Procurement Assessment Report

Findings and Recommendations

Prepared by

E&I Consulting Group

May 7, 2015
March 31, 2015

Ms. Stacie Mills
Assistant General Counsel
4200 Connecticut Ave.
NW, Washington, DC 20008

Dear Ms. Mills:

On behalf of E&I Consulting Group, I would like to thank you for the opportunity to assist the University of the District of Columbia by performing a Procurement Assessment. As a result of the assessment, E&I Consulting Group is pleased to provide you this Findings and Recommendations Report for consideration by the University of the District of Columbia.

As Vice President, I lead a team of skilled and experienced professionals, to ensure that we met your expectations. The extensive knowledge our team has in the higher education and procurement, allowed our team unique positioning to provide the type of service and support needed to assess the productivity, efficiency, and effectiveness of the program.

Our team brings more than 100 years of combined experience in direct senior leadership roles with some of the most prestigious institutions across the country and dealing with exactly the types of challenges and issues you are facing. Our consulting team can support you in all areas of any action plans that are developed as a result of this report.

Thank you for considering the team of E&I Consulting Group for this opportunity. Please feel free to contact me if you have any questions regarding this report and to discuss possible next steps. I may be reached at (267) 207-9338 or at rmaier@eandiconsulting.org.

Best regards,

Ralph Maier
Vice President
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1. **Introduction**

The purpose of this assessment was to examine the operational efficiencies and challenges of the current internal business processes, strategies, capacities, capabilities, as well as available resources and staff skill sets. This assessment should be considered an important *first step* in the procurement transformation process.

1.1 **Report Overview**

The report presents the Findings and Observations identified during the assessment, as well as a series of Recommendations to consider as the next step in the overall transformation process. The report includes the following four sections and an Appendix:

- Section 1.0- Introduction including a brief overview of the scope of work and the methodology utilized
- Section 2.0- Findings and Observations
- Section 3.0- Recommendations
- Section 4.0- Conclusion

1.2 **Scope**

The University of the District of Columbia (UDC) selected E&I Consulting Group to conduct a Procurement Assessment to determine the quality and efficiency of the UDC procurement process. This assessment was focused on the following areas:

**Operational assessment** focused on the following areas:
- Position descriptions: Review current and document open job descriptions for every staff member
- Resource assessment: Are there sufficient resources to meet required service levels, performance goals and expectations
- Skill set assessment: Are there appropriate staff skill sets and experience to meet goals and expectations
- Staff training and development: Determine what staff skills development and/or professional training is necessary to meet performance goals and expectations

**Risk assessment** focused on the following areas:
- Review existing internal procedures and documents for the current purchase order, procurement card, and internal disbursement processes
- Review all current documented procure-to-pay policies and procedures
- Review commodity competitive bidding, contract review and award, and contract execution processes
- Identify process control weaknesses, gaps, and opportunities for greater efficiencies
- Identify corrective action that can be taken immediately to address control or risk concerns
**Procurement Benchmarking:**
- What you’re doing?
- How you’re doing it?
- Who is doing it?
- How well is it being done?

1.3 **Methodology:** The methodology utilized for this assessment included:
1.3.1 Review of information provided by UDC in advance of the actual onsite activity;
1.3.2 Feedback and observations obtained during the onsite interviews;
1.3.3 Comparative information that we received and analyzed from assessment engagements performed at institutions of similar size, scope and;
1.3.4 Our own first hand experiences gained from years of extensive and successful procurement transformation leadership activity.

1.4 **Firm and Team Background:**
- Ralph Maier, Project Director
- Vince Patriarco, Team Lead
- Paul Harris, Senior Consultant
- Jarred Schwandt, Senior Consultant

**Firm Background**

E&I Consulting Group is a division of E&I Cooperative Services, the leading national purchasing cooperative in the educational marketplace. E&I’s decades of experience working with more than 3,000 member institutions and our deep expertise charting and championing change, set the foundation for who we are today. Our executive leadership has been instrumental in evolving sourcing and procurement initiatives at leading institutions nationwide from traditional tactical models into strategic and value driven.

**Ralph Maier, E&I Consulting Group - Vice President**

Ralph Maier plays a key strategic role at E&I Consulting Group, leading the business development strategy in support of the procurement transformation services practice. Ralph has an extensive background in higher education procurement with a proven track record in areas such as organizational and operational assessment, business process redesign, strategic sourcing, cost containment, technology optimization, project management, performance management, and business diversity initiatives. Ralph joined E&I Cooperative Services in June 2010 as Executive Director of Contracts, having previously served as Chief Procurement Officer at the University of Pennsylvania, where he worked for 27 years.
Vincent Patriarco, E&I Consulting Group – Executive Director
Vincent Patriarco plays a key leadership role at E&I Consulting Group where he is responsible for leading the group operationally by working collaboratively with consulting team members, strategic business partners, and the division’s growing client base in order to maximize the success of each client engagement. Vince is an experienced leader with global, multi-industry experience and proven success in the design, development, and operation of world-class contracting, procurement, and supply chain management organizations. As a dynamic, creative, and entrepreneurial leader, Vince has a demonstrated ability to think strategically and implement tactically.

Vince received his Bachelor’s Degree in management from Syracuse University, his MBA from City University, and his Juris Doctorate from Taft Law School. Vince is a lifetime Certified Purchasing Manager and Accredited Purchasing Practitioner by the Institute of Supply Management (ISM).

Paul Harris, E&I Consulting Group – Senior Consultant
Paul Harris brings over thirty years of demonstrated success in the areas of process improvement, contract management, policy and procedure review, Procure-to-Pay implementation, and the management of organizational change. As an accomplished strategic sourcing professional with experience in both the Public and Private sectors, Paul utilizes critical thinking, consensus building, cross functional group leadership to provide “best in class” solutions, which regularly exceed both executive goals and expectations. Paul held leadership roles as Chief Procurement Officer at Pensacola State College, VP Strategic Sourcing with a national GPO, and VP Consulting for a boutique consulting firm.

Paul has a B.S. Management degree from the University of West Florida, and Masters Public Administration from Troy University.

Jarred Schwandt, E&I Consulting Group – Senior Consultant
Jarred Schwandt is a seasoned procurement professional with a background in a wide range of supply chain operations functions including Logistics, Warehousing, Project and Change Management, Strategic Sourcing and Procurement operations. Jarred’s experience cuts across various industries, companies, and regions.

Jarred is a graduate of the University of Denver where he earned a B.S. in Business Administration & Marketing with a Supply Chain emphasis.
2. Findings and Observations

The assessment process utilized for this engagement included the interviewing of more than twenty (20) individuals across multiple UDC departments. Participants included OCP and Finance staff, Directors, and Senior Administrators. The interviews and our subsequent analysis resulted in the Findings and Observations presented below.

The Office of Contracting and Procurement (OCP) is committed to “satisfying the University with what they need, when they need it and where they need it.” Their responsibility includes facilitating the procurement of supplies, materials, equipment, maintenance services, contractual services, lease of space, and construction projects for the University. OCP’s posted mission statement reads “to procure quality, cost-effective products and services for the University System community through dedicated, ethical, customer-oriented service and implementing best practices in every procurement transaction.”

2.1 Operational Assessment:

Determine if the organization is appropriately resourced and positioned for maximizing organizational efficiencies and effectiveness. This portion of the assessment reviewed as stated above, the following: position description, current staff skill sets, staff training and development.

Observations:

1. Operational Procurement and Capital Procurement were combined in 2014 under the responsibility and authority of the Director/Chief Contracting Officer of OCP. Current state is that all purchasing responsibility falls within this functional area.
2. Current reporting structure for Director/Chief Contracting Officer is seen as “unusual” and not optimal (see Procurement Benchmarking Observation 3.3 below).
3. End user perception is that the department is under staffed to meet UDC needs.
4. End user perception is that the department is highly tactical vs strategic. The example provided was that UDC does not have a negotiated contract with a preferred Office Supply supplier. Perception is that UDC does not have or execute an annual strategic sourcing plan.
5. Current job descriptions appear to be up-to-date, but will require some revision to meet organization restructuring.
6. Current staff skills sets, education, and experience are acceptable and predominantly in line with current job descriptions.
7. Purchasing Director “firm but fair,” “sets clear expectations,” and “stickler for the rules but professional.”
8. OCP staff conveyed that they need cross training, and desire continuing training opportunities to enhance their individual skill sets.
9. End user perception is that OCP could use “sensitivity” training. This was a single instance. Consultant’s observation is this is likely not an issue but rather a case of “rule/regulations” enforcement.
10. OCP organization and the organizational charts need restructuring to reflect the new organization as it exists today.
2.2 Risk Assessment:

Determine if the current procure-to-pay related business processes and internal control are appropriate, identifying opportunities to improve operating efficiency, effectiveness, eliminate risk, and enhance controls.

It should be noted that well-written policies and procedures allow employees to understand roles and responsibilities within the organization; provide a guide for operations to relieve management from managing otherwise routine activities; and allow for continuity of practices when employee turnover occurs.

- **Policies** are predetermined courses of action identifying key activities and provide general strategies for solutions.
- **Procedures** are clear and easily understood plans of action to carry out or implement a policy, eliminate misunderstandings by identifying job responsibilities, and establish boundaries for employees. Good procedures allow managers to guide events in advance, prevent costly mistakes, and help to improve the reliability of business practices.

The following table displays the general differences between policies and procedures.

<table>
<thead>
<tr>
<th>DIFFERENCES BETWEEN POLICIES AND PROCEDURES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>POLICIES</strong></td>
</tr>
<tr>
<td>• General in nature.</td>
</tr>
<tr>
<td>• Identifies rules.</td>
</tr>
<tr>
<td>• Explains why rules exist</td>
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<tr>
<td>• Tells when rules apply</td>
</tr>
<tr>
<td>• Describes who is covered</td>
</tr>
<tr>
<td>• Shows how policy is enforced.</td>
</tr>
<tr>
<td>• Describes consequences.</td>
</tr>
<tr>
<td>• Uses simple sentences and paragraphs.</td>
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</tbody>
</table>

**Observations:**

1. Procurement process and requirements are documented and available for review on OCP web page [http://www.udc.edu/procurement/major_elements_of_the_ocp_process](http://www.udc.edu/procurement/major_elements_of_the_ocp_process).
2. Procurement policies revised 2009 to comply with “Chapter 30” Title 8 DCMR. Recent Uniform Guidance changes will mandate a review of current policies and procedures to insure compliance.
3. Policies address procurement and contracting methodology and procedures, including identifying solicitation and purchase order requirements by dollar amounts.
4. End user perception is that the process to obtain a Purchase Order is slow and cumbersome.
5. Currently end users are not able to track requisitions after they reach OCP. End users are requesting a method of notification that a requisition has been received by OCP, along with status updates until the Purchase Order is issued. This is an easily addressed Banner issue.

6. End users requesting modification to PCard usage policy to include food for special events, travel.

7. End users requesting training sessions such as “Purchasing for Dummies.” Labeled as “Know the Flow” by OCP.

8. End user perception is that “there are too many rules both written & unwritten.”

9. Perception is that the policies, procedures, and process are designed for a governmental entity rather than educational entities.

10. Finance team perception is that end users often hold invoices to artificially inflate the availability of additional funds. Observation: OCP has a website which provides an easy look up of procurement policy, procedures and process, the Finance unit does not. Recommendation is that Finance should develop their own web site to communicate Finance specific processes.

11. Finance team request that all invoices go directly to the A/P team rather than to OCP, or end user department. Observation: OCP has a website which provides an easy look up of procurement policy, procedures and process, the Finance unit does not. Recommendation is that Finance should develop their own web site to communicate Finance specific processes.

2.3 Procurement Benchmarking:

Observations: Review current practices against peer organizations

1. Currently, the Director/Chief Contracting Officer reports directly to the University President. This is an “unusual” and certainly not an optimal reporting structure in that; (1) the President is not typically involved in the day to day operations of an institution, (2) it may prevent ease of access for the Director/Chief Contracting Officer due to the high level duties of the President, and (3) it does not provide the President with the appropriate “distancing” from day to day operational issues.

2. Currently the Chief Financial Officer’s office reports to the Government of the District of Columbia, rather than to the University President and Board of Trustees. End users expressed concern over this reporting structure as it has the potential of creating a conflict of interest/loyalty.

3. End users stated that they often must “justify purchases” to Finance.

4. Comments made by Finance staff state; “we deem what qualifies as a critical need purchase.” This decision should be the responsibility for the end user department to make based on available budget and need.

5. OCP staff is not proactively involved in end user departments’ project planning and procurement requirement discussions. This severely limits OCP ability to plan strategically and provide maximum value to UDC. Observation: This lack of “early involvement” creates a “tactical” vs “strategic” process resulting in an efficient process and “missed savings opportunities”.

6. OCP often reviews documents after the end user department has negotiated terms and conditions. This practice often place UDC at risk, and requires OCP to renegotiate terms and conditions significantly increasing the time to execute a contract.
7. Total spend for FY 2014 was $63,905,371.16 (Purchase Orders, Direct Invoices and Pcard)
   a. Purchase Orders accounted for $38,296,923.84
   b. PCard spend was $2,091,002.82 via 5428 transactions. Due to the nature of PCard transactions being end user driven, these transactions received little OCP sourcing efforts, and therefore should be seen as “missed savings opportunities.”
8. Review of the “spend data” provided reveals that approximately 15% of the current spend is “addressable.” Addressable spend is defined as; “spend which can be impacted (potentially reduced) through strategic sourcing efforts.”
9. Robust Certified Business Enterprise (CBE) program mandating that 50% of expendable budget is spent with CBE’s. CBE allowed 12% price variance on all competitive solicitations.
10. End users stated that additional purchasing training is needed to fully understand the “why” as well as the “how.”
11. End user perception is that OCP needs to communicate more effectively with end users regarding trends, successes, and training.
12. End users requested a better utilization of technology, such as an eMarketplace (with standard pricing agreements), improved and increased utilization of Banner.
13. End users requested increased number of established, negotiated price agreements.

3. Recommendations

The below listed recommendations were developed based on our extensive knowledge and successful experience in organizational and operational transformation, business process redesign, staff management and deployment; spend management, and technology optimization in the higher education marketplace.

3.1 Operational Assessment: An efficient and effective organization will provide a positive financial impact to the institution’s bottom line.

Recommendations: Resource (staff and reporting structure assessment)

1. Revise the OCP organizational structure to better meet the University’s business needs. (Appendix A). (Finding 2.1.2)
2. Recruit and compensate highly qualified personnel in order to bring OCP to full staffing capacity and in line with new organization structure. This full staffing will enable more efficient services to the UDC campus, and drive increased strategic sourcing opportunities, leading to increased ROI. (Finding 2.1.3)
3. Provide continuing education opportunities to OCP personnel in order to increase their knowledge and skill sets. (Finding 2.1.8)
4. Provide cross training between Capital Procurement and Operational Procurement personnel to increase operational efficiencies and effectiveness. (Finding 2.1.8)
5. Provide a customer service relationship building training, and team building opportunities to the OCP teams to improve interaction with the campus community. (Finding 2.1.8)
3.2 Risk Assessment:

**Recommendations:** Process and Policy

1. Develop and execute a formal spend management and sourcing strategy in order to fully leverage UDC’s annual buying power. This technology optimization strategy will produce meaningful and recurring Return On Investment (ROI). Generally ROI gained through the utilization of a solid strategic sourcing plan, skilled professionals and technology often provides savings of 20%-30%. If this ROI was applied against the UDC PCard spend alone, the potential savings could amount to over $500,000.00. (Finding 2.1.4, 2.3.3, 2.3.7, 2.3.8, 2.3.12, 2.3.13)

2. Initial review of the “spend data” revealed that approximately $9,000,000.00 is “addressable spend.” At a 20% ROI, this potential savings could exceed $1,800,000.00. (Finding 2.3.7, 2.3.8,)

3. Modify Pcard rules to better fit the requirements of the UDC as an educational entity, allowing customized options such as food, travel, registrations. (Finding 2.2.6)

4. Develop a culture where the OCP personnel are proactively engaged in all the project and budget planning discussion, which will result in the procurement of goods and services or the need for contractual services. (Finding 2.1.4, 2.3.5)

5. Provide continuous end user training for Banner, and general UDC Contracting and Procurement policy and procedures. Continuous “Know the Flow” training and providing end user training on the “how and why” of purchasing. (Finding 2.3.10,

6. Complete a detailed review of the current UDC purchasing practices to ensure that the University is in compliance with applicable rules and regulations including recently enacted OMB circulars. (Finding 2.2.2)

3.3 Procurement Benchmarking:

**Recommendations:**

1. Create new Cabinet level position of VP Administrative Affairs reporting directly to UDC President. This position will act as the Chief Operation Officer for the University, with responsibility for the “day to day” operations; (1) providing OCP (direct reports) with a more appropriate up line reporting structure, and (2) providing “insulation” to the President of the day to day operations. Potential reports to this position are all non-academic departments. (Finding 2.3.1, 2.3.2)

2. Developed a three to five year Strategic Plan focused on positioning the department to meet the University’s overall strategic plan and performance goals. The Strategic Plan should address; (1) enhancement of business processes, (2) eMarketplace technology, (3) methodologies to improve “customer service,” (4) implementation of “spend tool” technology, and (5) implementing mandated OCP’s strategic involvement in all UDC sourcing considerations and decisions. (Finding 2.1.4, 2.1.8, 2.1.5, 2.3.8)

3. Develop a culture of collaboration between internal and external stakeholders. (Finding 2.1.4, 2.2.8, 2.3.10)
4. Leverage the efficient utilization of technology to move from being tactical to strategic in nature. The following steps address this collaboration and technology leveraging:
   a. Implement an “eMarketplace” procurement web portal containing competitively solicited pricing agreements. (Finding 2.1.4, 2.2.4, 2.3.12)
   b. Initiate a supplier management program to track supplier performance. (Finding 2.3.8)
   c. Invest in a “spend analytics tool” to track spend, trends and opportunities. (Finding 2.3.7, 2.3.8)
   d. Develop and implement continuous process improvement techniques to ensure that they are effective and repeatable across the University. (Finding 2.2.3, 2.2.4, 2.2.8,)
   e. Expand use of Banner (financial) system to allow end user to track requisitions form creation through PO issuance. (Finding 2.2.5)
4. Conclusion

Significant operational and process efficiencies can be realized when the procurement organization is performance driven and results oriented. This “best practice” organization can then leverage annual buying power to produce meaningful and recurring financial return-on-investment (ROI), and operational efficiencies for the University.

E&I Consulting Group has provided a set of recommendations for the future enhancement of UDC procurement processes and organization creating such a “best-in-class” organization. In order to fully realize the benefits of these recommendations, UDC must transform its procurement organization. This transformation will require a thorough review and enhancement of procurement practices and policies, appropriate staffing of a skilled strategic sourcing team, and an organizational structure revision.

We believe the timely adoption and implementation of these recommendations will assist the Office of Contracting and Procurement in enhancing operational efficiencies, delivering maximum financial return-on-investment, and the creation of a “best-in-class” procurement organization for the University. E&I Consulting Group is available to assist UDC in moving forward with these recommendations.

If these recommendations result in a signed formal follow-up engagement in excess of $100k, within 90 days of the date of the report, E&I Consulting Group will issue a credit in the amount of 25% of the initial engagement.

For further discussion, please contact me at rmaier@eandiconsulting.org or (267) 207-9338 to discuss how E&I Consulting Group can assist in the “next steps” in the implementation of these recommendations.
5. Transformation Proposal

We believe the timely adoption and execution of these recommendations is a vital next step in UDC’s transformation process. E&I Consulting Group is available to assist UDC in the implementation of these recommendations which will enhance operational efficiencies, deliver maximum financial return-on-investment, and create best-in-class organizations utilizing industry best practices. Although the implementation of each of the below listed steps is highly recommended, they may be undertaken separately with the exception of #2 “Sourcing Initiative,” which is dependent on the completion of the “Spend Analytics.”

At a time which is convenient to UDC, we welcome the opportunity to discuss next steps.

Spend Analytics (Recommendations 3.2.2, 3.3.2, 3.3.4c):

E&I Consulting Group will utilize a robust spend analytics tool to conduct a review of all targeted spend activity. This exercise includes a thorough cleansing and normalization of the data across the Client’s various procure-to-pay methods. Spend data will then be categorized by using a combination E&I Consulting Group’s standard Category Tree, as well as any custom fields requested by the Client to account for its unique procurement requirements and landscape. E&I Consulting Group will then conduct supplier rationalization and other analytical efforts to identify and determine optimal strategic sourcing return-on-investment opportunities for the client as follows:

- Results of the activity will be compiled and summarized in a formal report. E&I Consulting Group will present the results of the Spend Analysis and will address any questions from the Client.
- Deliver a comprehensive Strategic Sourcing and Supplier Rationalization strategy. E&I Consulting Group will identify and prioritize commodity specific sourcing opportunities based on potential for significant savings and ROI. Each sourcing opportunity would include a recommended approach such as competitive bidding, contract negotiations, or use of cooperative purchasing opportunities.
- As part of this deliverable, Client staff will have access to the tool for a period of twelve (12) months at no additional charge to conduct its own data refresh and manipulations.

Total cost for Spend Analytics

$24,500

Sourcing Initiative (Recommendations 3.2.1, 3.3.2):

E&I Consulting Group will provide the necessary qualified resources to develop and execute a comprehensive strategic sourcing initiative utilizing commodity appropriate practices such as; formal competitive bidding, supplier specific contract negotiations, group purchasing organization contract evaluation, collaborative sourcing options, revised purchase practices, and enhanced supplier terms and conditions in the pursuit of extending the value and benefits of every available dollar of funding.
E&I Consulting Group will provide a plan for five (5) major commodity categories with greatest savings potential based on mutual agreement of the Client and E&I Consulting Group. These will be based on the most critical aspects to the Client, i.e., mission critical commodity suppliers, highest spend volume, campus input, available supplier base, and significant savings potential.

Upon mutual agreement, an increase in the scope to include sourcing plan implementation may be discussed at the appropriate time.

- **Total cost of Sourcing Initiative:** $22,450

**Technology Review (Recommendations 3.3.2, 3.3.4a):**

Our Consultants will conduct a formal review of Client’s existing procurement technologies necessary to provide a campus-wide Procure-to-Pay automated process. We will conduct a formal review of technologies currently in use, identify where gaps may exist, and identifying and recommending those technology enhancements required that would have to be made to achieve the desired result. This includes:

- Current State: Conduct a formal review of what technologies are currently in-place across the campus community, and the extent to which they are being utilized by the campus community.
- Business Requirements: Identify the strategic business needs that are vital to your success, develop requirements based on the vision of the future state.
- Future State: Provide an analysis of the current marketplace, and recommend potential solution providers and critical success factors for adoption.

- **Total cost of Technology Review:** $38,940

**Retained Search (Recommendations 3.1.1, 3.3.1):**

E&I Consulting Group would collaborate with our business partner to develop and execute a recruitment plan to recruit the VP Administrative Affairs position as recommended above in “Recommendations 3.3.1.” Our business partner helps clients build robust talent pipelines, engage and retain the right people, strengthen leaders, and improve the performance of individuals and teams, while guiding the organization and individuals successfully through needed change. Our senior leadership and CCI Consulting talent management partner team members deliver unparalleled expertise and provide global reach through its ownership in Career Partners International, a worldwide partnership of more than 65 talent management and career transition firms with 200 offices in over 30 countries. E&I and CCI will partner with the UDC (Client) search committee (and all key constituents) throughout each step of the search process, from start to finish.
Services to include:

- Consultative information gathering regarding the issues, challenges, and opportunities faced by the Client.
- Working with the Client-appointed search committee to develop criteria for a target VP Administrative Affairs.
- Developing a project work plan and schedule.
- Working with all key Client constituents to define goals and expectations in the recruitment process.
- Developing a carefully tailored job description for the VP role.
- Assigning a dedicated project lead for the Client and team resourcing for sourcing tactics.
- Identifying, sourcing, and presenting qualified candidates whose backgrounds and potential complement Client’s goals and expectations.
- Identifying diverse candidate pools.
- Recommendation and submittal of candidates including a detailed interview summary and thorough assessment on each submittal.
- Conducting background checks.
- Assisting with interview logistics.
- Conducting reference checks on the successful candidate.
- Assisting the Client with developing and presenting an offer of employment to the successful candidate.
- Weekly written reports (standard practice is Friday).
- Weekly scheduled telephone conference and/or on-site meetings.
- Interim communications as necessary, to keep the process moving smoothly for all parties.

Our standard retained search fee is 35% of first year total compensation (base and bonus).

Fee payment structure for Retained Search: **

- 1/3 of first year total actual compensation (projected base salary and all performance bonuses) at search inception.
- 1/3 of first year total actual compensation at thirty (30) days (projected base salary and all performance bonuses).
- Remaining 1/3 of total actual total compensation (projected base salary and all performance bonus) and compensation adjustment (actual base salary and target bonus at start date of hired candidate).

** Fee Payment Terms are net-15 days

** Candidate expenses for client interviews are paid by the client directly to the candidate

** CCI expenses (travel and accommodations) are billed to the client as incurred and due net-15 days