



Virginia Beach City Public Schools Creates Easy Efficiency, Serious Savings with BuySpeed™

“We’re not just buying stuff; we’re doing our part to educate children. So, when we make our processes more efficient, that frees up time, money and other resources that can be used to help teach kids.”

Kevin Beardsley, Director of Purchasing
Virginia Beach City Public Schools

When the City of Virginia Beach, Virginia, and its school system sought to replace their mainframe-based procurement system in 1999, rather than update the purchasing software they had been using, Advanced Procurement Systems, they opted for Oracle. But as the purchasing office staff began trying to use the new system, they realized their choice was a backward step rather than a move forward. They returned to APS, which eventually evolved into BuySpeed™.

Virginia Beach City Public Schools' Office of Purchasing has been successfully using BuySpeed™ eProcurement for 15+ years now, and their commitment has paid off in extraordinary ease and efficiency. By moving the school system's purchasing completely online and streamlining its processes, this software solution has decreased use of the division's costliest purchasing method by 59 percent, increased use of its most cost-effective method almost 15x, and reduced the purchasing office's processing time from almost seven days to only one-third of one day.

BuySpeed™ is a product of Periscope Holdings, Inc., of Austin, Texas.



Manual procurement meant overwhelming paperwork, disconnected processes

In the late 1990s, Virginia Beach City Public Schools' Office of Purchasing Services was drowning in paper and processes. VBCPS has 86 schools and more than 15,000 employees spread across 340 square miles—and every single requisition had to begin with a paper form, which physically traveled from office to office citywide for approval. Some requisitions were spending over three weeks in process—being photocopied or scanned up to 17 times, and keyed and rekeyed into different software systems—before a purchase order was issued.

Additionally, there were several different methods of purchasing available to schools—from a requisition to the purchasing office, to a school check, to employee reimbursement, to a procurement card—and each school's bookkeeper simply selected their preferred process. Without standardized processes, there was no way to accurately track or control costs, timeframe, quality, or impact of purchased goods or services.

Procurement Transformation & the Bottom Line

VBCPS used to process more than 16,000 purchase orders annually.

Using BuySpeed's™ capabilities, VBCPS has been able to transfer many requisitions to much more cost-effective methods.

Cost of 16,000 purchase orders in 2014 at \$395 each: \$6,320,000
Actual cost of VBCPS purchase orders in 2014:

Standard	3,897 at \$150 each = \$584,550
Blanket Release	10,845 at \$25 each = \$271,605
Procurement Card	21,893 at \$10 each = \$218,930
TOTAL	\$1,074,605

Savings realized: \$6,320,000 – \$1,074,605 = \$5,245,395

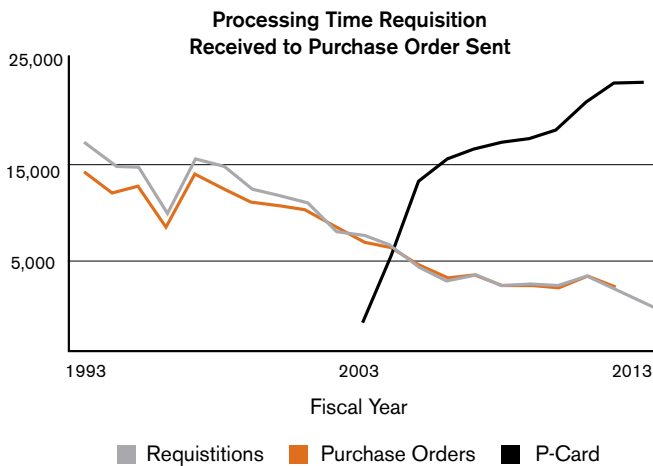
Procurement automation creates integration, efficiencies and ease

Virginia Beach City Public Schools originally put BuySpeed™ to use in 1999, in only its Office of Purchasing. But as BuySpeed™ has evolved, VBCPS's involvement and investment in the software solution has grown along with it. Today, BuySpeed's™ web-based procurement technology is fully implemented throughout the school system, resulting in a bounty of benefits for VBCPS.

SUPERIOR EFFICIENCY

BuySpeed's™ electronic procure-to-payment cycle helped VBCPS completely discard its antiquated paper-based requisition and approval processes. Requisitions can be initiated online by any of the hundreds of school-system employees approved to buy. Data entry time is diminished as data is automatically transferred to all necessary documents. The time and effort to physically route requisitions for signature approval is conserved, and storage space once used for paper records is free for other uses. VBCPS's purchasing office refurbished its old file room into a new conference space.

Additionally, BuySpeed™ has enabled VBCPS to transfer thousands of its requisitions each year from the most expensive procurement method—purchase-order—to much more cost-effective methods, like procurement cards and blanket releases, saving the school system millions annually.



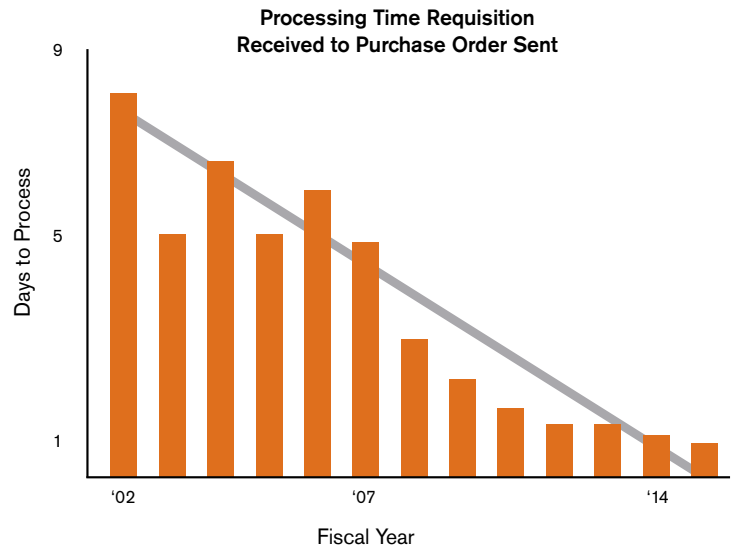
IMPROVED PRODUCTIVITY

BuySpeed™ helps preserve VBCPS's most precious resource: its manpower. The eProcurement solution's web-based accessibility means purchasing responsibility is spread among the whole school system. Requesting staff can "shop" from a single, consolidated database of all approved vendors and commodities, can create their own requisitions and can track their approval status. Buying with this easy, streamlined and standardized system saves school staff time, energy and hassle.

Meanwhile, VBCPS's purchasing staff has been freed from manual entry duties, requisition research and approval follow ups, and "fire-extinguishing" exercises, so they can spend their time procuring the best goods and services at the best prices for the school system.

GREATER SPEED & ACCURACY

BuySpeed's™ automated purchasing system slashed VBCPS's average cycle-time for requisition completion; the timeframe between when an approved requisition was received and when the purchase order was sent dropped by 7 whole days—a 90 percent reduction in processing time.



While the requisition process is faster than ever, errors in purchasing data have been virtually eradicated. In the old, manual system, data errors and duplications were commonplace as information was keyed and re-keyed into different systems at different steps. With BuySpeed™ requisitions are entered electronically into a central database just once by the requesting staff.

ENHANCED COMPLIANCE

BuySpeed™ helps ensure requesting-staff compliance with the buying guidelines, negotiations and contracts established by VBCPS's Office of Purchasing. As the eProcurement software collects, connects and analyzes all spend data, it's easy to see the amounts being spent, as well as any "maverick" spending or non-standardized purchases. School staff can enter receipts and invoices directly into BuySpeed™ online, enabling exact matches between purchase orders and supporting documents.

Additionally, BuySpeed's™ web-based document tracking and reporting lets VBCPS staff easily check on the status of their requests on their own at any time.

“We used to have about 15 percent of our spend data that was just unknowable, because it was done at the school level within their school-based systems, and there was no way to gather all that information. Now, with most of our expenditures going through BuySpeed™, we can capture much more of our spend data from all of our schools—quickly, accurately and comprehensively.”

Kevin Beardsley, Director of Purchasing
Virginia Beach City Public Schools

INCREASED CONTROLS

With BuySpeed™, whenever VBCPS staff need to buy, they can instantly access a centralized electronic database of approved and contracted items and vendors, as well as purchasing history data for the whole school system, so they can seek opportunities to consolidate buys in order to save money.

BuySpeed™ enabled VBCPS to create Office Depot's first government-to-business “punch-out.” With this “wow factor” functionality, school staffers can access Office Depot's online catalog directly from their BuySpeed™ eProcurement account, fill their shopping cart and submit items to BuySpeed™ for approval. Once approval is complete, the system automatically sends an electronic purchase order to Office Depot for fulfillment.

“BuySpeed™ got us buy-in from employees. We never could get administrative approval to mandate use of a particular system. But because this is clearly the easiest, best way to purchase things, people want to use it.”

Kevin Beardsley, Director of Purchasing
Virginia Beach City Public Schools



PURCHASING WITH PURPOSE

Roy Spence, founder of the Purpose Institute, determined that a key differentiator of truly exceptional organizations is their ability to articulate a clear purpose and let it drive everything they do. Organizations driven by a clear purpose have been shown to outperform their competition 6-to-1 and the broader market by 15-to-1. Purpose provides a path to performance – even in procurement.

Virginia Beach City Public Schools' purpose is improving educational services for children in the school system. The procurement improvements in VBCPS' Office of Purchasing have helped fulfill this purpose by:

- freeing up money, time and other resources for direct education;
- releasing space once required for record and inventory storage;
- tracking the effect of specific expenditures on student test scores; and
- building community confidence in the school system's stewardship.



Virginia Beach City Public Schools: Big System, Big Goals

Virginia Beach City Public Schools (VBCPS) is the second-largest school system in Virginia and among the 50 largest school systems nationwide. Serving about 70,000 K-12 students across 340 square miles, VBCPS employs more than 15,000 educators, administrators and support staff at 86 schools.

The mission of the VBCPS's Office of Purchasing Services is to manage the procurement of essential goods and services by developing and maintaining the most efficient, cost-effective processes.

The purchasing office seeks 21st-century processes that decrease effort, increase control, and move at the speed of electricity.

VSCPC Process Considerations

Process cost
Level of approval/scrutiny required
Processing time

Match the process with the requirement:

Reserve higher-cost processes for higher-approval/scrutiny purchases, or where potential time ROI is higher.

VBCPS WINS NATIONAL PROCUREMENT AWARD

In 2011, the Virginia Beach City Public Schools' Department of Budget and Finance received an Achievement of Excellence in Procurement Award from the National Purchasing Institute, thanks in part to its effective use of BuySpeed™.

The award honors organizations demonstrating excellence in procurement through their innovation, leadership, productivity, professionalism and use of e-procurement. Only 17 school districts nationwide received the award.

Virginia Beach City Public Schools is indeed honored to receive this award," said Farrell E. Hanzaker, VBCPS' chief financial officer.
"It is a testament to how efficiently and strategically this school division approaches the purchase of goods and services that support public education in Virginia Beach."

Conclusion

"Once you invest in a procurement system, it's not a simple thing to reverse or replace, so you've got to pick a good partner. Periscope has a great company culture, they're extremely accessible, and they're always straight with us."

**Kevin Beardsley, Director of Purchasing
Virginia Beach City Public Schools**

BuySpeed™ has enabled Virginia Beach City Public Schools to evolve its paper-and-process-laden purchasing system from burdensome, snarled and sluggish to streamlined, easy and fast. Hundreds of the system's school employees can access BuySpeed™ online and create a requisition, approve a purchase, shop among approved vendors or items, or issue a payment.

This eProcurement solution features blanket-release purchase orders with vendors under negotiated contracts, as well as government-to-business punch-outs for staff to buy directly from established vendors' websites. And full electronic functionality means every action is totally trackable and transparent online.

With BuySpeed™, VBCPS has saved millions of dollars a year by implementing automation, ensuring efficiency across purchasing processes, and aligning their processes with their procurement requirements.

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