Putting State Procurement Policies in Action: A Case Study of Procurement Processes at the California State Special Schools & Services Division

Lynette Porter

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Submitted by
Lynette Porter

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Golden Gate University
San Francisco, California

Faculty Advisors:
Joaquin Gonzalez, Ph.D and
Mick McGee, DPA

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Introduction

Government procurement is a constantly evolving field that varies from government to government. Thus, procurement processes across different public organizations sometimes have very little in common, with the exception of one shared goal: to obtain the best value with public funds. How governments decide to do this is often up to their discretion though procurement processes are typically underpinned by defined methods and formal procedures. Rotchanakitumnuai (2013) writes that "Good governance refers to the process and structure that insures good management of resources" (p. 309). As the visibility of how public organizations manage their resources becomes more transparent in the digital era, more organizations' procurement processes are sure to come under scrutiny.

This paper explores procurement processes at the California State Special Schools and Services Division (SSSSD), consisting of the California School for the Deaf at Fremont (CSDF), California School for the Deaf in Riverside (CSDR), the California School for the Blind (CSB), and the three Diagnostic Centers in Fremont, Fresno, and Los Angeles. SSSSD is a division of the California Department of Education (CDE), and thus must abide by California state purchasing methods as defined in the General Code, Purchasing & Contracting Code, State Administrative Manual, State Contracting Manual, and additionally issued Management Memos; in addition to CDE's Administrative Manual (DEAM).

The state's current long transition to a completely transparent e-Procurement platform, cleverly titled FI$Cal, is putting entirely new demands on every facet of state agencies' procurement processes. FI$Cal was formally recognized as a new State of California department in July 2016... Per FI$Cal's website, the ultimate goal of the department is to combine

accounting, budgeting, cash management, and procurement operations into a single financial

management system, which would eliminate the need for the outdated legacy systems of

individual agencies and any state-entity-specific applications. FI$Cal is meant to provide more

standardization, transparency, discipline, effectiveness and efficiency to the state's crucial

business processes[1]. All functionalities of FI$Cal are not expected to be fully up and running

until the start of the 2020 fiscal year. However, several procurement functionalities are already in

place and functioning. They include the reporting of all purchases, the advertising of bids, and

the selection of vendors, especially Certified Small Businesses and Disabled Veteran Businesses.

This is an important function as all California state departments are required to perform 30% of

their business with those certified companies.

Background and History

In the SSSSD's attempt to create policies and procedures that are in compliance with

state procurement regulations, while transitioning from cumbersome legacy processes to FI$Cal,

processes at each site have evolved in varied ways, depending on the organizational structure of

that site. This paper especially focuses on CSDF, the largest of all the SSSSD sites with respect

to personnel, student population, and budget. CSDF is comprised of 14 different departments

under five different divisions. CSDF is also the only SSSSD site that has departments which

service the other sites. Table 1 shows the different divisions and their respective departments.

For added clarification and only if applicable, a department's specific sub-divisions or their

general functions are provided.

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[1] http://www.fiscal.ca.gov/about-vision/

Table 1

Division	Department
Support Services	Business Office *(Procurement, Receiving, Property Control, Accounting*)* Plant Operations* *(Building Maintenance, Engineering, Grounds, Janitorial)* Nutritional Services
Instruction	Early Childhood Education Elementary School Middle School High School Career Technical Education Special Needs
Student Life	Student Life (*residential program*) Transportation
Pupil Personnel Services	Pupil Personnel Services *(admissions, assessment, counseling)* Student Health Unit*
Human Resources	Human Resources* *(personnel, interpreting/translating)*

*serves multiple SSSSD divisions

CSDF has an average enrollment of around 450 students, with more than half of those being residential students who live on campus Sunday evening through Friday afternoon, when they are either bused or flown back to their residential areas. CSDF has an almost equal ratio of staff to students though a large portion of departments do not directly serve the students, such as the Business Office, Accounting, Human Resources, and Plant Operations, all of which serve other SSSSD sites besides CSDF, as shown in Table 1. The school is essentially an extremely compact school district with the student enrollment of the average public elementary school in the United States. The variety of needs across the departments is wide, and despite their differing

tasks, the priority of every department is to work together to promote the academic, linguistic, vocational, cultural, social, emotional and physical development of Deaf children[2].

Historically, the procurement process at CSDF has been simple: a department submits a purchase requisition to the Business Office, which then creates a purchase order from that requisition and routes the PO to the Business Manager and Accounting Office for their signed approvals. Departments were given a lot of discretion in how they handle their own procurement requisitions, and were granted autonomy over their individual procurement processes, including those of obtaining quotes, and vendor selection. This was in a large part due to the fact that every aspect of the procurement process cannot be exclusively performed by CSDF's central Business Office as volume is simply too large for the office's only two employees. In the 2015/2016 fiscal year (FY) alone, 536 individual purchase orders were processed by the two Business Services Officers, who were also responsible for managing the contracting processes for CSDF's 40 service contracts in that same year.

Need for Research

Multiple audits in the past decade by several state departments, such as the Department of General Services, CDE, and the State Controller's Office, have shone a spotlight on CSDF's processes in managing resources and their failure to meet even the most basic of California state regulations. These continuous audits have been necessary to help identify and correct areas that need improvement, however, they are expensive and is a cumbersome and stressful process for all employees involved. CSDF has had to rely on these audits to know what state purchasing requirements are and which changes need to be made to internal procurement processes.

Changes in regulation and procedures are typically passed from department heads to the division leaders and then on to each remote agency. This method of information distribution can

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[2] http://www.csdeagles.com/apps/pages/index.jsp?uREC_ID=370451&type=d&pREC_ID=833981

be a significant problem for agencies that are removed from their department headquarters, as is the case with the SSSSD sites and the Department of Education. California's e-procurement system, FI$Cal, is one attempt to close this gap between front-line employees at remote sites and department heads.

All state agencies, especially remote ones, can benefit greatly from established best practices of procurement processes that are applicable and teachable to every organization, and meets all state procurement regulations and mandates while meeting the common goals of procurement processes across all public organizations, as identified by Watermeyer (2005): competition, integrity (ethics), transparency, efficiency, customer satisfaction, best value, wealth distribution (support of small business and veteran-owned business), risk avoidance, and uniformity. Meeting these goals requires full cooperation from the entire organization, though all rank-and-file state employees cannot all be expected to have complete understanding of state purchasing regulations such as procurement specialists, which further supports the need for sound business processes within the organization.

Research Question and Assumptions

How can procurement processes at the SSSSD improve in order to:

1. Improve compliance with state regulations;

2. Decrease the length of time between submittal of a department's purchase requisition and it's conversion to a purchase order by the Business Office; and

3. Decrease the number of submitted requisitions that are denied by the Business Office.

This researcher assumes that four factors: training, experience, relationship with the Business Office, and language, have a direct effect on the three objectives listed in the research questions. Those four factors will serve as independent variables in this study to see how they affect the

dependent variables of 1) the understanding of state procurement regulations; 2) the understanding of CSDF procurement requirements; 3) the understanding of the state's e-procurement system; and 4) the perceived difficulty of CSDF's procurement processes.

Research Scope and Limitations

Primary research will be limited to the SSSSD, which does have a relatively limited sample size of only nine procurement specialists, all of which will be utilized as key informants. CSDF employees involved in purchasing for their individual departments will also be sampled.

Several limitations exist for this study, the first being the limited sample size. There are a total of only nine procurement specialists that work within the SSSSD, and only 29 CSDF employees who work on purchasing for their own departments. All these employees will be targeted for sampling. The next limitation is the unique structural organization and needs of the SSSSD sites that may make the research not easily applicable to other state departments. Another important limitation is time. While this initial research served to discover the areas in current procurement processes that must be addressed; the effects of any changes to processes after this initial research could not also be measured in the short eight-week period.

This research will explore how the independent variables of language, training, experience and relationship with the Business Office affect the dependent variables of understanding of procurement regulations and perceived difficulty of procurement processes. Those independent variables have been identified by the researcher to be most likely to affect those dependent variables from her experience working as a procurement specialist at CSDF.

The author and researcher for this paper is a Business Services Officer at CSDF and has been granted the authority to put new procurement practices in place along with enforcing those practices and providing training to staff on the new processes. Data will be gathered via one-on-

one interviews with SSSSD procurement staff on how the procurement processes at their

individual sites are performed; and via surveys with CSDF departmental staff on their views of

the implementation of revised procurement processes.

Literature Review

Discovering best practices of public procurement processes in the transition to e-procurement systems is still very a very new and emerging literary topic. Increased demands on procurement specialists without expanding resources and staff have placed a heightened demand on public organizations to modernize their procurement processes. Keating (2016) uses the 2014 and 2016 "Survey of State Procurement Practices" to illustrate the rapidly changing demands on public procurement specialists, which showed the reported workloads of procurement offices doubling between the two years. Literature relevant to this topic seem to be consistent in their positions that public organizations must find ways to adapt their procurement processes to find ways to procure within the limits of laws and statutes while increasing transparency and overall value to the organization in the form of cost savings, efficiency, and improved service delivery to constituents. This section will expand upon these points and will attempt to demonstrate the possibility of making them a reality within the SSSSD.

Organizational Procurement

In order to begin to understand procurement processes, one must first understand the goal of procurement. A very general definition of procurement is provided by Roman (2015) as being the "acquisition, renting, leasing, contracting, purchasing, and contract management within public administration" (p. 43). Rotchanakitumnuai (2013) and Mrak, Vretenar and Antonic (2016) believe that procurement is a direct reflection of the effectiveness of governance by writing that the cost savings and increased value of government's expenses should be treated as a contribution to increasing both economic efficiency and the quality of public services.

Robinson, Faris, and Wind (1967) laid out a framework of organizational purchasing, that can be found in Table 1, meant to enable managers to analyze the major phases of the buying

decision process by identifying three different fundamental premises that form the foundation on

which the framework is based. Those premises are: 1) the procurement process is a chain of

activities that must be performed in the resolution of a buying situation; 2) purchasing is a

dynamic decision process that results in a sequence of activities that vary in complexity; and 3)

purchasing involves different functional areas and hierarchical levels within an organization

(Robinson, 1967; Esmaeilpour & Dejgahi, 2013). The principles of citizen participation,

responsibility, rule of law, effectiveness, efficiency with equity and accountability can all be

demonstrated in an organization's procurement practices (Rotchanakitumnuai, 2013).

Table 1

The Buygrid Framework

Buyphases
1. Recognition of a need
2. Determination of solution characteristics
3. Description of solution characteristics
4. Search for suppliers
5. Acquisition and analysis of proposals
6. Evaluation of proposals and selection of supplier(s)
7. Selection of order routing
8. Performance feedback and evaluation

Note. Adapted from Robinson et al. (1967)

This study is rooted in the belief that the identification of best procurement practices that

can be standardized across organizations will increase quality of governance and provide added,

long-lasting stability to the organization's mission and vision. Watermeyer (2005) writes that the

harmonizing and standardizing of procurement processes, procedures and methods are vital to

achieving transparency in government procurement. Unfortunately, the means by which to achieve these standard goals of procurement processes are not well understood (Watermeyer, 2005).

Richart (2015), and Park and Bunn (2003) believe that the procurement offices of public organizations have had to evolve from performing more tactical, administrative functions to more strategic ones to be able to meet the modern goals of government. He writes that organizations wishing to become a more strategic organization should focus on five areas – position, planning, processes, people and technology – within the current environment of their organization. Organizations with a central purchasing unit, such as the SSSSD sites would have to allow organization-wide visibility into purchasing to take advantage of strategic opportunities.

By involving the entire organization, the central purchasing units of organizations would need to change from acting as a processing center to more of a service center, with the goal of ultimately taking on the roles of consultants and advisers (Richart, 2015). Richart (2015) writes that, "to do this, the organization's processes, including business processes, policies and procedures, business tools and technology must be evaluated, changed if necessary and benchmarked to manage ongoing performance" (p. 13). Dale-Clough (2015) writes that each procurement system should be built around its own strengths, organization and competencies.

Gordon (2016) expands on the importance of obtaining a collective understanding and commitment to procurement procedures and how they support the organization's mission, vision and goals. Knowing how the procurement sub-system fits in and works with the organization's other sub-systems will help all employees understand that it requires a collective effort to achieve such a dynamic change, especially as procurement professionals struggle to keep up with increasingly heavy workloads (Gordon, 2016; Keating, 2016). Keating (2016) found that 62% of

government procurement offices are experiencing a staff reduction or no change in staffing, though 74% of those professionals indicated that the procurement responsibilities of central procurement offices have increased in just the two years preceding the study.

The policy context of public procurement is also an important factor on the increased stress placed on the procurement professionals of government organizations. Dale-Clough (2015) found that the cyclical attempts to reform procurement have created layers of policy initiatives and have subsequently led to public procurement officials being subjected to multi-level policy contradictions. These contradictions have led to extremely complex attempts to keep up. In addition, procurement staff has had to take up a more defensive role, protecting their organization from the possibility of litigation and malpractice (Dale-Clough, 2015).

In studying organizational purchasing and the linkages that make up an organization's buying workflow, Buckles and Ronchetto (1996) discovered that an organization's "purchasing behavior goes far beyond the boundaries of a single organizational department" (p. 84) and, in fact, "cooperation and coordination among various units or departments is necessary if the organization is to utilize its resources fully" (p. 86)

E-procurement

E-procurement is being touted as a solution to many of the problems procurement departments are faced with. Clark (2016; 2017) writes about the potential of e-procurement to help ease the workload placed on procurement professionals at a time in which procurement responsibilities have greatly increased yet less than half of state agencies are increasing procurement staff. Rotchanakitumnuai (2013) believes that e-procurement can be "an effective system which achieves good governance in procurement and limits political interference" (p.

311). E-procurement has the ability to increase cost savings, improve transparency, transform business practices, encourage new suppliers to participate in public procurement, and even attract younger generations of workers who have unprecedented demands for technology in the workplace (Rotchanakitumnuai, 2013; Clark, 2017).

E-procurement is not guaranteed to enrich governance, increase transparency, and reduce corruption if there is a lack of awareness of the best practices in e-procurement and, in fact, can be a significant risk to government effectiveness if not implemented effectively (Rotchanakitumnuai, 2013). If e-procurement is to be conducted efficiently, a transformation of procurement processes will be necessary. Clark (2016) suggests that "the standardization of best practices, more frequent tracking and measurement of key qualitative and quantitative functions and greater integration with financial and project management data" (p. 4) will be necessary to avoid the challenges that will arise from administrative cost additions, procurement delays and agility reductions.

Controversies of Government Procurement

Despite the growing importance of procurement in public administration, it remains a field that is slightly controversial to explore. Roman (2013) provides several explanations for this: 1) a lack of glamour behind the work of procurement specialists; 2) an inherent risk that lies behind revealing that procurement specialists do not behave in the manner they may be expected to, and may therefore deviate from being mere enforcers of procurement ordinances, which would raise many questions of ethics; and 3) the naturally fragmented nature of procurement as a field in its entirety makes it extremely challenging to study and has resulted in a lack of consensus regarding major definitions, concepts or development paths. Identifying these reasons behind the lack of research of public procurement practices directs a spotlight toward the

consequences of bad procurement processes. The administrative tasks and policy issues facing procurement specialists are becoming significantly more complex, and their roles have expanded to assume responsibilities that have historically been set outside the realm of their decision-making (Roman, 2015).

There is no question that bad procurement processes can easily lead to abuse and fraud, which has highlighted the importance of the ethics of procurement specialists and the organizational commitment of procurement processes. The importance of understanding that public procurement is a process is vital in recognizing the problems that may be caused by poor procurement practices.

Greenstone (1992) writes about the effects of public bureaucracy on government procurement by asserting that growing procurement regulations reflect a fear of granting discretion to public un-elected officials, and that the confusion in objectives of a procurement system are just as concerned with economic and social objectives (e.g. promoting minority business, small business, and veteran businesses), as with obtaining products and services of value. Greenstone (1992) goes on to write that the bureaucracy has led to a conflict between the procurement specialist and their world of the requirements, policies, and mandates of governments, and the ultimate customers within the agencies. These conflicts are demonstrated within the SSSSD and CSD especially. They will be examined with the hopes of identifying the areas which are most in need of a resolution.

Research Methodology

Research Overview

The purpose of this study is to identify and put into practice a better procurement process at CSDF that is in compliance with all California state purchasing regulations and can also be implemented at the other SSSSD sites. A recent study issued by the California Legislator's Office (LAO), along with audits by the Department of General Services, State Controller's Office, and Department of Education, has put the cost-effectiveness and purchasing authority of CSDF and all other SSSSD sites under scrutiny. It is the intent of this research to determine the specific areas in which procurement processes at the SSSSD need to improve so that purchase requisitions are converted to orders faster, less requisitions are denied by procurement specialists, and compliance with California state purchasing regulations is improved.

This study quickly took the form of qualitative research. A qualitative approach was necessary to explore such a little-studied topic and help reveal the complex, multilayered aspects of procurement processes at the California SSSSD. Utilizing qualitative methods was also helpful to the researcher by enabling her to explore and develop new concepts related to procurement processes and discover the means to measure the effectiveness of said processes. According to Leedy and Ormrod (2016), qualitative research focuses on phenomena in their natural settings and can be used to define what needs to be studied in the field.

State procurement processes within such a multifaceted and complex organizational structure such as that of CSDF and the other SSSSD sites deserves to be explored and examined. This is especially true as demand for true government transparency increases and places more stress upon the procurement specialists within public organizations. This study initially focused on a review of relevant literature on the subject of procurement. This form of data gathering

focused primarily on scholarly journal articles, with some information coming from government documents.

This research is a partial case study and ethnography and took a multitrait-multimethod approach in which different characteristics are measured using different approaches. Surveys were developed with the objective of identifying the factors that may affect perceptions of the difficulty of procurement processes and the knowledge and understanding of 1) state purchasing regulations; 2) CSDF internal processes; and 3) the state's e-procurement system that is used for vendor selection. Those factors serve as the dependent variables in this study. The researcher selected four independent variables that were assumed to correlate with these factors. They are training, experience, relationship with the Business Office, and language. Interview questions of key informants were designed to research the difficulties in implementing procurement processes at the sites, and to possibly identify other factors that may affect the aforementioned dependent variables.

A review of current procurement processes at the SSSSD also had to be performed in order to establish a framework for data collection. This will primarily be performed via the interviews with key informants and the researcher's own personal experience. It is important to note that each of the six sites under the SSSSD have their own unique organizational structure, depending on their function and size. Most of the primary research of this study focuses on CSDF, the largest of all the sites in terms of personnel, budget, and student enrollment.

Data Collection

In order to gain a better overall understanding of procurement processes, it was important to research the departmental staff who is involved in creating requisitions for their own departments within CSDF, and the procurement specialists at all the sites who audit those requisitions and implement procurement processes at their individual sites. To do this, two forms of data collection were utilized: surveys and interviews. Surveys were provided to CSDF staff who are involved in creating purchase requests for their individual department. The surveys were distributed two separate ways:

1) Physical surveys were distributed to staff at a procurement workshop being held by the researcher at the beginning of the workshop and were collected at the end.

2) Surveys were emailed to the remaining departmental staff who are involved in purchasing and did not attend the procurement workshop.

These surveys served to identify perceived problems within the procurement process by those who must follow the process. Likert scales were used to measure the dependent variables in the following questions:

1) How would you rate your understanding of the state's procurement regulations as provided in the State Administrative Manual, State Contracting Manuals, CDE Administrative Manual and the SSSSD Procurement Policies & Procedures Manual?

2) How would you rate your understanding of CSDF's internal procurement requirements?

3) How would you rate your understanding of using FI$Cal for vendor selection (small businesses, disabled veteran businesses, contracted vendors)?

4) How would you rate the difficulty of CSDF's procurement processes?

The constant comparative method was used as the surveys were collected to help develop the interview questions for the key informants. The key informants are the procurement professionals at every SSSSD site. These professionals include the Business Managers, Business Services Officers, Business Services Assistants and Business Office Technicians. There are only 9 of these employees working at the SSSSD and all were asked to interview. Interviews were held either in person - in a one-on-one session with the researcher - or over the telephone.

Validity Assessment

Several threats to validity arose in data collection. Internal validity of the surveys may be threatened by data contamination. Surveys were distributed and collected in two waves. The first was at a procurement workshop which was offered to employees by the Business Office, and presented by the researcher. The workshop was completely voluntary to attend, and is a form of procurement training. These surveys were completed in the presence of the researcher, which may have affected the validity of responses. The survey sample also may not be completely representative of all CSDF employees involved in purchasing. Though an invitation to attend the workshop was sent to 29 employees who are involved in purchasing, only 10 opted to attend.

A significant threat to the external validity of this study is the uniqueness of CSDF and the other SSSSD sites in terms of their needs and organizational structures. Each site is an individual state agency and operates as such. This research is not applicable to other public schools and school districts as they are able to operate independently from the procurement regulations of the State.

It must be noted that the researcher of this study is an employee of CSDF and has worked there for seven years as a procurement professional. Personal experience and knowledge gathered through her position and by working with procurement professionals and other staff of

the SSSSD, including those in rank-and-file and management positions, has allowed for

substantial external knowledge on the existing procurement processes. However, this led to

several assumptions for this study:

1) CSDF departments with staff who attend procurement training and workshops will better

   adapt to changes in procurement processes and have a higher likelihood of having their

   requisitions approved by the Business Office right away.

2) Swift return and rejection of purchase requisitions by the Business Office that do not

   meet procurement standards will promote process compliance with later requisitions.

3) All SSSSD procurement specialists will adhere to the adopted processes and enforce all

   purchasing regulations with individual departments, regardless of personal relationship

   and biases.

Results and Findings

Survey Findings

Surveys were distributed to all CSDF employees who are involved in purchasing in any capacity for their department. There are 29 of these employees. 22 surveys were completed. Respondents were asked to report the number of training sessions they had attended, the amount of purchase requisitions they complete each year, how they perceive their relationship with the business office, and if language had ever been a barrier to their understanding of procurement processes. These four factors – training, experience, relationship with the Business Office, and language – were identified by the researcher to be the variables most likely to affect understanding of CSDF and state regulations, and perceived difficulty of procurement processes.

Training was measured by asking employees, "How many times have you attended procurement training provided by the Business Office in the past 48 months?" Training is provided by the Business Office twice each year to any CSDF staff who are involved in purchasing. These training sessions are completely voluntary to attend. The survey results showed that 17 people had attended only 1 or 2 training sessions in the past 48 months. Only 2 respondents reported going to 3 sessions, and 3 respondents attended all 4 sessions that had been provided in the past 48 months.

Experience was measured by asking employees how many purchase requisitions they process each year. Five possible answers were provided to select: a)1-5, b) 6-10, c) 11-15, d) 15-20, and e) 20+. Results were well spread across all answer choices. 5 employees reported doing only 1-5 requisitions each year, 4 selected 6-10, 3 employees selected 11-15, 4 employees reported working on 15-20 requisitions, and the remaining 6 employees work on 20 or more requisitions each year.

Relationship with the Business Office was measured by asking employees to rate their relationship as either a) outstanding; b) good; c) satisfactory; d) not good; and e) terrible. Results for this question were somewhat surprising to the researcher. All respondents reported their relationship with the Business Office as being outstanding (12 respondents), good (8 respondents), or satisfactory (2 respondents). No respondents selected not good or terrible.

Because a majority of CSDF staff are deaf, and English is not their first language, language was suspected to be a possible variable in the understanding of processes and the perceived difficulty of those processes. Deafness specifically was not meant to be a variable in this study, as deafness is only prevalent in two of the SSSSD sites – the California Schools for the Deaf in Fremont and Riverside - and respondents were not asked to indicate if they were deaf in the survey. Respondents were asked if language had been a barrier to their understanding of procurement processes a) all the time; b) most of the time; c) sometimes; d) not very often; or e) never. Responses to this question were also unexpected. Half the participants (11) selected never, 3 employees selected not very often, 4 employees selected sometimes, and the remaining 4 employees selected all the time or most of the time.

Likert scales were used to measure the understanding of CSDF and state regulations. Respondents were asked to select a value between 1 and 5, 1 representing no knowledge, 3 representing somewhat knowledgeable, and 5 being very knowledgeable, to the following questions:

1) How would you rate your understanding of the state's procurement regulations as provided in the State Administrative Manual, State Contracting Manuals, CDE Administrative Manual and the SSSSD Procurement Policies & Procedures Manual?

2) How would you rate your understanding of CSDF's internal procurement processes?

Remarkably, there seemed to be a reverse response between the understanding of CSDF regulations and the understanding of state regulations. All but 1 respondent reported being somewhat knowledgeable to very knowledgeable on CSDF regulations. Meanwhile, all but 3 respondents reported being somewhat knowledgeable to having no knowledge on state regulations. This informal correlation indicates that people seem to know which processes to follow at the school but not necessarily why they need to follow them.

A Likert scale was also used to measure the perceived difficulty of CSDF procurement processes, though the scale went from 0 to 4, with 0 being no knowledge, 3 being somewhat knowledgeable, and 5 being very knowledgeable. Though no respondents selected a value of 4 - very difficult - 10 respondents selected a value of 3. 3 respondents responded that processes were somewhat difficult, 7 respondents selected a value of 1, and only 1 respondent reported that CSDF procurement processes were not difficult.

Of the four variables of training, experience, language and relationship with the Business Office, there were a few surprising results. The first being that 20 respondents reported their relationship with the Business Office as being either outstanding or good. The next surprising result was in regards to language. 18 respondents said that language was a factor in their understanding of processes only sometimes, not very often, or never. It should be noted that many of the survey respondents were deaf, though deafness was not a measured factor in this study.

A statistical regression analysis was performed between the four factors of training, language, experience, and relations, and the understanding of CSDF and state regulations and perceived difficulty of processes. The only statistically significant correlation found was between the amount of training the respondent had and how they rated the difficulty of CSDF

procurement processes. Respondents who had attended more training sessions were more likely to find CSDF processes as being not difficult.

Another interesting find was in regards to the understanding of the FI$Cal e-procurement system. Respondents were asked, "How would you rate your understanding of using FI$Cal for vendor selection (small businesses, disabled veteran businesses, contracted vendors)?" The only FI$Cal functionalities that are applicable to the work of these departmental staff is a statewide vendor database used to identify possible suppliers. A Likert scale was also used to measure this response. A scale from 1 through 5 with 1 being no knowledge, 3 being somewhat knowledgeable, and 5 being very knowledgeable, was used. This is the very same scale that was used to measure respondents' understanding of CSDF and state procurement regulations. Unfortunately, 20 of the 22 total respondents reported having no knowledge or being somewhat knowledgeable about FI$Cal. The remaining 2 respondents selected the 4 value.

The remaining survey questions asked respondents to specify the subjects on which they would like more training and in which areas they would like more direct assistance from the Business Office. Responders were able to select multiple areas: procurement method selection, vendor selection, developing RFQs, writing BSO-11s (requisition), and writing justifications. 15 respondents requested more training on vendor selection and 14 respondents requested more training on vendor selection. This finding may be related to the lack of knowledge on FI$Cal, which has begun the functionality of a statewide vendor database to select possible vendors.

Interview Findings

Interviews of key informants were performed with the procurement staff at the SSSSD sites. There are a total of 9 of these employees, though the researcher is one of them. Of the 8 remaining employees, 5 of these employees could be interviewed. A common theme was shared

through every interview: their inability to keep up with constantly evolving regulations and the

increased workloads that come with them. One Business Manager reported, "With all the

changes being requested, it is really hard. There are so many regulations the state wants us to

implement and we just can't keep up."

All interviewees reported following the same general procurement processes within their

site. The department or end-user prepares a purchase requisition after obtaining necessary quotes

and sends the package to the Business Office. Business Office staff then audits the package for

completed documentation. If the requisition package meets all business requirements, the

Business Office then creates a purchase order, completes all other state forms, and registers the

purchase on FI$Cal, the state's e-procurement system.

A startling finding from the interviews was the uneven workload distribution placed upon

Business Office between the different sites. Table 2 shows the number of procurement staff at

each site compared with the number of purchase orders created per year.

Table 2

Business Office Production

Site	# of Business Office Staff	Approximate # of POs created per year
CA School for the Deaf, Fremont	2	650
CA School for the Deaf, Riverside	2	540
CA School for the Blind	1	300

Diagnostic Center, North	1	150
Diagnostic Center, South	1	150
Diagnostic Center, Central	No response	No response

A lack of communication from CDE headquarters was cited by two employees as one of their biggest problems. In regards to the communication problem from headquarters, another Business Manager said, "Communication, policy and procedure changes need to be passed on in a timely manner. [CDE] only talks to us if something is wrong."

Three Business Office employees interviewed referred to difficulties implementing processes within their own sites and a lack of support within their sites to enforce the proper procedures. "With all the regulations, people don't always follow through with requirements. It's just a hassle," said one Business Office Technician. One Business Services Officer referred to the failure of implementing processes and the additional burden such failure places on Business Office staff: "Procurement processes are hard to implement because staff don't want to follow them and they do what they want to do. They know if they complain to the right people, we'll have to do it for them anyway."

Conclusion and Recommendations

Given the statistically significant correlation between the amount of training an employee had received and their perceived ease of processes, training must be a priority in advancing any changes to procurement processes. The need for training will be especially significant as more functionalities of FI$Cal are rolled out. Kashefi, et al. (2013), write that "the level of knowledge and information which exist in members will increase the level of commitment" (p. 501).

General training should continue to be provided twice a year to all employees, with additional training sessions being provided as FI$Cal becomes more prevalent and processes are altered to suit FI$Cal functionalities. Because of the informal correlation between requests for training in vendor selection, and a lack of knowledge in using FI$Cal, a special training should be provided as early as possible to help employees with vendor selection and become better acquainted with the system before more functionalities must be performed within the FI$Cal system. Giving employees greater knowledge about FI$Cal now will promote greater commitment to using the system later (Kashefi, et al., 2013).

Clark (2017) writes that "webinars, self-guided e-learning and similar methods will maximize end-users' eProcurement proficiency and overall buying intelligence with minimal disruption and expense." SSSSD Business Offices should look to technology to assist in training departmental employees. The formal training sessions provided by the Business Offices in the past do not allow for much flexibility for teachers and staff who work evening hours. The use of technology has great potential to alleviate this problem, and perhaps even get more people interested in the training.

E-procurement has great potential to streamline processes, though FI$Cal processes have yet to be fully known and is not expected to be completely rolled out until 2020. However,

CSDF and the other SSSSD sites can benefit greatly from streamlining processes now to help ease the transition. Technology standardization will facilitate the necessary re-engineering of business processes and training methods (Clark, 2017). Unfortunately, best practices of FI$Cal cannot be identified until its functionalities are completely known. However, identifying best practices and clear roles within current processes will help mitigate the risks of change and create an environment that is more conducive to transparent government and value-driven procurement (Clark, 2017).

A suggested process for processing purchase requisitions is included as an appendix to this paper. The process follows the same general processes SSSSD procurement staff currently describe that is included in the Results and Findings chapter. The proposed process is very detailed, going through all buyphases and provides clear roles for both requestors and Business Office staff.

To help facilitate the transformation of business processes, more frequent tracking and measurement of key functions should be performed. CSDF has begun building a database to log every requisition received. This will promote complete transparency within the organization and assist in measuring the quantity of purchase requisitions received and the amount of time elapsed between receipt of the requisition and each buyphase. Obtaining such measurements will help procurement staff identify specific areas in the purchasing process that need to be improved and will provide more flexibility to take incremental actions toward process improvement as workforce and workload demands evolve. Success of this database will be gauged after the end of the current fiscal year and will be suggested to the SSSSD sites if proven successful.

The final recommendation is to help close the communication gap between the SSSSD sites and CDE headquarters. A delegate of sorts must be identified who is responsible for

disseminating any needed information, such as changes in policy or procedure, to the staff at the

remote SSSSD sites. This may be an employee that works at the SSSSD in headquarters, an

SSSSD employee that travels to headquarters regularly to discuss with CDE employees, or a

CDE employee responsible for communicating with the remote sites regularly. This delegate will

be responsible for taking concerns of SSSSD staff to CDE and vice versa. Without bridging this

gap in communication, procurement staff at the remote sites will have a difficult time making

changes to processes as FI$Cal becomes more prevalent. Buckles and Ronchetto (1996) write

that "cooperation and coordination among various units or departments is necessary if the

organization is to utilize its resources fully." This is especially true if CDE and SSSSD hope to

adapt to the increased needs and demands of FI$Cal.

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Appendices

Procurement Questionnaire/Survey

I, Lynette Porter, am currently completing my master's degree in public administration at Golden Gate University. I am inviting you to participate in a brief survey to obtain your personal perspective on procurement processes at CSDF.

This survey should take you approximately 5 minutes to complete. Your name is not required to complete this survey. Your answers will be kept confidential and anonymous. The survey will only be used by me for the purpose of completing my project. I will not publicly release your responses or other information about you. If you have questions or difficulty completing the survey, email me at lynette.r.porter@gmail.com. My hope is that you complete the survey by Monday, April 3.

Thank you in advance for participating and for helping complete my research study. Your participation and input is important.

1. How many times have you attended procurement training provided by the Business Office in the past 48 months?
    a. 1
    b. 2
    c. 3
    d. 4

2. Approximately how many requisitions do you process each year?
    a. 1-5
    b. 6-10
    c. 11-15
    d. 15-20
    e. 20+

Answer questions 3-5 using the following scale:

Very Knowledgeable: You have a solid understanding of the topic, do not require further
        instruction of the topic, and am able to describe the topic to others confidently
Somewhat Knowledgeable: You are familiar with the topic, but may benefit from more
        instruction
No Knowledge: You have no awareness of the topic and require instruction

3. How would you rate your understanding of the state's procurement regulations as provided in the State Administrative Manual, State Contracting Manuals, CDE Administrative Manual and the SSSSD Procurement Policies & Procedures Manual?

No Knowledge		Somewhat Knowledgeable		Very Knowledgeable
1	2	3	4	5

4. How would you rate your understanding of CSDF's internal procurement requirements?

No Knowledge		Somewhat Knowledgeable		Very Knowledgeable
1	2	3	4	5

5. How would you rate your understanding of using FI$Cal for vendor selection (small businesses, disabled veteran businesses, contracted vendors)?

No Knowledge		Somewhat Knowledgeable		Very Knowledgeable
1	2	3	4	5

6. In which areas do you feel you would most benefit from more training? (You may select multiple areas)

a. _____ Procurement method selection

b. _____ Vendor selection

c. _____ Developing RFQs

d. _____ Writing BSO-11s

e. _____ Writing justifications

f. Other (please add your preferred area here: _____

_____)

7. On a regular basis, in which areas do you feel you need the most assistance from the Business Office in developing your requisitions? (You may select multiple areas)

a. _____ Procurement method selection

b. _____ Vendor selection

c. _____ Developing RFQs

d. _____ Writing BSO-11s

e. _____ Writing justifications

f. Other (please add your preferred area here: _____

_____)

8. How would you rate your relationship with the Business Office?
   a. Outstanding
   b. Good
   c. Satisfactory
   d. Not Good
   e. Terrible

9. Language has been a barrier to your understanding of the procurement process
   a. All the time
   b. Most of the time
   c. Sometimes
   d. Not very often
   e. Never

Answer question 10 using the following scale:

Not Difficult: You are able to perform procurement processes with ease, do not require any assistance, and am able to explain the processes to others easily

Somewhat Difficult: You have a general understanding of procurement processes, but may require assistance or training in some areas

Very Difficult: You do not understand the procurement processes, and may require assistance or training in every area

10. On a scale of 0-4 where 0 is not difficult and 4 is very difficult, how would you rate the difficulty of CSDF's procurement processes?

Not Difficult		Somewhat Difficult		Very Difficult
0	1	2	3	4

Interview Questions for Procurement Specialists

1. Approximately how many purchase orders does your site process each year?

2. How many people are involved in purchasing at your site? Briefly explain their positions and responsibilities.

3. Briefly explain the procurement process at your site.

4. Do you provide procurement training at your site? Why/why not? How often? In which format?

5. In your own opinion, has language ever been a barrier to the effectiveness of procurement processes at your site?

6. What do you see as your biggest challenges to the implementation of procurement processes at your site?

7. Do you feel supported in your position? Please explain your answer.

8. How do you believe state procurement regulations should change to make the implementation of procurement processes easier?

Question 3 Understanding of State Regulations

	No Knowledge		Somewhat Knowledgeable		Very Knowledgeable
	1	4	13	3	0

Question 4 Understanding of CSDF Regulations

	No Knowledge		Somewhat Knowledgeable		Very Knowledgeable
	0	1	11	5	5

Question 5 Understanding of FI$Cal E-Procurement

Category	Value
No Knowledge	8
(unlabeled)	0
Somewhat Knowledgeable	12
(unlabeled)	2
Very Knowledgeable	0

Question 10 How Would You Rate The Difficulty of CSDF's Procurement Processes

Category	Value
Not Difficult	1
(unlabeled)	7
Somewhat Difficult	3
(unlabeled)	10
Very Difficult	0

Question 1 Training

Category	Value
1 Training	8
2 Training	9
3 Training	2
4 Training	3

Question 2 Experience

Category	Value
1 to 5	5
6 to 10	4
11 to 15	3
15 to 20	4
20 or More	6

Question 8 Relations

	Outstanding	Good	Satisfactory	Not Good	Terrible
Count	12	8	4	0	0

Question 9 Language

	All the Time	Most of the Time	Sometimes	Not Very Often	Never
Count	2	2	4	3	11

Desired Assistance

Category	Value
Procurement Method...	7
Vendor Selection	14
Developing RFQs	5
Writing BSO-11s	0
Writing Justifications	2
Other	2

Desired Training

Category	Value
Procurement Method...	10
Vendor Selection	15
Developing RFQs	8
Writing BSO-11s	1
Writing Justifications	5
Other	1

Proposed Purchase Requisition Process

The requesting department (requestor) is responsible for submitting a completed BSO requisition package and submitting the package to the Business Office to process the purchase order and satisfy all other purchasing requirements.

Item (in sequential order)	**Role**	**Description**
1	Requestor	1. Determines the item to be purchased 2. Determines procurement method (Fair & Reasonable; LPA; SB/DVBE Option; IT; Exempt) 3. Identify pool of suppliers
2	Requestor	Submit signed BSO with completed checklist and all applicable documents and all obtained quotes to the Business Office
3	Business Office	1. Date stamp BSOs immediately upon receipt and log into requisition database 2. Audit BSO package for completeness; If any piece of documentation is missing or there are any errors, return the BSO package to the department; State why requisition is being returned in requisition database
4	Business Office	Submit BSO for Superintendent approval
5	Business Office	1. Verify seller's permit 2. Verify small business/veteran business certification 3. Verify vendor is performing a commercially useful function
6	Business Office	1. Process PO 2. Enter PO into FI$Cal 3. Complete file documentation checklist and assemble procurement file
7	Business Officer	Submit PO to Business Manager and Accounting Officer for signed approval
8	Business Office	Distribute PO to vendor, requestor, accounting, and receiving