



# ALVAREZ & MARSAL

SOUTH CAROLINA DEPARTMENT OF EDUCATION  
SCHOOL DISTRICT EFFICIENCY REVIEW

**York 02**

**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 02

### 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 02

### 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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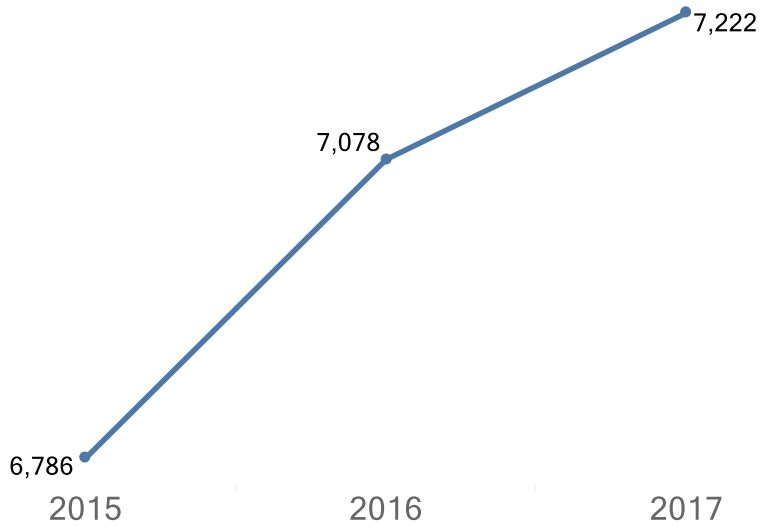
### ➤ Sources of Data and Savings Estimates:

- 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.

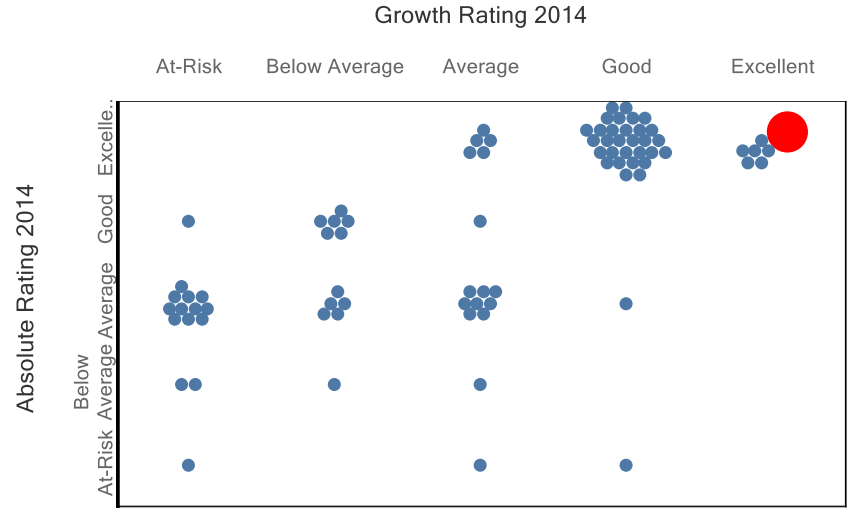
# EXECUTIVE SUMMARY

## YORK 02

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



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



### General Info

Number of Schools <sup>[2]</sup>	10
% Poverty <sup>[1]</sup>	35.6%
% Disability <sup>[1]</sup>	7.6%
\$ Per Student <sup>[2],[3]</sup>	\$21,048
\$ Per Student Excluding Debt & Capital <sup>[2],[3]</sup>	\$11,758

### Administration

Students Per Instructional Services FTE <sup>[2],[4]</sup>	9.1
Students Per Overhead FTE <sup>[2],[4]</sup>	218.8
Students Per School Support FTE <sup>[2],[4]</sup>	47.2
Students to Total FTE <sup>[2],[4]</sup>	7.4

# EXECUTIVE SUMMARY

## YORK 02

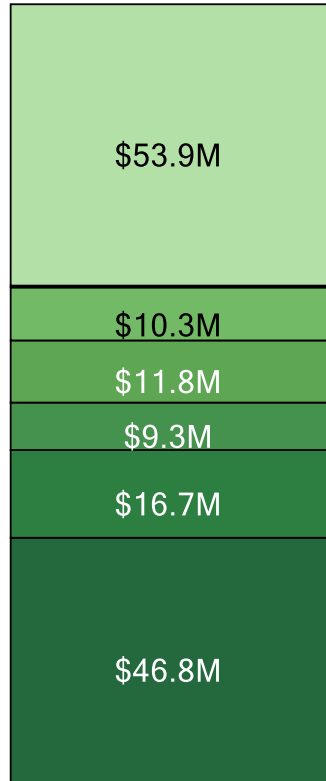
Sources of Funds<sup>[5]</sup>  
\$95.8M



2015-2016

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

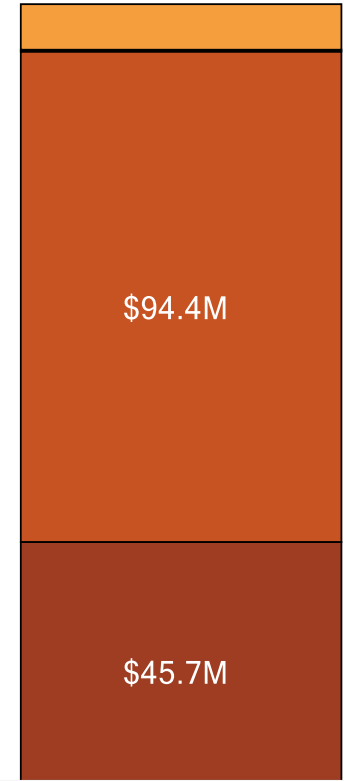
Use of Funds - Type<sup>[3]</sup>  
\$149.0M



2015-2016

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

Use of Funds - Function<sup>[3]</sup>  
\$149.0M



2015-2016

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

\* totals may not tie due to rounding

# EXECUTIVE SUMMARY

## YORK 02

\$149.0M  
Total

\$19.4M  
In-Scope

\$129.6M  
Not In-Scope

*13.0% of total spend is within scope of the efficiency review:*

	<b>In Scope Spend<sup>[3]</sup></b>	<b>Procurement Component</b>
Finance	\$536,522	\$27,127
Human Resources	\$490,335	\$44,410
Overhead	\$880,714	\$194,806
Transportation	\$1,401,237	\$114,345
Procurement (Community Services, Instruction, Support Services)	\$16,092,684	\$16,092,684
<b>TOTAL</b>	<b>\$19,401,492</b>	<b>\$16,473,372</b>

\* totals may not tie due to rounding

# EXECUTIVE SUMMARY

## YORK 02

### GOALS, CHALLENGES & ACHIEVEMENTS

#### District Goals

**Mission:** Clover Schools will prepare each child for a successful, productive and responsible future.

1. Clover School District will create and sustain state-of-the-art environments where students, families, and the community can thrive in their pursuit to be continual learners.
2. Clover School District will cultivate high expectations for student success through rigorous, engaging instruction with encouragement and support to achieve personal best.
3. Clover School District will provide rich experiences to maximize the individual potential of each student.
4. Clover School District will expand and enrich reciprocal community and school partnerships that actively engage all stakeholders in and beyond Clover.

#### Achievements

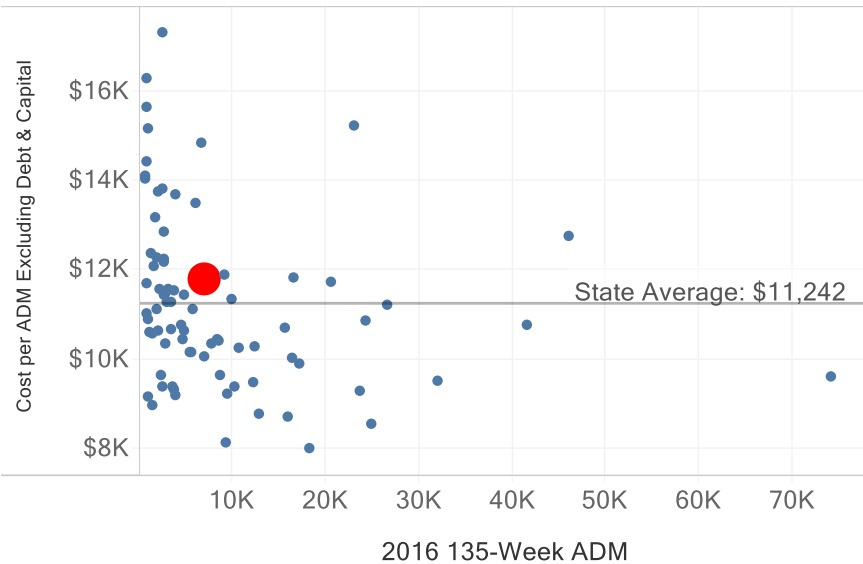
- **Academics:** District has some of the highest academic achievement levels in the State.
- **School Programming:** Schools have excellent non-academic programming, including outstanding band, dance, sports, career/vocational, and a choral program that has won numerous awards.
- **Culture:** After a history of turnover, the Superintendent has developed a high-performing culture with dedicated principals and staff.
- **Technology:** District has a robust 1:1 initiative and follows best practices related to training and implementation to ensure effectiveness.

#### Challenges

- **Transition Planning:** Given the tenure and success of the current leadership team, the District needs to develop a transition plan to ensure past progress is embedded long-term in the organization.
- **Funding Changes:** District currently benefits from taxes derived from a nuclear power plant. However, plant depreciation will decrease this funding stream in the next 5-10 years.
- **Modernization:** The District still uses manual processes and paper forms for many of its procedures.

## 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:

The small 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 small size and spending base of the District, there are a range of collaboration 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 02

### OBSERVATIONS: INDIVIDUAL SCOPE AREAS

	Current State
<b>Finance</b>	<ul style="list-style-type: none"> <li>• <b>Financial Management:</b> The District's steady enrollment, lack of competition for student enrollment, relatively high per pupil spend (compared to the District's enrollment peer group) and strong fund balance all indicate financial stability.</li> <li>• <b>Organization / Processes:</b> The finance organization is adequately staffed to support the scope of its roles and responsibilities. Manual processes and under-utilization of technology presents the District with an opportunity to streamline processes and improve efficiency.</li> </ul>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• <b>Staffing and Organization:</b> The Human Resources function includes a 6-person team led by the Director of Human Resources including recruiting, benefits administration, and other personnel-related activities such as the District receptionist.</li> <li>• <b>Teacher Recruitment and Retention:</b> Similar to other school districts in the State, recruiting teachers into the District is challenging, particularly as the area is not attractive to recent college graduates. However, the District benefits from one of the highest average teacher salaries in the State.</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 sometimes struggles to recruit drivers, though they have the highest hourly pay rate in the county.</li> <li>• <b>Manual Routing:</b> The District does not have routing software that can be used to help drive routing efficiencies.</li> </ul>
<b>Procurement</b>	<ul style="list-style-type: none"> <li>• <b>Staffing and Organization:</b> There is a Procurement Coordinator within the finance team.</li> <li>• <b>Strategic sourcing:</b> The District has low leverage with vendors due to low purchasing volumes. Contracts are negotiated with volume discounts where possible. Few aggregated purchasing decisions across districts are made.</li> </ul>
<b>Overhead</b>	<ul style="list-style-type: none"> <li>• <b>Staffing and Organization:</b> The Superintendent has overseen the District for the past 10 years. He has 5 direct reports in addition to the school principals.</li> <li>• <b>Collaboration:</b> The District is part of the Olde English Consortium and meets regularly with other regional superintendents.</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 02

### 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>System Enhancements:</b> Update software versions and / or add modules to financial systems to facilitate automated and purchase to payments processes and integrated timekeeping functionality.</p> <p><b>Process Improvements:</b> Modernize processes to limit manual activities and strengthen internal controls.</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><b>System Enhancements:</b> Implement new technologies to fully automate HR processes such as integrated applicant sourcing, tracking and on-boarding.</p> <p><b>Process Improvements:</b> 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> Further leverage state contracts and group purchasing organizations to optimize spend.</p> <p>Enable other districts to purchase off individually negotiated contracts.</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> Implement new routing software.</p> <p><b>Staffing / Organization:</b> Create dual employment opportunities to help address bus driver shortages. Work with finance to monitor overtime usage.</p>

# EXECUTIVE SUMMARY

## YORK 02

### 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 02

### 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 02

### 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	\$54,700	\$164,200
Human Resources	0	10,000	0	48,800
Procurement	0	0	399,400	840,300
Transportation – District	N/A	N/A	34,000	50,000
<b>District Total</b>	<b>17,500</b>	<b>42,500</b>	<b>488,100</b>	<b>1,103,300</b>
Transportation – State	18,000	61,700	27,000	65,900
<b>Total</b>	<b>\$35,500</b>	<b>\$104,200</b>	<b>\$515,100</b>	<b>\$1,169,200</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.*



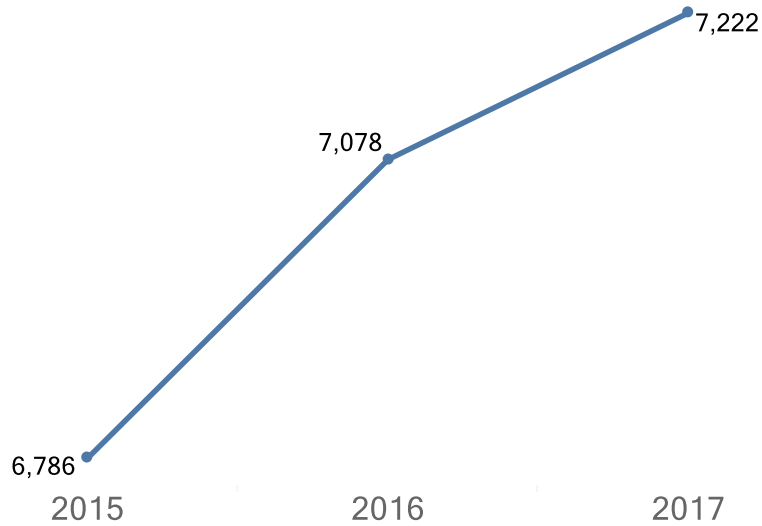
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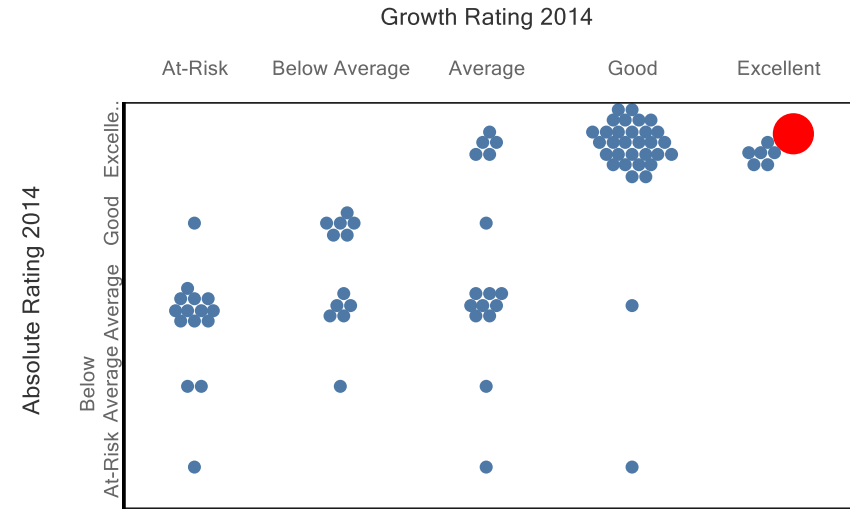
# DISTRICT ADMINISTRATION AND PERFORMANCE

## YORK 02

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



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



### General Info

Number of Schools <sup>[2]</sup>	10
% Poverty <sup>[1]</sup>	35.6%
% Disability <sup>[1]</sup>	7.6%
\$ Per Student <sup>[2],[3]</sup>	\$21,048
\$ Per Student Excluding Debt & Capital <sup>[2],[3]</sup>	\$11,758

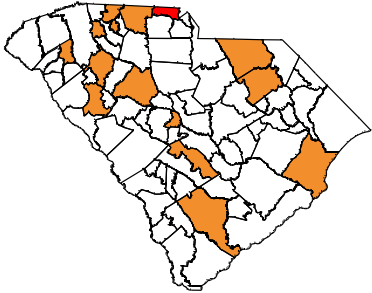
### Administration

Students Per Instructional Services FTE <sup>[2],[4]</sup>	9.1
Students Per Overhead FTE <sup>[2],[4]</sup>	218.8
Students Per School Support FTE <sup>[2],[4]</sup>	47.2
Students to Total FTE <sup>[2],[4]</sup>	7.4

# DISTRICT BENCHMARKING

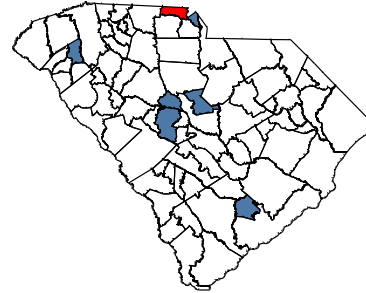
## YORK 02

### Enrollment (5,000 - 10,000)



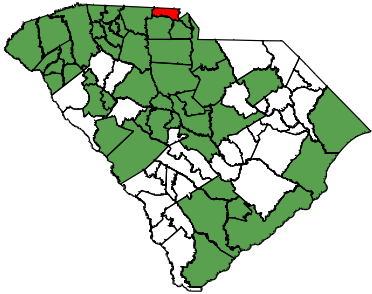
- |              |                |
|--------------|----------------|
| Anderson 01  | Orangeburg 05  |
| Cherokee     | Spartanburg 02 |
| Chesterfield | Spartanburg 05 |
| Colleton     | Spartanburg 07 |
| Darlington   | York 02        |
| Georgetown   |                |
| Greenwood 50 |                |
| Laurens 55   |                |
| Lexington 02 |                |
| Newberry     |                |

### Poverty (<50%)



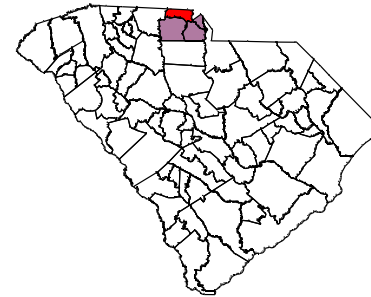
- |                       |
|-----------------------|
| Anderson 01           |
| Dorchester 02         |
| Lexington 01          |
| Lexington/Richland 05 |
| Richland 02           |
| York 02               |
| York 04               |

### Phase 1 (No)



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

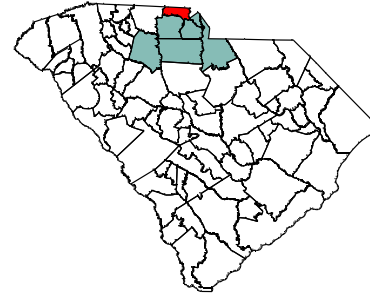
- |         |
|---------|
| Sumter  |
| Union   |
| York 01 |
| York 02 |
| York 03 |
| York 04 |



### County (York)

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

### Region (Catawba)



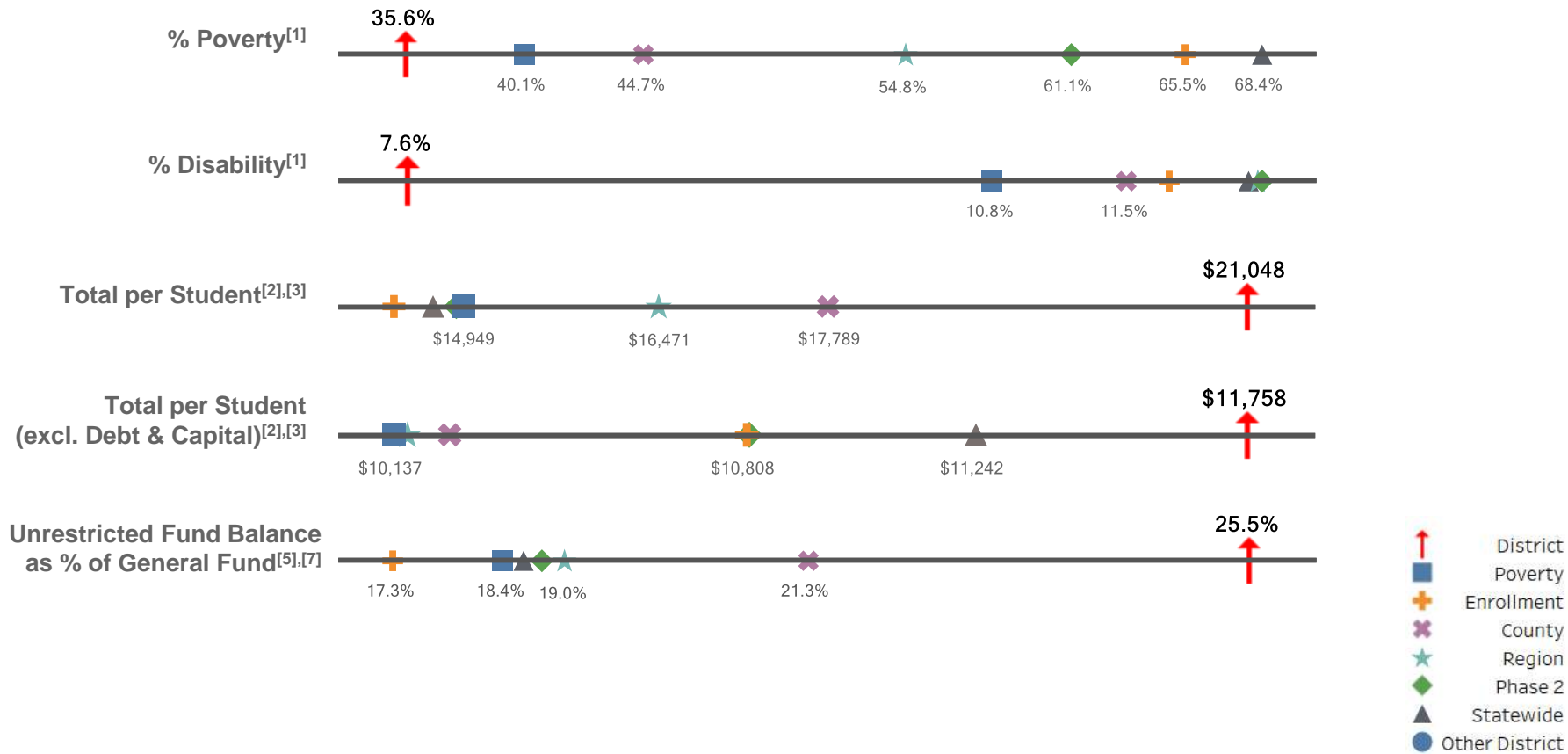
- |           |
|-----------|
| Chester   |
| Lancaster |
| Union     |
| York 01   |
| York 02   |
| York 03   |
| York 04   |

# DISTRICT OVERVIEW

## YORK 02

### KEY PERFORMANCE INDICATORS: KEY DISTRICT RATIOS

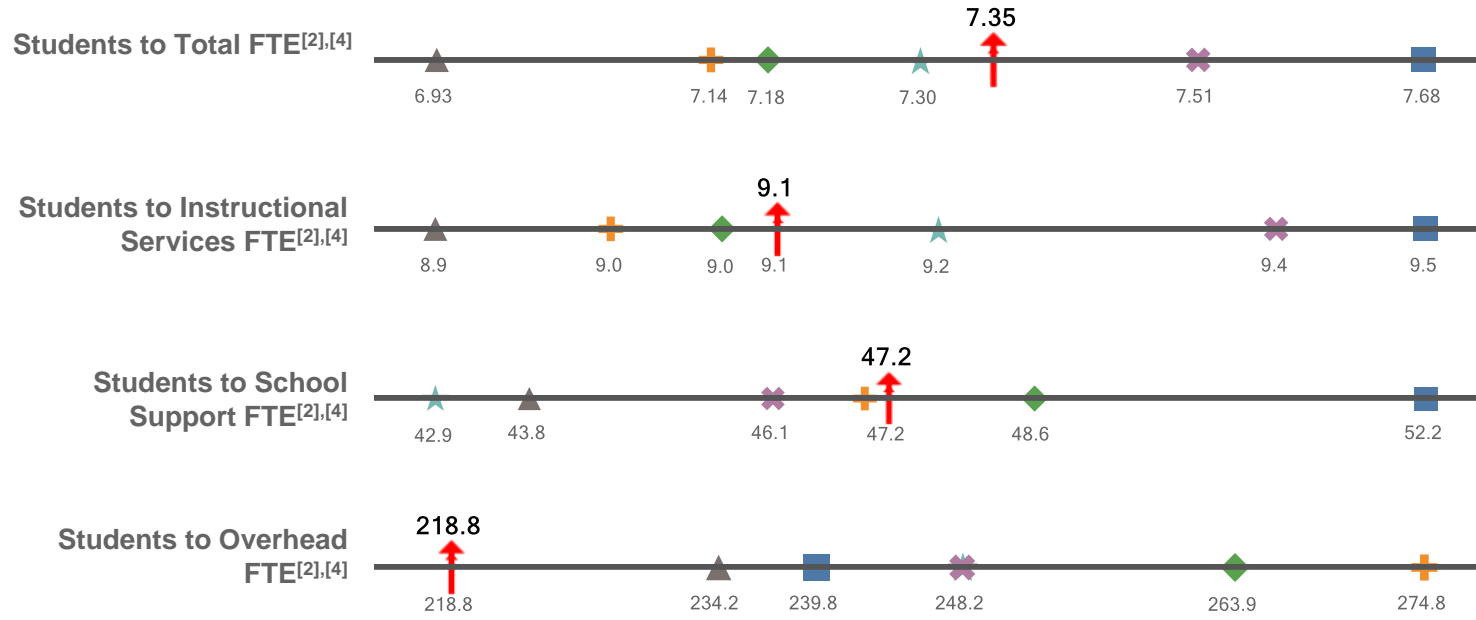
*The metrics below show how the District compares to other district peer groups based on: (a) statewide averages, (b) similar enrollment levels, (c) similar poverty levels, (d) county peers, (e) regional peers, (f) Phase 2 and (g) other districts.*



# DISTRICT OVERVIEW

## YORK 02

### KEY PERFORMANCE INDICATORS: KEY STAFFING RATIOS



- ↑ District
- Poverty
- + Enrollment
- × County
- ★ Region
- ◆ Phase 2
- ▲ Statewide
- Other District

# DISTRICT OVERVIEW AND OVERHEAD

## YORK 02

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Enrollment Trends</b>	<ul style="list-style-type: none"> <li>• <b>3-year Enrollment Trend:</b> The District's enrollment has increased by 436, or 6.4%, over the past 3 years.</li> <li>• <b>Student Demographics:</b> The District has a poverty level of 35.6% which is very low relative to the statewide average of 68.4%.</li> <li>• <b>Competition:</b> The District does not face significant competition from charter or private schools.</li> <li>• <b>Long-term Planning:</b> The District utilizes an outside firm to prepare long-term enrollment projections, which are updated annually. The District compares these projections with classroom availability at all levels to help inform long-term planning.</li> <li>• <b>Strategic Planning:</b> The District prepares a robust strategic plan, setting and reevaluating objectives to integrate character education and community service elements in addition to core academic goals.</li> </ul>	<ul style="list-style-type: none"> <li>• The District should share best practices in strategic planning with other districts.</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 a per pupil expense of \$11,758, which is high relative to peers of similar size of \$10,808 and the state average of \$11,242.</li> <li>• <b>Unrestricted Fund Balance:</b> The District is financially stable with an unrestricted fund balance that is 25.5% of revenues. The fund balance is significantly above the State average of 18.6%.</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure the financial stability of the District is maintained, the District should prepare a three to five year financial plan that allows for investment in critical areas of academics and operations while still maintaining a strong fund balance.</li> </ul>

# DISTRICT OVERVIEW AND OVERHEAD YORK 02

## 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 FTE ratio of 7.4 is higher than peers of similar size, with an average ratio of 7.1 and the state average of 6.9. The high per pupil expense has allowed the District to make 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 of 9.1 is slightly higher than peers of similar size with an average of 9.0 and the state average of 8.9.</li> <li>• <b>Students to School Support FTEs:</b> The Student to School Support ratio is 47.2, on par with peers of similar size with an average ratio of 47.0 but higher than the state average of 43.8.</li> <li>• <b>Students to Overhead FTEs:</b> The Student to Overhead ratio of 219 is lower than peers of similar size with an average of 275 and the state average of 235.</li> </ul>	
<b>Staffing / Organization (cont'd)</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 has 5 direct administrative reports that include: (a) Asst. Superintendent for Business Services; (b) Asst. Superintendent for Instructional Services; (c) Executive Director for Administrative Services and Secondary Instruction; (d) Executive Director of Human Resources; and (e) Public Information Officer.</li> <li>• <b>Communications Function:</b> The District has a Public Information Officer who provides communications support for the Superintendent's office.</li> </ul>	

# DISTRICT OVERVIEW AND OVERHEAD

## YORK 02

### 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 external firm to provide support.</li> <li>• <b>Turnover:</b> The Superintendent has overseen the District for the past 10 years.</li> </ul>	<ul style="list-style-type: none"> <li>• Given the tenure and success of the current leadership team, 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> 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 the State Board conference each year.</li> </ul>	
<b>Philanthropy and Business Engagement</b>	<ul style="list-style-type: none"> <li>• Founded in 1986, the Clover LEAF foundation has provided grants to teachers to support innovative classroom projects that foster engagement in Clover School District.</li> <li>• The Superintendent has established relationships within many facets of the community for school and District support, including Duke Energy, Family Trust Credit Union, the River Hills Lions Club and the local Sherriff's department.</li> </ul>	<ul style="list-style-type: none"> <li>• The District should establish a Business and Community Engagement function within the District office to maintain and cultivate philanthropic and business relationships to generate additional funding and support for the District.</li> <li>• Given the strong academic performance and long-term strategic priorities of the District, leadership should develop a plan to pursue philanthropic grants from large foundations focused on funding innovation in K-12 education.</li> </ul>

# DISTRICT OVERVIEW AND OVERHEAD

## YORK 02

### 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 and meets regularly with other regional superintendents.</li> <li>• The District has previously attempted to consolidate certain functions such as procurement and school calendars and collaborate for direct cost savings, but the attempts have broken down in implementation.</li> <li>• <b>Career Center:</b> The District does not have a shared career center.</li> <li>• <b>Special Education:</b> The District does not coordinate with other area districts on Special Education programs.</li> <li>• <b>Headcount:</b> The District shares FTEs with York 1 and 4 for its Adult Education program.</li> </ul>	<ul style="list-style-type: none"> <li>• Reexamine potential for a regional shared service model that allows for sharing of resources and systems that 1) require specialized skills or 2) are highly transactional. Identify barriers to implementation such as leadership and maintenance of control in order to clearly address them. Review best practices and examples in other organizations to assist in planning and execution.</li> <li>• Consider a shared Chief Development Officer across districts.</li> </ul>



## OUTLINE

- I. Executive Summary
- II. District Overview and Overhead
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- 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.*

1,204 : 1

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

Financial  
FTE<sup>[4]</sup>

\$76 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>	6.0
Personnel Expense <sup>[3]</sup>	\$509,395
Non-Personnel Expense <sup>[3]</sup>	\$27,127
Total Financial Expense <sup>[3]</sup>	\$536,522

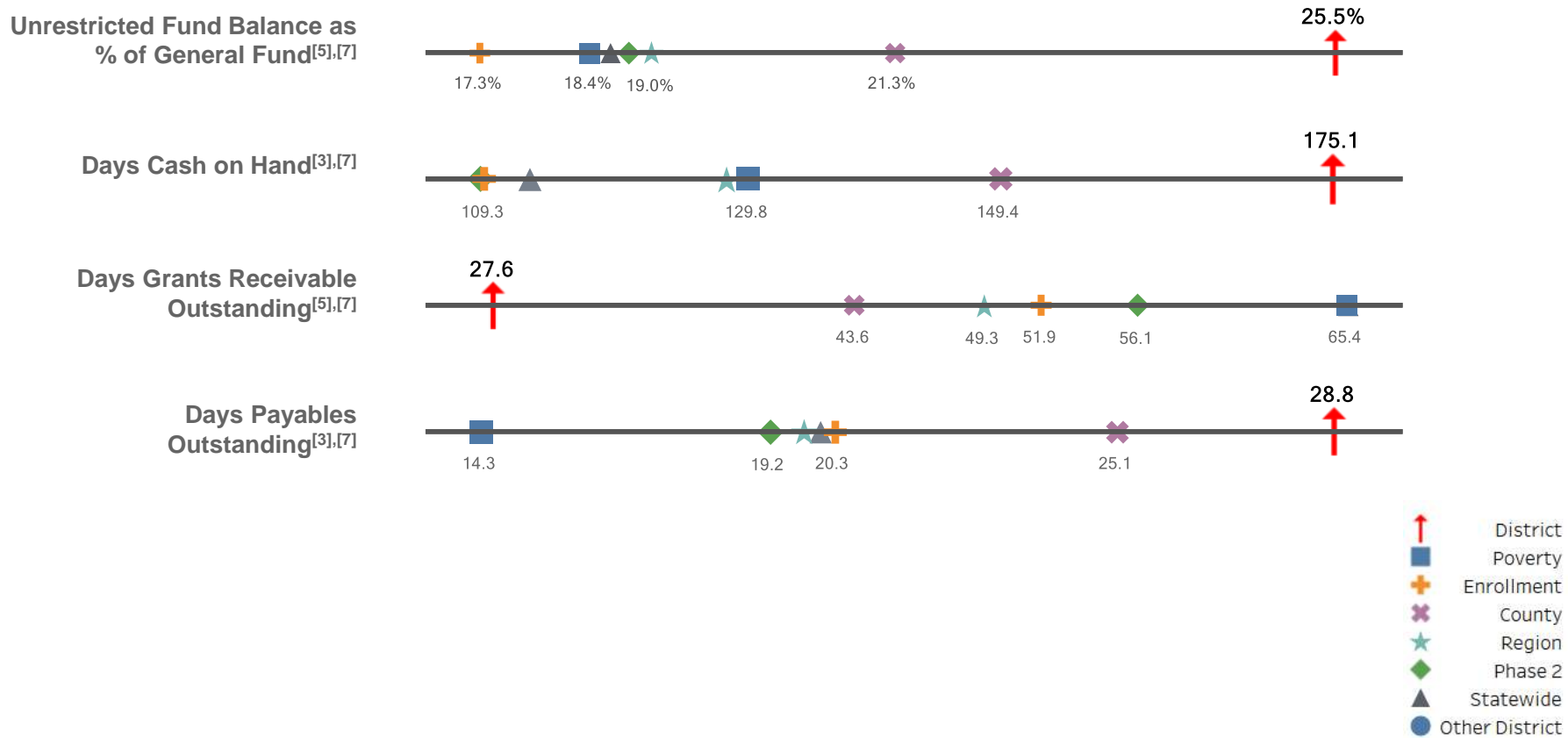
NOTE: FTEs shown in the table above reflect dedicated finance staff only; Financial expenses shown above reflect amounts coded to the finance department. In some instances districts may include salary and benefit related charges that are not related to dedicated Finance costs in their totals.

# FINANCIAL MANAGEMENT

## YORK 02

### KEY PERFORMANCE INDICATORS: FINANCIAL MANAGEMENT

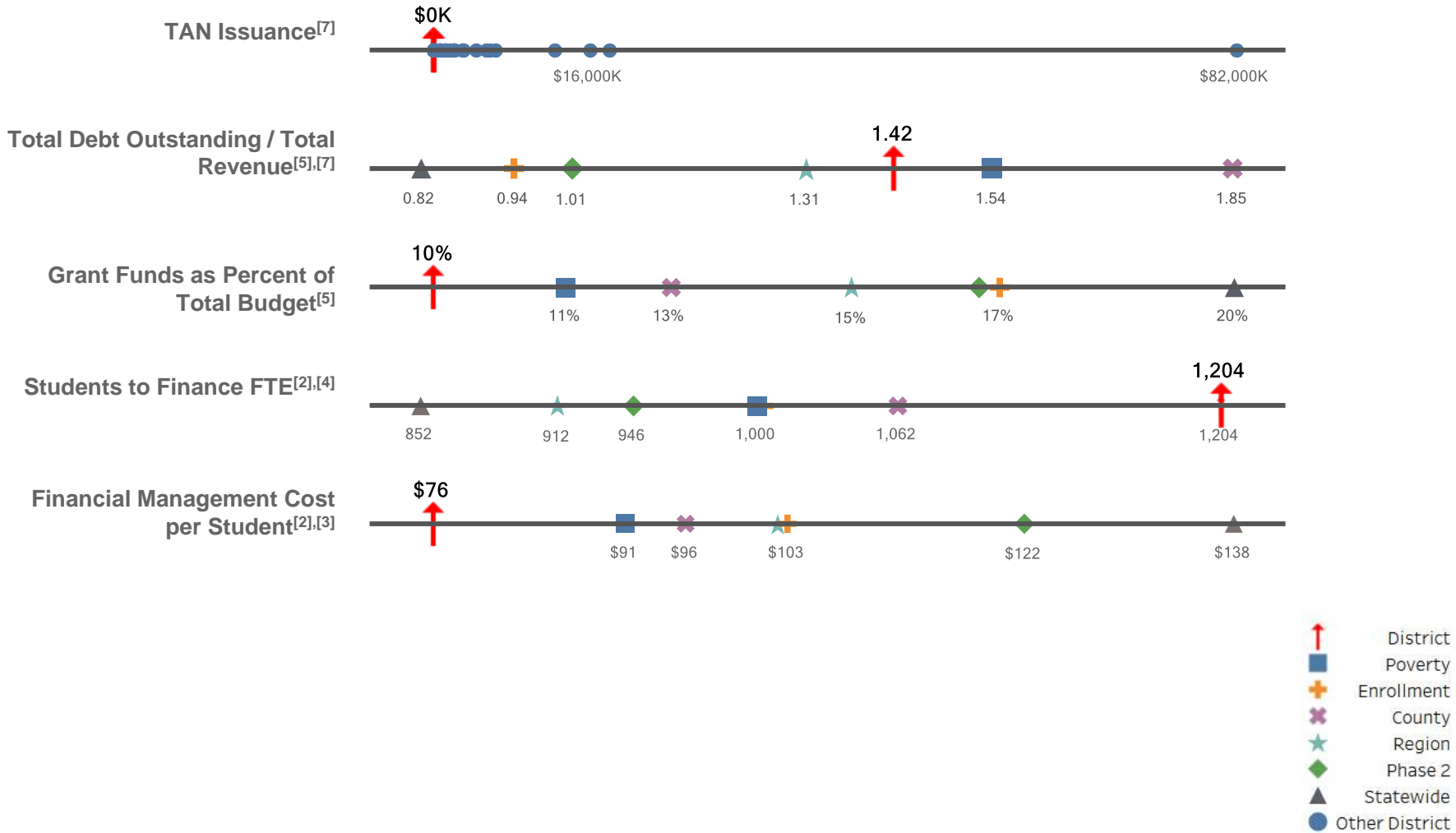
The metrics below show how the District compares to other district peer groups based on: (a) statewide averages, (b) similar enrollment levels, (c) similar poverty levels, (d) county peers, (e) regional peers, (f) Phase 2 and (g) other districts.



# FINANCIAL MANAGEMENT

## YORK 02

### KEY PERFORMANCE INDICATORS: FINANCIAL MANAGEMENT



# FINANCIAL MANAGEMENT

## YORK 02

### 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 its scope of roles and responsibilities that include accounting, payroll, accounts payable, budget, treasury, procurement and financial reporting.</li> <li>• <b>Cross-training:</b> The current finance staff are sufficiently cross-trained on systems and processes to ensure business continuity.</li> <li>• <b>Turnover:</b> Current CFO has held the position for more than 16 years.</li> <li>• <b>Finance Cost per Pupil:</b> The Finance cost per pupil for the District is \$76, which is lower than the average for peers of similar size of \$103 and the state average of \$138.</li> <li>• <b>Students per Finance FTE:</b> The student to financial management FTE ratio is 1,204, higher than the average for peers of similar size of 1,003 and the state average of 852.</li> </ul>	<ul style="list-style-type: none"> <li>• Given the tenure and success of the current CFO, the District should establish a succession plan to ensure past progress is embedded long-term in the organization. If the current Assistant Superintendent for Business Services were to leave the District, it is likely that more than one person would be required to backfill his position.</li> <li>• Review staff capabilities on an annual basis and ensure individuals are provided with training on systems and processes.</li> </ul>

# FINANCIAL MANAGEMENT

## YORK 02

### 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.</li> <li>• The District requires all employees to receive direct deposit.</li> <li>• The District uses a self-service payroll platform through Harris SmartFusion. Therefore, employee-initiated payroll changes are all processed automatically.</li> <li>• <b>Timekeeping:</b> Time tracking is currently managed via manual processes and entered into the payroll system by the Finance department.</li> <li>• <b>Purchasing:</b> Schools are able to secure items and services in accordance with district and state regulations, and there is a centralized approval process in place. However, all purchase orders are done via paper, with four copies circulated for each PO. The District processes approximately 5,000 purchase orders each year.</li> <li>• The District does utilize a Pcard program. In FY16, approximately \$100,000 was spent through Pcards.</li> <li>• <b>Inventory:</b> The District bar codes technology for asset tracking, but it does not currently conduct centralized inventory processes. Inventory is managed directly by schools. Facilities assesses smaller assets such as furniture.</li> <li>• <b>Risk Management:</b> The District does not have formal risk management policies in place.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement an automated time tracking functionality such as a biometric timeclock that integrates with the payroll system in order to eliminate the need for manual time sheets.</li> <li>• Implement policies that require use of a centralized purchase order system by schools and administrative personnel. Leverage automated purchase order work flow systems that can be integrated with the financial systems.</li> <li>• <b>Pcards:</b> The District should seek out opportunities to expand on the use of the Pcard program through increased use of Pcards for centralized spend categories. 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>• Implement standard policies and procedures around managing physical inventory and ensure that the District Finance organization is part of the overall process.</li> <li>• Expand on informal 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
<p><b>Grants Management</b></p>	<ul style="list-style-type: none"> <li>• <b>Grants Revenue %:</b> Grant revenues provide 10% of revenue for the District. making this district slightly less reliant on grant funds than peers at similar poverty levels of 11% and the state average of 20%.</li>   <li>• Due to the relatively low poverty level 36%, the District is not eligible for many competitive grants.</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.</li>   <li>• <b>Grants Monitoring:</b> Review of expenditures against grant requirements is conducted by the grants coordinator. Finance provides a secondary review.</li>   <li>• <b>Other:</b> The District does maximize reimbursement of Medicaid grants through the Special Education department.</li> </ul>	

# FINANCIAL MANAGEMENT

## YORK 02

### 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 latest audited financial statements.</li> <li>• <b>Position Control:</b> The District does have position control.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct an internal controls audit every three to five years to ensure best practices in internal controls.</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 175 days cash on hand.</li> <li>• The District reviews cash flow forecasts on a monthly basis.</li> <li>• <b>Grants Receivable Outstanding:</b> The District has a Days Grants Receivable Outstanding of 28 days, which is better than peers of similar size at 52 days and the state average of 65 days. The District submits grant reimbursements quarterly.</li> <li>• <b>Days Payable Outstanding:</b> The Districts Days Payables Outstanding of 29 days is worse than peers of similar size at 20 days and the state average of 20 days. The District processes invoices on a weekly basis to facilitate prompt vendor payment.</li> <li>• <b>Cash:</b> The District invests cash balances in the State local investment pool.</li> <li>• <b>Debt:</b> The total debt to revenue ratio is 1.4, which is higher than peers of similar size at 0.9 and the state average of 0.8 The District has a large capital outlay due to construction costs for the new middle school, elementary school and aquatics center, totaling approximately \$53.9 million.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement processes to file for grant (state and federal) reimbursements on a monthly basis in order to maximize cash flow and ensure grant funds are optimized and spent in accordance with appropriate guidelines.</li> </ul>

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Cash Management (cont'd)</b>	<ul style="list-style-type: none"> <li>The District does not utilize SCAGO to assist with bond issuance efforts.</li> <li><b>TAN:</b> The District did not issue TANs this past year to assist with liquidity needs during cash low point.</li> </ul>	
<b>Budget</b>	<ul style="list-style-type: none"> <li><b>Budget Planning:</b> The annual budget process for both 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 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> The District produces budget-to-actual variance reports monthly, performs regular variance analysis and meets with key department heads to review expenses.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare zero-based and / or performance based budget annually to ensure resources are aligned with strategic priorities and expenses are anticipated and planned for.</li> <li>The District should consider conducting a formal 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 02

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Technology</b>	<ul style="list-style-type: none"> <li>• <b>ERP:</b> The District uses the Harris SmartFusion accounting software system, however, processes remain manual for timekeeping, payroll, invoice approval and check processing.</li> </ul>	<ul style="list-style-type: none"> <li>• Explore opportunities to better utilize the existing SmartFusion accounting software and / or upgrade to enhanced functionality that provides automated workflow, approval of purchase orders, an employee self-service portal and automated time tracking that links directly with the payroll system.</li> <li>• Implement a budget planning module in the SmartFusion ERP system to further automate the budget planning process. Use of a budget module will minimize errors that can arise from managing school and department budgets in Excel or on paper and will increase transparency during the entire budget planning process.</li> <li>• Complete process to select an automated and integrated timekeeping system and implement prior to start of the next school year.</li> </ul>
<b>Regional Collaboration</b>	<ul style="list-style-type: none"> <li>• The District does not coordinate with others in the region on any transaction processing.</li> <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.*

# 1,204 : 1

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

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

# \$69 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>	6.0
Personnel Expense <sup>[3]</sup>	\$445,925
Non-Personnel Expense <sup>[3]</sup>	\$44,410
Total Human Resources Expense <sup>[3]</sup>	\$490,335

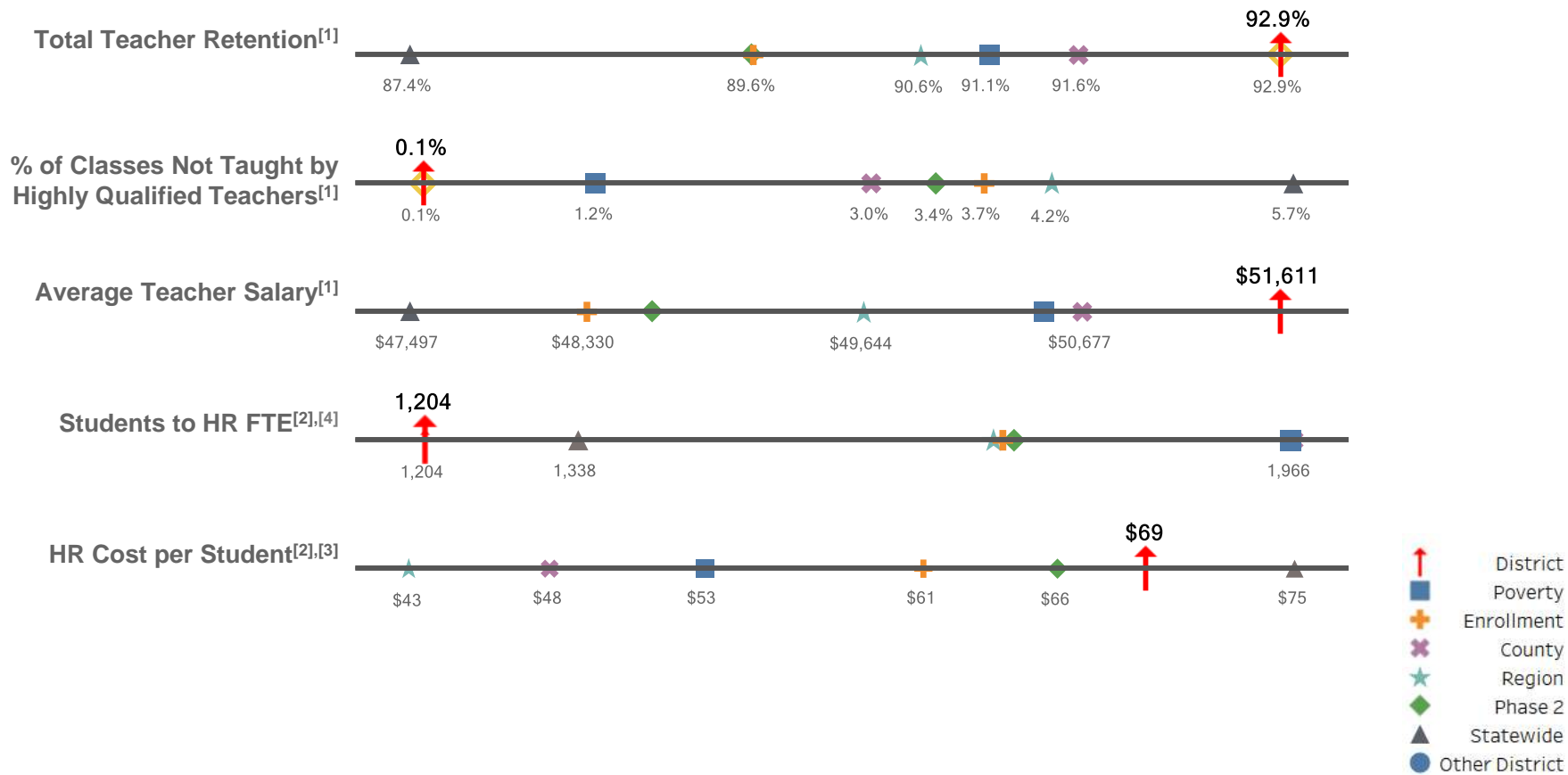
NOTE: FTEs shown in the table above reflect dedicated HR staff only; Financial expenses shown above reflect amounts coded to the HR department. In some instances districts may include salary and benefit related charges that are not related to dedicated HR costs in their totals.

# HUMAN RESOURCES

## YORK 02

### 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 02

### 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 is adequately staffed with the positions required to support recruiting, retention, personnel relations and benefits.</li> <li>• <b>Human Resources Cost Per Pupil:</b> The HR cost per pupil of \$69 for the District is lower than the statewide average of \$75 but higher than the average for districts with similar enrollment levels of \$61.</li> <li>• <b>Students per Human Resources FTE:</b> The student to HR FTE ratio of 1,204 is lower relative to the state average of 1,338, and significantly lower than the average of districts with similar enrollment levels of 1,712.</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>• Similar to other school districts in the State, recruiting teachers into the District is challenging as the area is not attractive to recent college graduates. However, the District does not currently employ any international teachers and does not leverage staffing agencies to fill hard to staff services.</li> <li>• The average teacher salary is \$51,611, higher than the regional average of \$49,644 and the state average of \$47,497.</li> <li>• The District leverages partnerships with Winthrop University to host student teachers. They also host their own recruiting fair annually.</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 signing; (c) tuition reimbursement; (d) differentiated salaries for hard to staff positions; (e) innovative professional development programs.</li> </ul>

# HUMAN RESOURCES

## YORK 02

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Recruiting and Retention</b>	<ul style="list-style-type: none"> <li>The District has a turnover rate of approximately 8-10% in teaching positions.</li> <li>The District conducts exit interviews to gather information on the causes of employee attrition. The most common reasons are retirement and relocation.</li> <li>The District attempts to receive letters of intent early in the year to enable better planning for vacancies.</li> <li>The District recently switched to Source for Teachers for substitute management. They estimate the move will save \$90,000-\$200,000 in management fees compared to the previous vendor.</li> <li><b>Professional Development:</b> In FY16, the percentage of teachers participating in 1:1 and blended learning PD was 45%. The District offers a 2-day boot-camp for new employees as well as monthly trainings. They encourage teachers to attend conference, as they can afford, and advertise trainings through the Canvas learning management system. They also offer summer training and provide stipends through Title IIa funding to help teachers to attend.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to conduct thorough exit interviews 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 system for recruiting, application screening, processing and onboarding paperwork.</li> <li>Employee records are still paper-based, though the District is considering scanning services to convert all records to digital.</li> </ul>	<ul style="list-style-type: none"> <li>Implement an automated time tracking system that can interface directly with the payroll system.</li> <li>Capitalize on functionality provided by Frontline technology to fully automate the application and onboarding process.</li> </ul>

# HUMAN RESOURCES

## YORK 02

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Administration is typically done by a secretary or administrative assistant.</li> </ul>	<ul style="list-style-type: none"> <li>Benefits administration process could be automated via establishment of an employee portal. Employees could be responsible for updates and information would be linked directly to payroll.</li> <li>In collaboration with other districts in the state, work with PEBA to automate benefits related transaction processing to include: (a) acceptance and processing of electronic signatures and (b) integration of benefit changes into District financial systems.</li> </ul>
<b>Collaboration</b>	<ul style="list-style-type: none"> <li>The District is part of the Olde English Consortium and meets regularly with regional districts to discuss ideas and refer candidates.</li> <li>The District does not collaborate with other nearby school districts on recruiting, human resource system licenses, or arrangements with international or local staffing agencies.</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> <li>- H1B Process for International Teachers</li> </ul> </li> <li>Consider creating a regional recruitment and training center focused on teacher recruitment across regional group of districts.</li> </ul>



## OUTLINE

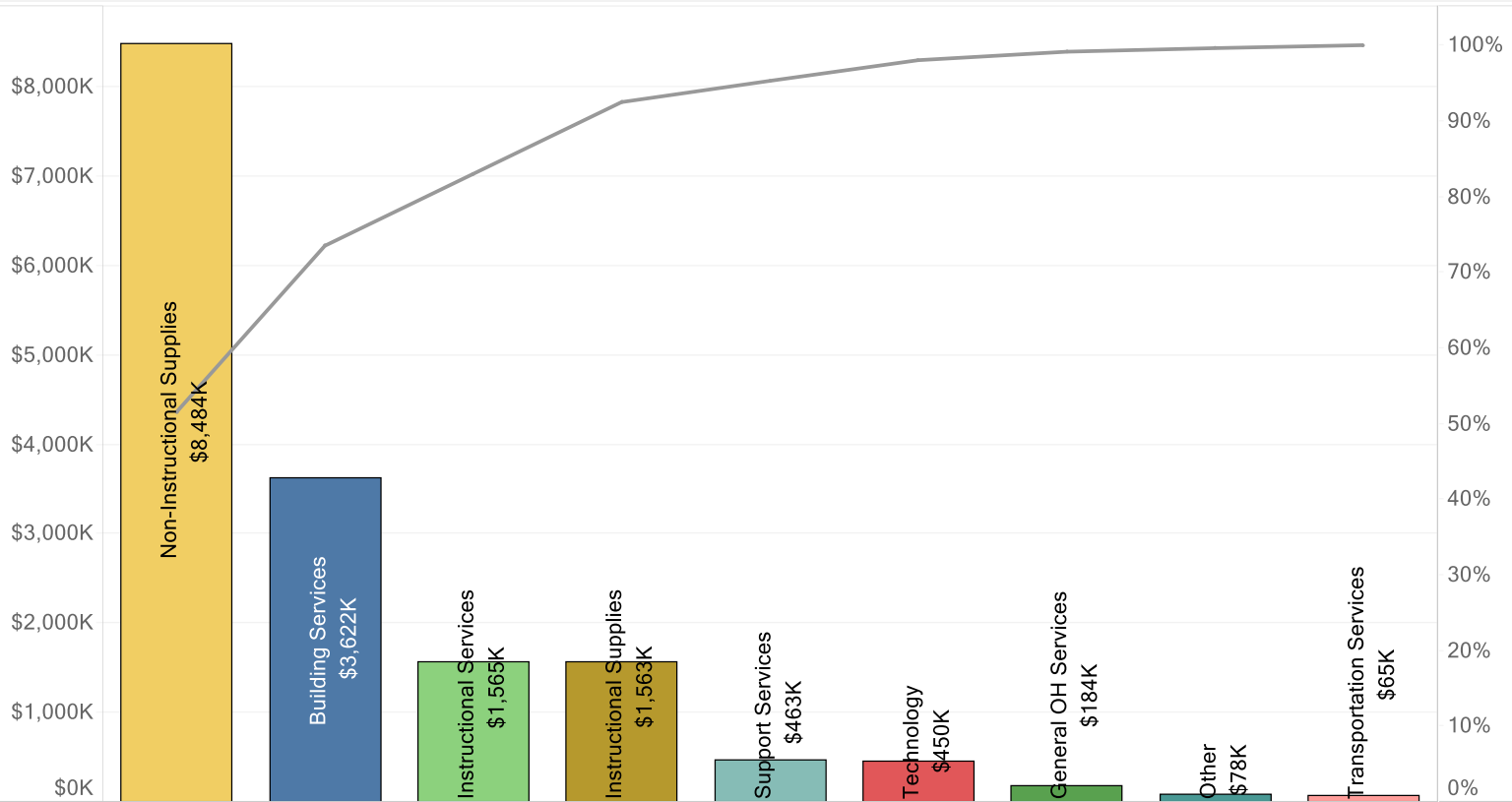
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# PROCUREMENT YORK 02

## 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.*

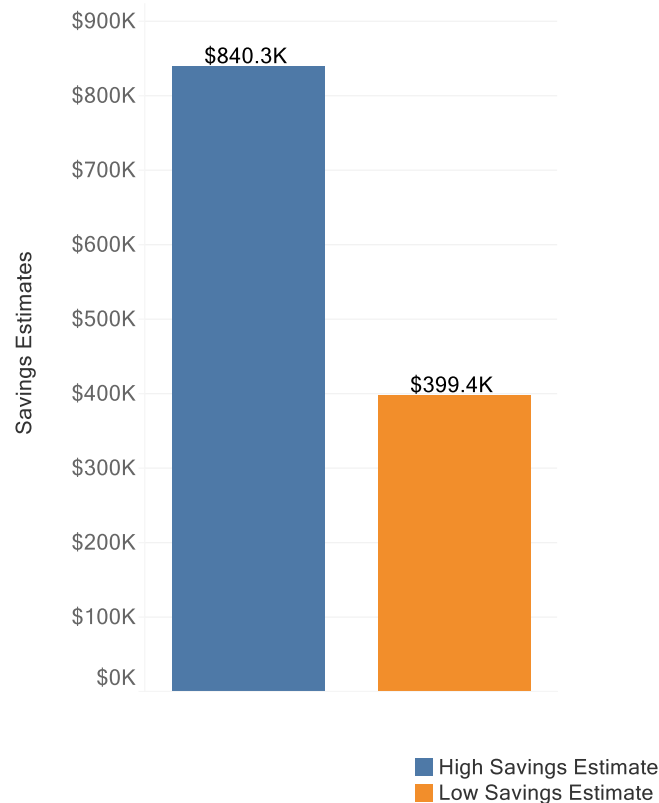
District In Scope Total Procurement Spend<sup>[3]</sup> = \$16,473,372



**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	2.6%	5.8%
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 02

## 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 2,200 vendors; however, the top 10 make up more than 80% of total spending.</li> <li>Spending efforts are made based upon the individual buyer, with local optimization the main priority. Aggregated purchasing decisions across districts are not made.</li> </ul>	<ul style="list-style-type: none"> <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; or (c) negotiated contracts done in collaboration with surrounding districts.</li> <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; and (c) average POs per vendor.</li> <li>Perform annual review of vendor performance (i.e. on time, complete, quality) to assess opportunities to reduce or eliminate non-value add services.</li> <li>Standardize time frames for major recurring purchases (instructional software, hardware, etc.) to capitalize on bulk ordering discounts.</li> </ul>

# PROCUREMENT

## YORK 02

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Spending by Vendor (cont'd)</b>		<ul style="list-style-type: none"><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 02

## 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 utilizes Beam Construction Company, among others, for building construction and Steeles Heating and Air Conditioning for HVAC services. Capital projects are competitively bid.</li> <li>• <b>Food Services:</b> The District contracts with Chartwells to provide food services.</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 exceeds \$2,500.</li> <li>• The District does not procure these services and software in collaboration with any other districts.</li> <li>• <b>Technology – Standardization:</b> The District has a robust 1:1 initiative through Apple.</li> <li>• The District does not coordinate technology purchases with other nearby districts.</li> <li>• <b>Non-instructional Supplies - Contracting Vehicles:</b> The District purchases the majority of its non-instructional supplies outside of available state contracting vehicles (Quill) under the belief that it can receive comparable, if not better, pricing.</li> </ul>	<ul style="list-style-type: none"> <li>• Coordinate purchasing with surrounding districts to maximize the potential for volume discounts for facilities services such as HVAC, electrical and plumbing.</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 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. Decisions made by individual districts regarding roll-out of 1:1 initiatives vary greatly in cost per device and total cost of ownership.</li> <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 and that are subject to negotiation. Evaluate opportunities to generate savings on ancillary services (accessories, warranties, break-fix, etc.) as part of procurement negotiations.</li> </ul>

# PROCUREMENT YORK 02

## SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Regional Collaboration</b>	<ul style="list-style-type: none"><li>The District does not partner with other districts to procure goods and services.</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 and contract management.</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 02

## 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
<b>Bus Purchases</b>	<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>
<b>Daily Administration</b>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Student transportation enrollment; daily administration</li> </ul>
<b>Bus Drivers</b>	<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>
<b>Routing</b>	<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>
<b>Maintenance</b>	<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>
<b>Fuel</b>	<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>
<b>Safety Cameras</b>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>District must purchase</li> </ul>
<b>GPS / Bus Tracking</b>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>District must purchase</li> </ul>
<b>Stop-arm cameras</b>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>District must purchase</li> </ul>
<b>Radios / cell</b>	<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.*

15 Years

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

\$198 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>	64.3
Personnel Expense <sup>[3]</sup>	\$1,286,892
Non-Personnel Expense <sup>[3]</sup>	\$114,345
Total Transportation Expense <sup>[3]</sup>	\$1,401,237

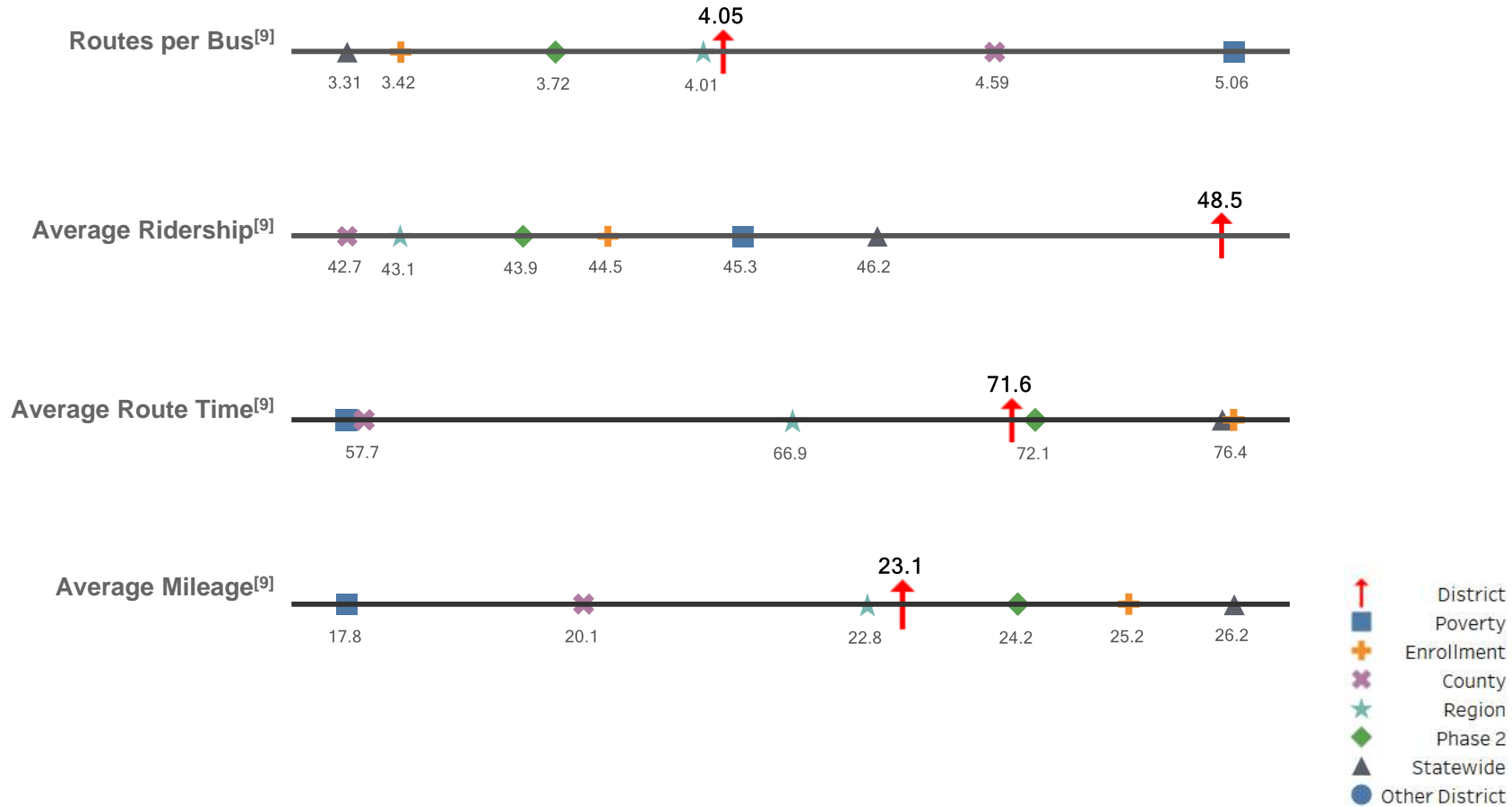
NOTE: FTEs reflected in table above may not reflect dually employed bus drivers.

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	29.6	120	4.1	5,819	48	72	23
Special Needs	6.0	17	2.8	170	10	Not-Available	51
Other	4.0	11	2.7	232	21	Not-Available	18
Total	39.7	148	3.7	6,221	N/A	N/A	N/A

# TRANSPORTATION YORK 02

## 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 02

## SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Staffing / Organization</b>	<ul style="list-style-type: none"> <li>• The District sometimes struggles to recruit bus drivers, though they currently have only 1 vacancy.</li> <li>• The District has a pool of about 6 substitute and part-time drivers. However, District staff are sometimes needed to drive routes.</li> <li>• A few bus drivers are employed as aides, food workers or custodians to offer full employment opportunities at the District, which sometimes causes overtime to be an issue.</li> <li>• The District runs staggered bus routes, with the earliest routes starting around 6:00am. The District also has staggered bell times.</li> <li>• Bus drivers are currently paid a starting rate of \$12.72, approximately \$5.50 above state reimbursement levels, and the highest pay in York county.</li> <li>• Transportation is run by one administrator. There is also a staff member focused on routing, as well as a maintenance staff and administrative staff.</li> </ul>	<ul style="list-style-type: none"> <li>• As an 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. Monitor overtime closely with the finance department.</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>

# TRANSPORTATION

## YORK 02

### SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
<b>Routing and Bus Management</b>	<ul style="list-style-type: none"> <li>The District does not utilize routing software.</li> <li>The District does have GPS on its buses.</li> <li>The District provides two-way radios to drivers to contact drivers while on routes.</li> <li>The District does have security cameras on all buses.</li> <li>The District does not have stop-arm cameras on buses.</li> <li>Activity Buses: The District does not use the State fuel for activity buses.</li> </ul>	<ul style="list-style-type: none"> <li>Implement routing software to ensure most efficient routes.</li> </ul>
<b>Collaboration</b>	<ul style="list-style-type: none"> <li>The District is part of the Olde English Consortium and holds bi-monthly meetings and discussions with other regional districts.</li> </ul>	<ul style="list-style-type: none"> <li>Leverage the State maintenance hubs for activity buses.</li> </ul>

# APPENDIX A: SAVINGS METHODOLOGY



# APPENDIX A: SAVINGS METHODOLOGY

## YORK 02

### 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**

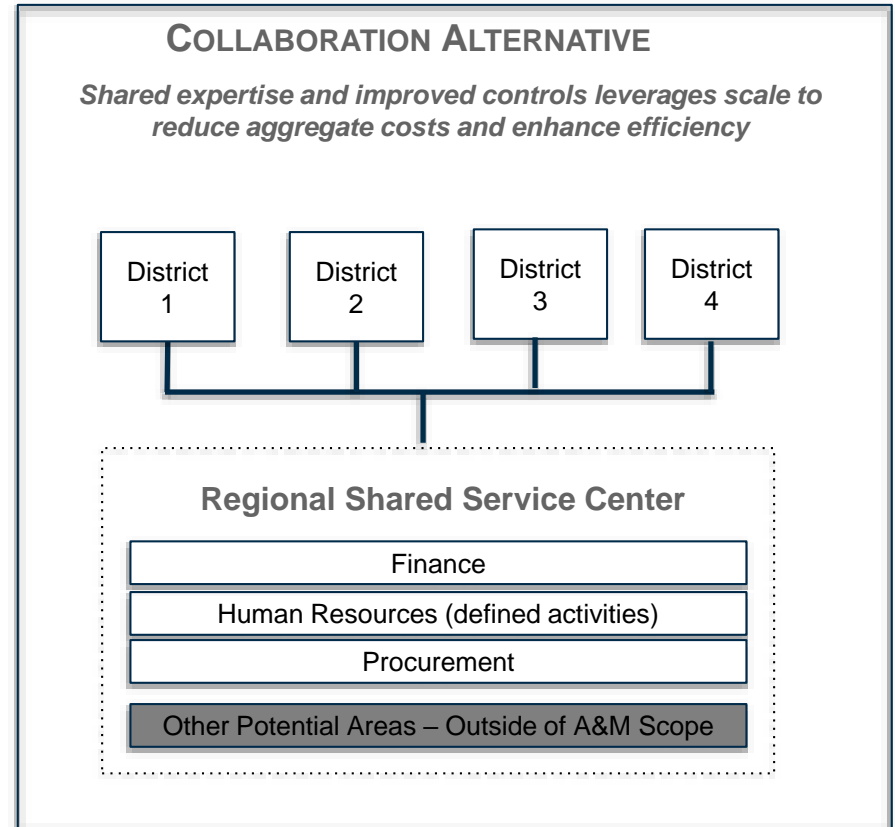
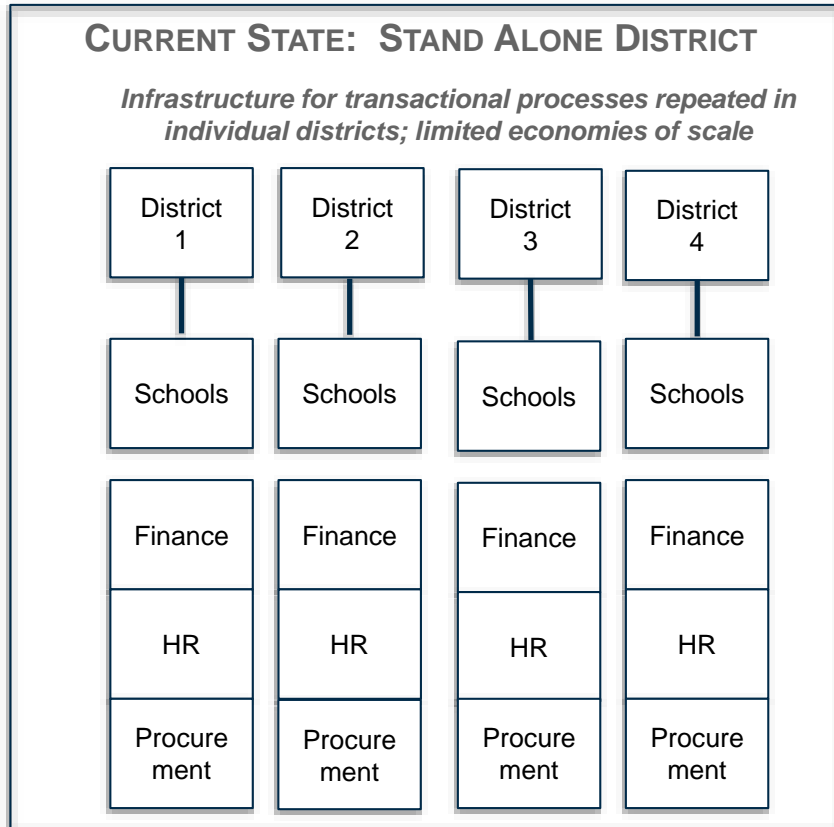
Assessment of the degree of manual processes used by each function, identification of improvements to those functions, and new operating models (such as staggered bell times) were recommended.

#### **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 02

### 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.

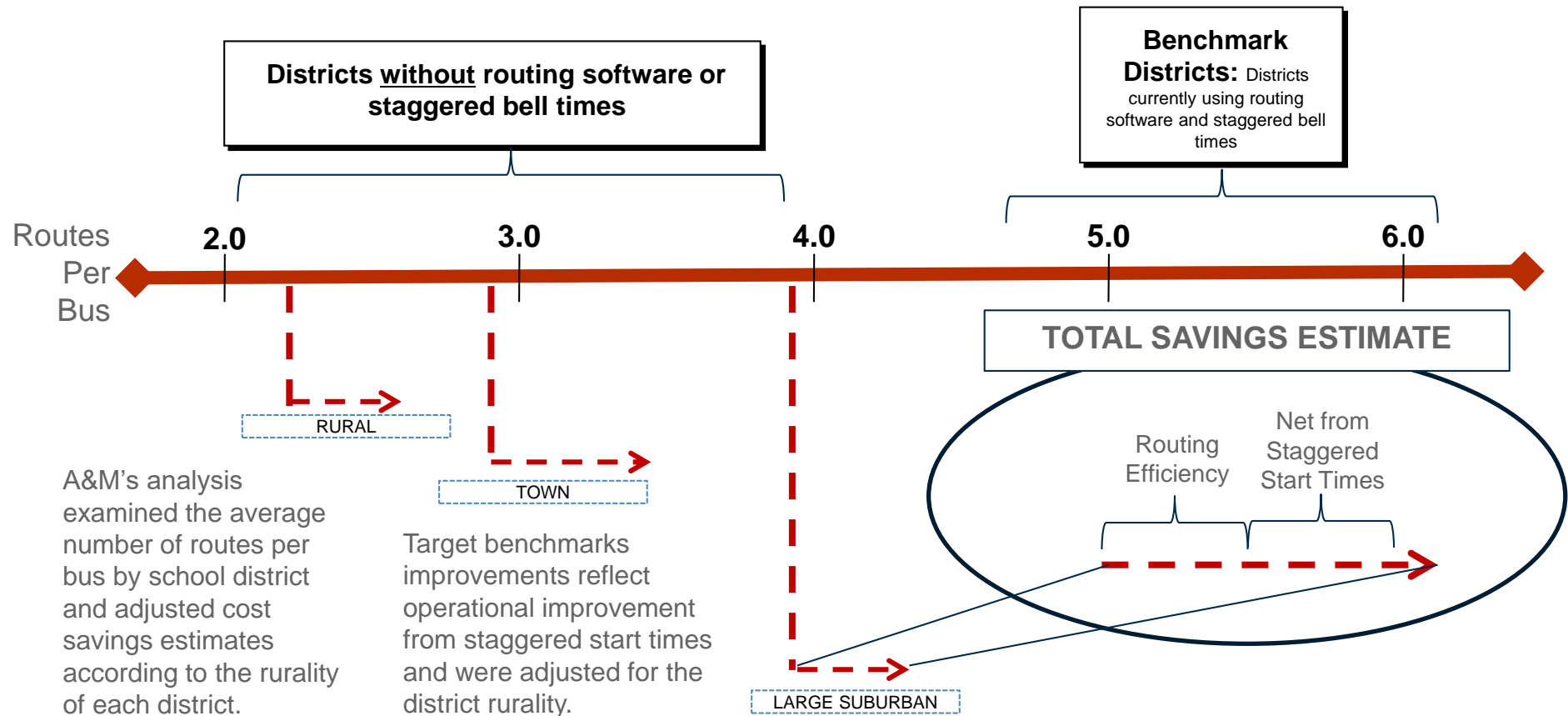
	Financial Management Collaboration: Five Districts [1 Large, 1 Med, 3 Small]		
	Current State	Collaboration Model	Savings
# of Districts	5	5	NA
Total ADM	21,000	21,000	NA
Total FTEs <sup>(2)</sup>	18.9	13.0	6.0
Total Spend <sup>(2)</sup>	\$2,409,840	\$1,684,478	\$725,326
Savings %			30.1%

(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 02

### 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

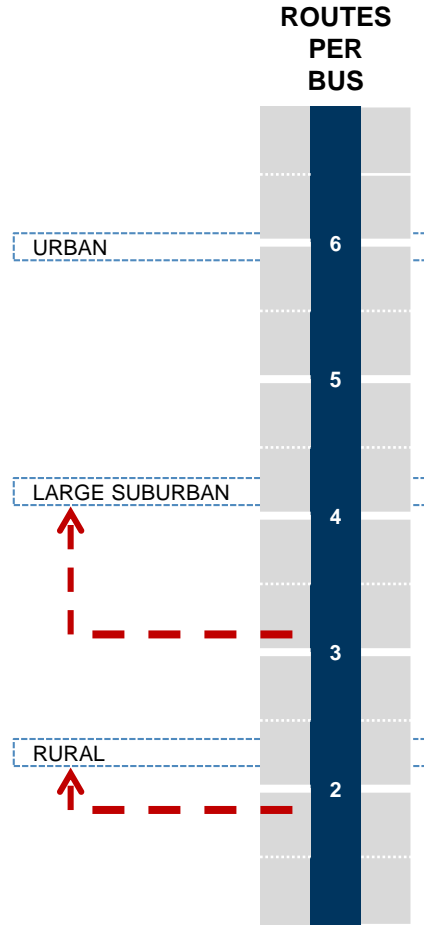
## YORK 02

### 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 benchmarks 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 02

### 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 02

### 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 02

### [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 02

### 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 02

### 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 =  $\text{Fund balance – unrestricted}^{[7]} / \text{General Fund Revenue}^{[5]}$
- 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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