



# ALVAREZ & MARSAL

SOUTH CAROLINA DEPARTMENT OF EDUCATION  
SCHOOL DISTRICT EFFICIENCY REVIEW

**York 04**

**District Report**

6/16/2017





## OUTLINE

- I. Executive Summary
- II. District Overview and Overhead
- III. Financial Management
- IV. Human Resources
- V. Procurement
- VI. Transportation

# EXECUTIVE SUMMARY

## YORK 04

### PROJECT OVERVIEW

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- This document contains observations and recommendations completed in conjunction with the School Efficiency Review conducted for the South Carolina Department of Education and pursuant to Part 1B Section 1 Proviso 1.92 of the FY2016-17 General Appropriations Act.
  
- The scope of the District Efficiency Review focused on the following central operations: **(1) Finance; (2) Human Resources; (3) Procurement; (4) Transportation; and (5) Overhead.**
  - Instruction, Food, Facilities and Technology functions were outside the scope of this efficiency review.
  - Facilities and Technology Assessments were completed in accordance with Part 1B of Proviso 1.92 and are separate from this report.
  
- A&M's review focused on identifying opportunities across the operational areas noted above that would yield:
  - 1. Increased Effectiveness and Efficiency**
    - Improved processes that would enable increased levels of service to the District's students and teachers and enhance financial controls and financial stewardship of the District's funds and assets.
    - A&M considered potential opportunities that could be realized both in the current state and in a situation where the District chooses to collaborate with other nearby or like-minded districts.
  
  - 2. Cost Avoidance and / or Cost Savings**
    - Enhanced processes and structures that would enable the District to realize savings and/or avoid potential costs in the future, including consideration of potential investments required to mitigate ongoing cost exposure.

# EXECUTIVE SUMMARY

## YORK 04

### PROJECT OVERVIEW (CONTINUED)

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- A&M conducted School Efficiency Reviews of 79 of the 82 school districts in the State across two phases, each of which approximated nine weeks. Phase 1 included 32 districts (all Plaintiff districts) and Phase 2 included 47 districts. Three districts did not participate due to previously completed efficiency reports: Clarendon 1 (Plaintiff), Lexington 4 (Plaintiff) and Dorchester Two.
- The review conducted by A&M included 2 partial day site visits in order to meet with district personnel to understand their organizations, processes and approaches.
- The report identifies two themes that will help drive greater efficiency and effectiveness in school districts:
  1. **Modernize:** A series of one-time investments in technology that must be made in order to enhance processes and drive operational efficiency.
  2. **Collaborate:** Small districts must perform and support a fixed, minimum cost structure that does not allow them to benefit from economies of scale available to larger districts. There are a range of opportunities for cross-district collaboration that will realize efficiencies and generate the highest level of savings. Efficiencies and effectiveness will increase as the number of districts collaborating increases.
- This analysis presents two types of estimates:
  1. **Investments** in school district modernization necessary to drive future cost savings; and
  2. **Net savings** from implementation of a shared services model for functions within the scope of this study.

## PROJECT OVERVIEW (CONTINUED)

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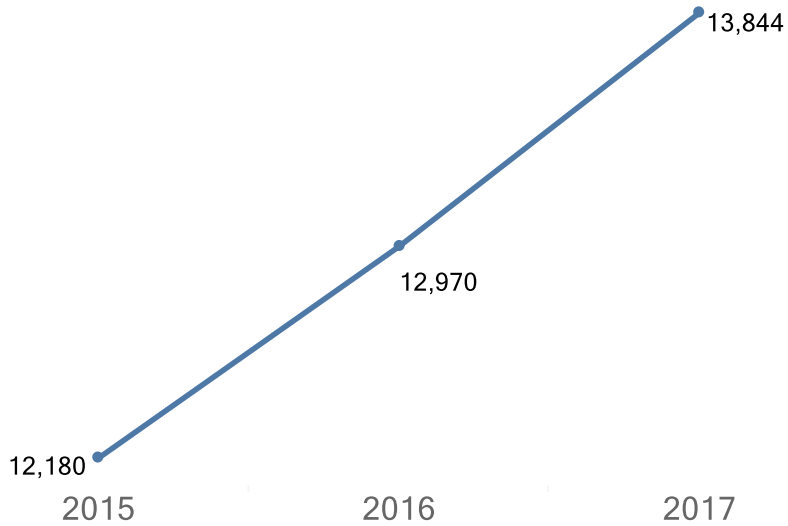
### ➤ Sources of Data and Savings Estimates:

- A&M based the recommendations included in this report on data received from both the State and the District.
  - State provided data: FY16 revenue and expenditure data submitted by districts to the State, 3-year historical enrollment/average daily membership data, FY16 school transportation routes by district.
  - District provided data: FY17 personnel rosters, FY16 disbursements by vendor, vendor contracts and invoices, and various operational and financial metrics tracked and maintained by the districts.
- Many districts were unable to provide all of the data requested. As a result of data limitations, savings estimates calculated rely on aggregate expenditure data to derive estimates for potential savings.
- Savings estimates are based on a series of assumptions about changes in process and staffing levels (stand-alone and multi-district) that will vary upon implementation. Variation from the amounts presented as net savings are likely in the event a shared services model is implemented.

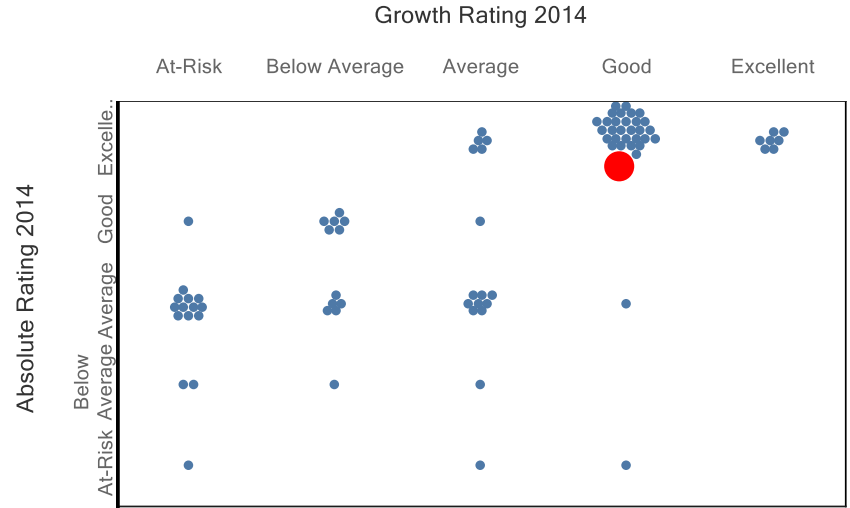
# EXECUTIVE SUMMARY

## YORK 04

### Average Daily Membership<sup>[2]</sup>



### Student Achievement<sup>[1]</sup>



### General Info

Number of Schools <sup>[2]</sup>	15
% Poverty <sup>[1]</sup>	21.1%
% Disability <sup>[1]</sup>	9.2%
\$ Per Student <sup>[2],[3]</sup>	\$14,709
\$ Per Student Excluding Debt & Capital <sup>[2],[3]</sup>	\$8,737

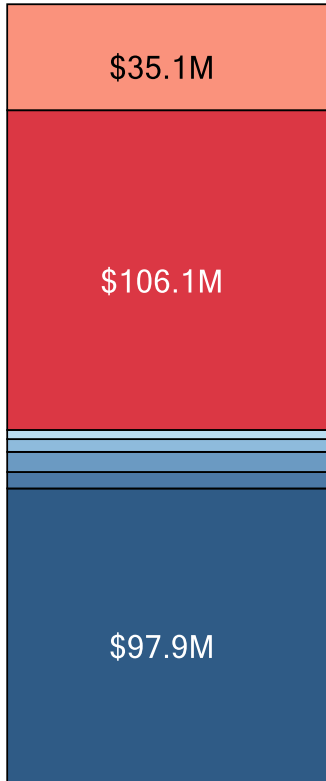
### Administration

Students Per Instructional Services FTE <sup>[2],[4]</sup>	10.5
Students Per Overhead FTE <sup>[2],[4]</sup>	234.4
Students Per School Support FTE <sup>[2],[4]</sup>	55.4
Students to Total FTE <sup>[2],[4]</sup>	8.5

# EXECUTIVE SUMMARY

## YORK 04

Sources of Funds<sup>[5]</sup>  
\$258.2M



2015-2016

- Debt Service Fund
- Capital Projects Fund
- Pupil Activity Fund
- Food Service Fund
- Education Improvement Act Fund
- Special Revenue Fund
- General Fund

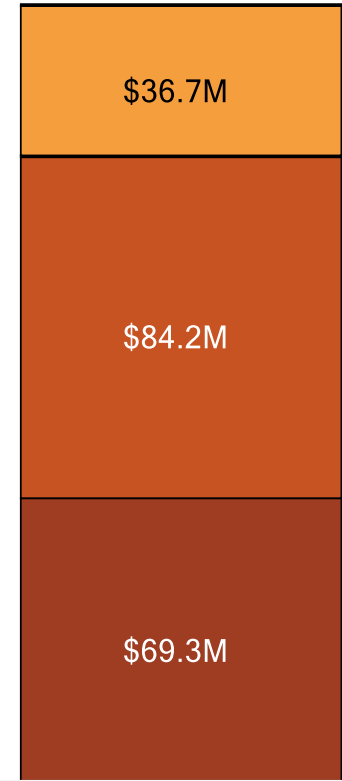
Use of Funds - Type<sup>[3]</sup>  
\$190.8M



2015-2016

- Capital Outlay
- Transfers
- Other Objects
- Supplies and Materials
- Purchased Services
- Employee Benefits
- Salaries

Use of Funds - Function<sup>[3]</sup>  
\$190.8M



2015-2016

- Community Services
- Debt Services
- Other Charges
- Support Services
- Instruction

\* totals may not tie due to rounding

# EXECUTIVE SUMMARY

## YORK 04

\$190.8M  
Total

\$15.6M  
In-Scope

\$175.2M  
Not In-Scope

*8.2% of total spend is within scope of the efficiency review:*

	In Scope Spend <sup>[3]</sup>	Procurement Component
Finance	\$1,294,366	\$225,539
Human Resources	\$424,283	\$56,761
Overhead*	\$777,026	\$430,241
Transportation	\$3,324,531	\$108,807
Procurement (Community Services, Instruction, Support Services)**	\$9,759,179	\$9,759,179
<b>TOTAL</b>	<b>\$15,579,385</b>	<b>\$10,580,527</b>

\*Overhead refers to the Superintendent's office, including the Board of Education.

\*\*Procurement refers to community services, instruction, and support services that are purchased from external sources.

See Appendix B for a full list of data sources and mapping.

# EXECUTIVE SUMMARY

## YORK 04

### GOALS, CHALLENGES & ACHIEVEMENTS

#### District Goals

**Mission:** In the tradition of excellence, Fort Mill Schools places children first...every day by providing an innovative and rigorous education that empowers all students to achieve their greatest success.

- 1. Exceptional Teaching and Learning:** Align the district's curriculum, instruction, and assessment system to ensure teacher effectiveness and maximize student learning.
- 2. Data Driven Continuous Improvement:** Implement a comprehensive assessment system that generates a range of data about student learning and system effectiveness and will use results to guide continuous improvement.
- 3. Effective Leadership and Communication:** Provide effective leadership and communication at all levels to promote student performance and school effectiveness.
- 4. Safe, Supportive and Inviting Schools:** Provide exemplary resources and supportive services throughout its entire organization to create an inspiring learning environment for all our students.

#### Achievements

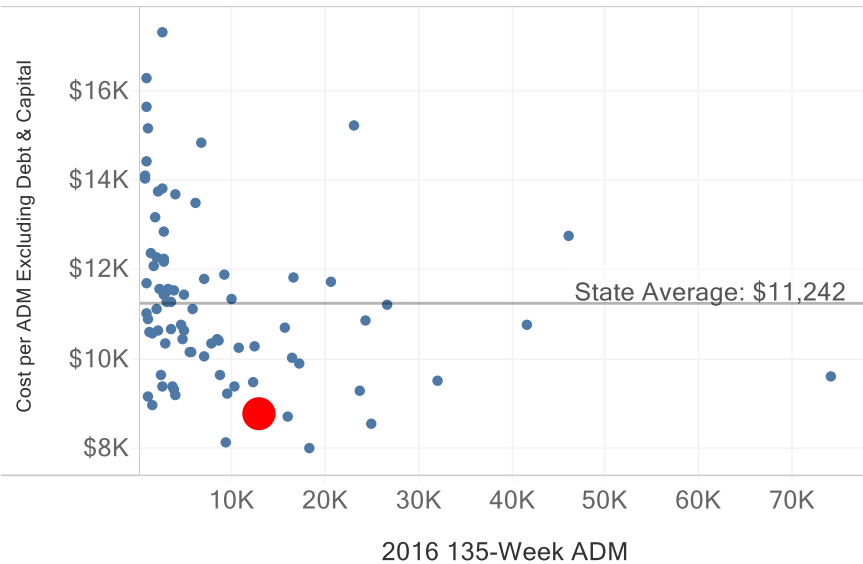
- **Academics:** Fort Mill has a track record of success in academics. Notable achievements include SAT scores above the national average, an 80% pass rate on Advanced Placement exams and the Palmetto Gold Award from the States.
- **Community:** The District has strong support from the community, including passage of bond referendums.
- **Personnel:** The District has been able to recruit and retain District staff who are professional and hard working and who contribute to the family-oriented environment.

#### Challenges

- **Growth:** District is experiencing rapid growth in enrollment. It is difficult to maintain pupil to teacher ratio and current levels of achievement with such increases.
- **Funding and Resources:** Given the rapid growth, it is difficult to provide the resources, training, and support needed to sustain the culture of excellence and continuous improvement.

### KEY OBSERVATIONS

#### Per Pupil vs. Enrollment



#### District Size and Minimum Costs

##### Minimum Cost Base:

The District must perform and support a fixed, minimum cost structure and does not benefit from economies of scale available to larger districts.

##### Resource Utilization:

Resource Utilization: The size of the District requires resources to be leveraged within and across functional areas and often resources wear multiple hats in order to complete key processes.

#### Opportunities for Improvement

##### Modernize / Process Improvements:

The District has the opportunity to implement new technologies and streamline processes in order to enhance overall effectiveness of support functions.

##### Collaboration / Maximizing Efficiencies:

Given the size of the District, there are a range of opportunities for cross-district collaboration that will provide the greatest ability to realize efficiencies and generate the highest level of savings. The greater the number of districts collaborating, the greater the efficiencies and effectiveness.

# EXECUTIVE SUMMARY

## YORK 04

### OBSERVATIONS: INDIVIDUAL SCOPE AREAS

	Current State
<b>Finance</b>	<ul style="list-style-type: none"> <li>• <b>Financial Management:</b> The finance organization is adequately staffed to support the scope of its roles and responsibilities. The District's fund balance of 19.7% and high days cash on hand indicate financial stability. The District regularly has clean audits, strong internal controls, performs regular monitoring of financial performance and regularly seeks ways to improve financial operations.</li> <li>• <b>Processes:</b> The District leverages InfiniteVisions software capabilities to automate processes and is advanced in its use of reporting tools.</li> </ul>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• <b>Organization:</b> The Human Resources function operates on a lean budget but is adequately staffed to support recruiting, retention, personnel relations, professional, benefits and professional development activities. The District utilizes AppliTrack software but still uses hard copy contracts and some manual onboarding.</li> <li>• <b>Recruiting and Retention:</b> The District benefits from an attractive location and a great family environment. However, the District anticipates challenges hiring the large number of teachers required to keep up with enrollment growth.</li> </ul>
<b>Transportation</b>	<ul style="list-style-type: none"> <li>• <b>Transportation Management:</b> The State directly pays for costs of bus purchasing, maintenance, fuel and a portion of driver salaries. The District does not currently have a driver shortage.</li> <li>• <b>Manual Routing:</b> The District recently purchased routing software in order to help drive routing efficiencies.</li> </ul>
<b>Procurement</b>	<ul style="list-style-type: none"> <li>• <b>Staffing and Organization:</b> The District has 2 FTEs dedicated to Procurement within the finance department.</li> <li>• <b>Strategic sourcing:</b> The District leverages State contracts and utilizes negotiation and bidding strategies to achieve the best value. Spending is fragmented across more than 1,700 vendors; however, the top 35 make up more than 80% of total spending.</li> </ul>
<b>Overhead</b>	<ul style="list-style-type: none"> <li>• <b>Staffing and Organization:</b> The Superintendent has overseen the District for over 7 years and has been working in the District for over 30 years.</li> <li>• <b>Collaboration:</b> The District is part of the Olde English Consortium and meets regularly with other regional districts.</li> </ul>

## RECOMMENDATIONS

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*School Districts efficiencies identified during the review can be best be summarized into two key categories: Modernize and Collaborate*

### **Modernize School District Operations**

- Invest in technology
  - New state-wide bus routing software
  - Purchase new or expand existing technologies to minimize “paper-pushing”
  - Drive data quality improvements across district financial and personnel systems
- Streamline people and processes around new technology

### **Collaborate Across Districts**

- Districts can achieve greater economies of scale in administrative (Finance and HR) and procurement functions.
  - Regional shared service model that includes Finance, HR and procurement (at a minimum)
  - Strengthened purchasing collaboration through dedicated volume
- Collaboration will not only drive cost savings, but will increase the effectiveness of the services.

# EXECUTIVE SUMMARY

## YORK 04

### MODERNIZATION RECOMMENDATIONS

*District investment in modernization will help improve the effectiveness of the district's overall processes and operations on a stand-alone basis.*

MODERNIZATION RECOMMENDATIONS			
FINANCE	HUMAN RESOURCES	PROCUREMENT	TRANSPORTATION
<p><b>Process Improvements:</b> Prepare zero-based budget for departmental budgets incorporating key performance indicators that would allow for better estimation of staff needs and expenses.</p> <p><b>Staffing/Organization:</b> Train/cross-train personnel on key financial functions to increase the capabilities and effectiveness of the teams.</p> <p>Develop a comprehensive succession plan for the Finance Department to ensure that staff are properly trained and have ample transition time for future roles.</p>	<p><b>System Enhancements:</b> Continue with plan to implement new technologies to automate HR processes such as integrated applicant sourcing, tracking and onboarding.</p> <p><b>Process Improvements:</b> Further implement and enhance incentive programs to help navigate teaching shortages and increase recruitment and retention rates.</p> <p><b>Staffing and Organization:</b> Train/cross-train personnel on recruiting, talent management and professional development strategies.</p>	<p><b>Process Improvements:</b> Create an advisory board that oversees cooperative purchasing within the state.</p> <p>Further leverage state contracts and group purchasing organizations to optimize spend.</p> <p>Further negotiate discounts / rebates for tiered levels of spending.</p> <p>Monitor compliance with major contracts and analyze spending distribution on an ongoing basis to identify opportunities for potential savings.</p>	<p><b>System Enhancements:</b> Utilize recently purchased routing software to revise routes.</p> <p><b>Process Improvements:</b> Further Staggering of Bell Times: Complete analysis (in conjunction with use of routing software) to evaluate potential financial benefits and shorten wait and ride time for students.</p> <p><b>Staffing / Organization:</b> Create dual employment opportunities to help address the bus driver shortage. Work with payroll to monitor overtime.</p>

# EXECUTIVE SUMMARY

## YORK 04

### COLLABORATION RECOMMENDATIONS

*Organizational effectiveness and cost savings opportunities can increase through formal collaboration efforts between districts.*

REGIONAL COLLABORATION OPPORTUNITIES			
FINANCE	HUMAN RESOURCES	PROCUREMENT	OTHER AREAS
<p><b>Accounts Payable and Payroll:</b> Shared Processing; Standardized and automated workflow on approvals</p> <p><b>Potential to add in:</b></p> <ul style="list-style-type: none"> <li>Accounting Entries</li> <li>Financial Reporting</li> <li>General Oversight</li> <li>ERP Systems</li> <li>Grant Compliance and Claiming</li> </ul>	<p><b>Benefits Coordination:</b> Shared Processing and Support</p> <p><b>Potential to add in:</b></p> <ul style="list-style-type: none"> <li>Intl. Recruiting: H1B Process or collaborative</li> <li>System Licenses for Recruiting, Substitute Management, and on-boarding</li> <li>Sharing of instructional resources across varying classroom models</li> </ul>	<p><b>Purchasing Coordination:</b> Collaborate on market intelligence, pricing opportunities, RFP management, contract negotiations, contract management and minimum buying commitments</p> <p>Capitalize on volume discounts and rebates</p> <p>Shared analysis of spending, monitoring and optimization of pricing</p>	<p><b>Transportation:</b> Shared administrative resources</p> <p><b>Facilities/ Maintenance:</b> Shared staffing of key maintenance positions across districts (e.g, HVAC, Electrician, Plumbing)</p> <p><b>Technology:</b> Shared oversight and support functions</p> <p><b>Curriculum:</b> Shared research and development functions</p>

*Governance structures, service level agreements and implementation plans will vary based upon the range of services included and the districts participating in a collaborative model.*

# EXECUTIVE SUMMARY

## YORK 04

### APPROACH TO SAVINGS

#### GENERAL APPROACH TO ESTIMATING INVESTMENTS AND SAVINGS

- Investments and cost savings were estimated based on interviews with District personnel across each functional area, using financial and operational data received from both the state and each district.
- Data provided was benchmarked and analyzed to understand costs, productivity and utilization.
- For more detail on methodology, see Appendix A. Actual savings may vary based on implementation decisions.

#### FINANCE AND HUMAN RESOURCES

- A&M conducted interviews and analyzed personnel rosters and expenses to understand the intersection of people, process and technology within each district.
- A&M estimated a range of potential synergies from district collaboration based on average district spend in key finance and HR functional areas. Synergies will be realized when participating district resources are pooled in a Shared Service Center. For purposes of this analysis, A&M calculated the District level savings by estimating the level of resources that would be required to support two average sized smaller districts at the low end and five districts of varying sizes at the high end.

#### PROCUREMENT

- A&M reviewed the District disbursement register and reviewed a limited sampling of vendor invoices to gain an understanding of the District's procurement spend.
- On a limited basis, A&M reviewed rates paid to individual vendors by multiple districts.
- In order to estimate savings, A&M leveraged the information gathered above and then applied potential savings rates to key spend categories. Savings rates were based upon past experience that our clients have achieved by partnering with A&M on strategic sourcing.

#### TRANSPORTATION

- A&M used data provided by the State to analyze district route mileage, frequency, timing, and volume to estimate potential efficiencies available through the implementation of routing software and staggered bell times.
- Benchmarks were established based on districts currently using routing software and staggered bell times.
- Savings were estimated based on a target benchmark for the District that took into consideration the location, population and rural profile of the each district.
- Estimates include savings for bus drivers, fuel, maintenance and buses.

# EXECUTIVE SUMMARY

## YORK 04

### CONCLUSION: ESTIMATED ONE-TIME INVESTMENT AND ANNUAL SAVINGS

*Preliminary investment and savings estimates for your District are shown below.*

	MODERNIZE Est. One-Time Investment		COLLABORATE Est. Net Annual Savings	
	Low	High	Low*	High
Finance	\$17,500	\$32,500	\$128,300	\$384,800
Human Resources	0	0	0	40,700
Procurement	0	0	196,800	534,000
Transportation – District	N/A	N/A	57,000	86,000
<b>District Total</b>	<b>17,500</b>	<b>32,500</b>	<b>382,100</b>	<b>1,045,500</b>
Transportation – State	20,000	78,000	26,700	72,900
<b>Total</b>	<b>\$37,500</b>	<b>\$110,500</b>	<b>\$408,800</b>	<b>\$1,118,400</b>

\* A negative savings amount reflects the need to hire additional resources if collaboration with other districts is not pursued.

*Investment and savings ranges shown above reflect preliminary estimates of impacts of A&M recommendations. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.*



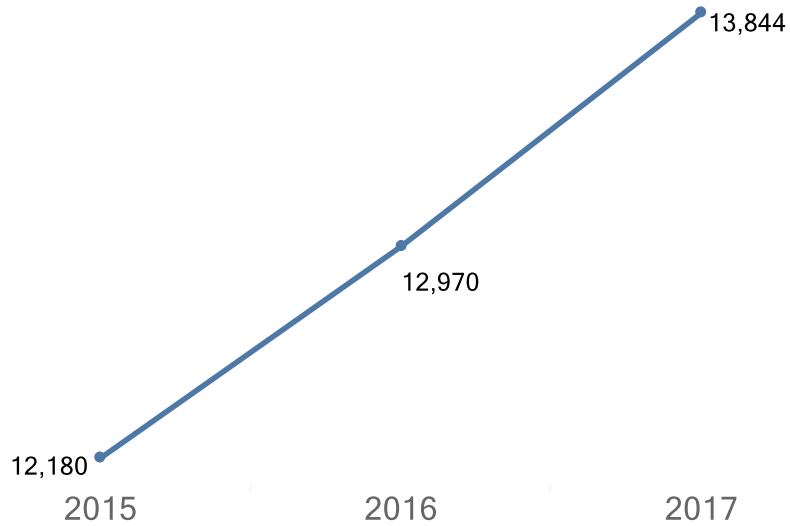
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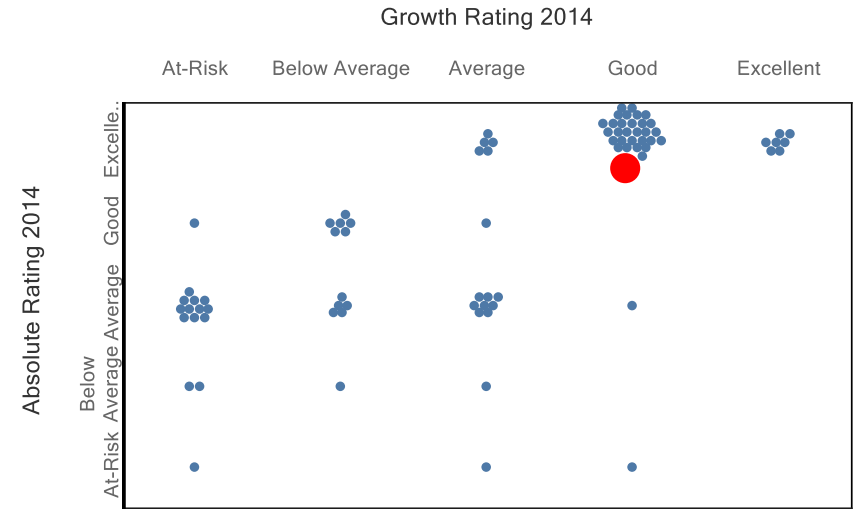
# DISTRICT ADMINISTRATION AND PERFORMANCE

## YORK 04

### Average Daily Membership<sup>[2]</sup>



### Student Achievement<sup>[1]</sup>



### General Info

Number of Schools <sup>[2]</sup>	15
% Poverty <sup>[1]</sup>	21.1%
% Disability <sup>[1]</sup>	9.2%
\$ Per Student <sup>[2],[3]</sup>	\$14,709
\$ Per Student Excluding Debt & Capital <sup>[2],[3]</sup>	\$8,737

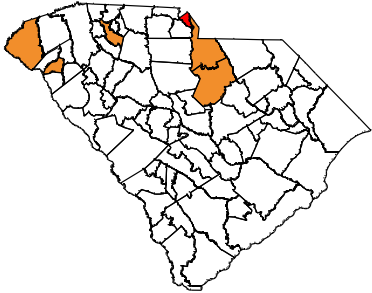
### Administration

Students Per Instructional Services FTE <sup>[2],[4]</sup>	10.5
Students Per Overhead FTE <sup>[2],[4]</sup>	234.4
Students Per School Support FTE <sup>[2],[4]</sup>	55.4
Students to Total FTE <sup>[2],[4]</sup>	8.5

# DISTRICT BENCHMARKING

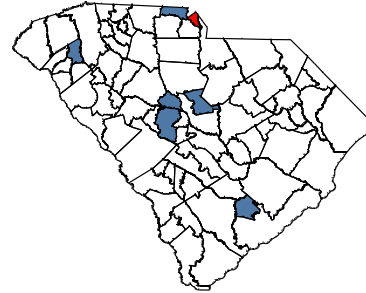
## YORK 04

### Enrollment (10,000 - 15,000)



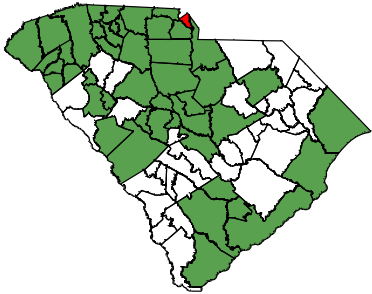
- Anderson 05
- Kershaw
- Lancaster
- Oconee
- Spartanburg 06
- York 04

### Poverty (<50%)



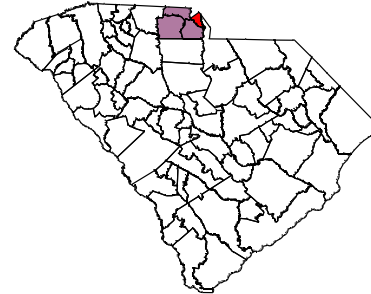
- Anderson 01
- Dorchester 02
- Lexington 01
- Lexington/Richland 05
- Richland 02
- York 02
- York 04

### Phase 1 (No)



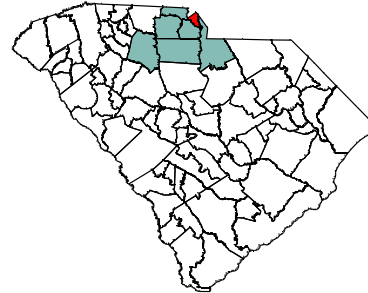
- Aiken
- Anderson 01
- Anderson 02
- Anderson 03
- Anderson 04
- Anderson 05
- Beaufort
- Calhoun
- Charleston
- Cherokee
- Chester
- Colleton
- Darlington
- Dorchester 02
- Dorchester 04
- Edgefield
- Fairfield
- Georgetown
- Greenville
- Greenwood 50
- Greenwood 51
- Greenwood 52
- Horry
- Kershaw
- Lancaster
- Lexington 01
- Lexington 02
- Lexington 03
- Lexington/Richland 05
- Newberry
- Oconee
- Pickens
- Richland 01
- Richland 02
- Spartanburg 01
- Spartanburg 02
- Spartanburg 03
- Spartanburg 04
- Spartanburg 05
- Spartanburg 06
- Spartanburg 07
- Sumter
- Union
- York 01
- York 02
- York 03
- York 04

### County (York)



- York 01
- York 02
- York 03
- York 04

### Region (Catawba)



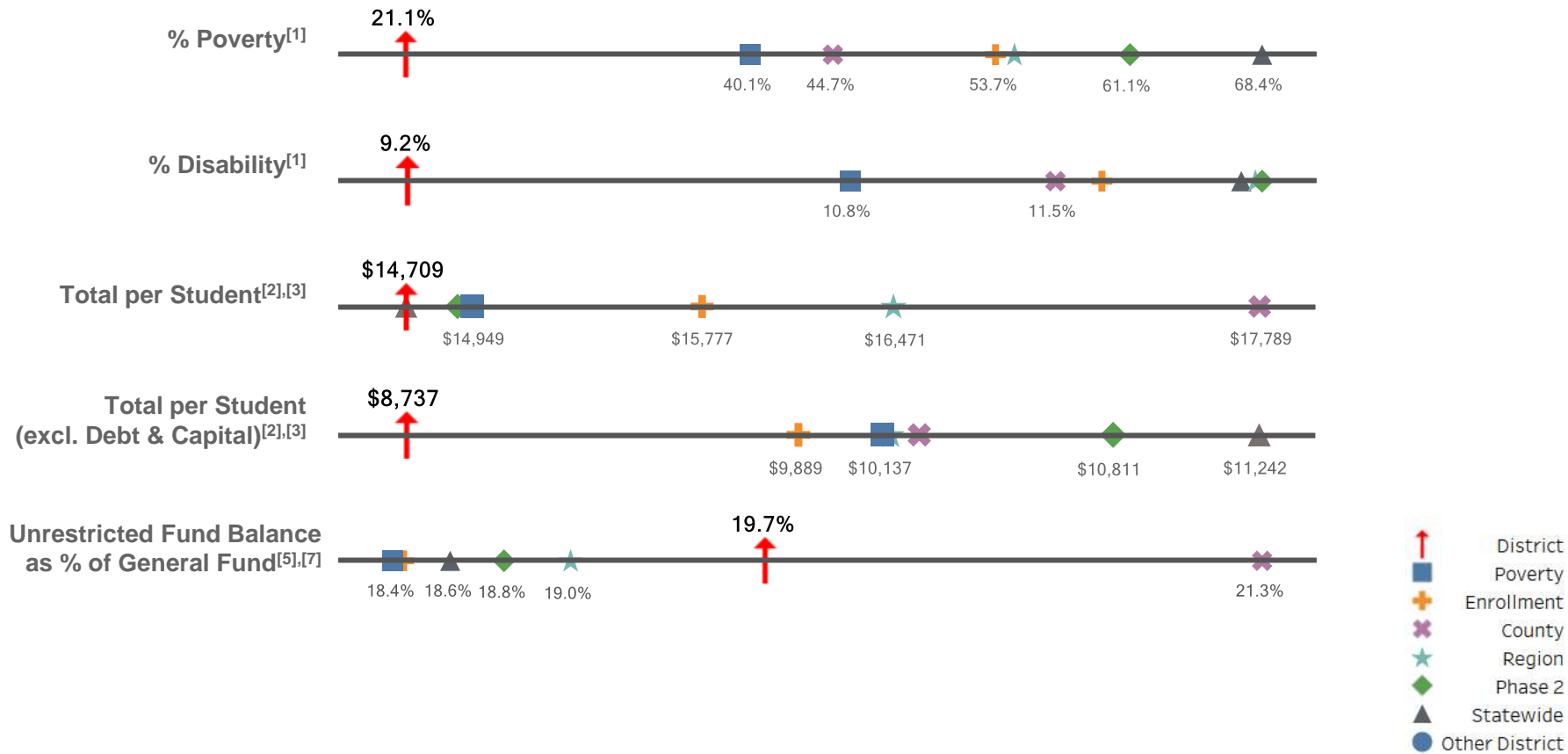
- Chester
- Lancaster
- Union
- York 01
- York 02
- York 03
- York 04

# DISTRICT OVERVIEW

## YORK 04

### KEY PERFORMANCE INDICATORS: KEY DISTRICT RATIOS

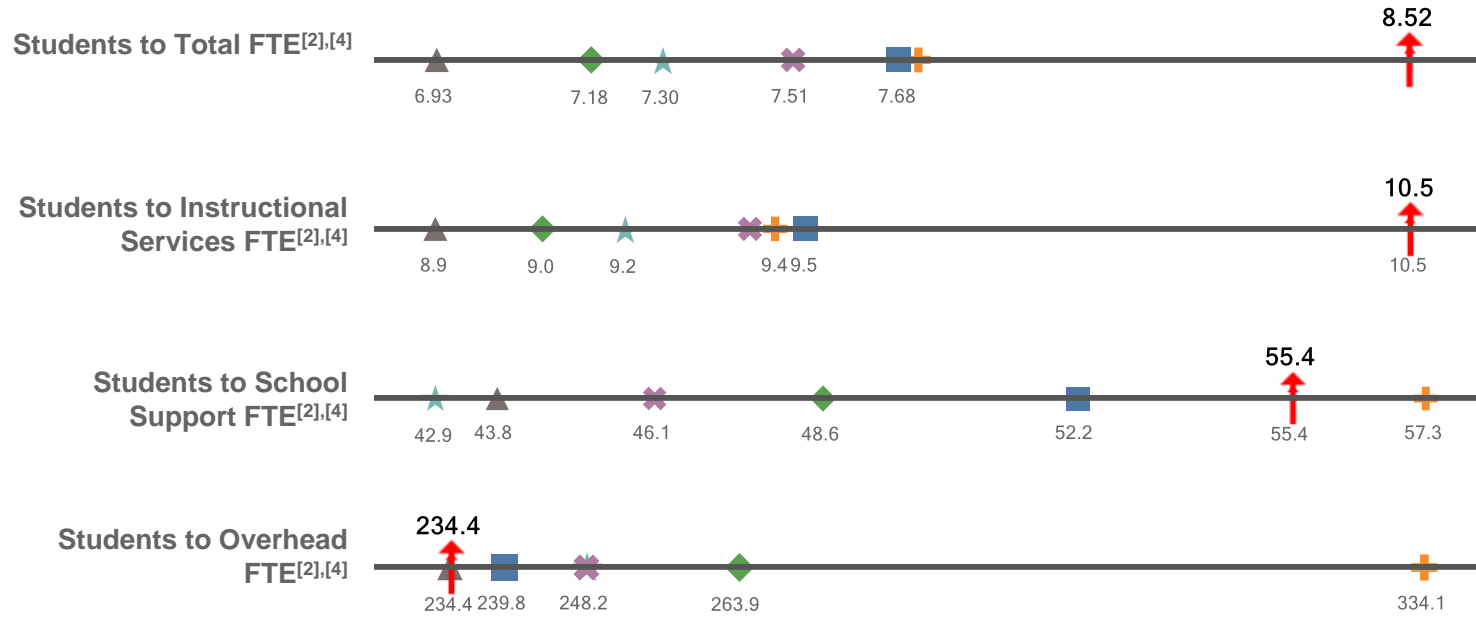
*The metrics below show how the District compares to other district peer groups based on: (a) statewide averages, (b) similar enrollment levels, (c) similar poverty levels, (d) county peers, (e) regional peers, (f) Phase 2 and (g) other districts.*



# DISTRICT OVERVIEW

## YORK 04

### KEY PERFORMANCE INDICATORS: KEY STAFFING RATIOS



# DISTRICT OVERVIEW AND OVERHEAD

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Enrollment Trends</b>	<ul style="list-style-type: none"> <li>• <b>Enrollment Trends:</b> The District's enrollment has increased by 1,700, or nearly 14%, over the past 2 years. The District doubled in size over the last 11 years to almost 14,000 students.</li> <li>• <b>Student Demographics:</b> The District has the lowest poverty level in the state at 21% which is much lower than the statewide average of 68.4%.</li> <li>• <b>Competition:</b> Due to the high quality of Fort Mill schools, the District does not face much competition from charter or private schools. The District sends about 15 students to charter schools in Rock Hill each year.</li> <li>• <b>Long-term Planning:</b> The District works with 2 outside providers to project enrollment and inform long-term planning. The District has completed a ten-year facilities plan to prepare for capital requirements as well as a four-year operating plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Given their size and steady growth in enrollment, the District should continue to conduct its robust long-term demographic planning efforts and share its methodology with other districts in the state facing similar growth.</li> <li>• The District should continue to build on existing relationships with other districts who are experiencing growth to share lessons learned and best practices.</li> </ul>
<b>District Funding and Resource Allocation</b>	<ul style="list-style-type: none"> <li>• <b>Per Pupil Expenses:</b> When excluding debt and capital, the District has one of the lowest Per Pupil Expenses in the state at \$8,737. The average for districts of similar size is \$9,889 and the statewide average is \$11,242.</li> <li>• <b>Unrestricted Fund Balance:</b> The District is financially stable with an Unrestricted Fund Balance that is 19.7% of revenues. The fund balance is above the statewide average of 18.6%.</li> <li>• The District built a new middle school funded through a bond referendum, but made a strategic decisions to keep it vacant for one year. The decision was largely based insufficient funding to staff and operate the school in the first year.</li> </ul>	

# DISTRICT OVERVIEW AND OVERHEAD

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>District Funding and Resource Allocation (cont'd)</b>	<ul style="list-style-type: none"> <li>• <b>Students to FTEs:</b> The Student to Total FTEs of the District is 8.5, which is higher than peers of similar size (7.7) and the statewide average (6.9). The low per pupil has inhibited the District from making investments in FTEs to provide student services and operate the schools.</li> <li>• <b>Students to Instructional Services FTEs:</b> The Student to Instruction ratio is 10.5, which is higher than peers of similar size (9.4) and the statewide average (8.9). Despite attempts to keep class sizes low, the District has had to make hard staffing decisions due to funding challenges.</li> <li>• <b>Students to School Support FTEs:</b> The Student to School Support ratio is 55.4, which is lower than peers of similar size (57.3) but higher than the state average of 43.8.</li> <li>• <b>Students to Overhead FTEs:</b> The Student to Overhead Ratio is 234.4, which is on par with the state average but lower than peers of similar size of 334.1.</li> </ul>	<ul style="list-style-type: none"> <li>• Given the rapid growth of the District, the District should perform more detailed benchmarking to evaluate areas where investment may be required.</li> <li>• The District should expand on the existing resource allocation practices and leverage key performance indicators to estimate reasonable growth requests in District Office staff.</li> </ul>
<b>Staffing / Organization</b>	<ul style="list-style-type: none"> <li>• <b>Role of Superintendent:</b> The Superintendent's job is spread across many functions but is particularly focused on managing and providing academic innovation to the District.</li> <li>• <b>Organization:</b> The Superintendent 4 direct administrative reports that include: (a) Asst. Superintendent of Curriculum and Human Resources; (b) Asst. Superintendent of Finance; (c) Asst. Superintendent for Administration and Student Services; (d) Media &amp; Communications Officer.</li> <li>• <b>Communications Function:</b> The District employs a Public Information Officer to provide Communications support for the Superintendent's office.</li> </ul>	

# DISTRICT OVERVIEW AND OVERHEAD

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Staffing / Organization (cont'd)</b>	<ul style="list-style-type: none"> <li>• <b>Legal:</b> The District has no legal department. If legal advice is required, the District utilizes an external firm to provide support.</li> <li>• <b>Turnover:</b> The Superintendent has overseen the District for over 7 years and has been working in the District for over 30 years.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider a shared legal resource across the York districts.</li> <li>• Given the tenure and success of the current Superintendent, the District should establish a succession plan to ensure past progress is embedded long-term in the organization.</li> </ul>
<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>• <b>Board Pay:</b> The Board Members of the District are not paid.</li> <li>• <b>Board Compensation:</b> Many Board Members are former district employees and are very familiar with challenges the District faces.</li> <li>• <b>Training:</b> Board members attend a national school board conference annually. In addition, Board members attend meetings in DC twice a year.</li> </ul>	
<b>Philanthropy and Business Engagement</b>	<ul style="list-style-type: none"> <li>• The Foundation for Fort Mill Schools was created in 2003 to provide direct financial support of projects, activities, educational assistance and professional development to the District. Comporium Communications and Founders Federal Credit Union recently contributed \$30,000 and \$20,000, respectively, over two years.</li> <li>• The District partners with a few local businesses, including Shutterfly, to provide internships to students.</li> </ul>	<ul style="list-style-type: none"> <li>• Given the strong academic performance, long-term strategic priorities and overall size of the District, leadership should develop a plan to pursue philanthropic grants from large foundations focused on funding innovation in K-12 education.</li> <li>• Work with the School Board to seek greater partnerships with foundations and local business for donations of money, food, goods, time, etc.</li> </ul>

# DISTRICT OVERVIEW AND OVERHEAD

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Collaboration</b>	<ul style="list-style-type: none"><li>• The District is part of the Olde English Consortium. The Superintendent meets monthly with other regional superintendents to discuss common challenges and possible solutions.</li><li>• <b>Career Center:</b> The District does not have a shared career center, though both high schools have CATE programs, and students can take classes at either location.</li><li>• <b>Special Education:</b> The District does not coordinate with other area districts on Special Education programs as they have sufficient volume of special needs students to run programs efficiently within the District.</li><li>• <b>Headcount:</b> The District shares FTEs with York 1 and York 2 through its Adult Education program.</li></ul>	<ul style="list-style-type: none"><li>• Consider implementing a regional shared service model that allows for sharing of resources and systems that 1) require specialized skills or 2) are highly transactional.</li><li>• Consider a shared Chief Development Officer across districts.</li></ul>



## OUTLINE

- I. Executive Summary
- II. District Overview and Overhead
- III. Financial Management
- IV. Human Resources
- V. Procurement
- VI. Transportation

FINANCIAL MANAGEMENT OVERVIEW

*The Finance organization is directly responsible for overall fiscal management, resource allocation, budgeting, accounting, financial reporting, payroll, purchasing, accounts payable and cash flow and debt management.*

1,020 : 1  
District Students (ADM)<sup>[2]</sup> Financial FTE<sup>[4]</sup>

\$100 per Student

Cost of Total Financial Spend<sup>[3]</sup> per Student (ADM)<sup>[2]</sup>

Key statistics for metrics	
Financial FTEs <sup>[4]</sup>	13.6
Personnel Expense <sup>[3]</sup>	\$1,068,827
Non-Personnel Expense <sup>[3]</sup>	\$225,539
Total Financial Expense <sup>[3]</sup>	\$1,294,366

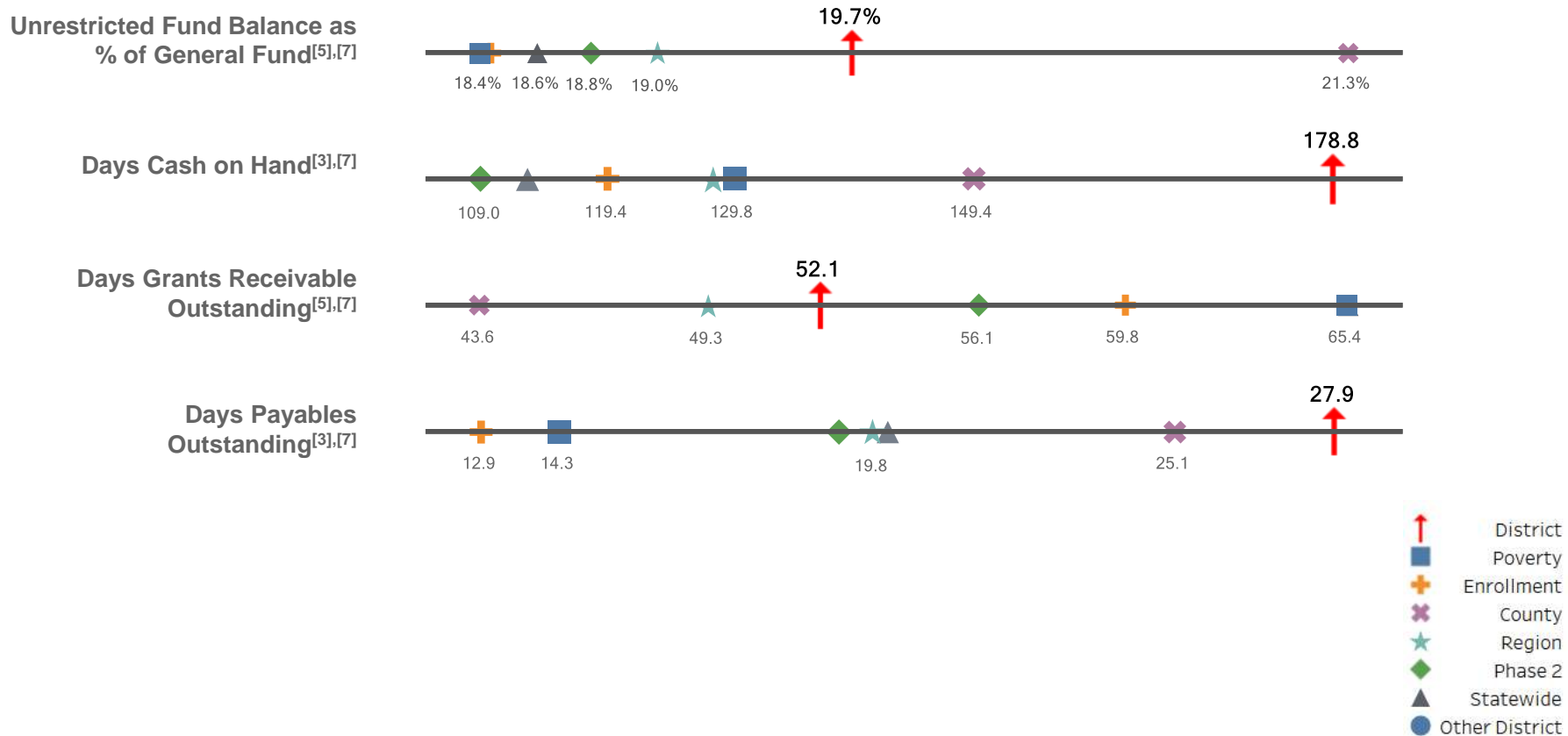
NOTE: FTEs shown in the table above reflect dedicated finance staff only; Financial expenses shown above reflect amounts coded to the finance department. In some instances districts may include salary and benefit related charges that are not related to dedicated Finance costs in their totals.

# FINANCIAL MANAGEMENT

## YORK 04

### KEY PERFORMANCE INDICATORS: FINANCIAL MANAGEMENT

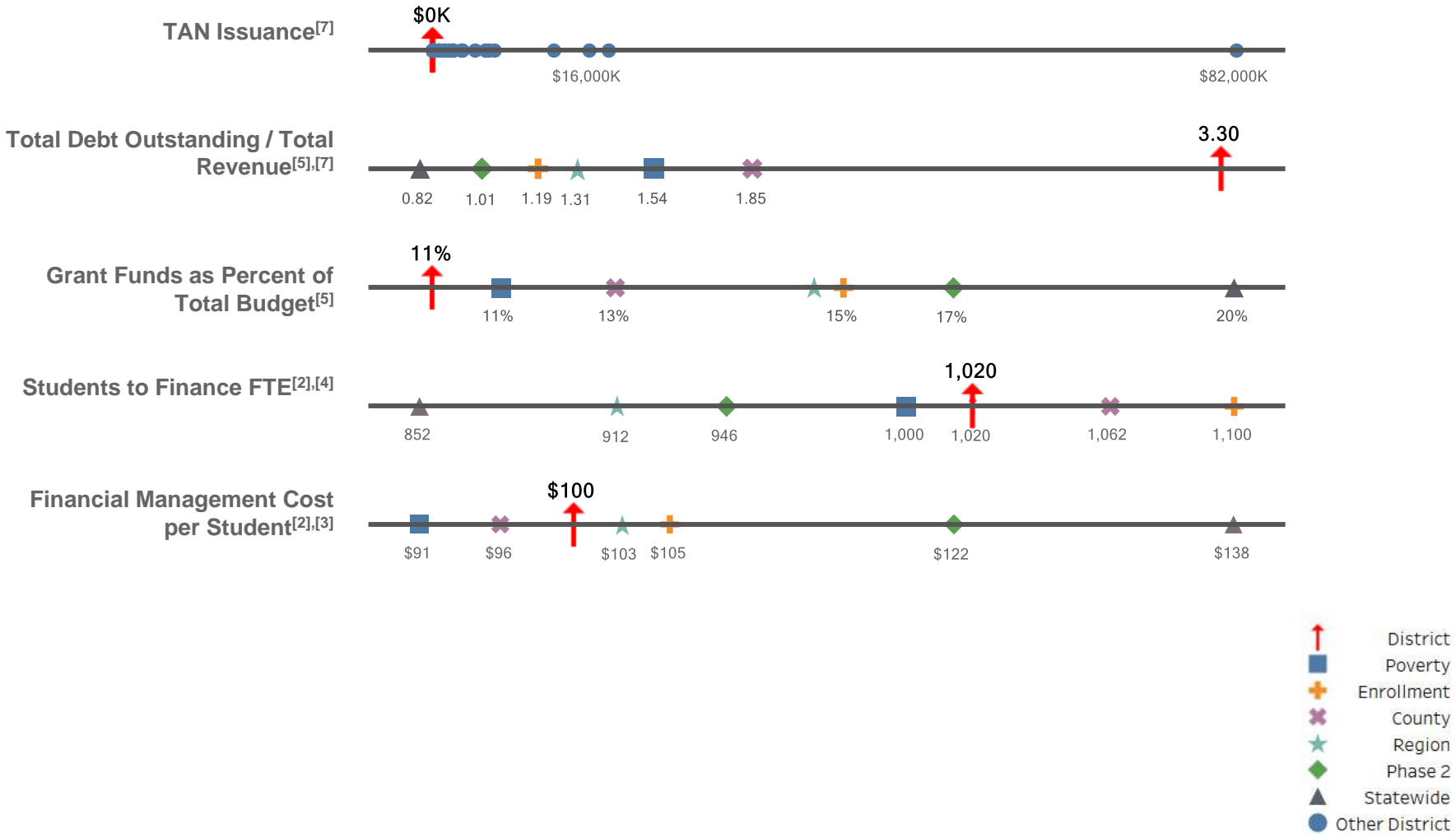
The metrics below show how the District compares to other district peer groups based on: (a) statewide averages, (b) similar enrollment levels, (c) similar poverty levels, (d) county peers, (e) regional peers, (f) Phase 2 and (g) other districts.



# FINANCIAL MANAGEMENT

## YORK 04

### KEY PERFORMANCE INDICATORS: FINANCIAL MANAGEMENT



**SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS**

	Observations	Recommendations
<b>Staffing / Organization</b>	<ul style="list-style-type: none"> <li>• <b>Staffing:</b> The Finance organization operates on a lean budget but is adequately staffed to support the scope of its roles and responsibilities over accounting, payroll, accounts payable, budget, treasury, procurement and financial reporting. The Finance department is proud to employ 3 CPAs.</li> <li>• <b>Turnover:</b> The Finance Director has been in her position for nearly 9 years and was recently awarded the Outstanding South Carolina School Business Official Award by SCASBO.</li> <li>• <b>Finance Cost per Pupil:</b> The Finance Cost per Pupil for the district is \$100, lower the peers of similar size of \$105 and the state average of \$138.</li> <li>• <b>Students per Finance FTE:</b> The Student per Finance FTE ratio is 1,020, which is lower than peers of similar size of 1,100 but higher than the state average of 852.</li> </ul>	<ul style="list-style-type: none"> <li>• Review staff capabilities on an annual basis and ensure individuals are provided with training on systems and processes. Cross-train individuals to be able to do multiple functions.</li> <li>• Develop a comprehensive succession plan for the Finance Department to ensure that staff are properly trained and have ample transition time for future roles.</li> </ul>

# FINANCIAL MANAGEMENT

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Payroll and Accounts Payable</b>	<ul style="list-style-type: none"> <li>• <b>Payroll:</b> The District currently runs payroll on a monthly basis. All employees are required to receive payments via direct deposit. The District uses a self-service payroll platform; therefore, employee initiated payroll changes are all processed automatically through iVisions.</li> <li>• A benefits coordinator within the finance department is responsible for benefits administration.</li> <li>• <b>Timekeeping:</b> Time tracking is currently managed via electronic processes and is automatically entered into the payroll system through iVisions Timecard Interface Support.</li> <li>• <b>Pcard:</b> The District does utilize a Pcard program. In FY16, the total spending was approximately \$2.1 million, with \$29,390 received in rebates. The rebate was allocated back to schools based on proportion of total spend.</li> <li>• <b>Inventory:</b> The District uses bar code technology for asset tracking, and tracks fixed assets through iVisions, but it does not currently conduct centralized inventory processes for assets below \$5,000. Inventory is managed directly by schools and cross referenced against inventory listings maintained by the technology department.</li> <li>• <b>Risk Management:</b> The District does not have formal risk management policies in place. However, the District does have a safety committee spearheaded by the maintenance department and receives credits on insurance based on risk mitigation actions.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop reports generated with each payroll to monitor the use of overtime by title and department. Increased transparency and oversight will help to drive down the use of overtime.</li> <li>• In collaboration with other large districts in the state, work with PEBA to automate benefits related transaction processing to include: (a) acceptance and processing of electronic signatures; (b) integration of benefit changes into District financial systems.</li> <li>• <b>Pcard:</b> To maximize rebates, the District should explore the possibility of paying monthly invoices to larger vendors such as utilities and supply vendors with Pcards in lieu of checks and ACH. Use of Pcards as alternative payment method will be subject to vendors acceptance of the payment type.</li> <li>• Expand on the existing risk management policies and procedures to include: (a) risk assessment and management; (b) safety and loss prevention review; (c) insurance claims handling and processes; and (d) insurance policy review and negotiation.</li> </ul>

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Grants Management</b>	<ul style="list-style-type: none"> <li>• <b>Grants Revenue %:</b> Grant funds provide 11% of revenue for the District, making it less reliant on grant funds than its peers.</li> <li>• <b>Federal Funds:</b> Federal program coordinators (outside of Finance) are primarily responsible for ensuring that special funds are used in compliance with regulations prior to payments being processed. The finance department collaborates closely with grants administrators to ensure that claims are made on a timely manner in order to maximize cash flow.</li> <li>• <b>Indirect Costs:</b> The District does not charge indirect costs against federal grants due to the low amount of federal funds received by District.</li> <li>• <b>Grants Monitoring:</b> Each department has its own bookkeeper who monitors expenditures in compliance with the grant or allocation. Each bookkeeper periodically produces budget-to-actual reports for the grants and reviews with the department head.</li> <li>• <b>Other:</b> The District does maximize reimbursement of grants such as Medicaid, though they are anticipating a decline in this area. Handling Medicaid reimbursements presents challenges due to the need for Third Party billing to determine if there is private insurance before issuing payment.</li> </ul>	<ul style="list-style-type: none"> <li>• Create a consolidated grants tracking report that compares award amount, budget, YTD and cumulative expenditures, and outstanding receivable balances for each grant.</li> </ul>

# FINANCIAL MANAGEMENT

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Internal Controls</b>	<ul style="list-style-type: none"> <li>• <b>F/S Audit:</b> The District was found to have no material weaknesses in its audited financial statements. The District has received awards from both the Association of School Business Officials (ASBO) and the Governmental Finance Officer's Association's (GFOA) for excellence in financial reporting for eight consecutive years.</li> <li>• <b>Position Control:</b> The District maintains position control, ensuring that each new hire is initiated by HR and approved by the finance department. Each new position is reviewed to ensure it ties to the strategic plan.</li> <li>• <b>Other:</b> The District uses ACORN online payment system to minimize handling of cash at schools.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider sharing best practices in financial reporting and internal controls with other nearby districts.</li> </ul>
<b>Cash Management</b>	<ul style="list-style-type: none"> <li>• <b>Days Cash on Hand:</b> The District has a strong cash balance with 179 days cash on hand. This is higher than the statewide average of 113 days. The District reviews cash flow forecasts on a regular basis. Though cash dips low in October and November, it has not been a significant issue for the District. The District does invest cash balances in the State local investment pool.</li> <li>• <b>Grants Receivable Outstanding:</b> The District has a Grants Receivable Days Outstanding of 52 days. This is better than peers with similar enrollment of 60 and the statewide average of 65. The District submits grant reimbursements monthly.</li> <li>• <b>Days Payable Outstanding:</b> The District's Days Payables Outstanding of 28 days slightly worse than peers of similar size of 13 and the statewide average of 20. The District processes invoices weekly to ensure prompt vendor payment.</li> </ul>	

**SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS**

	Observations	Recommendations
<p><b>Cash Management (cont'd)</b></p>	<ul style="list-style-type: none"> <li>• <b>Debt:</b> The District's debt to revenue ratio of 3.3 is much higher than peers of similar size of 1.2 and the statewide average of 0.82. Debt is especially high due to the anticipated construction needed for enrollment growth.</li> <li>• <b>Financial Policies Implemented Aug 2015:</b></li> <li>• Policy DCC – Debt Management to develop a fiscally responsible debt management program. The purpose of this policy is to ensure that financings undertaken by the District will satisfy prudent standards and allow the District to efficiently utilize its financial resources and maintain fiscal stability while meeting its long term capital needs.</li> <li>• Policy DFA – Revenues from Investments to establish the basic structure for the District's use of revenues from investments. The purpose of this policy is to secure a maximum yield of interest revenues, in compliance with State statutes, to supplement other District revenues for the support of the educational program of the district. This policy addresses the safety of funds as the first consideration and establishes the criteria for appropriate investments.</li> <li>• <b>TAN:</b> The District did not issue TANs this past year to assist with liquidity needs during cash low point.</li> <li>• The District built a new middle school funded through a bond referendum, but made a strategic decisions to keep it vacant for one year. The decision was largely based insufficient funding to staff and operate the school in the first year.</li> </ul>	<ul style="list-style-type: none"> <li>• Given their size and steady growth in enrollment, the District should continue to conduct their robust long-term capital planning efforts to ensure debt levels remain manageable.</li> </ul>

## SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Budget</b>	<ul style="list-style-type: none"> <li>• <b>Budget Planning:</b> The annual budget process for schools and central departments begins with a roll-forward of the prior year expenses. The budget team works extensively with department heads to assess any new needs that are anticipated for the new fiscal year. All new requests are grouped by priority level, reviewed by the leadership team and the Board and must be tied to the strategic plan.</li> <li>• In addition to FTE allocations, schools receive a per pupil amount for non-staffing expenses.</li> <li>• <b>Fiscal Monitoring:</b> Each department has its own bookkeeper who is trained on preparing monthly budget reports as well as other account details. The CFO prepares additional budget-to-actual reports presented monthly at Board meetings.</li> <li>• <b>Financial transparency:</b> Monthly expenditure reports by vendor are posted to the District website. Monthly Pcard transactions are also posted to the website.</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare zero-based and / or performance based budget for departmental budgets annually incorporating KPIs that would allow for better estimation of central office staff needs and expenses and align with the strategic plan.</li> <li>• The District should consider conducting a school equity analysis annually to ensure that each individual school is receiving its fair share of resources based on the student needs of the school. The analysis would compare school-based FTEs, salaries and non-personnel spending across student type, school size, school level and overall across the District.</li> </ul>

# FINANCIAL MANAGEMENT

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Technology</b>	<ul style="list-style-type: none"> <li>• <b>ERP:</b> The District currently uses InfiniteVisions for general accounting, payroll and accounts payable. It also uses iVisions to facilitate employee self-service for payroll matters. The District has been able to successfully transition to automated work processing in all of its processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider implementing an electronic vendor payment process to further reduce days payable outstanding and maximize prompt pay discounts.</li> </ul>
<b>Regional Collaboration</b>	<ul style="list-style-type: none"> <li>• The District is part of the Olde English Consortium in which the finance directors of individual districts meet quarterly to discuss various topics.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider implementing a collaboration model that allows for sharing of resources and systems that require transactional activities with other districts within the region. This could include the following: (a) accounts payable (including purchasing workflow and approval); (b) payroll processing and (c) financial system licenses (potential for volume discounts).</li> </ul>



## OUTLINE

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## HUMAN RESOURCES OVERVIEW

*The Human Resources function is responsible for managing the District workforce and is directly responsible for teacher recruitment and retention, ensuring proper certification of personnel, supporting benefits management and coordinating personnel transactions.*

2,769 : 1

District Students (ADM)<sup>[2]</sup>

Human  
Resources  
FTE<sup>[4]</sup>

\$33 per Student

Cost of all HR personnel<sup>[3]</sup> per Student (ADM)<sup>[2]</sup>

### Key statistics for metrics

Human Resources FTEs <sup>[4]</sup>	5.0
Personnel Expense <sup>[3]</sup>	\$367,522
Non-Personnel Expense <sup>[3]</sup>	\$56,761
Total Human Resources Expense <sup>[3]</sup>	\$424,283

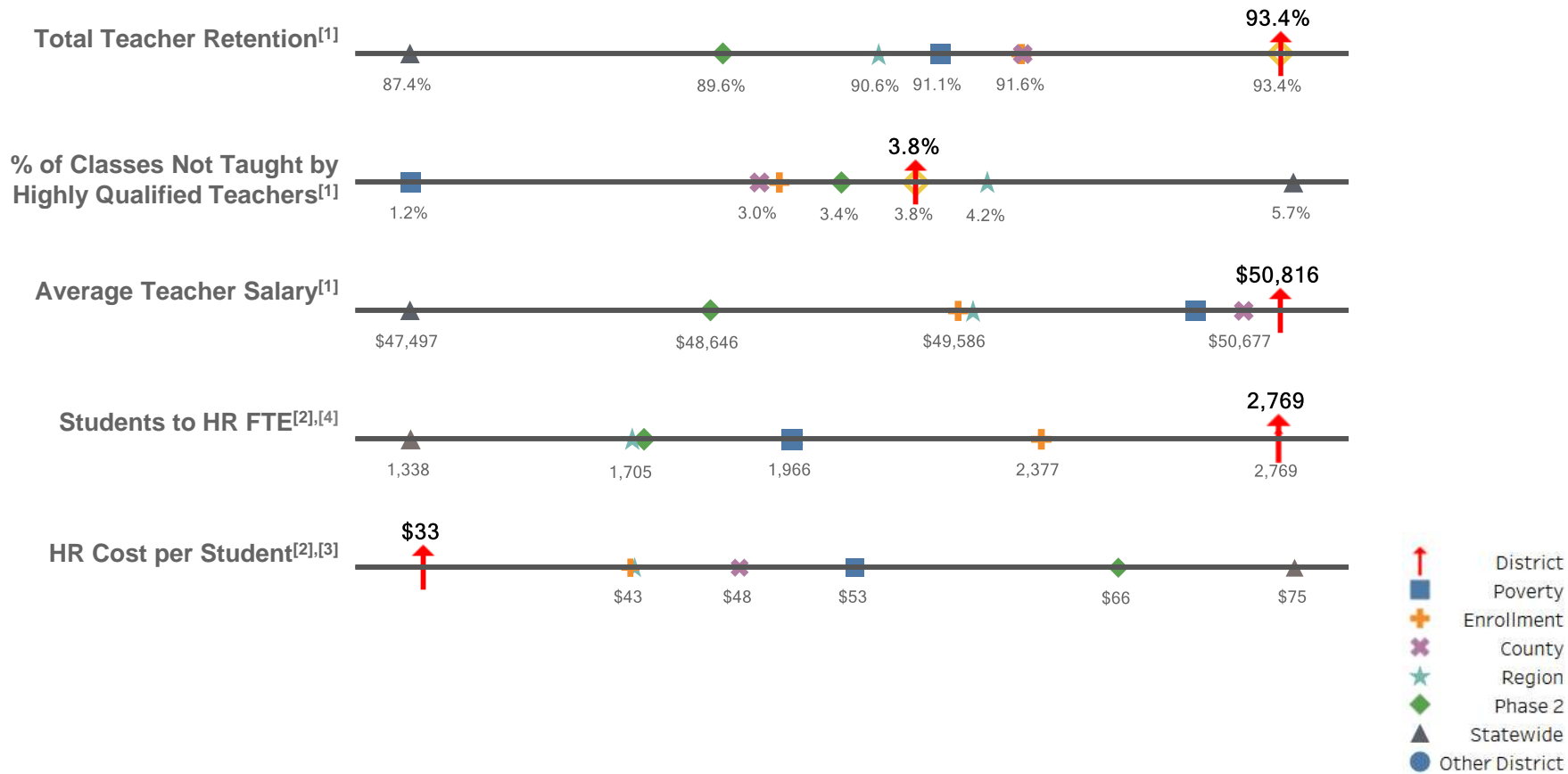
NOTE: FTEs shown in the table above reflect dedicated HR staff only; Financial expenses shown above reflect amounts coded to the HR department. In some instances districts may include salary and benefit related charges that are not related to dedicated HR costs in their totals.

# HUMAN RESOURCES

## YORK 04

### KEY PERFORMANCE INDICATORS: HUMAN RESOURCES

The metrics below show how the District compares to other district peer groups based on: (a) statewide averages, (b) similar enrollment levels, (c) similar poverty levels, (d) county peers, (e) regional peers, (f) Phase 2 and (g) other districts.



# HUMAN RESOURCES

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Staffing / Organization</b>	<ul style="list-style-type: none"> <li>• <b>Staffing:</b> The Human Resources function operates on a lean budget but is adequately staffed to support recruiting, retention, personnel relations, professional, benefits and professional development activities.</li> <li>• <b>Human Resources Cost Per Pupil:</b> The HR Cost Per Pupil of \$33 for the District is much lower than the statewide average of \$75 and is lower than the average for districts with similar enrollment levels of \$43.</li> <li>• <b>Students per HR FTE:</b> The Student per HR FTE ratio of 2,769 is high relative to the state average of 1,338 and the average of districts with similar enrollment levels of 2,377. This variance is partially driven by the coding of 1 benefits FTE to finance.</li> </ul>	<ul style="list-style-type: none"> <li>• Review staff capabilities on an annual basis and ensure individuals are provided with training on systems and processes. Cross-train individuals to be able to do multiple functions.</li> </ul>
<b>Recruiting and Retention</b>	<ul style="list-style-type: none"> <li>• <b>Teacher Recruitment:</b> Due to rapid enrollment growth, the District has experienced challenges recruiting high quality teachers. The District is having particular challenges in the following subject areas: foreign languages, chemistry and physical science, mathematics, and special education. Changes regarding the teacher evaluation process have also made it difficult to retain teachers.</li> <li>• The District benefits from an attractive geographic area and a strong family-oriented culture.</li> <li>• The District attends all major in-state college recruitment fairs each year and reaches out when they need to fill positions on short notice. The District also hosts student teachers, mainly from Winthrop University, who often receive full-time positions upon graduation.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider compensation study and / or implementation of incentive programs to recruit and retain teachers that could include: (a) signing bonuses that vest over a period of time to encourage retention; (b) housing incentive; (c) tuition reimbursement; (d) differentiated salaries for hard to staff positions.</li> </ul>

# HUMAN RESOURCES

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Recruiting and Retention</b>	<ul style="list-style-type: none"> <li>The District maintains robust and innovative professional development programs to attract and retain high quality teachers. These programs include programs through local colleges and universities at free or reduced cost and extensive online trainings through E-school solutions. To date in FY17, there have been 112 courses offered with around 2,000 attendees (duplicative count).</li> <li>The average teacher salary is \$50,816, which is much higher than the statewide average of \$47,497 and higher than the regional average of \$49,025.</li> <li>The District uses exit questionnaires to gather information on the causes of employee attrition. Common responses are higher salaries in the private sector, relocation, and / or burnout from the stress of special education teaching.</li> <li>The District utilizes the FIT module through AppliTrack to pre-screen candidates.</li> <li><b>Substitutes:</b> The District maintains a pool of about 300 substitute teachers. In addition to Aesop, there is a part-time substitute coordinator who calls subs for last-minute placement needs.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to conduct exit interviews to gather information on the causes of employee attrition and use the results of the process to formulate an effective teacher retention plan.</li> </ul>
<b>Technology</b>	<ul style="list-style-type: none"> <li>The District leverages AppliTrack software systems for recruiting, application screening, processing and onboarding.</li> <li>The District still uses some paper and manual processes for contract issuance and onboarding.</li> <li>In addition, Aesop is used for substitute management.</li> </ul>	<ul style="list-style-type: none"> <li>Continue with plan to transition to fully electronic and automated processes for contract issuance and onboarding by the end of FY18.</li> </ul>

# HUMAN RESOURCES

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Collaboration</b>	<ul style="list-style-type: none"><li>• The District does not collaborate with other nearby school districts on recruiting or human resource system licenses.</li><li>• The District often invites other regional districts to trainings and professional development programs, though space is a concern.</li></ul>	<ul style="list-style-type: none"><li>• Consider implementing a collaboration model that allows for sharing of resources and systems that require transactional activities with other districts within the region. This could include:<ul style="list-style-type: none"><li>- Benefits Coordination</li><li>- Human Resources System Licenses (Frontline)</li></ul></li><li>• Consider creating a regional recruitment and training center focused on teacher recruitment across regional group of districts.</li></ul>



## OUTLINE

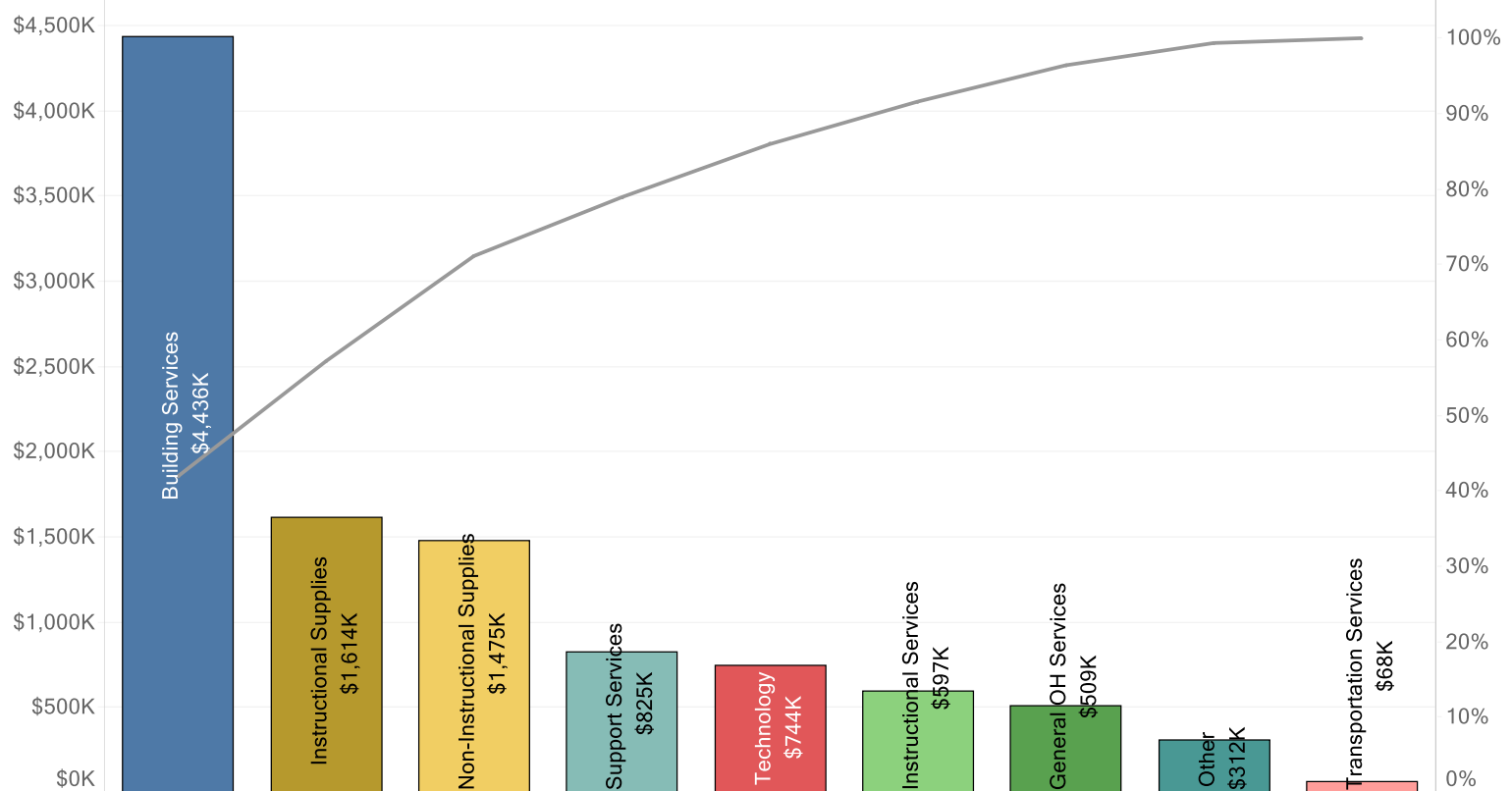
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# PROCUREMENT YORK 04

## PROCUREMENT OVERVIEW

*The District is responsible for purchasing all goods and services in accordance with procurement regulations. The chart below shows the District's in scope procurement spend by major category for FY16.*

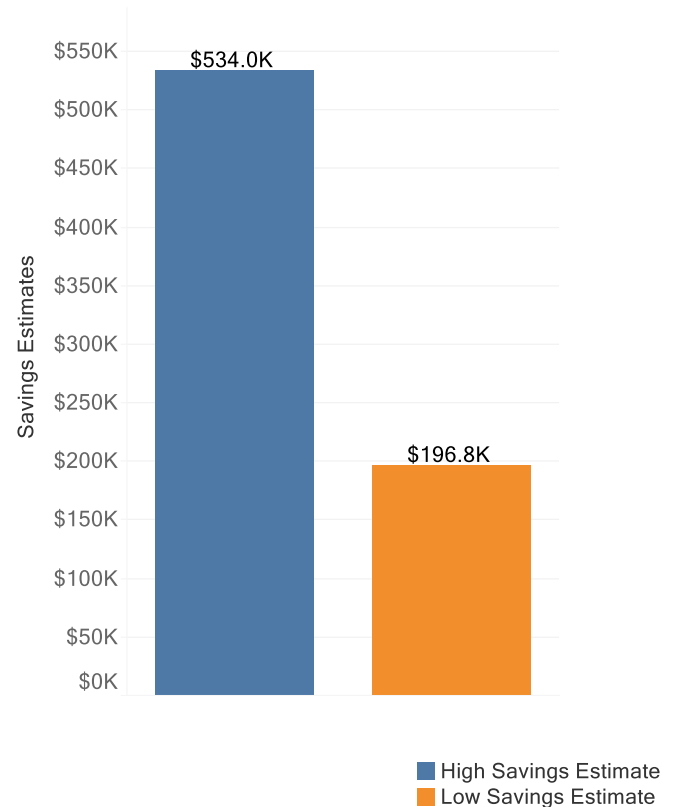
District In Scope Total Procurement Spend<sup>[3]</sup> = \$10,580,527



**ESTIMATED PROCUREMENT SAVINGS**

*The FY16 expense totals (shown on the previous page), in conjunction with review of the District’s disbursement register, conversations with the District and A&M past experience help form the basis for savings potential estimated by A&M.*

Range of Savings Based A&M Strategic Sourcing Experience <sup>[8]</sup>		
	Low	High
Building Services	1.0%	5.0%
Non-Instructional Supplies	2.0%	4.4%
Instructional Supplies	2.0%	4.4%
Instructional Services	4.8%	8.0%
Support Services	2.1%	5.0%
Technology	2.7%	5.0%
Other	3.0%	5.8%
Overhead Services	2.7%	5.4%
Transportation Services	2.2%	6.8%



# PROCUREMENT YORK 04

## SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Organization / Staffing</b>	<ul style="list-style-type: none"> <li>The District has resources focused directly on procurement and is able to rely on these resources to maximize purchasing activities.</li> </ul>	<ul style="list-style-type: none"> <li>Leverage additional resources to better optimize procurement functions. See General Collaboration and Regional Collaboration below.</li> </ul>
<b>Spending by Vendor</b>	<ul style="list-style-type: none"> <li>Spending is fragmented across more than 1,700 vendors; however, the top 35 make up more than 80% of total spending. Many of the vendors are related to employee reimbursements.</li> <li>The District currently uses a centralized purchase order system. Schools are able to secure items and services in accordance with district and state regulations, and there is a centralized approval process in place.</li> <li>The District utilizes state contracts when possible. Some of the state contracts used include fuel, ballast and lamps, building inspections, grounds equipment, ice makers, milk boxes &amp; warmers, MRO supplies, ovens, walk in building &amp; home improvement supplies, science materials, office supplies, furniture, paper, drug &amp; alcohol testing, purchasing card program, vehicles, buses, and tires.</li> <li>For products and services that lend themselves to some price elasticity, the District will have state contract vendors compete among themselves to enable the District to realize the best prices.</li> </ul>	<ul style="list-style-type: none"> <li>The procurement function should conduct ongoing analysis of non-personnel spending, including review of spending by transaction and dollar volume to determine potential candidates for formal contracting and price negotiation to enable better pricing and cost savings. Examples of metrics that could inform analysis include: (a) vendor concentration (# of vendors comprising 80% of spend); (b) % of vendor spending negotiated through formal RFP process; (c) average POs per vendor.</li> <li>Perform annual review of vendor performance (on time, complete, quality) to assess opportunities to reduce or eliminate non-value add services.</li> <li>Standardize requirements and specifications for commonly purchased goods in order to streamline the number of vendors used, aggregate buying power within the District and enable volume pricing discounts. Contract options may take the form of: (a) state contracts; (b) stand-alone negotiated contracts; (c) negotiated contracts done in collaboration with surrounding districts.</li> </ul>

# PROCUREMENT

## YORK 04

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Spending by Vendor (cont'd)</b>		<ul style="list-style-type: none"> <li>• Capitalize on potential for greater discounts on technology that is purchased using state contracts by leveraging special discount provisions that are identified in state contracts that are subject to negotiation. Evaluate opportunities to generate savings on ancillary services (accessories, warranties, break-fix, etc.) as part of procurement negotiations.</li> <li>• Standardize time frames for major recurring purchases (instructional software, hardware, etc.) to capitalize on bulk ordering discounts.</li> <li>• Consider use of commitments of minimum buying levels to facilitate negotiations of discounts and rebates over specified buying thresholds. Add provisions that include tiering and volume discounts/rebates in all new contracts.</li> <li>• Where appropriate, include “Most Favored Nation” (MFN) or non-discriminatory clauses into contracts that require the vendor to provide the District pricing that is no higher than the price it provides to any other district or buyer, now or during the term of the agreement.</li> <li>• Further, the District should work with the state procurement officials to promote the value of cooperative purchasing and Group Purchasing Organizations (e.g. US Communities). Ultimately, the state legislature will need to consider revisions to the code to enable use of this type of collaboration for larger districts.</li> </ul>

# PROCUREMENT YORK 04

## SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Spending by Category</b>	<ul style="list-style-type: none"> <li>• <b>Building and Maintenance:</b> The District uses several local vendors for its many construction projects, including Leitner Construction, Barfield Grading, Cumming Construction Management. The District uses Southern Management to outsource its custodial services.</li> <li>• <b>Food Services:</b> The District collaborates with local districts for the purchase of dairy.</li> <li>• <b>Energy:</b> The District does not fix rates for natural gas contracts.</li> <li>• <b>Instructional Support Services and Supplies - Procurement Exemptions:</b> The District does not require procurement of instructional support software and services to be placed out to bid unless the cost is over \$2,500.</li> <li>• The District does not procure these services and software in collaboration with any other districts.</li> <li>• The District does not currently utilize any vendors for staffing.</li> <li>• <b>Technology – Standardization:</b> The District utilizes a contract with Dell to make its technology purchases and has a computer for every child; however, due to insufficient funding, the District does not plan on a full 1:1 initiative roll-out.</li> <li>• The District does not coordinate technology purchases with other nearby districts.</li> </ul>	<ul style="list-style-type: none"> <li>• Coordinate purchasing of facilities services such as HVAC, electrical and plumbers with surrounding districts to maximize the potential for volume discounts.</li> <li>• Consider establishing fixed rate contract for natural gas.</li> <li>• Require instructional software purchases to conform to standard procurement guidelines for bids and proposals in order to enable to best pricing. Coordinate purchasing of instructional software with surrounding districts to maximize the potential for volume discounts.</li> <li>• Coordinate purchasing of instructional services with surrounding districts to maximize the potential for volume discounts.</li> <li>• <b>Standardization of Technology:</b> The greatest saving potential can be realized through rollout of low cost/high quality technology options that are standardized across a geographic region. Standardize recommended technology options with nearby districts in order to leverage benefits of coordinated purchasing and volume discounts.</li> </ul>

# PROCUREMENT YORK 04

## SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Spending by Category (cont'd)</b>	<ul style="list-style-type: none"> <li>• <b>Non-instructional Supplies - Contracting Vehicles:</b> The District purchases the majority of its non-instructional supplies outside of available state contracting vehicles under the belief that it can receive comparable, if not better pricing.</li> </ul>	
<b>Regional Collaboration</b>	<ul style="list-style-type: none"> <li>• The District sometimes has created cooperative bidding agreements with other districts to procure goods and services. However, they have found difficulty in coordinating most purchases.</li> <li>• The District often serves as a leader in purchasing for other Districts. For example, other districts will request which vendors were used for a certain good or service and pursue the same supplier.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider combining resources to create a regional procurement function across districts that is charged with reviewing and optimizing spending through ongoing market intelligence on pricing opportunities, contract RFP management, contract negotiations, contract management.</li> <li>• The state procurement districts should work with the state to create an advisory board that oversees cooperative purchasing within the state with representation from the State, Districts, and potentially Higher Education institutions to identify and pursue specific sourcing categories. The group would identify categories to pursue collectively, name specific districts as lead on a particular sourcing effort, and consolidate the spend across districts. The procurements would be made available to all districts, but advisory board members would be rotated on a periodic basis, with some regular sitting advisory board members from the state, regional cooperatives, and largest districts.</li> <li>• A regional collaboration model would allow for districts to further capitalize on volume discounts and rebates on areas of spend that would include:             <ul style="list-style-type: none"> <li>- Technology</li> <li>- Instructional Software and Services</li> <li>- Instructional Staffing</li> <li>- Supplies</li> </ul> </li> </ul>



## OUTLINE

- I. Executive Summary
- II. District Overview and Overhead
- III. Financial Management
- IV. Human Resources
- V. Procurement
- VI. Transportation

# TRANSPORTATION

## YORK 04

### TRANSPORTATION OVERVIEW: STATE VS. DISTRICT

*Responsibility for school transportation operations is uniquely shared by the State and the District. The cooperative relationship allows school transportation to maximize operational efficiencies by leveraging economies of scale and regionalizing bus operations across small districts.*

Transportation Operations	State Responsibility	District Responsibility
Bus Purchases	<ul style="list-style-type: none"> <li>Provides buses for regular, special needs and other routes. Statute requires buses be replaced every 15 years.</li> </ul>	<ul style="list-style-type: none"> <li>Activity buses and any incremental buses for routing</li> </ul>
Daily Administration	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Student transportation enrollment; daily administration</li> </ul>
Bus Drivers	<ul style="list-style-type: none"> <li>Base pay, certification standards and training</li> </ul>	<ul style="list-style-type: none"> <li>Hiring</li> </ul>
Routing	<ul style="list-style-type: none"> <li>Routing software for districts</li> </ul>	<ul style="list-style-type: none"> <li>Determination of routes</li> </ul>
Maintenance	<ul style="list-style-type: none"> <li>Regional maintenance shops for State-owned buses</li> </ul>	<ul style="list-style-type: none"> <li>Responsible for maintaining district purchased buses</li> </ul>
Fuel	<ul style="list-style-type: none"> <li>Fuel provided for State-owned buses</li> </ul>	<ul style="list-style-type: none"> <li>Fuel must be purchased for district-owned bus</li> <li>District must pay for "hazard" routes</li> </ul>
Safety Cameras	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>District must purchase</li> </ul>
GPS / Bus Tracking	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>District must purchase</li> </ul>
Stop-arm cameras	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>District must purchase</li> </ul>
Radios / cell	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>District must purchase</li> </ul>

TRANSPORTATION OVERVIEW

*The District is responsible for the administration of student transportation which includes bus routing, hiring of bus drivers and daily coordination of student transportation.*

16 Years

Avg. Age of State Provided Bus Fleet<sup>[9]</sup>

\$256 per Student

Cost of District incurred transportation related expenses. State related expenses are excluded <sup>[2],[3]</sup>

Key statistics for metrics

Transportation FTEs <sup>[4]</sup>	132.0
Personnel Expense <sup>[3]</sup>	\$3,215,724
Non-Personnel Expense <sup>[3]</sup>	\$108,807
Total Transportation Expense <sup>[3]</sup>	\$3,324,531

NOTE: FTEs reflected in table above may not reflect dually employed bus drivers.

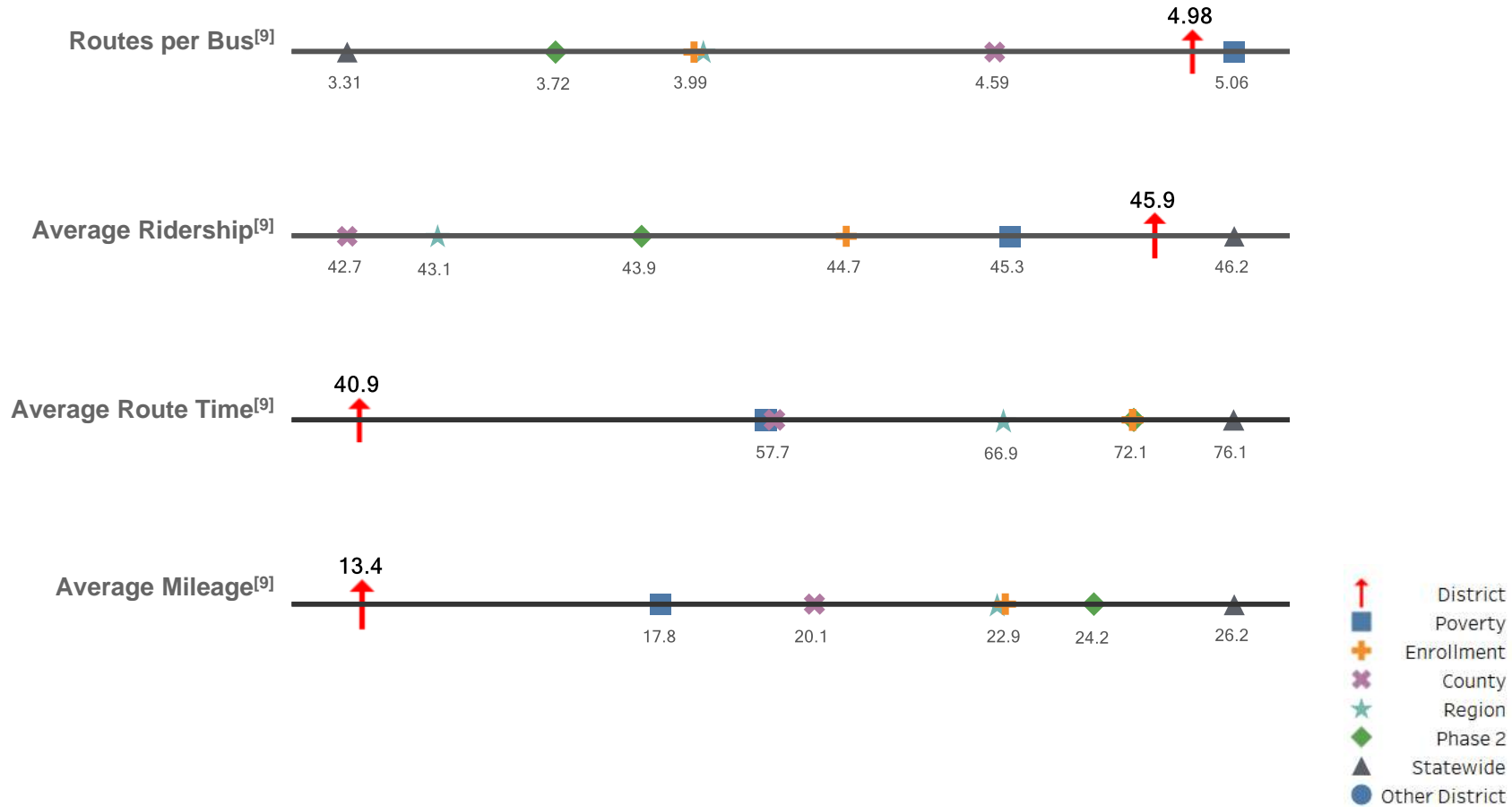
Key statistics for State Routes	# Buses <sup>[9]</sup>	# Routes <sup>[9]</sup>	Routes per Bus <sup>[9]</sup>	Ridership <sup>[9]</sup>	Avg Ridership <sup>[9]</sup>	Avg Route Time (including dead time) <sup>[9]</sup>	Avg Mileage per Bus <sup>[9]</sup>
Regular	42.8	213	5.0	9,780	46	41	13
Special Needs	9.2	51	5.5	233	5	Not-Available	20
Other	2.0	14	7.0	120	9	Not-Available	22
Total	54.0	278	5.1	10,133	N/A	N/A	N/A

# TRANSPORTATION

## YORK 04

### KEY PERFORMANCE INDICATORS: REGULAR ROUTES ONLY

The metrics below show how the District compares to other districts for key operating metrics on transportation routing for general education students.



# TRANSPORTATION YORK 04

## SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Staffing / Organization</b>	<ul style="list-style-type: none"> <li>• The District has a difficult time recruiting bus drivers. However, the District does not currently have any vacancies.</li> <li>• The District has a pool of 14 substitute drivers.</li> <li>• One bus driver is dual employed as a food service worker.</li> <li>• Bus drivers are currently paid a starting rate of \$11.95, approximately \$4.70 above state reimbursement levels</li> <li>• Transportation is run by one supervisor and two assistant supervisors.</li> <li>• The District offers the following incentives to bus drivers: \$200 quarterly bonus for perfect attendance, \$150 quarterly bonus if only a ½ day is missed.</li> </ul>	<ul style="list-style-type: none"> <li>• As incentive to recruit and retain bus drivers, create opportunities for full-time employment. Bus drivers in other districts in the State are dual employed serving in aide, food services and / or maintenance roles when not driving buses.</li> <li>• Implement a substitute / back up driver pool in collaboration with nearby districts.</li> <li>• Use an automated calling system to fill needed driver substitute vacancies.</li> </ul>

**SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS**

	Observations	Recommendations
<p><b>Routing and Bus Management</b></p>	<ul style="list-style-type: none"> <li>• The District recently signed a contract for VersaTrans routing software.</li> <li>• The District runs staggered bus routes and bell times. All schools have bell times 30 minutes apart. The earliest routes starting as early as 5:45am.</li> <li>• The District does have GPS on its buses.</li> <li>• The District provides cell phones (radios or other) to drivers to contact drivers while on routes.</li> <li>• The District does have security cameras on all buses.</li> <li>• The District has stop-arm cameras on a few buses. They participated in the state pilot program and found that photos from the cameras were insufficient to prosecute violators, so they are not focused on expanding use of these cameras.</li> <li>• Activity Buses: The District does use the State fuel contract for activity buses.</li> <li>• The District has struggled with how to best use buses given their rapid growth.</li> </ul>	<ul style="list-style-type: none"> <li>• Consider further staggering of bell times: Utilize routing software to complete analysis to evaluate potential financial benefits and shorten wait and ride time for students.</li> </ul>
<p><b>Collaboration</b></p>	<ul style="list-style-type: none"> <li>• The District is part of the Olde English Consortium and meets regularly with surrounding districts to discuss challenges and opportunities.</li> </ul>	

# APPENDIX A: SAVINGS METHODOLOGY



# APPENDIX A: SAVINGS METHODOLOGY

## YORK 04

### APPROACH TO SAVINGS

#### GENERAL APPROACH TO ESTIMATING INVESTMENTS AND SAVINGS

- Investments and cost savings were estimated based on interviews with District personnel across each functional area and using financial and operational data received from both the State and each district.
- Data provided was benchmarked and analyzed to understand costs, productivity and utilization.
- For more detail on methodology, see Appendix A.

#### FINANCE AND HUMAN RESOURCES

- A&M conducted interviews and analyzed personnel rosters and expenses to understand the intersection of people, process and technology within each district.
- A&M estimated a range of potential synergies from district collaboration based on average district spend in key finance and HR functional areas. Synergies will be realized when participating district resources are pooled in a Shared Service Center. For purposes of this analysis, A&M calculated the District level savings by estimating the level of resources that would be required to support two average sized smaller districts at the low end and five districts of varying sizes at the high end.

#### PROCUREMENT

- A&M reviewed the District disbursement register and reviewed a limited sampling of vendor invoices to gain an understanding of the District's procurement spend.
- On a limited basis, A&M reviewed rates paid to individual vendors by multiple districts.
- In order to estimate savings, A&M leveraged the information gathered above and then applied potential savings rates to key spend categories. Savings rates were based upon past experience that our clients have achieved by partnering with A&M on strategic sourcing.

#### TRANSPORTATION

- A&M used data provided by the State to analyze the District route mileage, frequency, timing, and volume to estimate potential efficiencies available through the implementation of routing software and staggered bell times.
- Benchmarks were established based on districts currently using routing software and staggered bell times.
- Savings were estimated based on a target benchmark for the District that took into consideration the location, population and rural profile of the each district.
- Estimates include savings for bus drivers, fuel, maintenance and buses.

### APPROACH TO SAVINGS: OTHER CONSIDERATIONS

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➤ **State-wide Benchmarking Data:**

- A&M has compiled a robust set of benchmarks and metrics to compare staffing and spending levels at each district. A&M has provided the State Education Department with access to a live database and analytics dashboard to enable cross-district analytics and gain further insights into the rationale behind A&M's observations and recommendations.

➤ **Implementation:**

- Implementation of certain recommendations included in this report will require one-time investments in order to achieve savings. A&M has developed preliminary estimates for these costs that will likely need to be refined as additional information regarding decisions on implementation plans and approach become available.

### SAVINGS ANALYSIS BY FUNCTIONAL COMPONENT

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#### PEOPLE

Estimates were developed by function and by sub-function to determine staffing levels on a stand-alone basis and post-implementation of a regional shared services model.

#### TECHNOLOGY

Technology investments were identified based on the need to automate processes for each function and determination of shared costs by school district.

### Functional Review Operating Model Components



#### PROCESS

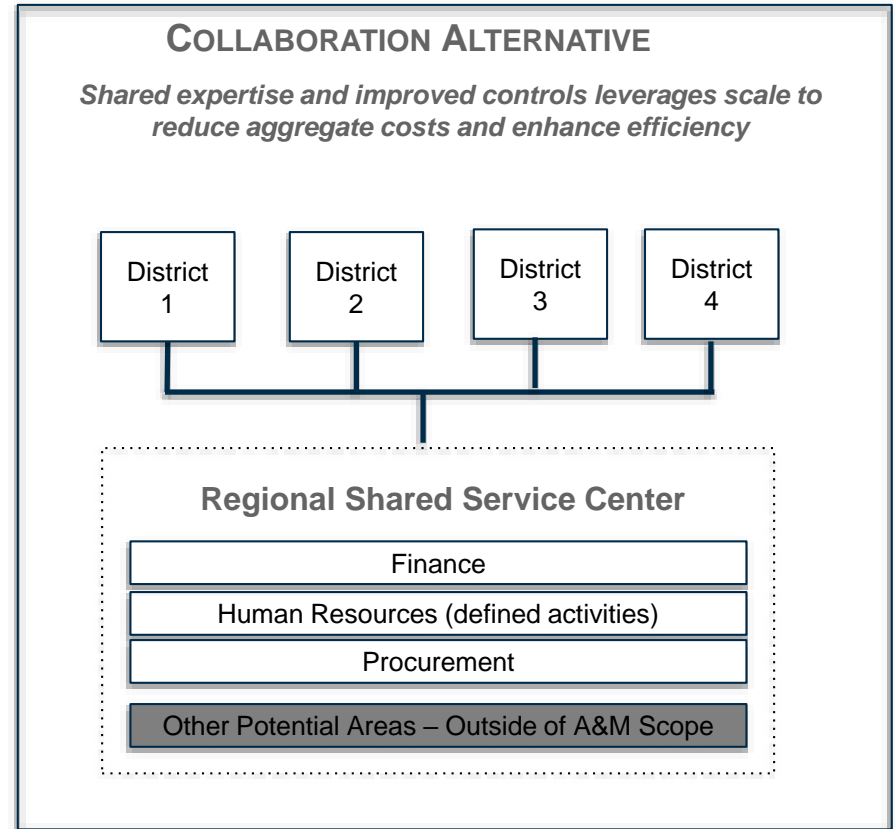
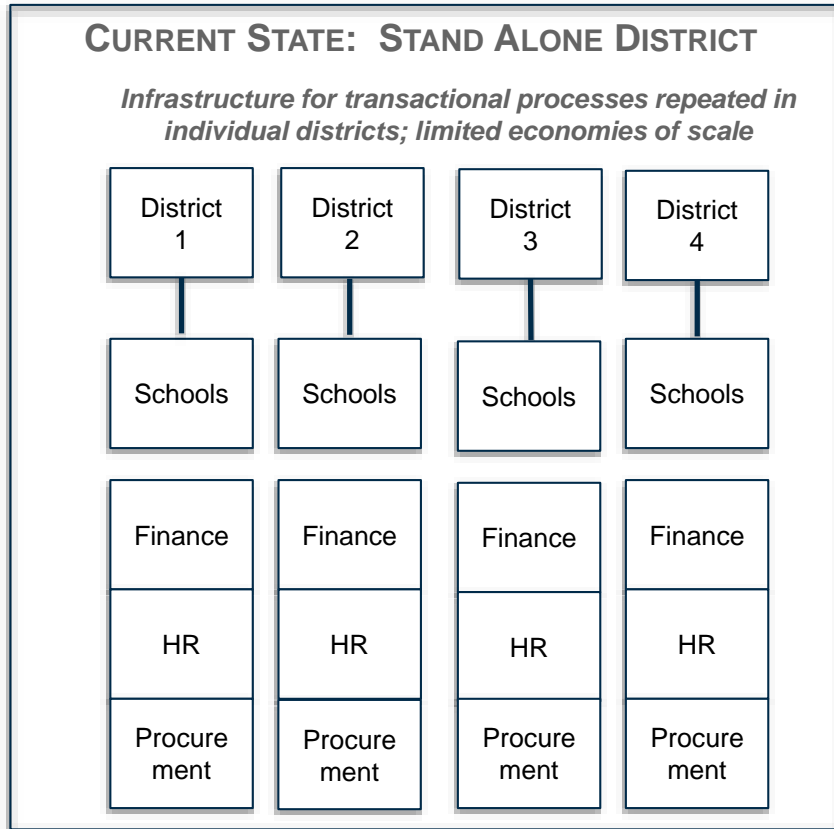
Assessment of the degree of manual processes used by each function, identification of improvements to those functions, and new operating models (such as staggered bell times) were recommended.

#### ORGANIZATION

An analysis of each organization's staffing levels on an As-Is Basis, against peer benchmarks, and in a regional collaborative model were conducted to assess overall efficiency and effectiveness.

### COLLABORATION: SHARED SERVICE MODELS

*Given the limited spending across the different areas within scope and the fixed cost requirements of these functions, it is necessary to consider collaboration alternatives when looking for ways to optimize efficiency.*



*Collaboration provides a pathway to optimizing effectiveness and efficiencies across processes, capturing economies of scale, increasing standardization and addressing common challenges faced by all districts.*

# APPENDIX A: SAVINGS METHODOLOGY

## YORK 04

### SHARED SERVICES MODEL: SAVINGS APPROACH

Cost savings potential from a Shared Services Model will vary greatly depending upon: (1) the number of districts; (2) the sizes of districts opting to work together and (3) the services functions that are included in the shared services center.

In order to develop a range of savings that a collaboration model would yield, A&M considered collaborations of multiple types and amounts of districts. An example of the range of options considered for financial management collaboration is shown below.

	Financial Management Collaboration: Two Districts [Both Small]		
	Current State	Collaboration Model	Savings
# of Districts	2	2	NA
Total ADM	2,500	2,500	NA
Total FTEs <sup>(1)</sup>	4.75	4.00	0.75
Total Spend <sup>(1)</sup>	\$468,856	\$427,128	\$41,728
Savings %			8.9%

*(1) Total FTEs and Total Spend based upon average FTEs of average spend of two small districts (less than 2,500 enrollment). Actual results may vary depending upon districts opting to collaborate.*

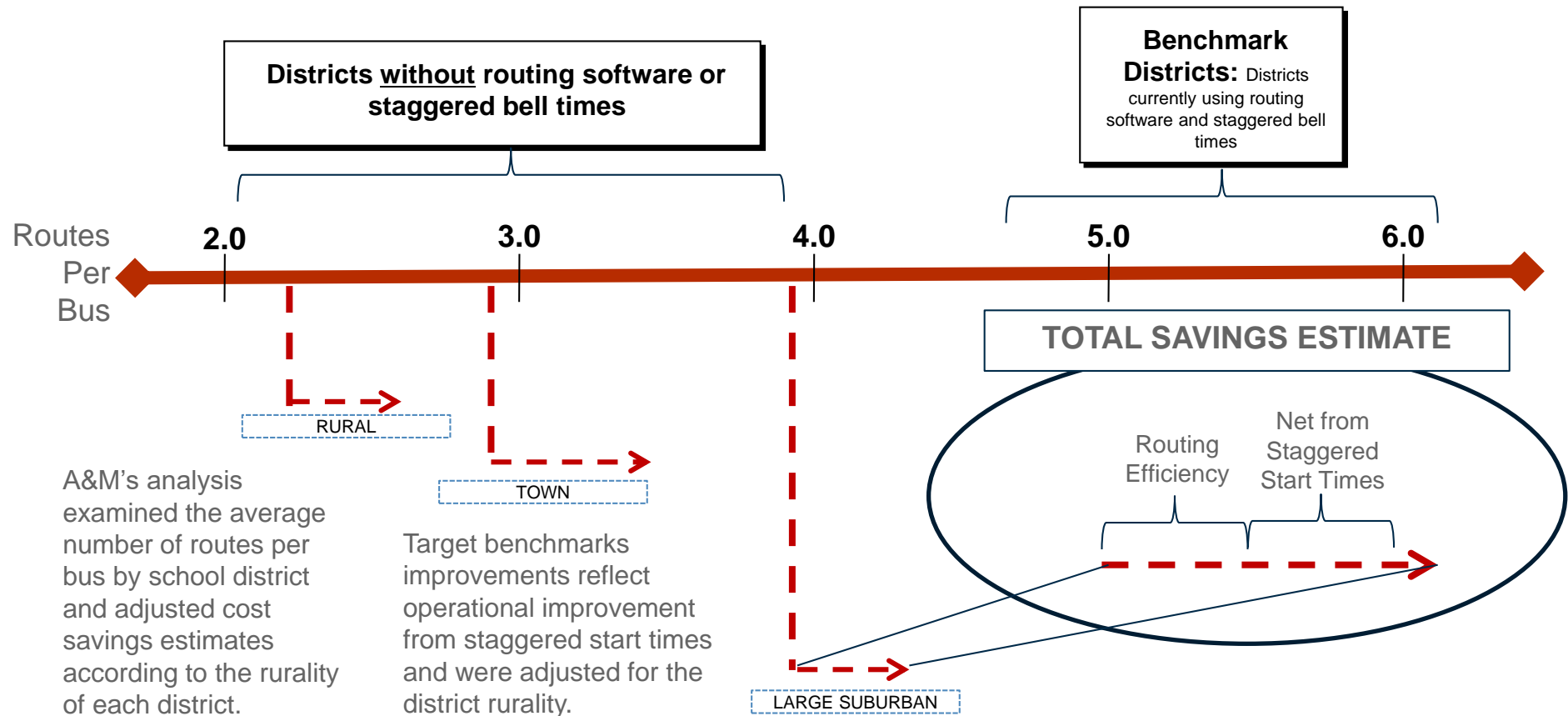
	Financial Management Collaboration: Five Districts [1 Large, 1 Med, 3 Small]		
	Current State	Collaboration Model	Savings
# of Districts	5	5	NA
Total ADM	21,000	21,000	NA
Total FTEs <sup>(2)</sup>	18.9	13.0	6.0
Total Spend <sup>(2)</sup>	\$2,409,840	\$1,684,478	\$725,326
Savings %			30.1%

*(2) Total FTEs and Total Spend based upon average FTEs and average spend of one large district (>10,000 ADM), one medium district (between 5,000 and 10,000 ADM) and 3 small districts (less than 2,500 enrollment).*

***Preliminary estimates, excluding costs of one-time investments related to technology and organizational changes, of potential savings from collaboration of financial management functions across districts range from 8.9% to 30.1%.***

TRANSPORTATION ROUTING: SAVINGS APPROACH

*Implementation of new routing software can help districts optimize existing routes and evaluate alternative routing strategies, such as staggered bell times.*



# APPENDIX A: SAVINGS METHODOLOGY

## YORK 04

### TRANSPORTATION ROUTING: SAVINGS APPROACH (CONTINUED)

#### Savings from Routing Efficiencies

A&M analyzed districts' route mileage, frequency, timing and volume to estimate potential efficiencies available through the implementation of routing software.

This analysis separates the district and state portions of estimated cost savings according to the amount of reimbursement the state provides to each district.

Fuel and maintenance savings are based on state cost per vehicle mile.

The reduction in buses is the result of a reduction in the need to purchase new buses per year across the plaintiff districts.

#### DISTRICT EXAMPLE OF COST SAVINGS OPPORTUNITIES FROM ROUTING SOFTWARE

DISTRICT A	VOLUME	UNIT	DISTRICT	STATE
DRIVERS	5.0	\$ 19,390	\$ 55,051	\$ 37,238
FUEL	43,560	\$ 0.15	\$ -	\$ 6,749
MAINTENANCE	43,560	\$ 0.34	\$ -	\$ 14,595
BUSES (COST AVOIDANCE)	1.0	\$ 60,000	\$ -	\$ 60,000
TOTAL			\$ 55,051	\$ 118,582

***Cost savings from more efficient routing are significant, with savings shared between the districts and the State.***

# APPENDIX A: SAVINGS METHODOLOGY

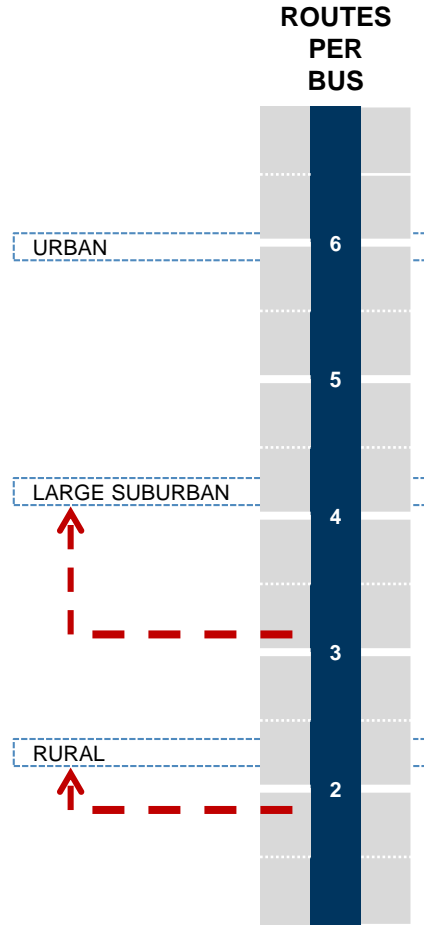
## YORK 04

### TRANSPORTATION ROUTING: SAVINGS APPROACH (CONTINUED)

#### Savings from Increased Utilization:

A&M's analysis examined the average number of routes per bus by school district and adjusted cost savings estimates according to the rurality of each district.

Target benchmark improvements are shown in the graphic to the right reflecting operational improvement and adjusting for the district rurality.



#### DISTRICT EXAMPLE COST SAVINGS OPPORTUNITIES FROM STAGGERED SCHOOL START TIMES

DISTRICT A	VOLUME	UNIT	DISTRICT	STATE
<b>DRIVERS</b>	2.0	\$ 19,390	\$ 23,133	\$ 15,647
<b>FUEL</b>	-	\$ 0.15	\$ -	\$ -
<b>MAINTENANCE</b>	2.0	\$ 4,138	\$ -	\$ 8,276
<b>BUSES (COST AVOIDANCE)</b>	-	\$ 60,000	\$ -	\$ -
<b>TOTAL</b>			\$ 23,133	\$ 23,923

*Staggered bell times would help reduce routes and the number of buses required.*

# APPENDIX A: SAVINGS METHODOLOGY

## YORK 04

### COLLABORATION: PURCHASING COORDINATION AND AGGREGATION

Given the size of many of the individual districts, there is little leverage to negotiate best pricing or invest in resources needed to develop or implement a defined procurement strategy. These districts would benefit from greater purchasing coordination, aggregation of buying power and minimum commitments in order to improve overall pricing.

#### EXAMPLES OF STATE-WIDE PROCUREMENT OPPORTUNITIES

##### Example 1: Differentiated Pricing in Professional Services

District	Labor Rate Mark-up for Temporary Staff
District A	0.43 to 0.49
State Contract	0.40
District B	0.39

- At a minimum, many districts could benefit from leveraging State contracts. Districts could additionally benefit from favorable pricing negotiated by other districts.

##### Example 2: Volume Discounts and Rebates with a Technology Vendor

Minimum \$ Value	Discount
\$50,000	1%
\$100,000	2%
\$200,000	4%
\$500,000	6%
\$1,000,000	8%

- Nearly all districts could benefit from additional discounts by aggregating spend statewide.

# APPENDIX A: SAVINGS METHODOLOGY

## YORK 04

### PURCHASING COORDINATION AND AGGREGATION: SAVINGS APPROACH

In order to develop a range of savings that a purchasing consortium would yield, A&M estimated savings based on current district spend and applied savings ranges based on the experience that our clients have achieved by partnering with A&M on strategic sourcing.

To determine actual savings amounts by District, A&M applied the savings ranges to FY16 expenditure data from the State. The expenditure data from the State is summarized at function and major object codes.

Given the approach to estimate savings was a top-down approach rather than a bottom-up approach of savings by vendor, the estimates of savings achieved through purchasing coordination are high-level estimates.

	Range of Savings: A&M Strategic Sourcing Experience	
	Low	High
Building Services	3.2%	7.2%
Non-Instructional Supplies	2.5%	5.5%
Instructional Supplies	2.5%	5.5%
Instructional Services	6.0%	10.0%
Support Services	2.6%	6.2%
Technology	3.4%	6.3%
Other	3.7%	7.3%
Overhead Services	3.4%	6.7%
Transportation Services	2.8%	8.5%

*Preliminary estimates of potential savings from increased collaboration of purchasing across districts range from 2.0% to 5.1%.*

# APPENDIX B: DATA SOURCES



# APPENDIX B: DATA SOURCES

## YORK 04

### [1] FY 16 District Report Card

#### [2] State-provided enrollment numbers:

- **FY 15 135-Day ADM:** The only use of the FY 15 enrollment numbers is for the enrollment trend
- **FY 16 135-Day ADM:** All calculations made using FY 16 expense data and enrollment data rely on the FY 16 135-Day ADM
- **FY 17 45-Day ADM:** All calculations made using FY 17 personnel data and enrollment data rely on the FY 17 135-Day ADM

\*Number of schools calculated using state ADM files

#### [3] State-provided FY 16 district expenses

\*In-scope procurement and categorization is determined by a mapping completed by A&M based on expense function & object codes. These values exclude all expenses where fund code = 400, 500, or 700 (Debt, Capital, and Pupil Activity funds respectively).

#### [4] District-provided FY 17 personnel rosters

#### [5] State-provided FY 16 district revenue

#### [6] A&M Functional Area Mapping

- If "Function Code" begins with 1## Then "Instruction"
- If "Function Code" = 252, 257, or 259 Then "Financial Management"
- If "Function Code" = 264 Then "Human Resources"
- If "Function Code" = 231, 232, 261, 262, or 265 Then "Overhead"
- If "Function Code" = 251 or 255 Then "Transportation"
- If "Function Code" begins with 2## and not in lists above Then "Support Services"
- If "Function Code" begins with 3## Then "Community Services"
- If "Function Code" begins with 4## Then "Other"
- If "Function Code" begins with 5## Then "Debt"

#### [7] FY 16 Comprehensive Annual Financial Report (CAFR)

#### [8] Historical A&M Procurement Savings and assumption of district collaboration in the procurement function

#### [9] FY 16 State-provided transportation data

# APPENDIX B: FORMULAS DEFINED

## YORK 04

### Sources [2],[3]

- \$ Per Student = Total Cost <sup>[3]</sup> / FY 16 135-Day ADM <sup>[2]</sup>
- \$ Per Student Excluding Debt & Capital = Total Cost <sup>[3]</sup> / FY 16 135-Day ADM <sup>[2]</sup> (Where Fund Name ≠ “Capital Projects Fund” or “Debt Service Fund”)
- Financial Management Cost per Student = Total Cost <sup>[3]</sup> (Where A&M Functional Group = “Financial Management” and Fund Name ≠ “Capital Projects Fund” or “Debt Service Fund”) / FY 16 135-Day ADM <sup>[2]</sup>
- HR Cost / Student = Total Cost <sup>[3]</sup> (Where Function Code = “Human Resources”) / FY 16 135-Day ADM <sup>[2]</sup>
- Transportation Cost / Student = Total Cost <sup>[3]</sup> (Where A&M Functional Group = “Transportation”) / FY 16 135-Day ADM <sup>[2]</sup>

### Sources [2],[4]

- Students Per Instructional Services FTE = FY 17 45-Day ADM <sup>[2]</sup> / FTE <sup>[4]</sup> (Where Category Description = “Instruction,” “Instructional Staff Services,” “School Administration,” or “Pupil Services”)
- Students Per Overhead FTE = FY 17 45-Day ADM <sup>[2]</sup> / FTE <sup>[4]</sup> (Where Category Description = “Gen Admin,” “Finance,” “Technology,” “Central Services,” or “Human Resources”)
- Students Per School Support FTE = FY 17 45-Day ADM <sup>[2]</sup> / FTE <sup>[4]</sup> (Where Category Description = “Food Services,” “Facilities,” “Transportation,” “Support Services” or “Community Services”)
- Students to All Positions = FY 17 45-Day ADM <sup>[2]</sup> / FTE <sup>[4]</sup>
- Students To Total FTE = FY 17 45-Day ADM <sup>[2]</sup> / FTE <sup>[4]</sup>
- ADM to Financial FTE = FY 17 45-Day ADM <sup>[2]</sup> / FTE<sup>[4]</sup> (Where Category Description = “Finance”)
- ADM to HR FTE = FY 17 45-Day ADM <sup>[2]</sup> / FTE <sup>[4]</sup> (Where Category Description = “Human Resources”)

# APPENDIX B: FORMULAS DEFINED

## YORK 04

### Source [5]

- Grant Funds as Percent of Total Budget =  $((\text{Total Special}^{[5]} + \text{Special EIA Revenue}^{[5]}) / \text{Total Revenue Excluding})$  Where Fund Name  $\neq$  "Capital Projects Fund" or "Debt Service Fund"
  - \* Special Revenue = Fund Code 200
  - \* Special EIA Revenue = Fund Code 300
  - \* Debt & Capital = Fund Code 400 & 500

### Source [3],[7]

- Days Cash on Hand =  $(\text{Cash: Unrestricted, general fund}^{[7]} + \text{Investments: general fund}^{[7]} + \text{AR: County}^{[7]}) / (\text{General Fund Expenditures}^{[3]} / 365)$ 
  - \*General Fund Expenditures = expenses where fund code = 100
- Days Payable Outstanding =  $(\text{Accounts Payable: General Fund}^{[7]} / (\text{Non-Personnel Expenditures}^{[3]} / 365))$ 
  - \*Non-Personal Expenditures = expenses where Object Code between 300 – 700

### Source [5],[7]

- Unrestricted Fund Balance as % of General Fund =  $\text{Fund balance} - \text{unrestricted}^{[7]} / \text{General Fund Revenue}^{[5]}$
- Grants Receivables Days Outstanding =  $(\text{Grants Receivable from State}^{[7]} + \text{Grants Receivable from Federal}^{[7]}) / (\text{total grant funds from statewide revenues}^{[5]}/365)$ 
  - \*Total Grant Fund From Statewide Revenue is revenue where fund code = 200 & 300
- Total Debt Outstanding/Total Revenue =  $\text{Total Debt Outstanding}^{[7]} / \text{Revenue}^{[5]}$  (Where Fund Name  $\neq$  "Capital Projects Fund" or "Debt Service Fund")

### Source [9]

- Routes Per Bus =  $\text{Number of Routes}^{[9]} / \text{Number of Buses}^{[9]}$
- Average Ridership =  $\text{Total Ridership}^{[9]} / \text{Number of Routes}^{[9]}$
- Average Route Time =  $\text{Total Route Minutes}^{[9]} / \text{Number of Routes}^{[9]}$
- Average Mileage Per Bus =  $\text{Total Route Miles}^{[9]} / \text{Number of Buses}^{[9]}$

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