

SCHOOL NUTRITION INDUSTRY TECHNOLOGY OPPORTUNITIES

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CSNA Industry Seminar May, 2014



WHAT STARTED IT ALL

- | SAUSD \$30 Million Nutrition Program
- | Lack of professional infrastructure
- | Inventory control issues
- | Inefficient commodity utilization
- | District requested a private industry enhancement approach
- | Innovate school meal program and make it a national model program

INDUSTRY CHALLENGES

- i Rising costs & funding limitations requires proactive and creative solutions
- i Lack of adequate, accurate, and timely data for executive management
- i Lack of global visibility of procurement activities across the supply chain
- i Commodity utilization not maximized
- i Supply chain fragmentation

INDUSTRY CHALLENGES

No Purchasing Accountability

- | Procurement regulation compliance issues
- | Districts depend on external velocity data versus using internal data
- | Lack of global visibility of physical inventory from purchasing to receiving

INDUSTRY CHALLENGES

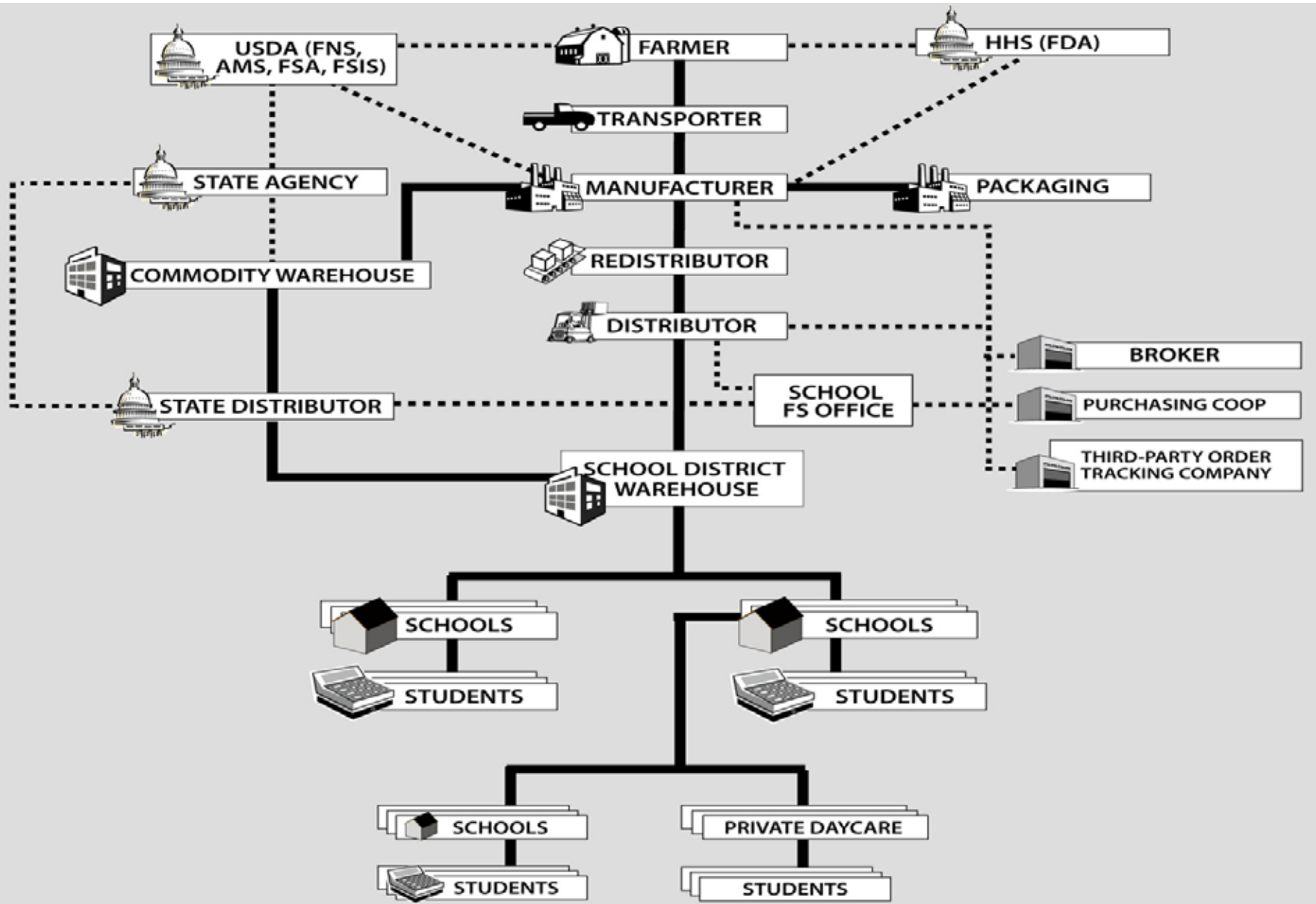
Inventory Information Discrepancies

- | Inconsistent UOM (Unit of Measure)
- | Inconsistent item description
- | District excess inventory
 - § Risk of product waste
 - § Risk of shrinkage
- | Unreliable physical inventory data and reports
- | Lack of standard operating procedures

INDUSTRY CHALLENGES

Supply Chain Data Fragmentation

- i Information from USDA, CDE, Manufacturers, Distributors, Commodity Clearing Houses, and Co-Ops are not standardized, centralized, and integrated
- i Districts inability to provide product demand
 - § Manufactures need both historical utilization and future product forecast
 - § Maximize production efficiencies to control cost



"Source: National Food Service Management Institute. (2012). Inventory Management and Tacking Reference Guide. University of Mississippi, MS: Author."

————— **PRODUCT**
 **INFORMATION**

BUSINESS & INFORMATION TECHNOLOGY SOLUTION

STRATEGY SOLUTION

- i Embrace Business Intelligence and Analytics for management reporting
- i Automate and streamline procurement, physical inventory, and supply chain processes
- i B2B electronic transactions with strategic trading partners to automate exchange of business documents (PO and Invoices)

SOLUTION– THE HOW

- | Implement iProcurement
- | Enhance inventory management & accountability
- | Initiate B2B Communications (XML)
- | Improve accounts payable accountability
- | Deliver user training & support
- | Enrich financial & management reporting

IPROCUREMENT IMPLEMENTATION

The screenshot displays the iProcurement web application interface. At the top, there is a blue header with the iProcurement logo and navigation links: Navigator, Favorites, Shopping Cart, Home, Logout, Preferences, Help, and Diagnostics. Below the header, there are tabs for Shop, Requisitions, Receiving, and Contractors. A search bar is present with a dropdown menu set to 'Food Services' and a 'Go' button. A prominent message reads: "*****IMPORTANT-PLEASE READ*****".

The main content area is divided into several sections:

- Stores:** A section with a header and a sub-header 'Food Services' next to an image of various fruits.
- My Requisitions:** A table displaying a list of recent requisitions. A tooltip points to the table with the text: "This table displays a list of recent requisitions." A 'Full List' button is located to the right of the table.
- Shopping Cart:** A sidebar section indicating "Your cart is empty."
- Purchasing News:** A sidebar section with links for "Check frequently asked questions" and "Review purchasing policies". Below these links, it states: "This is where the customer puts their own purchasing news items (this is an HTML plugin)."

At the bottom of the page, there is a footer with links for "About this Page" and "Privacy Statement", and a copyright notice: "Copyright (c) 2005, Oracle. All rights reserved."

Requisition	Description	Total (USD)	Status	Copy	Change	Express Receive
15204	4" 51% WW HAMBURGER BUNS - 2125 - 12/2/02 02	786.85	Approved			
147015	CAMPBELLS - HOMESTYLE CHICKEN NOODLE SOUP - 8160 - 3/4 LB	156.70	Approved			
147031	SUNNY FRESH - GRILLED EGG PATTY - 40700 - 300/1.25 OZ	3,741.11	Approved			
147026	100% WW SLICED SANDWICH BREAD - 352 - 24 SLCS	398.63	Approved			
14685	TYSON - CHICKEN SAV (CH) EGG FNIX SHOW - 21948 - 100/4.24 OZ	3,390.21	Approved			

IPROCUREMENT IMPLEMENTATION

The screenshot displays the iProcurement system interface. At the top left is the iProcurement logo. The navigation bar includes links for Shop, Requisitions, Receiving, and Contractors. Below this, there are links for Shopping Lists, Non-Catalog Request, and Contractor Request. A search bar contains the text 'Food Services' and 'fruity cheerios', with a 'Go' button and a link to 'Advanced Search'. The search results are titled 'Search Results from Food Services: fruity cheerios'. There are two results listed, each with a 'Quantity' field set to '1', a 'CASE' label, and an 'Add to Cart' button. The first result is for 'GENERAL MILLS - FRUITY CHEERIOS CEREAL BAR - 31912 - 96 CT' with a price of 31.77 USD. The second result is for 'GENERAL MILLS - FRUITY CHEERIOS CEREAL BAR - 31912 - 96 CT' with a price of 28.98 USD. A tip box at the bottom left suggests search options, and a note at the bottom center states 'This table shows all the results of your search query.'

iProcurement

Navigation Families Shopping Cart Home Logout Preferences Help Diagnostics

Shop Requisitions Receiving Contractors

Stores Shopping Lists Non-Catalog Request Contractor Request

Search Food Services ▼ fruity cheerios Go Advanced Search

Shop: Stores > Shop Food Services >

Search Results from Food Services: fruity cheerios

Sort by [dropdown] [dropdown] [Go]

Hide Images

GENERAL MILLS - FRUITY CHEERIOS CEREAL BAR - 31912 - 96 CT	
Shopping Category	GRAINS
Supplier Site	AHAHFTM
Internal Item Number	F105342
Brand Name	GENERAL MILLS INC.
Price	31.77 USD
Supplier	A & R WHOLESALE DISTRIBUTORS
Supplier Item	31912
Source	Agreement 297715
Package Size	96 CT
Quantity	1 CASE
Add to Cart Add to Favorites Add to Compare	

GENERAL MILLS - FRUITY CHEERIOS CEREAL BAR - 31912 - 96 CT	
Shopping Category	GRAINS
Supplier Site	ONTARIO
Internal Item Number	F105056
Brand Name	GENERAL MILLS INC.
Price	28.98 USD
Supplier	GOLD STAR FOODS
Supplier Item	283120
Source	Agreement 291762
Package Size	96 CT
Quantity	1 CASE
Add to Cart Add to Favorites Add to Compare	

TIP Can't find it? Try the following options:
[Look for any of the words, similar words, or spelling variations](#)
[Create a Non-Catalog Request](#)

This table shows all the results of your search query.

Shopping Cart
Your cart is empty.

Compare Items
No items selected.

Related Links
Categories
[GRAINS](#)
More...

Shopping Lists
[Click here to see all r lists](#)

INVENTORY ENHANCEMENTS SOLUTION

- | Performed item master data cleansing for overall systems integrity
- | Standardized item description structure
- | Standardized food categories for reporting

INVENTORY ACCOUNTABILITY SOLUTION

- i Reduced product waste and shrinkage
- i Modified personnel behavior
- i Improved periodic inventory with school sites
- i Improved perpetual inventory with warehouse
- i Improved understanding of accrual accounting with supply chain processes
- i Improved management visibility of physical inventory for all school sites and warehouse

B2B COMMUNICATION SOLUTION

i Implemented two major distributors

§ Gold Star Foods

§ A & R Wholesale Distributors



Electronic
Purchase Orders
(XML)



ACCOUNTS PAYABLE ACCOUNTABILITY SOLUTION

- i Reduced usage of open purchase orders
- i Improved supplier price variance management
 - § Initiated invoice line matching
 - § Controlled food and supply costs
 - § Manage contract and commodity pricing per Bid/RFP pricing

TRAINING & SUPPORT

- i Implemented training and support to all 56 school sites
- i Implemented training and support to Field Supervisors
- i Initiated documentation of standard operating procedures (SOP) and sub processes

BUSINESS INTELLIGENCE AND REPORTING BENEFITS

BI REPORTING BENEFITS

- | Created Purchase Summary Reports
- | Developed ability to report at site level
- | BI Reports (in progress)
 - § More valuable insight with analytics
 - § Performance Metrics: Benchmarks and KPIs
 - § Dashboard mobility
- | Ad hoc FSG (Financial Statement Generator)
 - § Site and Department P&L (Income Statement)
 - § Site and Department Balance Sheet
 - § Multi-Year Budget Reports

PROCUREMENT ANALYSIS

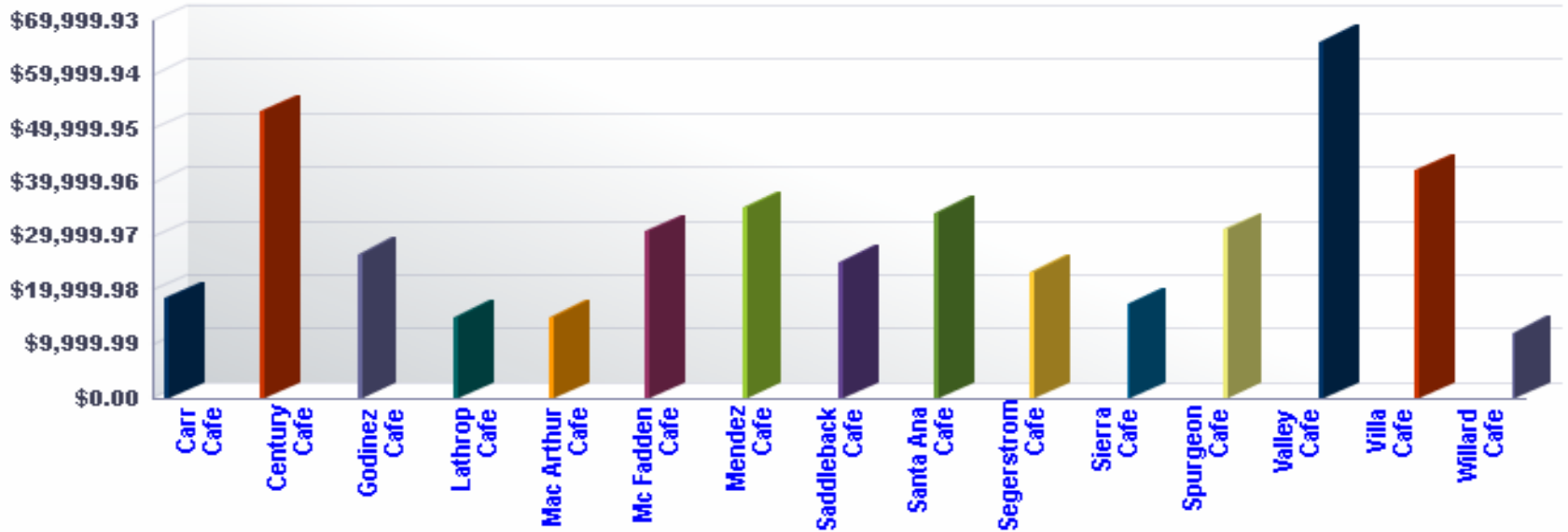
Outstanding Receipts

Open PO Budget and Purchases by Site



The report below displays total purchases made by school sites within a given date range. To change the date range, please edit the Need-by-Date measure in Criteria.

Purchases by Site



INVENTORY ANALYSIS

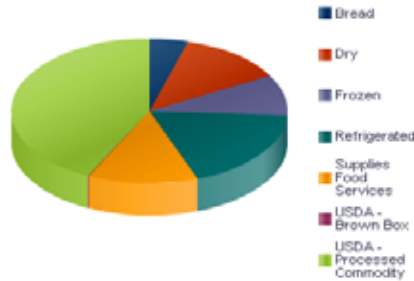
Compare site inventory values by selecting from the Subinventory drop down list. You can also click on a site from the Subinventory table (left) to display results to the details table below.

Subinventory
Carr
Century
Chavez
Godinez
Kitchen
Lathrop
MacArthur
McFadden
Mendez
Middle CHS
Saddleback
Santa Ana
Segerstrom
Sierra
Spurgeon
Valley
Villa
Warehouse
Willard

Subinventory **Santa Ana** ▼

Category Description	
Bread	\$3,348.60
Dry	\$9,156.18
Frozen	\$6,690.55
Refrigerated	\$13,706.75
Supplies Food Services	\$9,577.72
USDA - Brown Box	\$88.24
USDA - Processed Commodity	\$31,644.09
Grand Total	\$74,212.14

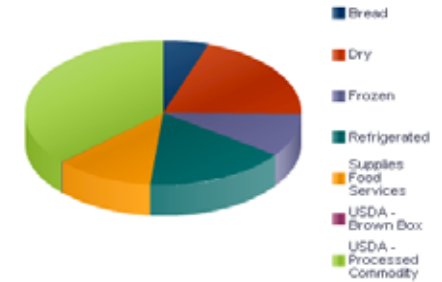
Onhand Items by Category



Subinventory **Valley** ▼

Category Description	
Bread	\$2,707.29
Dry	\$10,441.53
Frozen	\$5,077.71
Refrigerated	\$8,679.97
Supplies Food Services	\$6,014.19
USDA - Brown Box	\$42.16
USDA - Processed Commodity	\$19,340.45
Grand Total	\$52,383.30

Onhand Items by Category



Subinventory **Santa Ana** ▼

Category Description	Item Number	Item Description	Quantity	Unit Of Measure	Item Cost	Total	Category Description
Bread	F105424	4" 51% WW HAMBURGER BUNS - 2176 - 12/2.07 OZ"	1280.00	PACK	\$1.51	\$1,937.26	FOOD GRAIN.BREAD
	F105430	WG SLICED ENGLISH MUFFIN 3.5" - 002 - 12/2.2 OZ"	104.00	PACK	\$1.90	\$364.32	FOOD GRAIN.BREAD
	F105487	SUPER BAKERY - 51% WW BANANA BREAD SLICE - 6071 - 70/3.4 OZ	10.00	CASE	\$38.78	\$387.80	FOOD GRAIN.BAKERY VARIETY

ACCOUNTS PAYABLE VISIBILITY

Outstanding Receipts

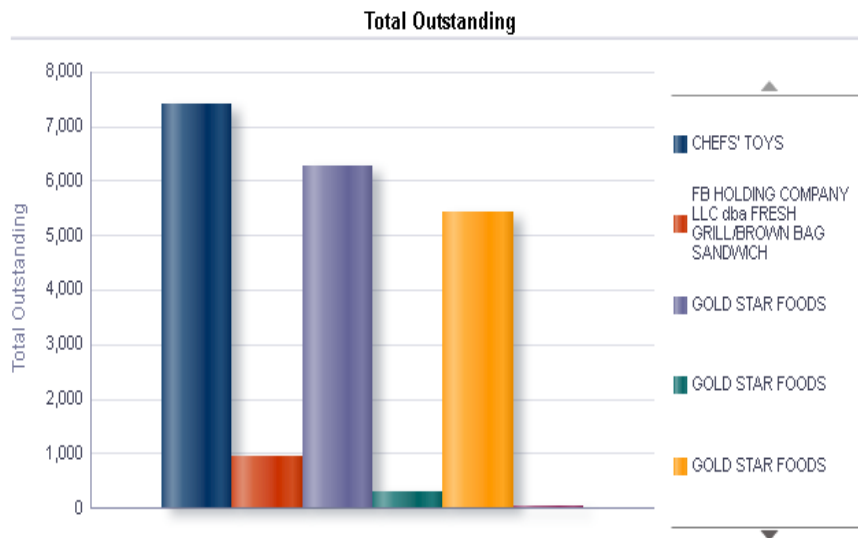
Open PO Budget and Purchases by Site

▼ All Sites

This report shows outstanding receipts by site location. Click on the site in the Ship to Location table (left) to populate results to correspond with the details table below.

Ship To Location
Carr Cafe
Century Cafe
Food Services
Godinez Cafe
Mac Arthur Cafe
Mc Fadden Cafe
Valley Cafe
Villa Cafe
Willard Cafe

Ship To Location: Food Services ▼



PO Number	Release Number	Ship To Location	Total Outstanding ▲▼
296700		Food Services	\$7,380.62
291762	430	Food Services	\$6,256.60
291776	423	Food Services	\$5,420.00
295190		Food Services	\$950.25
294508	25	Mc Fadden Cafe	\$862.44
291762	519	Food Services	\$279.18
291776	354	Century Cafe	\$268.75
291762	465	Carr Cafe	\$155.12
291779	395	Willard Cafe	\$131.13
291762	475	Carr Cafe	\$116.34
291762	502	Willard Cafe	\$73.50
291776	434	Godinez Cafe	\$71.70
291779	429	Valley Cafe	\$59.40
291785	273	Villa Cafe	\$57.06
291762	414	Mac Arthur Cafe	\$48.70
295514		Food Services	\$30.76

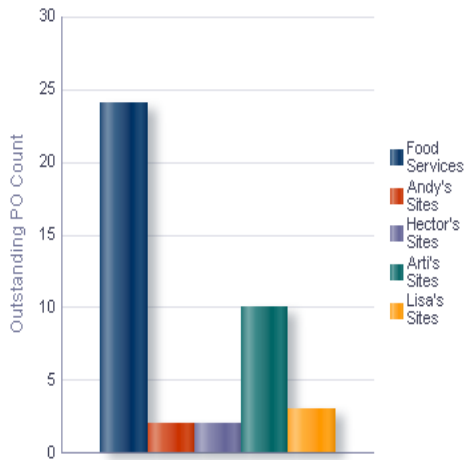
SUPERVISOR PERFORMANCE MANAGEMENT

Outstanding Receipts

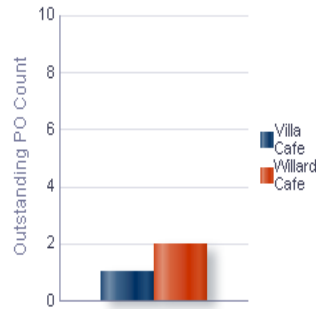
Purchases by Sites and Open PO Budget

The reports below show outstanding PO counts for schools under the field team and the warehouse.

Field Supervisors and Warehouse

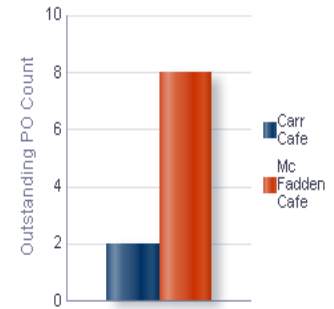


Lisa's Sites



Villa Cafe	Willard Cafe	Grand Total
1	2	3

Arti's Sites



Carr Cafe	Mc Fadden Cafe	Grand Total
2	8	10

FINANCIAL STATEMENTS

SAUSD Set of Books
 Nutrition Services Income Statement 5 Year Comp YTD with Budget (unaudited)
 Current Period: Jan-14

Date: 24-FEB

Currency: USD
 No specific Ledger requested

Object Codes	REVENUES	Budget YTD Jan-14	Current YTD Jan-14	Jun-13	Jun-12	Jun-11	Jun-10
8010-8099	Revenue Limit Sources	0.00	0.00	0.00	0.00	0.00	0.00
8100-8299	Federal Revenue	25,207,404.68	9,691,071.93	25,979,080.52	26,038,809.09	25,958,018.22	24,978,101.12
8300-8599	Other State Revenue	1,976,778.00	764,259.70	2,062,202.34	2,293,775.89	2,213,854.84	2,018,317.23
8600-8799	Other Local Revenue	1,359,296.66	947,682.49	2,308,794.49	2,858,734.20	3,239,113.66	3,679,911.30
8900-8999	Other Financing Sources	499,667.51	499,667.51	499,667.51	0.00	0.00	0.00
	TOTAL REVENUES	29,043,146.85	11,902,681.63	30,849,744.86	31,191,319.18	31,410,986.72	30,676,329.65
	EXPENDITURES						
1000-1999	Certified Salaries	0.00	0.00	0.00	0.00	0.00	0.00
2000-2999	Classified Salaries	10,982,141.97	5,476,715.17	9,377,693.95	8,319,922.42	8,341,271.26	8,531,529.54
3000-3999	Employee Benefits	4,928,182.57	2,822,058.09	4,343,186.41	4,231,453.74	3,974,750.51	3,574,102.56
4000-4999	Books and Supplies	15,356,422.13	7,675,651.83	12,950,081.79	13,015,164.76	13,749,550.40	13,361,379.55
5000-5999	Services and Other Operating Expenditures	1,157,000.00	563,805.31	1,137,569.42	1,471,200.91	1,599,466.63	1,492,640.98
6000-6999	Capital Outlay	690,000.00	32,855.08	279,975.14	84,114.50	27,208.41	169,657.58
7100-7299	Other Outgo (excluding Transfers of Indirect Costs)	0.00	0.00	0.00	0.00	0.00	0.00
7400-7499	Other Outgo (including Transfers of Indirect Costs)	1,287,222.92	0.00	938,375.23	966,389.72	862,837.86	1,174,250.36
7300-7399	Other Financing Uses	0.00	0.00	0.00	0.00	0.00	0.00
7600-7699	Other Financing Uses	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL EXPENDITURES	34,400,969.59	16,271,085.48	29,026,881.94	28,088,246.05	28,555,085.07	28,303,560.57
	Excess (Deficiency) of Revenues Over Expenditures	(5,357,822.74)	(4,368,403.85)	1,822,862.92	3,103,073.13	2,855,901.65	2,372,769.08
	Percentage of Expenditure Over Revenue	1.154	1.367	0.941	0.901	0.909	0.923

Site P&Ls

5 Month Rolling
 Comparative P&L

Balance
 Sheets

HUMAN CAPITAL MANAGEMENT



Employee Assignment and Probation Status

Employee Number First Name Last Name

OK

Reset ▾



Weeks to 5 Month Evaluation

■ Critical ■ Warning ■ Good



Lopez, Alexander, 1



Mosley, Patricia Ann, 2



Rodriguez, Dolores, 2

Full Name	Employee Number	Weeks to 5 Month Evaluation
Lopez, Alexander	28408	1
Mosley, Patricia Ann	28428	2
Rodriguez, Dolores	20124	2



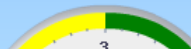
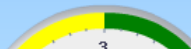
Department Roster

Title	Total Employees
Admin Secretary-12	1
Asst Dir of Food Svcs-12	2
Baker-10	1
Cook-11/5	1
Cook-12	1
Custodian-11/5	4
Delivery Driver-10	1
Delivery Driver-11/5	4
Dept Spec-12	2
Dir of Food Svcs-12	1
Food Svc Facility Opr-9/5	4
Food Svc Field Supvr-12	5
Food Svc Production Supvr-12	3
Food Svc Supvr Elem-9/5	39
Food Svc Supvr HS-9/5	6
Food Svc Supvr Int-9/5	9
Food Svc Worker-10	2
Food Svc Worker-11/5	9
Food Svc Worker-9/5	189
Kitchen Equip Mechanic-12	1
Mgr of Accounting-12	1
Mgr of Food Svcs Operations-12	2
Network Technician-12	1
Nutrition Mgr-12	1
Nutrition Specialist-11	1
Personnel Tech-12	2



Weeks to 9 Month Evaluation

■ Critical ■ Warning ■ Good



Full Name	Employee Number	Weeks to 9 Month Evaluation
Gutierrez, Hector	28016	2

FUTURE ENHANCEMENTS

FUTURE ENHANCEMENTS

Invoicing B2B

Implement invoice automation

- § Upload invoices via document scanning
- § Process vendor electronic invoice
- § Eliminates invoice data entry

Electronic
Invoices
Future



Electronic
POs (XML)
completed



FUTURE ENHANCEMENTS

Inventory Accountability

- i Implement bar code scanning for receiving and invoice processing
- i Improve traceability with lot information from vendors
- i Improve min-max replenishment planning

FUTURE ENHANCEMENTS

Demand Prediction and Automated Ordering

- i Automate process with Demand Prediction Application (DPA)
 - § Dramatically reducing manual task of estimating demand and the associated adjustments

“It is a paradox, and a hard reality, that much of what the commander does to execute his responsibilities today will not be measured until well after he or she is gone.”

-General Charles Krulak, Commandant, USMC

Thank you!

CONTACT INFORMATION

QUESTIONS?

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- | Viet Pham – (viet.pham@sausd.us)
- | Bayo Jekayinfa - (bayo.jekayinfa@qcomsolutions.com)

GLOSSARY

Ad hoc FSG – Custom reports using an Oracle eBusiness Suite module called Financial Statement Generator

B2B – Business-to-Business describes commerce transactions between businesses, such as between a manufacturer and a distributor.

BI – Business Intelligence

KPI – Key Performance Indicator

P&L – Profit and Loss (Income) Statement

Perpetual Inventory – Continuous recording of all receipts and issuing of products in storage providing a balance of each item at all times.

Periodic Inventory – Updates are made to inventory on a periodic (end of month) basis. No effort is made to keep up-to-date records of either inventory or cost of goods sold.

Physical Inventory – Periodic (monthly) physical count of the entire inventory of products in storage areas.

Procurement – the acquisition of goods, services or works from an outside external source.

SOP – Standard Operating Procedures, detailed written instructions for a process that must be followed to ensure a desired outcome.

Supply Chain – is a system of organizations, people, activities, information, and resources involved in moving a product or service from supplier to customer.

Traceability – the ability to trace the history, use, or location of a product.