thresholds are acquired through competitive bidding as required by General Municipal Law; procurement of goods and services that are not subject to competitive bidding comply with the District's procurement policy of obtaining competitive quotations and price comparisons; Request for Proposals for Professional Services are obtained and the basis for selecting professionals is properly documented; the Board enters into written contracts with all professional service providers to document the services to be provided and the basis for payment and; the District's claims auditor reviews claims for compliance with the District's procurement policy prior to approving the claims for payment.
- Review of treasurer and business office functions for proper transaction recording and/or supervisory approval– journal entries, wire transfers, bank reconciliations, investment and collateralization for compliance with applicable laws, check logs,



vendor to employee address match, revenue from various sources, computer audit logs, credit card usage including gasoline credit cards, etc.

- Review of Capital Asset Inventory, portable capital assets in particular, to determine if the District's procedures (i.e. annual physical inventory count of capital assets and assignment of unique identification number) and records to safeguard equipment assets (i.e. furnishings, vehicles, and electronic equipment) against loss or theft are adequate.
- Review of Extra classroom Activities to determine if there is adequate accounting, student involvement, payment of sales tax and the maintenance of supporting documentation as required by the NYSED Finance Pamphlet 2- The safeguarding, Accounting, and Auditing of Extra classroom Activity Funds.
- Perform periodic School Lunch audits (e.g. cash counts, cash deposits, meal observation, verification of free and reduced and prepaid meals and applications) to determine compliance with applicable regulations and District policies and procedures.

7. Irregularities and Illegal Acts. The Internal Auditor(s) shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the Business Administrator, the Superintendent, the School District Audit Committee and the Board of Education of the School District.

8. Reporting to the District. Barring the instance of any irregularities and illegal acts by the District's management, the Internal Auditor, on a quarterly basis, shall submit a written report to the District's Administration, School District Audit Committee and Board of Education outlining any and all findings, corrective action plans and relative audit timelines as established by the annual audit plan.. Only in the instance where the Auditor(s) believes the District's management is involved in irregularities and/or illegal acts, the Auditor shall make their report directly to the



District's Audit Committee and Board of Education. An annual report will then be given to the District's Audit Committee for review, prior to acceptance by the Board of Education.

9. **Additional Services.** Should the Board of Education decide to request testing of additional systems, the Internal Auditor(s) will perform the testing at an agreed upon time schedule in accordance with the rates outlined in Appendix B.

10. **Working Paper Retention and Access to Working Papers.** All working papers and reports must be retained, at the Internal Auditors' expense, in accordance with law, unless the firm is notified in writing by the school district of the need to extend the retention period. The Internal Auditor will be required to make working papers available for examination upon request, to the following parties or their designees:

- The School District
- United States General Accounting Office (GAO)
- New York State Comptroller's Office
- Parties designated by the Federal or State governments or by the School District as part of an audit quality review process.
- Auditors of entities of which the School District is sub-recipient of grant funds.
- Authorized representatives of other governmental agencies, the School District, and any subsequent independent auditors.

In addition, the Internal Audit firm(s) shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing significance.

11. The selected vendor will be required to submit a PDF version of each item outlined above, and as many hard copies for each item for each fiscal year as the individual school district requests.



III. PROPOSAL FORMAT AND CONTENT

Proposals that do not meet the requirements of this RFP will not be considered.

The proposal should be submitted in one volume divided into the following sections:

A. Cover Letter. The cover letter must contain the following:

1. Identify the proposal as a response to the School District Internal Audit RFP.
2. Name and address of vendor, and addresses from which services will be provided, if different.
3. Name, title, telephone number, and email address of individual to be contacted regarding the proposal.
4. Name, title, address, telephone number, email address and signature of the official authorized to bind the vendor.
5. Disclosure. All organizations contracting with the Consortium are required to disclose the names and home addresses of all principals. The cover letter must provide the following as indicated by the type of ownership:
 - Sole proprietorship/individual. The name and email address of the sole proprietorship/individual. "Sole ownership" must be stated on the disclosure.
 - Closely held corporation. The names and email addresses of all shareholders, officers and directors.
 - Publicly traded corporation. Only the page(s) of the SEC Form 10-K setting forth the names of all officers and directors.



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- Not for profit corporation. The names and email addresses of all members, officers and directors.
 - Partnership. The names and email addresses of all general and limited partners.
 - Limited liability company. The names and email addresses of all members.
 - Limited liability partnership. The names and email addresses of all members.
 - Joint venture. The names and email addresses of all joint members.

List any possible conflicts of interest and how the proposer would resolve the conflict.

6. An affirmative statement, with supporting documentation, that the proposer meets the following minimum qualifications:

- a. at least three years' experience in conducting audits of New York State School Districts, Not-for-Profit Organizations or Corporations; and
- b. at least three clients for whom the proposer has conducted audits.

B. Table of Contents.

C. Organizational Overview.

Provide an organizational chart and a brief description of the type and general history of your organization, by identifying its size, staff, annual budget, and number/type of clients. Describe your experience in conducting risk assessment and internal audits of school districts.

D. References.

Provide the name, address, contact person, telephone number and email address for the three largest organizations for which you currently provide internal audits, and if applicable, three for which you no longer provide such services. For organizations that have terminated their



relationship with your organization, specify the reasons for termination. Include all governmental entities for which you have provided similar services within the last five years.

E. Technical Proposal.

Describe your implementation plan and project schedule for accomplishing the work outlined in the Scope of Work and attach same as Appendix B. Appendix B should contain a complete written description of the proposal, which shall include:

1. A brief introduction outlining the overall technical approach to the engagement, including level of testing and analytical procedures. Indicate how your firm's internal audit plan will specifically address the issues of employee fraud and collusion and include sample Risk Assessment Reports and other Internal Audit reports.
2. Narrative descriptions of the proposer's treatment of each deliverable required in Sections II and III of this RFP.
3. A detailed approach and work plan, in narrative and tabular forms, listing strategies, tasks to be accomplished, and their sequence. The work plan must include:
 - a. Estimated work hours for completing each task and/or deliverable and total project work hours; and
 - b. A Dollar Cost Bid Proposal for the work specifications noted in the Scope of Work section. The Cost Bid Proposal shall be determined based on the Districts' proposed annual budgets within the ranges noted below, three year audit periods and percentage discounts noted below.

Budget Range

- Up to \$50M
- \$50M – \$100M



- \$100M - \$150M
- \$150M+

The Proposal cost shall be noted for each of the following three audit periods:

- July 1, 2011 to June 30, 2012
- July 1, 2012 to June 30, 2013
- July 1, 2013 to June 30, 2014

Proposer shall note the percentage discount to Proposed Cost (fee) if said Proposer is guaranteed audits of a minimum of five (5) School Districts.

c. Number of work hours by staff category, including expectations of County and School District staff; and

d. A detailed implementation schedule clearly indicating tasks and their respective completion dates, and the work product(s) to be provided at the completion of each task (i.e., commencement of review and interim and year-end work).

4. An enumeration of the problems that the proposer might reasonably expect during the engagement and the proposer's approaches to solving said problems.

5. Qualifications of Firm's Staff. The Consortium is interested in the level and type of government internal auditing experience of any and all persons who may be assigned to the District's account. The firm shall provide in their proposal a detailed resume of the particular senior/manager/partner level staff to be assigned to this engagement and a listing of references including governmental and school district contacts that can attest to the staff's internal audit experience.

6. The audit firm must also submit a copy of the report on its most recent quality control or peer review. In addition, the firm shall provide any information on the circumstances



and status of any disciplinary action taken or pending against the firm during the last three years.

7. The detailed proposal should demonstrate the qualifications, competence and capacity of the proposer. The proposal should be prepared simply and economically, providing a straightforward, concise description of the firm's internal audit capabilities to satisfy the requirements of the Request for Proposal.

8. OTHER INFORMATION DELIVERABLES REQUIRED

a. The firm shall provide an affirmation statement that it is independent of the County and the School District as defined by generally accepted auditing standards in the United States of America and the U.S. General Account Office's Government Auditing Standards. Said affirmation statement shall indicate that the firm and all assigned staff are properly credentialed to practice the profession in New York State. The affirmation statement shall also provide that those assigned to the District have met all of the continuing professional education (CPE) requirements necessary to satisfy the United States General Accounting Office (GAO) standards. Details about the type of CPE Credits earned will be provided to the District if requested.

b. The proposal shall state the size of the firm, the size of the firm's governmental internal audit staff and the location of the office where the work on this engagement is to be performed.



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- c. The firm shall provide the name(s) of individuals in the firm that would be available throughout the term of the contract for continuing advice and counsel along with the associated cost.
- d. The firm shall provide a listing of memberships, organizations or training sessions the firm is involved with that specifically relates to school district accounting.
- e. The proposal response must indicate the maximum fee for the services requested including all necessary out of pocket expenses such as copying costs and mileage. Each proposal shall also state the hourly rate and anticipated number of hours for each staff level. The hourly rate will be the basis for special audit or management services fees to be billed.
- f. The firm must possess superior expertise and experience in the area of fund accounting and have familiarity with governmental entities, reporting practices and requirements, and related municipal law. The firm must demonstrate familiarity with the New York State Uniform System of Accounts.
- g. Billing will be executed in coordination with the District's claims audit and warrant cycle as appropriate.



Responses to this RFP should include a written affirmation by the auditor that there are no conflicts of interest between the firm and the School District.

IV. EVALUATION CRITERIA

An Evaluation Committee, to be established by the Consortium in consultation with the County, will carefully evaluate the proposals received and select a vendor(s) for performance of the contract. The Committee will consist of representatives from the County and school districts within Nassau County. A proposal's merit will be evaluated as follows:

A. Minimum Qualification Requirements (MQRs) (Pass/Fail)

To be considered, the proposer must meet the MQRs enumerated in Section III.A.6. of this RFP.

B. Technical Proposal (75%)

1. Overall quality of the proposal (50 points), including:
 - a. Technical approach and methodology to completing the internal audits, including strategies and the planned sequence, appropriateness, comprehensiveness, and general quality of the proposed work and management plans;
 - b. Ability of the proposer to successfully complete the audit within the proposed schedule including the commitment and quantity of assigned staff and the accessibility, availability and commitment of partners to be assigned to the engagement.
2. Proposer's characteristics, quality of staff assigned, and experience providing similar services (25 points), including:



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- a. The qualifications, experience and level of personnel, including any sub-contractors, the proposer will assign to the engagement, and their commitment;
 - b. The firm's commitment to the continuing education and professional development of its staff;
 - c. The strength of the proposer's references and prior experience on internal audits, including the proposer's experience with GAAP for governmental entities;
 - d. The depth and breadth of the proposer's audit experience; and
 - e. The proposer's financial stability.

C. Cost Proposal (25%)

After the Evaluation Committee completes its technical evaluations, it may eliminate those proposals it considers not competitive. Cost proposals will then be opened from competitive technical proposals. A maximum of 25 points may be awarded to the proposal judged to be lowest overall in cost and lower amounts will be assigned to more expensive proposals. Proposals that do not meet the MQRs enumerated in Section III.A.6 will not be considered.



APPENDIX C

Business History Form

The Contract shall be awarded to the responsible Proposer who, at the discretion of the School District, taking into consideration the reliability of the Proposer and the capacity of the Proposer to perform the services required by the School District, offers the best value to the School District and who will best promote the public interest.

In addition to the submission of proposals, each Proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the proposal.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date:

1) Proposer's Legal Name: _____

2) Address of Place of Business: _____

List all other business addresses used within last five years:

3) Mailing Address (if different): _____

Phone: _____

Does the business own or rent its facilities? _____

4) Federal I.D. Number or Social Security Number: _____

5) Dunn and Bradstreet Number: _____

6) The proposer is a (check one): Sole Proprietorship Partnership Corporation
 Other (Describe) _____



7) Does this business share office space, staff, equipment of expenses with any other business? Yes ___ No ___ If Yes, please provide details: _____

8) Does this business control one or more other businesses? Yes ___ No ___ If Yes, please provide details: _____

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business? Yes ___ No ___ If Yes, provide details. _____

10) Has the Proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated? Yes ___ No ___ If Yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the Proposer, during the past seven years, been declared bankrupt? Yes ___ No ___ If Yes, state date, court jurisdiction, amount of liabilities and amount of assets _____

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business. Yes ___ No ___ If Yes, provide details for each such investigation. _____



13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business. Yes ___ No ___ If Yes, provide details for each such investigation. _____

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending? ___ No ___ Yes If Yes, provide details for each such charge. _____

b) Any misdemeanor charge pending? ___ No ___ Yes If Yes, provide details for each such charge. _____

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? ___ No ___ Yes If Yes, provide details for each such conviction

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor? ___ No ___ Yes If Yes, provide details for each such conviction. _____



e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions? ___ No ___ Yes If Yes, provide details for each such occurrence.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? ___ No ___ YES; If Yes, provide details for each such instance.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? ___ No ___ Yes If Yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose:

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting as collection agent on behalf of Nassau County or a member of the Consortium or School District.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting as collection agent on behalf of Nassau County or a member of the Consortium or School District.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting as a collection agent on behalf of Nassau County or a member of the Consortium or School District.



- b) Please describe any procedures your firm has, or would adopt, to assure the County, Consortium or School District that a conflict of interest would not exist for your firm in the future.



Attachments to Business History Form

Please provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

- A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Should the proposer be other than an individual, the Proposal should include:

- i) Date of formation;
- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner;
- iii) Name, address and position of all officers and directors of the company;
- iv) State of incorporation (if applicable);
- v) The number of employees in the firm;
- vi) Annual revenue of firm;
- vii) Summary of relevant accomplishments
- viii) Copies of all state and local licenses and permits.

- B. Indicate number of years in business.

- C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

- D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company _____

Contact Person _____

Address _____

City/State _____

Telephone _____

Fax # _____

E-Mail Address _____



Company _____

Contact Person _____

Address _____

City/State _____

Telephone _____

Fax # _____

E-Mail Address _____

Company _____

Contact Person _____

Address _____

City/State _____

Telephone _____

Fax # _____

E-Mail Address _____



CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

I, _____, being duly sworn, state that I have read and understand all the items contained in the foregoing pages of this questionnaire and the following pages of attachments; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the Consortium or School District in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of the contract; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the Consortium or School District will rely on the information supplied in this questionnaire as additional inducement to enter into a contract with the submitting business entity.

Sworn to before me this _____ day of _____ 2011

Notary Public

Name of submitting business: _____

By: _____

Print name

Signature

Title

_____/_____/_____
Date



APPENDIX D

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered and the answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name _____
Date of birth ____/____/____
Home address _____
City/state/zip _____
Business Address _____
City/state/zip _____
Telephone _____
Other present address(es) _____
City/state/zip _____
Telephone _____
List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President ____/____/____ Treasurer ____/____/____
Chairman of Board ____/____/____ Shareholder ____/____/____
Chief Exec. Officer ____/____/____ Secretary ____/____/____ Chief
Financial Officer ____/____/____ Partner ____/____/____
Vice President ____/____/____
(Other) ____/____/____

3. Do you have an equity interest in the business submitting the questionnaire?
NO ___ YES ___ If Yes, provide details.



4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire? NO ___ YES ___ If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or not-for-profit organization other than the one submitting the questionnaire? NO ___ YES ___
 If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer? NO ___ YES ___
 If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency.

Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
 - a. Been debarred by any government agency from entering into contracts with that agency? NO ___ YES ___ If Yes, provide details for each such instance.

 - b. Been declared in default and/or terminated for cause on any contract, and/or had any contract cancelled for cause? NO ___ YES ___ If Yes, provide details for each such instance.

 - c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards? NO ___ YES ___ If Yes, provide details for each such instance.

 - d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contracts? NO ___ YES ___ If Yes, provide details for each such instance.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated? If 'Yes', provide details for each such instance. (Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.)
 - a) Is there any felony charge pending against you? NO ___ YES ___ If Yes, provide details for each such charge.



- b) Is there any misdemeanor charge pending against you? NO ___ YES ___ If Yes, provide details for each such charge.
- c) Is there any administrative charge pending against you? NO ___ YES ___ If Yes, provide details for each such charge.
- d) In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? NO ___ YES ___ If Yes, provide details for each such conviction.
- e) In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor? NO ___ YES ___ If Yes, provide details for each such conviction.
- f) In the past 5 years, have you been found in violation of any administrative or statutory charges? NO ___ YES ___ If Yes, provide details for each such occurrence.
9. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5? NO ___ YES ___ If Yes, provide details for each such investigation.
10. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer? NO ___ YES ___ If Yes, provide details for each such investigation.
11. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? NO ___ YES ___ If Yes; provide details for each such instance.
12. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? NO ___ YES ___ If Yes, provide details for each such year.

**CERTIFICATE
OF INFORMATION**

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PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

I, _____, being duly sworn, state that I have read and understand all the items contained in the foregoing pages of this questionnaire and the following pages of attachments; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the Consortium or School District in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of the contract; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the Consortium or School District will rely on the information supplied in this questionnaire as additional inducement to enter into a contract with the submitting business entity.

Sworn to before me this day of 2011.

Notary Public

Name of submitting business

Print name

Signature

Title

_____/_____/_____ Date

