

LA Unified School District

Client Overview

The Los Angeles Unified School District (LAUSD) is the nation's second largest school district, with 915 schools and offices and 913,000 students. Covering 708 square miles, the district includes the City of Los Angeles and all or parts of 28 other cities. LAUSD operates a warehouse that is responsible for sales of \$95,000,000.

The Challenge

LAUSD was plagued by deteriorating systems, obsolete equipment, and inefficient procedures. In addition, the district operated a fragmented warehouse network. Recognizing that it needed to change to meet present and future needs, LAUSD contracted with Tompkins Associates and Deloitte Consulting to perform a purchasing, warehousing, and transportation assessment. Tompkins was asked to define and explain techniques to improve the district's systems, equipment, and procedures. The impact of consolidating the district's warehouse facilities was also examined.

The Solution

Tompkins made the following recommendations:

- The school district move into a state-of-the-art, consolidated warehouse, which would store all supplies and food for the district's schools
- A Warehouse Management System (WMS) be selected and implemented in the new warehouse
- A Transportation Management System (TMS) be selected and implemented for the delivery fleet
- Improved methods and procedures be pursued in warehousing and delivery to improve efficiency and reduce operating costs

The Results

Tompkins defined a path forward for LAUSD to achieve measurable results in its supply chain. These results included identifying a recurring savings estimated at \$5.5 to \$10 million, primarily driven by consolidating facilities, acquiring equipment to improve productivity (i.e. new racking, truck lift gates), and implementing improved management systems (WMS, TMS).

If LAUSD acts on the recommendations outlined by Tompkins, then accuracy, fulfillment, customer service, and productivity will improve. In turn, overall costs and labor requirements will be reduced. Moving to a modern warehouse and putting systems enhancements in place will provide improvements in all areas of the district's supply chain.

