

**Department of Public Works/Engineering
CITY OF WEST ALLIS
AMENDED WORK ORDER**

TO: Schenck SC
DATE: June 7, 2016
PROJECT: Fleet Management Assessment
Work: See attached Scope of Services dated May 19, 2016.
Estimate: Not To Exceed \$25,000
Schedule: Work to commence immediately.

This Work Order, including any attachments, is incorporated into the existing audit Agreement with Schenck SC. All work defined in this Work Order and payment therefor shall be performed in accordance with the terms and conditions of the existing Agreement, unless otherwise modified herein. Any modification(s) of this Work Order is subject to approval and acceptance pursuant to the Agreement.

Issued:

City of West Allis

By:  _____

Title: Director of Public Works/City Engineer
City of West Allis

Date: 6/8/2016

Received and Approved:

CONSULTANT

By:  _____


Title: MANAGER, OPERATIONS CONSULTING

Date: 6/15/16

ATTACHMENTS:
Scope of Services
Resolution 2016-0138

COMPTROLLER'S CERTIFICATE

Countersigned this 8 day of June, 2016,
and I certify that the necessary funds have been
provided to pay the liability that may be incurred
by the City of West Allis under this Agreement.



Kris Moen
Intern Finance Manager/Comptroller

Operations Improvement Consulting Services for
City of West Allis



May 19, 2016

Schenck SC

**For more information,
please contact:**

Tom Karman
Shareholder
920-455-4111
tom.karman@schencksc.com

Doug Bengson
Manager – Operations Consulting
920-996-1268
doug.bengson@schencksc.com



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May 19, 2016

Michael Lewis
DPW/City Engineer
City Hall
7525 W. Greenfield Ave.
West Allis, WI 53214

Dear Michael:

Thank you for inviting Schenck to submit this proposal to perform a Fleet Management Assessment for the City of West Allis. We are committed to providing you with high quality, timely and personalized service.

Benefits to working with Schenck include:

- Deep experience in the government sector and operations improvement: with more than 300 governmental clients, we understand government operations
- Proven methodology of coaching and teaching personnel regarding operations improvement
- A firm that is large enough to have the resources to meet the ever-changing needs of the City and assist you with the issues facing your industry
- A firm with personnel dedicated to the non-profit and government agencies with the expertise that comes with serving these types of clients full-time
- A firm that will be proactive in monitoring industry developments, identifying key issues and communicating those key items to you as they develop

We appreciate this opportunity, and look forward to further developing our relationship with the City of West Allis. Please contact either of us if we can provide further information on our firm or our proposal.

Sincerely,

Tom Karman
Shareholder

Doug Bengson
Manager – Operations Consulting

200 E Washington St
Appleton, WI 54911
(920) 731-8111



The Schenck Way

More than 80 years in business have taught us that clients want three key things from their CPA firm: regular communication, proactive ideas and solutions, and clear and accurate billing. To make sure we're meeting your expectations in each of these areas, we developed a set of client service standards that are followed by every employee in each of our offices. We call this philosophy of client service "The Schenck Way."

As our valued client, what does that mean for you?

- **Accessibility.** You'll always know how you can reach your account team—if we're not readily available for some reason, our voicemail greetings and email responses will let you know our schedule for the day, and who can help in the meantime.
- **Timely service.** Expect reports and other deliverables prepared in a timely manner to comfortably meet your deadlines. No last minute fire drills.
- **Face time.** Technology makes communication easier and faster than ever before. But we believe it's important to also meet with you in person on a regular basis, to discuss your goals and your direction, to provide our input as your advisor, and to get your feedback on how we're doing and how we can help.
- **Proactive advice.** We translate the insight we gain through serving you into ideas and opportunities to strengthen your organization. Because you'll work closely with the senior leaders of your service team, you can expect practical and constructive ideas throughout the year to help you achieve your goals.



- **Timely alerts and updates.** Like all government organizations, the City of West Allis is affected by new accounting, reporting, and other business developments on a regular basis. We help you stay one step ahead through our Audit Central alerts, other email communications and regular educational events.
- **Clear and accurate invoices.** Our "no surprise" billing policy means just that—no charges for unexpected "out of scope" work.

Our services for the City of West Allis

Fleet Management Assessment

We look forward to:

- Providing leadership with an independent Assessment relating to the following:
 - Fleet utilization
 - Fleet vehicle replacement practices
 - Maintenance practices
 - Facility utilization and suitability for it's intended functions (i.e. servicing Fire vehicles, welding shop)
 - Expenditures
 - Efficiency and effectiveness of current processes and procedures
 - Utilization and effectiveness of technology and information systems
 - Management reporting, metrics and key performance indicators (KPI's)
 - Organizational structure and strategy
 - Training, retention, and recruitment of staff
- Identify organizational strengths as well as opportunities for improvement and make recommendations related to the findings of the assessment

Our proposed approach is as follows:

- Assess critical operational and safety attributes, weighing them against world class best practices and benchmarks
- Observe day to day activities of the Fleet Management Department
- Perform interviews of leadership and staff within the Fleet Management Department, it's customers, and it's stakeholders
- Understand the Fleet Management department operating and personnel model
- Evaluate available data and KPI's surrounding business, quality, operations, etc.
- Discuss preliminary findings with the Team to clarify our understanding and gain perspective

Deliverables

Formal report including:

- Executive Summary of the engagement
- Scope, objectives and approach
- Potential business and technology risks
- Recommended strategic and operational improvement opportunities/gaps
- Priority based high-level action plan using highest rate of success with the lowest risk methodology

Timing

The Assessment would begin within 30 days of acceptance and is expected to last 4-6 weeks with checkpoints after each of the 3 phases (planning, fieldwork and reporting). This is a collaborative process where your personnel will work with our professional project team. Your personnel will be needed to participate in interview sessions and to assist with data gathering. The impact on their workload will be moderate over the project timeframe.



Our expertise to serve the City of West Allis

Government sector experience

Schenck's Government industry team serves hundreds of public organizations, including counties, municipalities, school districts, utilities and other governmental units, helping them to achieve their mission and goals. Our team consists of five shareholders and approximately 40 employees who almost exclusively provide services to the firm's governmental and not-for-profit clients.

At Schenck, our goal is to be your *advisor of choice* to help you take advantage of these opportunities and address your challenges.

Keeping you informed

"I appreciate the seminars and workshops that you offer throughout the year. The seminars keep us informed and provide the ability to talk with others within our industry."

- Tanya Wilson, Manager of Operations & Finance, Wisconsin Health and Educational Facilities Authority



Schenck is a member of the American Institute of Certified Public Accountants' Governmental Audit Quality Center, which helps us achieve the highest standards in performing quality governmental audits.

We bring the right resources to serve you:

- Professionals who specialize in serving government organizations, who can help you enhance your efficiency and effectiveness
- New ideas and trusted business advice from the leaders of your engagement team
- Additional specialists to help you save money and enhance profitability
- Articles, alerts and regular educational events to provide guidance and best practices

CPAs and so much more

Our expertise serving government clients includes:

- Operations improvement
- Human resources consulting
- Internal control reviews
- Information technology consulting and system implementations
- Industry benchmarking
- Utility rate design
- Payroll preparation and filing of quarterly payroll tax returns
- Documentation of accounting policies and procedures
- TIF financial forecasting

Operations consulting

Our Consultants have over 20 years of experience providing operational efficiency services as well as have a strong understanding of Lean/Process Improvement philosophies, processes, procedures within the private and public sector environments.

Fleet management expertise

With more than 150 clients in the trucking and transportation industry, Schenck provides practical and insightful solutions to help you manage your fleet effectively.

Your service team

We've assembled a team of experienced professionals to meet the needs of the City of West Allis. The following individuals will supervise all services provided to your organization.

Team member	Title	Role	Contact information
Tom Karman	Shareholder	Overall quality control and project oversight	920-455-4112 tom.karman@schencksc.com
Doug Bengson	Manager – Operations Consulting	Operations improvement consulting	920-996-1268 doug.bengson@schencksc.com
Jeff Simon	Trucking & Logistics Industry Consultant	Operations improvement consulting	jeff.simon@schencksc.com

Detailed biographies have been provided in Appendix A.

Conflict of interest

As your auditor, professional standards require us to ensure we do not make management decisions. Our services included will provide you with recommendations based on market data and interviews, along with training on implementing these recommendations; however, you are responsible for approving and implementing the results of our assessment.

About Schenck



At Schenck, we focus on providing high quality service to our clients, who rely on us as their advisor of choice for accounting, tax and consulting solutions. Our understanding of the demands our clients face, combined with a sincere concern for their success and continued growth, has driven our success over the past 80-plus years.

Based in Wisconsin, we meet the business and financial needs of our clients in:

- Accounting and auditing
- Business consulting
- Cost segregation services
- Employee benefit plan audits
- Estate and trust planning
- Human resource support services
- International business
- Investment management
- Medical billing
- Mergers and acquisitions
- Ownership transition planning
- Payroll services
- Retirement plan administration
- Risk services: accounts payable testing, fraud prevention, internal controls reviews
- Tax planning and compliance
- Technology solutions: software selection, business process flow, installation, implementation, training and ongoing support
- Valuations and litigation support

Providing added value and keeping you informed

The world of business is constantly changing. To keep you updated on important business issues that may impact you, Schenck regularly publishes newsletters and other email alerts to help you find savings, stay in compliance, or take advantage of new opportunities.

You're also invited to join us for our business improvement workshops and webinars, held regularly on topics that impact you—like health care reform, payroll updates and changes to government auditing standards.

Our commitment to our culture and our employees

At Schenck, we take pride in our work and strive to create a healthy culture throughout our firm. Our employees have the opportunity to be challenged, to develop their strengths, and to make an impact both at work and in our communities.

As a result, Vault, a publisher of career guides and employer rankings, has named Schenck one of the top 25 CPA firms in the nation to work for. Rankings are based on confidential surveys of employees and focus on firm culture, work/life balance, compensation, business outlook, firm prestige and overall job satisfaction.

In addition, Schenck is proud to have been ranked by our employees as a Top Milwaukee Workplace in the Milwaukee Business Journal's annual survey.

Proposed fees

Timely and quality service and no fee surprises

Schenck follows a “no surprise” billing policy. For any requests outside the scope of the services we are proposing, we will provide you with an estimate for your approval before beginning additional work.

Any additional travel expenses we incur are billed to you separately.

We anticipate the fees for the services you have requested to be as follows.

Major project step and description	Fees
Fleet Management Assessment	\$20,000-25,000

Our proposed fees include routine correspondence and discussions between the City of West Allis and Schenck. We strongly encourage effective communication between us and therefore will not bill you for routine conversations concerning financial, tax, and related matters.

Our fees are dependent on the following:

- Your office personnel will assist us by providing appropriate corporate documents and records necessary to complete our services
- The operations of your organization do not change significantly
- There are no significant changes in assurance, accounting, or reporting requirements

Consistent with our no surprise billing policy, if changes occur to any of the above, we would discuss a revised fee proposal with you prior to commencing any work.

Upon your acceptance of our proposal, we will prepare a formal engagement letter as required by professional standards.

Shareholder

Tom Karman, CPA



Areas of specialization

Local governments

Municipal utilities

Tax increment districts

Not-for-profit organizations

tom.karman@schencksc.com

800-676-0829

Experience

Tom has over 30 years of experience working exclusively in the areas of accounting and auditing for governments and not-for-profit organizations. In addition to providing auditing and financial reporting services, Tom keeps clients up to date on new accounting standards, and assists clients with the implementation of new standards when necessary.

Tom's approach to client service often has him on-site at client locations working directly with the audit team and the client's staff. This allows his clients the opportunity to directly discuss any accounting, auditing or operational issues which may arise.

Accomplishments

- Assisted local governments in preparing financial reports which met the criteria of the Government Finance Officers Association Certificate of Achievement program
- Assisted municipal water and electric utilities in the development of rate studies and their subsequent filing with the Wisconsin Public Service Commission

Education

University of Wisconsin–Whitewater, BBA, Accounting

Professional memberships

Wisconsin Government Finance Officers Association,
Associate Member

Wisconsin Institute of Certified Public Accountants

American Institute of Certified Public Accountants



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Manager – Operations Consulting

Doug Bengson



Areas of specialization

Continuous improvement
Operations management
Scheduling and capacity management
Strategic (Hoshin) planning
Rapid quoting techniques

doug.bengson@schencksc.com
800-236-2246

Experience

Doug has nearly 30 years of experience leading improvement initiatives and providing consulting for companies in numerous industries, from the board room to the shop floor. He provides practical expertise in Lean Enterprise implementation, leverages technology to improve business processes, and provides coaching and training in leadership and communication—unleashing the potential in people and organizations.

As a member of the firm's Operations Consulting team, Doug guides clients on how to optimize their operational effectiveness.

Prior to joining the firm, Doug had production and logistics, business development and operational responsibility for two small manufacturing companies, owned his own consulting firm, managed multi-million dollar projects in the oil & gas industry and worked in product development and quality with Fortune 100 companies.

Accomplishments

- Developed a data-driven approach to optimizing shop floor layout and reduced travel distance for high value parts by 40%.
- Implemented an ISO 9000-based Quality System which enabled a small manufacturer to obtain an original equipment manufacturer (OEM) contract and increase sales by 235%.

- Developed a Computerized Maintenance Management System (CMMS) specific to the needs of a paper converting company.
- Facilitated more than twenty 5S implementations resulting in a minimum 20% productivity increase.
- Led more than 20 Value Stream Mapping projects resulting in a minimum 50% reduction in lead time.

Industries of Specialization

Oil and gas
Contract machining
Industrial machinery
Automotive
Foundry
Fabrication
Food
Paper Converting

Education

Michigan Technological University, BS, Mechanical Engineering
AME Lean Bronze Level
Six Sigma Green Belt
Dale Carnegie Course Instructor

Community involvement

Youth sports organizations, Coach
Christ the Rock Community Church, Lay Counselor and Stewardship Team member



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Trucking & Logistics Industry Consultant

Jeff Simon, MBA



Areas of specialization

Transportation management and safety

Comprehensive Safety Analysis (CSA)

LEAN Transportation

Hazardous Materials Assessment and Compliance

jeff.simon@schencksc.com

800-236-2246

Experience

Jeff has nearly 40 years of experience in transportation management and safety. His services help Schenck clients create safe, compliant and efficient operations.

Jeff assists clients to implement sustainable DOT safety and compliance processes that enhance performance and bottom-line results. His in-depth transportation experience allows him to quickly analyze challenges and recommend solutions for continuous improvement.

Jeff has an excellent understanding of Motor Carrier Safety Regulations (state and federal), Hazardous Materials Regulations, and is a nationally recognized speaker and trainer. He has also written several articles for trade publications, including Occupational Health and Safety Magazine, Environment Protection, Engineer's Digest and more.

Previously, Jeff worked as an operations and equipment manager, as well as owning and operating his own company. He has a CDL Class A license and one-half million miles driving experience in the U.S. and Canada.

Accomplishments

- Assisted numerous clients nationwide to establish solid safety and compliance cultures
- Conducted hundreds of on-site simulated DOT compliance audits and provided procedural recommendations to strengthen clients' programs
- Conducted training designed with effective, relevant adult learning techniques

Education

University of Wisconsin-Oshkosh, MBA, Management and Operations

North Dakota State University, BS, Business Economics

Professional memberships

National Private Truck Council

Wisconsin Motor Carriers Association

North Dakota Motor Carriers Association

Community involvement

WMCA Safety Council

Commercial Vehicle Safety Alliance Training Committee – Member for 13 years



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File Number: R-2016-0138

Sponsor(s): Public Works Committee

Final Action:

MAY 17 2016

Resolution amending an agreement with Schenck regarding a Fleet Management Assessment in an amount not to exceed \$28,000.

WHEREAS, the City of West Allis 2016 Budget includes funding for a Fleet Management Assessment/Study; and,

WHEREAS, the City's financial auditor, Schenck, provides such services and has been interviewed by appropriate Public Works staff and found to be qualified to provide such services.

NOW, THEREFORE, BE IT RESOLVED By the Common Council of the City of West Allis that the Director of Public Works/City Engineer and other appropriate City officials be and is hereby authorized and directed to execute and deliver the agreement and report the findings to the Common Council at a later date.

ADOPTED

MAY 17 2016

APPROVED

5/19/16



Monica Schultz, City Clerk



Dan Devine, Mayor

