



### December 19, 2017 Statement on Procurement Review

The management of tax dollars on behalf of children is a profound responsibility that the leadership of Scottsdale Unified School District does not take lightly. That is why, when questions surfaced regarding the procurement of architectural services for school rebuilds and renovations, SUSD General Counsel Michelle Marshall enlisted the help of attorney Susan Segal of Gust Rosenfeld to conduct an external review of our procurement processes.

That review is now complete, and the findings confirm that SUSD followed all legal procurement procedures in the selection of architects for school construction and planning. To detail some of Ms. Segal's conclusions:

- Questions have been raised regarding a purchase order issued in early February 2016 to obtain architectural services from Hunt & Caraway (HCA). This purchase order was issued under a **2013** 1GPA selection process.
- Confusion may stem from the fact that a 2016 procurement process was underway around the same time. To clarify: The District secured services under a 2013 1GPA selection process and again under a 2016 1GPA selection process. Procurement code was followed each time.
- Any purchase orders issued before the new 2016 1GPA selection were issued under the 2013 selections and not contingent upon the new 2016 process.
- That new RFQ was initiated on January 4, 2016 by SUSD's previous District staff and 1GPA.
- 1GPA had worked with the Auditor General and the Attorney General to ensure the procurement process complied with all legal standards.
- HCA ended up ranking in the top 3 out of 29 architectural firms rated by a committee in the RFQ selection process conducted by 1GPA on behalf of multiple Arizona school districts.
- Due to their high rankings, three firms (HCA, Orcutt Winslow and EMC2) were all selected and are currently doing work for SUSD on projects under the 2016 Bond.

Procurement is a complicated process, and it is understandable that people may jump to conclusions based on isolated documents, rumors and information taken out of context. The SUSD Legal Department has been working around the clock to answer all public records requests in the interest of transparency, while the SUSD administrative team has fully cooperated with the external investigation.

Regarding the criminal history of former HCA President Brian Robichaux: That history was not declared to 1GPA, his own business partner, the SUSD Governing Board, the Superintendent or any other member of SUSD administration. Scottsdale Unified School District did not know about this 20-year-old conviction. As soon as it came to light, Mr. Robichaux stepped down from his position with HCA.

In regard to questions raised over possible overages paid to HCA, the District will be working with third-party auditors to ensure there has been no overpayment or, if there has been overpayment, what the next legal steps may be.

It is our sincere hope that this review clears up confusion regarding SUSD's legal procurement procedures, so we may direct all of our energy and resources to the vital business of educating our children. Scottsdale Unified School District and Governing Board are laser-focused on academics. Our schools are full of outstanding educators, and amazing things are happening in our classrooms. When it comes to school rebuilds, our primary concern is building the best possible learning environments for our incredible students and staff with transparency and fiscal responsibility in all decisions.