



Florida Association of  
Public Purchasing Officers

42<sup>nd</sup> Annual Conference  
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**PUBLIC SCRUTINY—LIFE  
IN PURCHASING WHEN  
EVERYONE *REALLY IS*  
*WATCHING***

Steve Carnell, Purchasing and  
General Services Director  
Collier County BOCC

## **“SCRUTINY” VS. “VISIBILITY”**

**THE WORDS “SCRUTINY” VS. “VISIBILITY”**

**WHEN DOES PURCHASING GAIN VISIBILITY?**

**WHAT IS YOUR MOST “VISIBLE” MOMENT  
IN THE PAST YEAR?**

**WAS THERE SCRUTINY WITH YOUR VISIBILITY?**

## WHO SCRUTINIZES US?

- ❖ MEDIA
- ❖ VENDORS
- ❖ CITIZENS GROUPS
- ❖ AUDITORS
- ❖ BOSS(ES) (including elected officials)
- ❖ INTERNAL CUSTOMERS

## THE VENDOR'S POINT OF VIEW

### VENDORS PERSPECTIVE:

- Public agencies are bureaucratic
- Public agencies are "rote" ("routine-oriented")
- Public officials are corrupt and play favorites
- Vendors are (desperately) looking for business
- Vendors are paying attention like never before

## THE MEDIA'S POINT OF VIEW

- Government is corrupt and can't be trusted
- Government is inept and can't be trusted
- "I am competing for audience" (viewers, readers, subscribers)
- "I have space to fill"
- "I am climbing the ladder"
- "I am virtuous. I am serving the public"
- "I am looking for a good story"

## THE MEDIA'S POINT OF VIEW

### WHAT MAKES A GOOD STORY:

- "Bad guys" and "good guys"
- Drama
- Visuals (TV)
- Corruption or ineptitude (better yet both!)

## CITIZENS POINT OF VIEW (LOCAL GOVERNMENT)

- ❑ **MISTRUSTING**
- ❑ **WASTEFUL**
- ❑ **“THE ONLY GAME IN TOWN”**
  - ❑ Not accountable
  - ❑ Inflexible
- ❑ **MIXED**
  - ❑ Don't want government to interfere
  - ❑ Do want government protection
- ❑ **MORE ACCESIBLE**

## NEW CELL PHONE CONTRACT MARCH, 2008

- Negotiated and *managed* by Purchasing staff
- Standardized product selections
- Eliminated certain features (texting, push to talk, ringtones, etc.)
- Pooled user minutes across the agency
- Centralized monthly billing through the Purchasing Department
- Purchasing distributes usage reports to managers
- *Estimated savings of \$300k per year*

## NEW CELL PHONE CONTRACT (CONT...)

### MAY 2008

- TV STATION AIRS EXPOSE ON CELL PHONE USAGE
- ANOTHER EXAMPLE OF “GOVERNMENT WASTE”
- COLLIER COUNTY COMES OUT “FAIR HAired”
- KUDOS FOR SAVING \$ + “ACCOUNTABILITY”

## OFFICE FURNITURE CONTRACT BACKGROUND

- Collier County formally standardized on systems furniture
  - 1986 Steelcase 9000 and Valencia
  - 1991 Herman Miller Action Office added to standard
  - Steelcase Kick added to standard
- Systems Furniture saves space + creates life cycle savings
- Product Standardization promotes efficiencies with
  - Installation
  - Inventory management and storage
  - Life cycle retention (re-use) of furniture

## OFFICE FURNITURE CONTRACT BACKGROUND (cont..)

- ❑ Local vendor calls Fac. Management. Speaks with supervisor
- ❑ Vendor files petition claiming County is wasting \$ on furniture
- ❑ Presents petition to County Commission with “**black book**”
- ❑ Primary claims...
  - **County spending too much \$ for delivery/installation services**
  - **County paying for design services that should be free**
  - **“I could design these jobs in 8 minutes”**
  - **County is spending too much on seating**
  - **County bought a \$10,000 reception desk for new building**
- ❑ Board directs staff reply + refers to Citizens Productivity Committee

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### Editorial: Purchasing policies

By Staff Reports

Wednesday, May 28, 2008

- Collier County paid \$100,000+ too much for furniture
- County paid design services that complaining vendor provides for free
- Vendor “dropped bomb”--10k glass desk in storage gathering dust
- Staff members “speechless”
- Need more information about County’s purchasing policies

### The price is right? Panel asked to examine Collier County's spending

By I.M. STACKEL  
Monday, June 9, 2008

- ❑ Claims vendor was a former County employee (not true)
- ❑ Focuses on the \$10,000 glass desk and "\$537" chairs
- ❑ Reports that Board is going to discuss furniture issue at next meeting (not true)
- ❑ Links furniture issue to County's Local Preference Policy

## INITIAL STAFF RESPONSE

- ❑ Facilities Management + Purchasing respond ("White Book")
- ❑ Primary counterpoints
  - ❑ **Design services were extensive**
  - ❑ **Complaining vendor could not legally design most of the work**
  - ❑ **Full design required numerous *hours***
  - ❑ **Installation/delivery costs reasonable, but could be reduced**
  - ❑ **Glass reception kiosk less expensive than alternatives**
- ❑ Met with Vendor and gave him a copy of the "White Book" prior the Productivity Committee meeting

## Collier committee set to review spending

By I.M. STACKEL

Tuesday, June 17, 2008

- ❑ “Advancer” story for June 18<sup>th</sup> meeting
- ❑ Committee to “start reviewing County purchases”
- ❑ References employee layoffs and hard economic times
- ❑ Summarizes complaining vendor's accusations
- ❑ Quotes from a rebuttal letter from the incumbent vendor

## STAFF PRESENTATION TO PRODUCTIVITY COMMITTEE

- ❑ REBUTTAL ARGUMENTS TO VENDOR'S ACCUSATIONS
- ❑ RATIONALE AND BENEFITS OF CURRENT POLICY
- ❑ 2 LOCAL TV STATIONS ATTEND WITH CAMERA CREWS
- ❑ BROADCAST LIVE ON COUNTY TV CHANNEL
- ❑ INCLUDED “*DRAMATIC*” VISUALS (CHAIR DEMONSTRATION)
- ❑ PLEDGE TO RE-VISIT STANDARDS + PROCUREMENT METHODS

## STAFF PRESENTATION TO PRODUCTIVITY COMMITTEE (CONT.)

- Vendor spoke to the committee
- Committee asked vendor and staff questions
- Committee unanimously supported staff recommendations
- TV stations interviewed “triumphant” Purchasing Director and described him as “vindicated”
- Vendor pledged to continue the fight

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### **Review panel tells Collier leaders it should have more furniture suppliers**

**By I.M. STACKEL Wednesday, June 18, 2008**

- NO MALFEASANCE OR WRONGDOING
- STAFF NEEDS TO CHANGE STANDARDIZATION POLICY
- QUOTED SEVERAL “CRITICAL” QUESTIONS FROM COMMITTEE
- GAVE CRYPTIC REPORT OF STAFF REPLIES TO QUESTIONS

**Guest Commentary: Review clears Collier County office furniture purchasing policy**

By LARRY BAYTOS, chairman, Collier County Government Productivity Committee June 28, 2008

- COUNTY HAS A “SOUND APPROACH” TO BUYING FURNITURE
- SUMMARIZES THE BENEFITS OF PRODUCT STANDARDIZATION
- MAY ENGENDER RESENTMENT FROM LOCAL VENDORS
- BENEFITS OF STANDARDIZATION OUTWEIGH THE RISKS

**WHAT HAPPENED THEN...**

- STAFF + COMMITTEE RECOMMENDATIONS TO BOARD
- BOARD DIRECTS STAFF TO BID OUT UPCOMING PROJECTS TO MULTIPLE PRODUCT LINES
- BIDS SOLICITATED FROM AND AWARDED TO VARIOUS MANUFACTURERS
- HIRING A CONSULTANT TO RE-VISIT OUR STANDARDS AND RECOMMEND FUTURE COURSES OF ACTION

## LESSONS LEARNED

- SCRUTINY CHALLENGES YOUR CREDIBILITY
- SCRUTINY CAN ULTIMATELY BUILD YOUR CREDIBILITY
- VENDOR MISLEAD BOARD AND PUBLIC, BUT...
- VENDOR HAD SOME LEGITIMATE POINTS
- DIFFERENT MEDIA HAVE DIFFERENT PERSPECTIVES
- TV STATIONS MORE RESTRAINED THAN NEWSPAPER
- STAFF RESTRAINT MAY HAVE HELPED AND HURT OUR CAUSE

## LESSONS LEARNED (CONT...)

- BE HONEST ABOUT WHAT YOU KNOW/DON'T KNOW
- ACKNOWLEDGE YOUR MISTAKES
- COMMUNICATE IN APPROPRIATE TERMS AND MEANS
- BE THEATRICAL WHERE APPROPRIATE
- BE EMPATHETIC ("you're a taxpayer too")
- BE "MEEK"

## QUESTIONS OR COMMENTS

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