

Midpeninsula Regional Open Space District, California

Procurement as a Strategic Partner

Created in 1972, the **Midpeninsula Regional Open Space District** (Midpen) is an independent special district that helps plants, animals, and people thrive throughout the greater Santa Cruz Mountains. It spans San Mateo County, Santa Cruz County, and Santa Clara County in California, and is home to more than 750,000 people. The organization's mission is to preserve a connected greenbelt of more than 70,000 acres of public open space that includes bay wetlands, redwood forests, and coastal grasslands.

Midpen is governed by a seven-member publicly elected board of directors representing wards throughout the district and has a staff of more than 180 employees from 13 departments, including budget and finance, engineering and construction, general manager's office, general counsel's office, human resources, information systems and technology, land stewardship and trails, facilities services and fleet, natural resources, planning, public affairs, real property, and visitor services. The procurement program for Midpen reports to the chief financial officer and the director of administrative services.



Over the past several years, the procurement function at Midpen has transformed from a transactional support function into a strategic partner with a recognized "seat at the table." This evolution was driven by addressing long-standing challenges that limited transparency, compliance, and efficiency.

Procurement tackled excessive sole-source purchasing by strengthening competitive practices and establishing clear expectations and standards. Contract

contingency usage, which had not been separately tracked before 2019, is now monitored with dedicated purchase orders that ensure accountability and budget control. Procurement also implemented digital signatures to streamline internal approvals, reduce delays, and improve records management. Midpen's enterprise resource planning (ERP) processes were also modernized and strengthened to promote accountability and improved control. A SharePoint site was launched as well, creating a centralized hub for resources, policies, and guidance. Together, these improvements have built

a culture of transparency, compliance, and collaboration, and have positioned the procurement staff as a trusted advisor and central resource for the organization.

Understanding the problem before defining the solution

Midpen was formed in 1972 as a very small organization. Over the last 50+ years, as the organization grew and became more complex, it still maintained a small feel. "Many of our staff are biologists working out in the



Left: Members of the MidPen procurement team, from left to right: Cristeen Shima-Kunze (Senior Procurement Technician), Sarah Araya (Procurement Program Manager), and Kimberly Whelan (Senior Procurement Technician). Right: Completed in 2022, the 40,000-square-foot MidPen administrative offices were sustainably renovated and designed by Noll & Tam Architects.

“We actually had an official procurement policy; now we work to make sure that everyone understands it.”

—SARAH ARAYA, MIDPEN PROCUREMENT PROGRAM MANAGER

field, but they were also responsible for a lot of the administrative work,” Kimberly Whelan, CPPB, senior procurement technician for Midpen, noted. Leaders began to recognize that the procurement function faced several systemic challenges that limited its effectiveness and visibility, but they didn’t want to create a giant compliance function, either.

When Sarah Araya came aboard as procurement program manager, she sought out improvements she’d learned from other organizations, but also avoided implementing generic models. “This was my first job in the public sector,” Araya said. “When I started, I wanted to learn as much as I could about the organization. I was able to identify a few practices we did at the time that didn’t make sense. For example, procurement reviewed contracts after the vendor had already signed them.” She added, “We seemed to

know this was a problem; we just didn’t know how to approach the solution.”

Midpen applied some quick fixes while continuing to learn about larger issues. For example, in assessing the procurement function, staff uncovered excessive reliance on sole-source purchases, which reduced competition and weakened cost accountability. Contract contingency funds weren’t being tracked, and internal processes for signatures and approvals were inefficient, relying on manual routing rather than digital tools.

Being new to Midpen, Araya prioritized setting up meetings with each department, both general managers, and other leaders in the organization. “I wanted to learn the issues the departments faced and how they managed their business lines,” she said. “I also wanted to seek out feedback on what it had been like to work with procurement.”

She learned that the organization was very decentralized, and for the most part preferred that approach. But some aspects were problematic. Procurement lacked a formal role in procurement workflows, which limited its ability to provide consistency, enforce policy, and safeguard public funds. Midpen’s ERP system allowed department staff to issue stand-alone purchase orders that eliminated oversight and reduced transparency. In general, information was siloed, standards were lacking, and departments were given considerable flexibility—but they also struggled to navigate compliance requirements, leading to confusion, errors, and inefficiencies.

The common problem is that procurement was viewed as purely transactional, rather than strategic. Departments across the organization also commented that they wanted more communication

from procurement. “When we did make changes in the past, departments felt they weren’t told or weren’t given notice,” Araya commented. Without proper systems and authority in place, Midpen struggled to ensure compliance, maintain transparency, and provide staff with the tools and guidance needed. The organization was able to tackle those issues head-on, though, creating a centralized, transparent, and collaborative procurement function that safeguards public funds while supporting organizational goals. “We promised to communicate and to help,” Araya added.

Evolving into a strategic partner

Becoming a strategic partner doesn’t happen overnight or through a policy dictated by executive leadership. Midpen’s approach used a step-by-step modernization initiative led at multiple levels in the organization. This systematic approach used some key steps that were specifically identified to better understand current challenges and problems, identify solutions, and follow leading change management principles that would both hold all staff accountable and ensure that all stakeholders could be involved in the transition. The steps included:

Define the problem. Midpen began with a candid review of pain points, which identified reliance on sole-sourcing, lack of oversight in contract management, outdated approval workflows, or insufficient visibility for procurement in the ERP system. Each one of these efforts created confusion or led to poor perception throughout the organization.

Set policy and create expectations. Clear policies were developed and communicated, setting clear roles for departments and procurement. Policies also clearly established Procurement as a coordinator of procurement processes to set expectations for oversight and standardization. “We actually had an official procurement policy; now we work to make sure that everyone understands it,” Araya said. In communicating the policy, Midpen realized that in some cases, even though there was a written policy, it was confusing and generated questions.

Find tools to improve efficiency.

Adopting digital tools provided Midpen with improved efficiency, reduced turnaround times, and improved quality of information. This positioned the procurement function as a problem solver and partner that could provide value.

Work collaboratively to address issues.

Midpen identified excessive sole-source purchases as threats to transparency and accessibility; however, departments also used this strategy to reduce procurement timelines. Procurement, realizing it would need to work with departments to identify better options and explain why the current practice was problematic, held office hours, facilitated workshops, and identified training. “We had the opportunity to get to know our project managers,” Whelan said. “We heard their concerns and could start introducing improvements.”

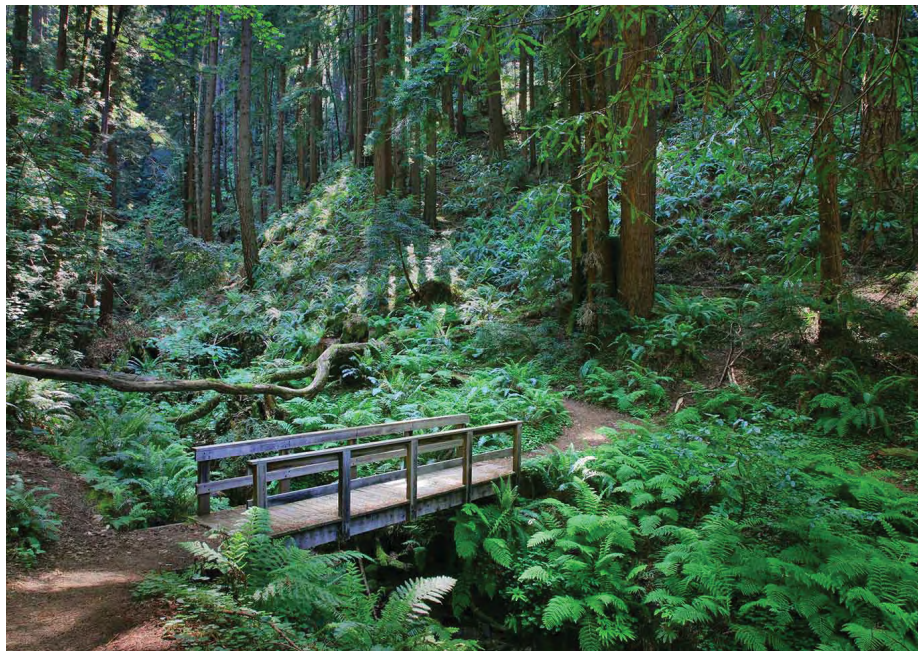
Reinforce Procurement’s role as a strategic partner. Ongoing communications emphasized Procurement’s role as a partner in achieving organizational goals. Staff promoted the use of data, became more proactive, provided better customer service, and established their “seat at the table.”

Continuing to evolve and improve

After implementing initial changes, the procurement team continues to communicate policies and expectations. When new employees start, Procurement sets up a meeting to provide training. “Even if new staff don’t plan on purchasing right away, we still provide the training so information is available,” Araya said. “I also want us to introduce ourselves and start that relationship. They know we are here to answer questions in the future.”

The focus on internal communications is also carrying over to external communications. Midpen is more intentional about supplier communications and intends to begin developing a supplier survey to begin collecting feedback from external stakeholders. The organization has also been active in the Bay Area Procurement Alliance to share experiences with other governments in the region.

With the additional focus on procurement and added tasks, Midpen has also been successful in increasing the size of the procurement team. “Since Sarah has been here, she’s been very instrumental in advocating for more procurement staff,” Whelan said. “At the time, I was



allocated part-time to procurement and part-time to other administrative tasks. Another resource was split between procurement and grants management. Now we have dedicated procurement staff, which sends the message to the organization that the role is more important.”

Cristeen Shima-Kunze, the senior procurement technician recently transitioned to procurement from an accounting role, said: “I admired that Procurement was very proactive and focused on building relationships. That’s one of the reasons why I wanted to join their team.”

Importance of executive leadership

Many procurement professionals talk about the need to have a “seat at the table” to communicate the need for procurement to be involved in key decisions. The procurement team recognizes that

this requires other senior leaders to understand the value that procurement is capable of. “I have a manager who really advocates for us and makes sure that we are in the room,” Araya said. “I also appreciate that he involves us in discussions. We may not be the decision maker, but I like knowing he values what we think.” She added that “sometimes it helps to talk through issues and get perspective from different viewpoints.”

Success in other governments will require a comprehensive strategy

Organizations may be tempted to respond to procurement challenges with piecemeal fixes, additional layers of approvals, or more punitive compliance actions. While well-intentioned, those approaches often increase bureaucracy without solving the underlying issues of visibility, accountability, and

collaboration. Midpen’s approach was more holistic and intentional in how changes were developed and implemented. The organization also made sure to focus on several areas to define strategic procurement and modernized systems, processes, and the overall culture.

And finally, Midpen was careful to ensure its solution didn’t just enforce compliance—it created a culture where Procurement is seen as a partner rather than a gatekeeper. “I want departments to understand that we care about their projects,” Araya added. “We can work together.”

Contacts

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- **Cristeen Shima-Kunze**, senior procurement technician

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