



ALVAREZ & MARSAL

SOUTH CAROLINA DEPARTMENT OF EDUCATION
SCHOOL DISTRICT EFFICIENCY REVIEW

Georgetown

District Report

6/16/2017



ALVAREZ & MARSAL



OUTLINE

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

EXECUTIVE SUMMARY

GEORGETOWN

PROJECT OVERVIEW

- 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

GEORGETOWN

PROJECT OVERVIEW (CONTINUED)

- 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.

EXECUTIVE SUMMARY

GEORGETOWN

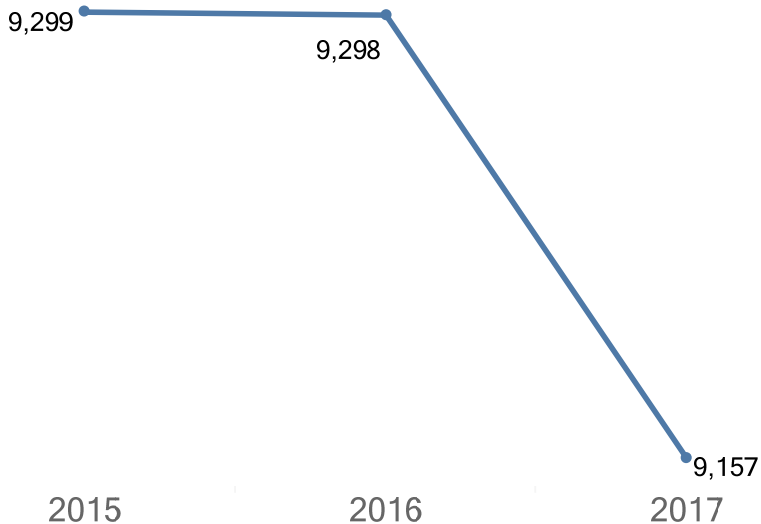
PROJECT OVERVIEW (CONTINUED)

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

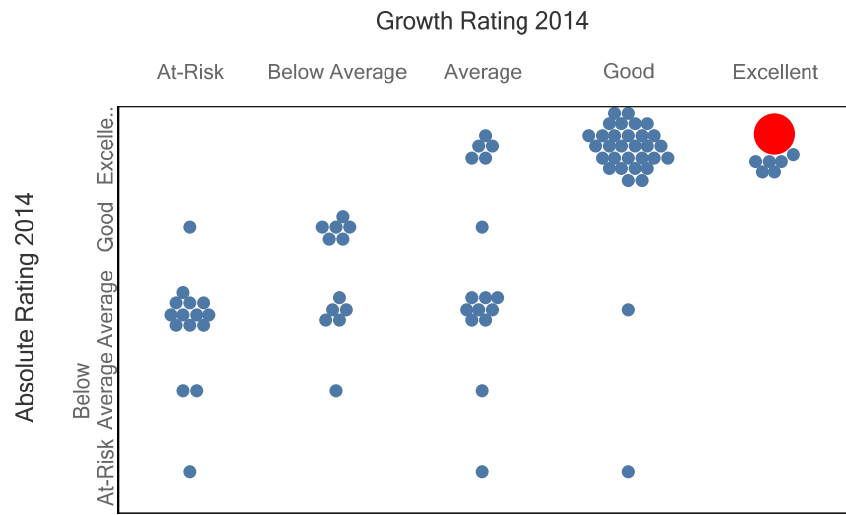
- A&M based the recommendations included in this report on data received from both the State and the District.
 - State provided data: FY16 revenue and expenditure data submitted by districts to the State, 3-year historical enrollment/average daily membership data, FY16 school transportation routes by 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 GEORGETOWN

Average Daily Membership^[2]



Student Achievement^[1]



General Info

| | |
|--|----------|
| Number of Schools ^[2] | 19 |
| % Poverty ^[1] | 66.4% |
| % Disability ^[1] | 11.3% |
| \$ Per Student ^{[2],[3]} | \$14,315 |
| \$ Per Student Excluding Debt & Capital ^{[2],[3]} | \$11,855 |

Administration

| | |
|--|-------|
| Students Per Instructional Services FTE ^{[2],[4]} | 8.7 |
| Students Per Overhead FTE ^{[2],[4]} | 171.3 |
| Students Per School Support FTE ^{[2],[4]} | 31.1 |
| Students to Total FTE ^{[2],[4]} | 6.6 |

EXECUTIVE SUMMARY GEORGETOWN

Sources of Funds^[5]
\$130.0M



2015-2016

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

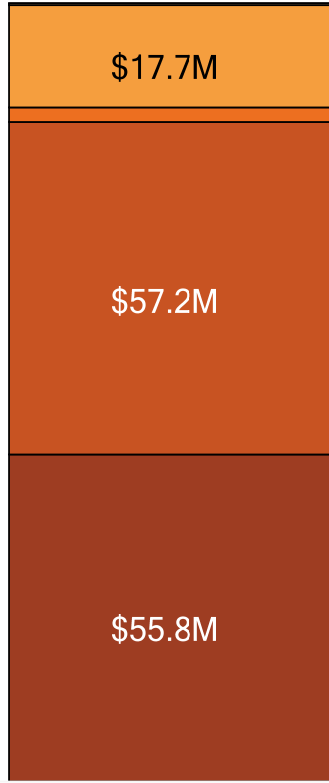
Use of Funds - Type^[3]
\$133.1M



2015-2016

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

Use of Funds - Function^[3]
\$133.1M



2015-2016

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

* totals may not tie due to rounding

EXECUTIVE SUMMARY GEORGETOWN

\$133.1M
Total

| | |
|---------------------|--------------------------|
| \$13.9M In-Scope | \$119.2M Not In-Scope |
|---------------------|--------------------------|

10.5% of total spend is within scope of the efficiency review:

| | In Scope Spend ^[3] | Procurement Component |
|---|-------------------------------|-----------------------|
| Finance | \$1,561,773 | \$124,409 |
| Human Resources | \$886,444 | \$62,505 |
| Overhead | \$1,196,379 | \$291,700 |
| Transportation | \$2,229,911 | \$196,205 |
| Procurement (Community Services, Instruction, Support Services) | \$8,060,356 | \$8,060,356 |
| TOTAL | \$13,934,863 | \$8,735,175 |

* totals may not tie due to rounding

EXECUTIVE SUMMARY

GEORGETOWN

GOALS, CHALLENGES & ACHIEVEMENTS

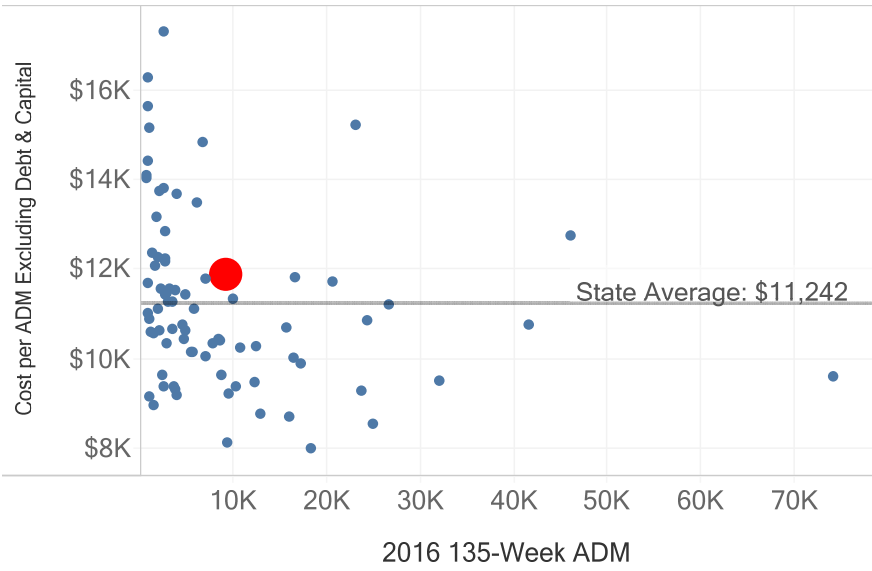
| District Goals | |
|---|---|
| <ul style="list-style-type: none">• School Readiness: Ensure school readiness for at-risk 4-year old's in order to create successful learners.• Curriculum: Provide rigorous curricula, for all grade levels, that emphasizes differentiation for all learners, with emphasis on appropriate planning, instructional delivery and assessment.• Parental Communications: Provide parents with the appropriate communication, training opportunities and support to assist their children in achieving academic, social, and emotional success.• Qualified Teachers: Ensure a properly certified and highly qualified teacher is placed in every classroom.• Growth and Professional Development: Provide support and training to teachers to ensure effective teaching practices and success with the ADEPT evaluation process. Provide opportunities for employee growth and development.• Leadership: Provide administrative support in order to enhance the effectiveness of principals.• Safety: Provide a safe environment for students and staff. | |
| Achievements | Challenges |
| <ul style="list-style-type: none">• Awards: The District was 1 out of 83 school districts in the state to receive an Excellent/Excellent report card rating and made AP Honor Roll for the State.• Academic Achievement: 8 of the District's schools received Palmetto Gold and Silver Awards, and four had significant gains in "Closing the Achievement Gaps".• Philanthropic Partnerships: The District partners with several philanthropic programs: Ms. Ruby's Kids (early literacy), Healthy Learners, and the regional hospital system to provide free services to students.• Finance: The District's bond rating improved to AA. | <ul style="list-style-type: none">• Funding: The District's funding was heavily impacted by Act 388.• Recruiting and Retention: The District has minor challenges with recruiting teachers and has 60 teachers in the TERI program, which may put additional pressures on recruiting when they retire.• Technology: The District maintains a very old computer system that creates the need for a lot of manual administrative work.• Other: A major flood in 2015 impacted much of the community and led to some unplanned capital improvement needs. |

EXECUTIVE SUMMARY

GEORGETOWN

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 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

GEORGETOWN

OBSERVATIONS: INDIVIDUAL SCOPE AREAS

| | Current State |
|------------------------|--|
| Finance | <ul style="list-style-type: none"> • Financial Management: The District has a fund balance of 11.8%, which is below the statewide average of 18.6%. The District regularly receives clean audits, but systems challenges hinder steps to automate processes such as the implementation of position control or conducting of procurement research. • Staffing / Processes: The finance department has higher staffing levels than peer districts driven by manual processes associated with the aged Harris CSI Accounting Plus system which causes manual data entry, limits process automation, and limits research and reporting capabilities. |
| Human Resources | <ul style="list-style-type: none"> • Staffing / Processes: The Human Resources function is heavily staffed compared to other districts when compared to peer benchmarks resulting from the numerous manual processes. • Recruiting and Retention: The District’s desirable location and large number of retirees make it is easier to recruit teachers. The District has a high retention rate of 90.4%, and has consistently been able to fill all vacancies prior to the start of the school year. |
| Transportation | <ul style="list-style-type: none"> • Transportation Management: The District has experienced bus driver shortages. They have increased driver salaries which has helped, but there are still vacancies, and the substitute drivers are typically used every day. • Transportation Routing: The District does not have routing software and bell times are only moderately staggered. |
| Procurement | <ul style="list-style-type: none"> • Staffing and Organization: Significant resources are dedicated to Procurement. The District takes advantage of some state contracts and collaboration with other districts. • Strategic sourcing: The District is focused on achieving best value with vendors through proactive strategic sourcing strategies. The District would benefit from increased buying power from greater collaboration across districts. |
| Overhead | <ul style="list-style-type: none"> • Staffing and Organization: The Superintendent has led the District for the past 14 years, serving as the Deputy Superintendent previously. Stable leadership has allowed the District to drive a culture promoting student success. • Collaboration: The Superintendent does not collaborate extensively with other districts. |

EXECUTIVE SUMMARY

GEORGETOWN

RECOMMENDATIONS

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 GEORGETOWN

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>System Enhancements: Implement a new ERP system to facilitate automated workflow and approval of purchase order, integrated timekeeping and payroll and position control functionality.</p> <p>Process Improvements: Implement stronger policies and procedures to better manage tracking and improve controls.</p> <p>Staffing/Organization: After ERP implementation train/cross-train personnel on key financial functions to increase the capabilities and effectiveness of the teams.</p> | <p>System Enhancements: Implement technology to enhance and automate HR processes such as integrated applicant sourcing, tracking and on-boarding.</p> <p>Process Improvements: Implement and enhance incentive programs to recruit and retain new teachers and increase the retention of millennials specifically.</p> <p>Staffing and Organization: After ERP implementation train/cross-train personnel on recruiting, talent management and professional development strategies.</p> | <p>Process Improvements: 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>System Enhancements: Implement routing software for route optimization and GPS and security cameras on all buses for increased safety.</p> <p>Process Improvements: Implement further staggered bell times to reduce cost and shorten wait and ride times for students.</p> <p>Staffing / Organization: Create dual employment opportunities and other incentives to help address bus driver shortage. Use an automated calling system to fill needed driver substitute vacancies.</p> |

EXECUTIVE SUMMARY

GEORGETOWN

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>Accounts Payable and Payroll: Shared Processing; Standardized and automated workflow on approvals</p> <p>Potential to add in:</p> <ul style="list-style-type: none"> Accounting Entries Financial Reporting General Oversight ERP Systems Grant Compliance and Claiming | <p>Benefits Coordination: Shared Processing and Support</p> <p>Potential to add in:</p> <ul style="list-style-type: none"> Intl. Recruiting: H1B Process or collaborative System Licenses for Recruiting, Substitute Management, and on-boarding Sharing of instructional resources across varying classroom models | <p>Purchasing Coordination: 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>Transportation: Shared administrative resources</p> <p>Facilities/ Maintenance: Shared staffing of key maintenance positions across districts (e.g, HVAC, Electrician, Plumbing)</p> <p>Technology: Shared oversight and support functions</p> <p>Curriculum: 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

GEORGETOWN

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 | PROCUREMENT | TRANSPORTATION |
|---|---|---|
| <ul style="list-style-type: none"> • 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. | <ul style="list-style-type: none"> • 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. | <ul style="list-style-type: none"> • 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

GEORGETOWN

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 | \$0 - | \$5,000 | \$156,000 - | \$467,900 |
| Human Resources | 0 - | 0 | 0 - | 88,700 |
| Procurement | 0 - | 0 | 250,900 - | 504,700 |
| Transportation – District | N/A - | N/A | 151,000 - | 226,000 |
| District Total | 0 | 5,000 | 557,900 | 1,287,300 |
| Transportation – State | 23,000 - | 109,000 | 151,300 - | 276,900 |
| Total | \$23,000 | \$114,000 | \$709,200 | \$1,564,200 |

** 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.

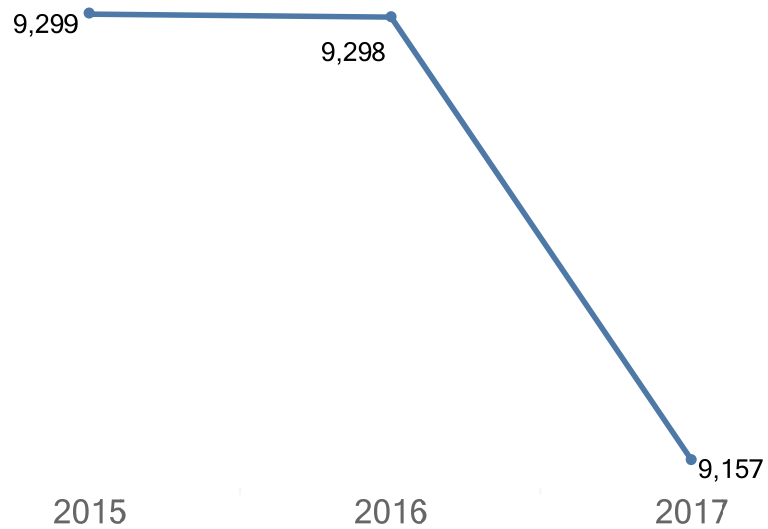


OUTLINE

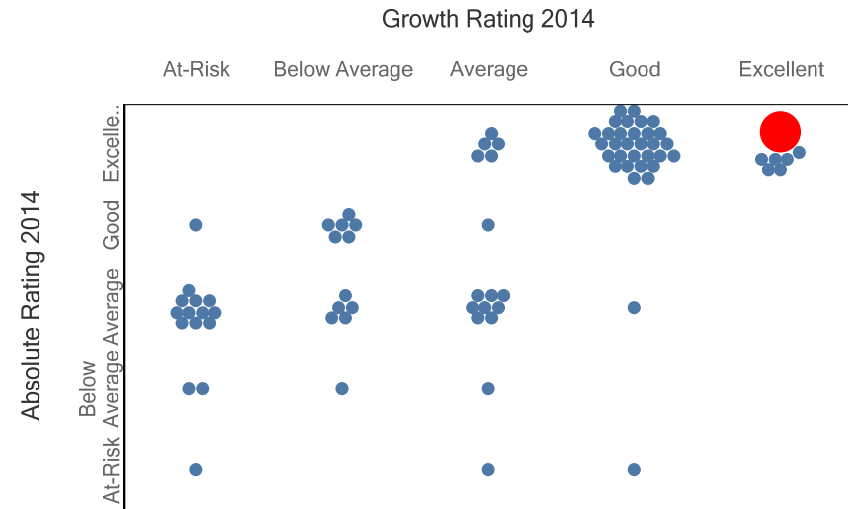
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DISTRICT ADMINISTRATION AND PERFORMANCE GEORGETOWN

Average Daily Membership^[2]



Student Achievement^[1]



General Info

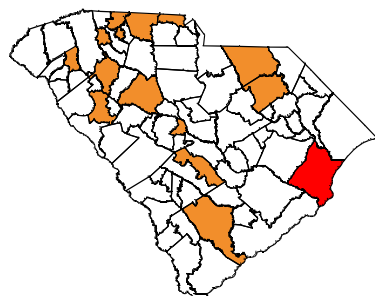
| | |
|--|----------|
| Number of Schools ^[2] | 19 |
| % Poverty ^[1] | 66.4% |
| % Disability ^[1] | 11.3% |
| \$ Per Student ^{[2],[3]} | \$14,315 |
| \$ Per Student Excluding Debt & Capital ^{[2],[3]} | \$11,855 |

Administration

| | |
|--|-------|
| Students Per Instructional Services FTE ^{[2],[4]} | 8.7 |
| Students Per Overhead FTE ^{[2],[4]} | 171.3 |
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| Students to Total FTE ^{[2],[4]} | 6.6 |

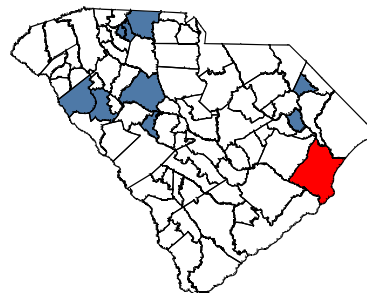
DISTRICT BENCHMARKING GEORGETOWN

Enrollment (5,000 - 10,000)



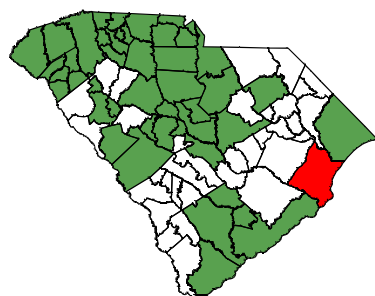
- | | |
|--------------|----------------|
| Anderson 01 | Orangeburg 05 |
| Cherokee | Spartanburg 02 |
| Chesterfield | Spartanburg 05 |
| Colleton | Spartanburg 07 |
| Darlington | York 02 |
| Georgetown | |
| Greenwood 50 | |
| Laurens 55 | |
| Lexington 02 | |
| Newberry | |

Poverty (65% - 70%)



- | | |
|----------------|----------------|
| Abbeville 60 | Spartanburg 07 |
| Cherokee | |
| Dillon 03 | |
| Florence 02 | |
| Georgetown | |
| Greenwood 50 | |
| Lexington 03 | |
| Newberry | |
| Spartanburg 03 | |

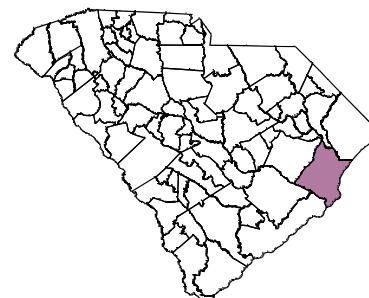
Phase 1 (No)



- | | |
|---------------|-----------------------|
| 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 | |

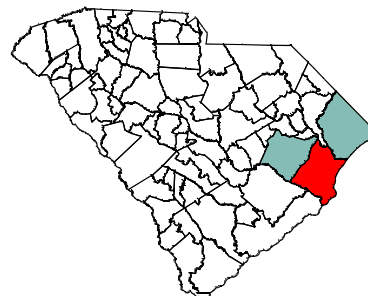
- | |
|---------|
| Sumter |
| Union |
| York 01 |
| York 02 |
| York 03 |
| York 04 |

County (Georgetown)



- | |
|------------|
| Georgetown |
|------------|

Region (Waccamaw)

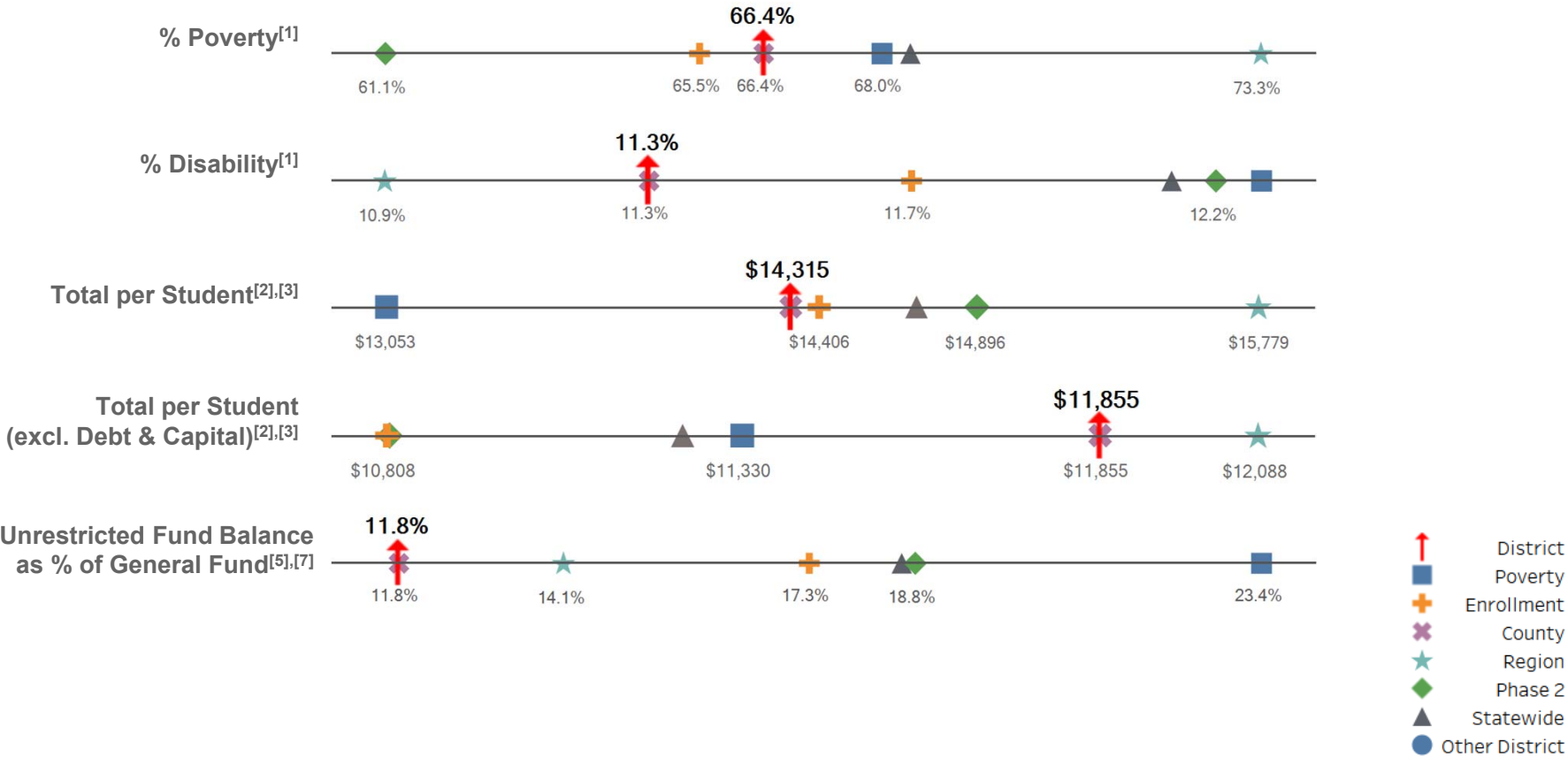


- | |
|--------------|
| Georgetown |
| Horry |
| Williamsburg |

DISTRICT OVERVIEW GEORGETOWN

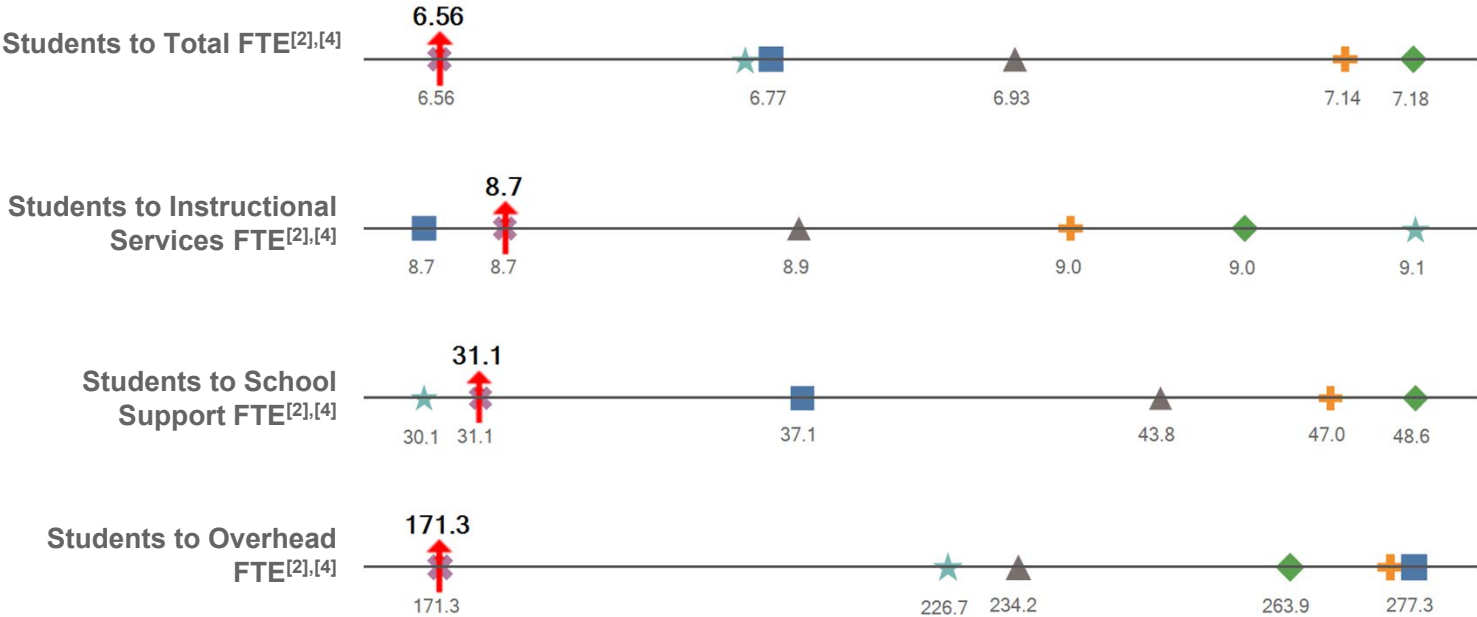
KEY PERFORMANCE INDICATORS: KEY DISTRICT RATIOS

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 GEORGETOWN

KEY PERFORMANCE INDICATORS: KEY STAFFING RATIOS



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

DISTRICT OVERVIEW AND OVERHEAD GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|---|--|---|
| Enrollment Trends | <ul style="list-style-type: none"> • 3-year Enrollment Trend: The District's enrollment has decreased by 142 or 1.5% over the past 3 years. • Student Demographics: The District's level of poverty level of 66.4% is lower than the state, regional and enrollment band averages. The District's disability percentage of 11.3% is lower than statewide and enrollment band averages but on par with the regional average. • Competition: The District has 1 Montessori charter school, but it is viewed as an alternative school rather than a competitor and accounts for less than 2% of students in the District. There are several private school offerings in Georgetown County. • Long-term Planning: The District prepares 2-3 year enrollment projections using formulas from PowerSchool. | |
| District Funding and Resource Allocation | <ul style="list-style-type: none"> • Per Pupil Expenses: When excluding debt and capital, the District has a moderate Per Pupil Expense of \$11,855 relative to the statewide average of \$11,242. • Unrestricted Fund Balance: The District has an Unrestricted Fund Balance that is 11.8% of revenues. The fund balance is below the statewide average of 18.6%, resulting in weak financial stability. • No formal policy regarding an Unrestricted Fund Balance requirement. | <ul style="list-style-type: none"> • The District should set a target Unrestricted Fund balance of 15% and monitor cash flow statements on a weekly basis to increase financial stability. |

DISTRICT OVERVIEW AND OVERHEAD GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|--|--|--|
| District Funding and Resource Allocation (cont'd) | <ul style="list-style-type: none"> • Resource Allocation: The District maintains a resource allocation model with a formula projecting number of teachers and class sizes, but does not maintain a model for central office staffing levels. • Student to FTE: The District's Student to Total FTE of 6.6 is lower than both the statewide average of 6.9 and the average of districts with similar enrollment levels of 7.1. The higher per pupil allotment has allowed the District to make investments in FTEs to provide student services and operate the schools. • Student to Instructional Services FTE: The Student to Instruction ratio of 8.7 is on par with both the statewide average of 8.9 and the average of districts with similar enrollment levels of 9.0. • Student to Overhead FTE: The Student to Overhead Ratio of 171.3 is lower than the average of districts with similar enrollment of 274.8 because of the fixed cost structure required to operate this school district. | <ul style="list-style-type: none"> • Expand on the existing resource allocation practices and leverage key performance indicators to provide reasonable estimates for District Office staff and maintain proper guardrails (both high and low) on growth in central office functions. • Consider reallocation of resources to shift resources toward instructional staff and streamline the Support Services and Overhead functions. • Create a performance based dashboard that integrates academic data into the existing operational reporting structure to better track how execution ties to the strategic planning process. |
| Staffing / Organization | <ul style="list-style-type: none"> • Organization: The Superintendent has 6 direct reports in the district office. The Deputy Superintendent directly oversees all 7 of the Directors for each of the District's departments. • Communications Function: There is no Communications support for the Superintendent's office. The function resides solely with the Superintendent. | |

DISTRICT OVERVIEW AND OVERHEAD GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|---|--|--|
| Staffing / Organization (cont'd) | <ul style="list-style-type: none"> • Data and Accountability Function: The District maintains several data stores for analysis including the ENRICH system for testing and accountability, graduation rates, teacher leave, and principal surveys at the end of the year; however, the District does not maintain a centralized data warehousing function and has not developed a dashboard function for the analysis and presentation of test data for the principals. • The District previously used the SLICE program until it was discontinued by the state. • The District employs a collaborative approach to using data by conducting analysis, meeting with leadership at the schools, and using google to push out the data notebook. • Legal: The District utilizes an in-house legal counsel. • Turnover: The Superintendent has overseen the District for the past 14 years. Prior to that, he served as the Deputy Superintendent for the District for 4 years. | <ul style="list-style-type: none"> • Create a performance based dashboard that integrates academic data into the existing operational reporting structure to better track how execution ties to the strategic planning process. The dashboard should be coordinated with the rollout of the State DOE's longitudinal data tools in the next 1-2 years to effectively expand on the District's analytic capabilities. • 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. |
| Board of Directors | <ul style="list-style-type: none"> • Board Pay: The Board Members of the District are paid \$6,719 annually. The pay is tied to 25% of a first year teacher's salary. • Other: One of the board members is also a member of the South Carolina Board of Directors. • Training: Board members attend introductory and continuing education training through the SCSBA. | |

DISTRICT OVERVIEW AND OVERHEAD GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|---|---|--|
| Philanthropy and Business Engagement | <ul style="list-style-type: none"> • Philanthropy: The District maintains formal partnerships with area philanthropic organizations, non-profit organizations and businesses. The Superintendent has established relationships within all facets of the community for student and District support. • Innovative Programs: The District partners with philanthropic organizations that co-locate in the District office headquarters to provide wellness screening, host a Healthy Learners program, and offer other innovative services for students. • Business and Community Development: While the District does not maintain a dedicated function for business and community development activities, the District has implemented Career And Technology Education (CATE) programs. For the majority of business development activities, the District relies on the principals to develop and maintain business relationships and sponsorships with the local businesses. | <ul style="list-style-type: none"> • The District should establish a Business and Community Engagement function within the district office to further expand and cultivate philanthropic and business relationships that will generate additional funding and support. • The District should consider opportunities to engage in Public Private Partnerships to increase funding to the district, using innovative programs like Cell Tower Leasing programs to further improve the District's financial position. |
| Collaboration | <ul style="list-style-type: none"> • The District does not coordinate with other regional superintendents. • The County and the City pay for a portion of the SRO's for the District. • Career Center: The District does not have a shared career center. • Headcount: The District does not share certain FTEs with area districts. | <ul style="list-style-type: none"> • Consider implementing a regional shared service model that allows for sharing of resources and systems that 1) necessitate specialized skills that are required infrequently or 2) are highly transactional. • Consider shared Chief Development Officer across districts. |



OUTLINE

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

FINANCIAL MANAGEMENT GEORGETOWN

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.

482 : 1

District Students (ADM)^[2]

Financial
FTE^[4]

\$168 per Student

Cost of Total Financial Spend^[3] per Student
(ADM)^[2]

Key statistics for metrics

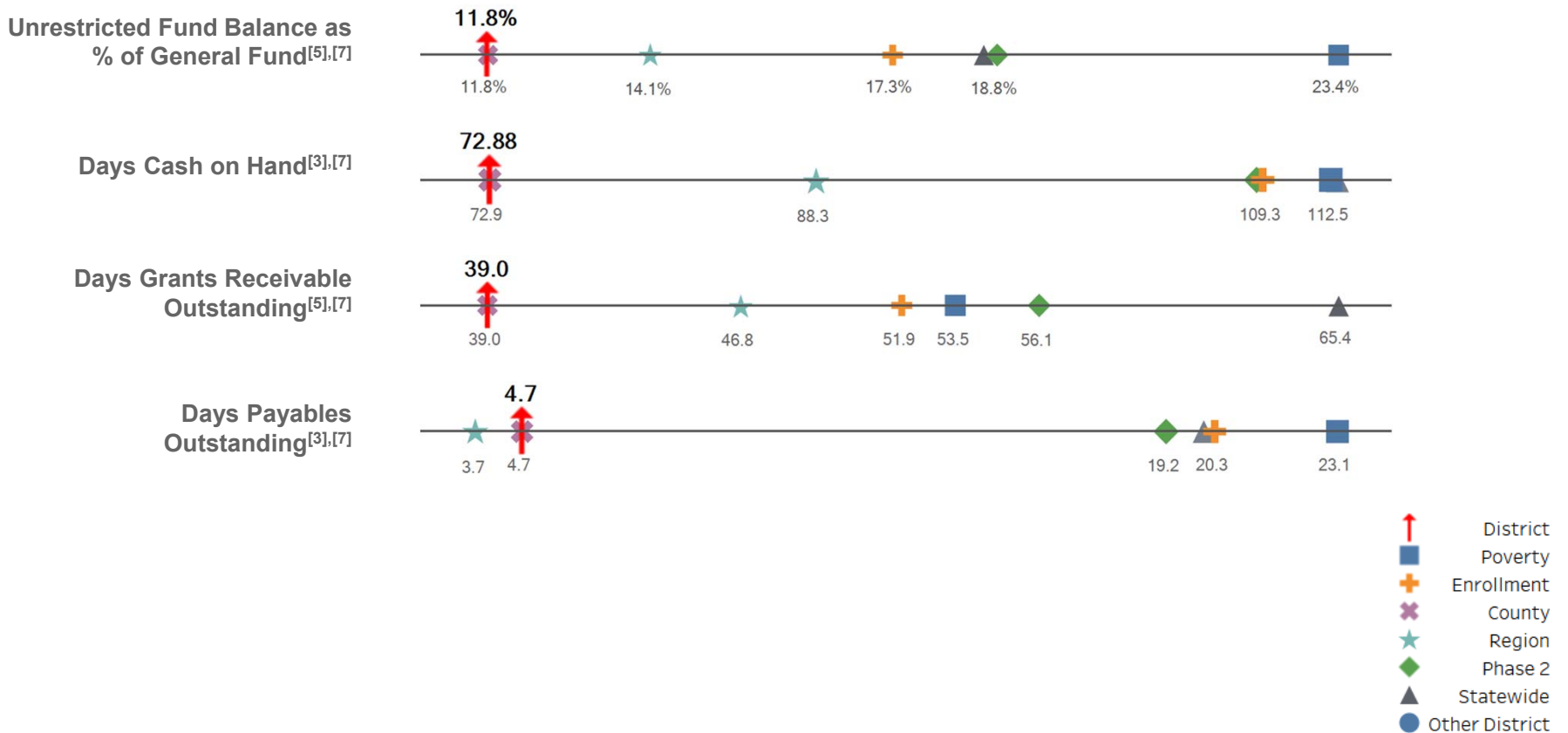
| | |
|--|-------------|
| Financial FTEs ^[4] | 19.0 |
| Personnel Expense ^[3] | \$1,437,364 |
| Non-Personnel Expense ^[3] | \$124,409 |
| Total Financial Expense ^[3] | \$1,561,773 |

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 GEORGETOWN

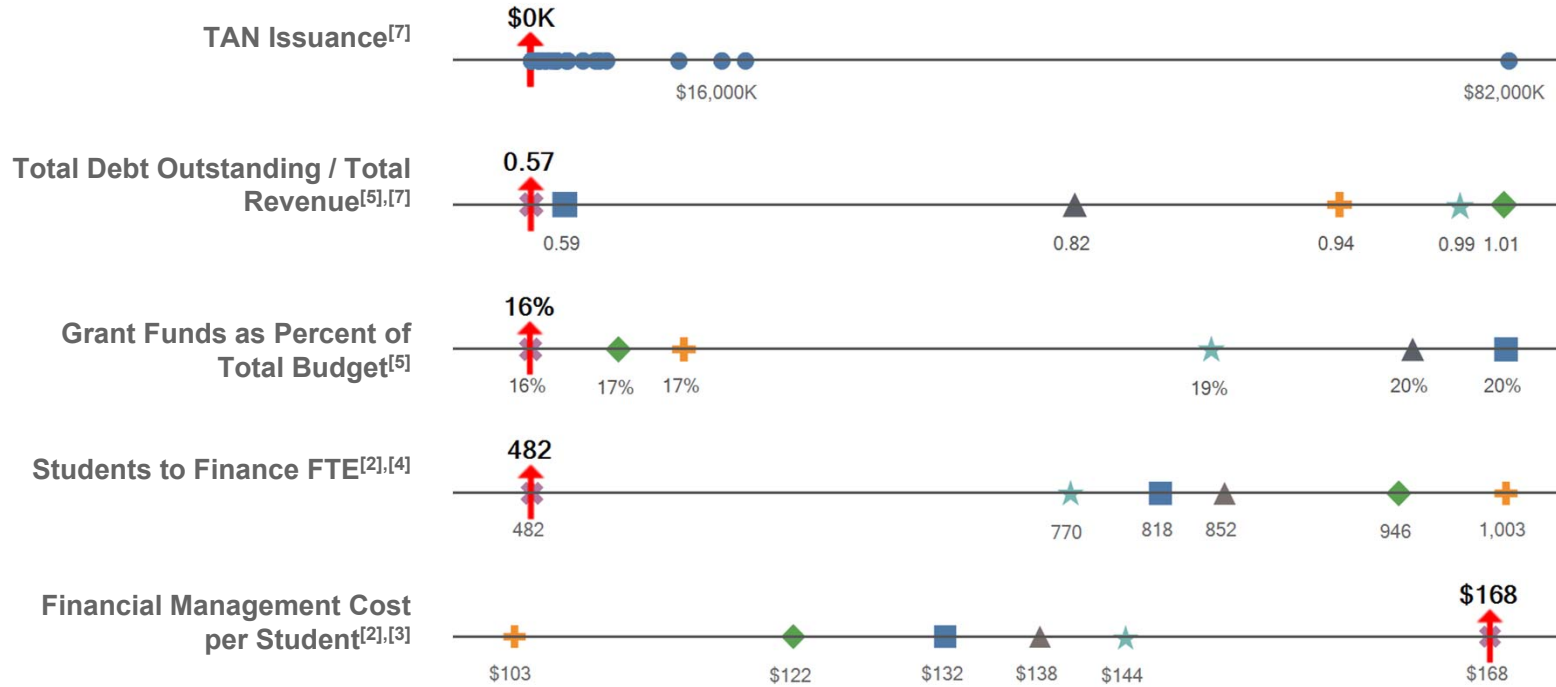
KEY PERFORMANCE INDICATORS: FINANCIAL MANAGEMENT

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 GEORGETOWN

KEY PERFORMANCE INDICATORS: FINANCIAL MANAGEMENT



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

FINANCIAL MANAGEMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-------------------------------------|--|--|
| Staffing / Organization | <ul style="list-style-type: none"> • The Finance organization is adequately staffed to support the scope of its roles and responsibilities over accounting, payroll, accounts payable, budget, and procurement. • Turnover: The department has had the same lead finance directors for past 10+ years. • Finance Cost Per Pupil: The District's Finance Cost Per Pupil of \$168 is higher than both the statewide average of \$138 and the average of districts with similar enrollment levels of \$103. • Students Per Finance FTE: The Student per Finance FTE ratio of 482 is significantly lower than both the statewide average of 852 and the average of districts with similar enrollment levels of 1,003. | <ul style="list-style-type: none"> • After implementation of the ERP system and steps to further automate processes are complete, the District should begin to bring staffing levels in line with peer district benchmarks through attrition. |
| Payroll and Accounts Payable | <ul style="list-style-type: none"> • Payroll: The District currently runs payroll on a semi-monthly basis. • The District is running about 97% of payroll on direct deposit. There are still some hourly employees that receive checks. • The District does not use a self service payroll platform; therefore, employee initiated payroll changes are all processed manually. Paychecks are delivered electronically, except for the first check. • Timekeeping: Time tracking is currently managed via manual processes and entered into the payroll system by the finance department. | <ul style="list-style-type: none"> • Require all employees to receive payroll via direct deposit. In addition, eliminate the physical mailing of check stubs to employees and leverage employee self-service functionality available within the Harris SmartFusion system. • 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. |

FINANCIAL MANAGEMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-------------------------------------|---|---|
| Payroll and Accounts Payable | <ul style="list-style-type: none"> • Purchasing: The District uses Harris CSI Accounting Plus for finance, budget preparation, payroll, benefits, accounts payable, and has a fixed asset management system called Innovae on an old “green screen” AS400. The District uses an older version of the Harris ERP product line. The system is not integrated with other systems used by the District, requiring dual data entry and several steps to conduct research into past purchase orders, pricing, and other relevant factors. • Purchase Orders processing is done 100% manually with the CSI system, and the District uses Meals Plus for POs in the cafeteria. • The District uses a centralized purchase order system with Docufill as a workflow approval process from requisition to payment. Manual entry is required at the point of payment. Matching of invoices to PO's is handled at the school level and remains a manual process. • The District utilizes a P-card program with 110+ cards and a \$3 million threshold to maximize rebates. The District spent \$2.5 million last year on P-cards, which qualified it for lower rebate levels, but the District did not meet the spend threshold in order to maximize rebate potential in FY15-16. • The current P-card vendor does not interact with the Harris Accounting Plus system, causing manual processes to upload vendor reports files to the accounting system. | <ul style="list-style-type: none"> • Implement policies that require the 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. • Implement standard policies and procedures around managing physical inventory and ensure that the District Finance organization is part of the overall process. • Find ways to increase P-card utilization for expenses in areas such as utilities, etc., in order to maximize rebate potential to the full 1.5% of spend. |

FINANCIAL MANAGEMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|---|--|---|
| Payroll and Accounts Payable(cont'd) | <ul style="list-style-type: none"> • The District does not require requisitions or purchase orders for use of the P-card but funds are not encumbered until payment is made. • Inventory: The District does not currently conduct centralized inventory management. Inventory is managed directly by schools and cross referenced against inventory listings maintained by the technology department. • The District uses bar code technology for asset tracking of technology, which is tracked through the fixed asset module in the system. • The District conducts inventory reviews annually, through a manual process. • The District does not track inventory of furniture or textbooks. • The District maintains a warehouse, and the value of the inventory in the warehouse is \$1,500. Most of the inventory is at the end of life awaiting disposition of surplus assets. • Risk Management: The District has implemented formal risk management policies due to their close location to the coast. | <ul style="list-style-type: none"> • 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; (d) insurance policy review and negotiation. |

FINANCIAL MANAGEMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|--------------------------|---|---|
| Grants Management | <ul style="list-style-type: none"> • Grants Revenue %: Grant funds provide 16% of revenue for the District, making them less reliant on grant funds relative to the statewide average of 20%. • Federal Funds: Grant 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. • Indirect Costs: The District charges indirect costs against federal grants at the state negotiated rate. • Grants Monitoring: Review of expenditures against grant requirements is conducted by the grants coordinator with finance responsible for limited review and collection of the funds. • Monthly report to the state or federal government for claiming. • There is a staff grant accountant dedicated to grant recording and reimbursement. • Other: The District does not follow a strategic process for identifying grants, relying on site based staff to identify and pursue possible grant writing opportunities, which must be approved by the CFO or Superintendent after review of the Maintenance of Effort for the proposed grant. | <ul style="list-style-type: none"> • Require finance to provide a secondary review process before paying for grant funded activities or submitting claims for reimbursement on grants. • Consider hiring a grant writer that can be shared with other nearby districts to help drive applications for competitive grant opportunities. • Create improved grants tracking reports that compare award amount, budget, YTD and cumulative expenditures, and outstanding receivable balances for each grant. • The District should develop a strategic process to search out and review potential grant opportunities at the federal and state level or through private foundations and raise awareness with the site based staff of the potential opportunities. |

FINANCIAL MANAGEMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|--------------------------|--|--|
| Internal Controls | <ul style="list-style-type: none"> • Financial Statements Audit: The District was not found to have material weaknesses in its latest audited financial statements. • Position Control: The District does not have position control in the existing ERP system. Lack of position control can lead to over-hiring / spending and ultimately to an unanticipated deficit. | <ul style="list-style-type: none"> • Implement annual review of processes to ensure segregation of duties over key areas of internal control. • Implement processes to ensure that identified internal control weaknesses are mitigated. • Implement budget position control to ensure controls around hiring of individuals. |
| Cash Management | <ul style="list-style-type: none"> • Days Cash on Hand: The District has a weak cash balance of 72.9 days relative to the statewide average of 113 days. • The District performs quarterly cash flow forecasting process. • The District monitors cash flows most closely during November to inform potential need for a TAN issuance. • Grants Receivable Outstanding: The District has a Days Grants Receivable Outstanding of 39.0 which is good relative to both the statewide average of 65.4 and the average of districts with similar poverty levels of 53.5. The District submits grant reimbursements monthly. • Days Payable Outstanding: The District's Days Payables Outstanding of 4.7 is good relative to the state average of 20.1. | <ul style="list-style-type: none"> • Implement cash flow forecast to monitor weekly receipts and disbursements to help maximize investments earnings and minimize draw on TANs. • 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. • Leverage SCAGBO to assist with issuance of TAN and other bond offerings. |

FINANCIAL MANAGEMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|---------------------------------|--|--|
| Cash Management (cont'd) | <ul style="list-style-type: none"> • Cash: The District invests cash balances in State local investment pool. • Debt: The Debt to Revenue ratio of 0.57 is low relative to the state average of 0.82. • The District does not utilize SCAGO to assist with bond issuance efforts. • TAN: The District did not issue TANs this past year to assist with liquidity needs during cash low points. | |
| Budget | <ul style="list-style-type: none"> • Budget Planning: The annual budget process is done through a hybrid approach with the roll-forward of fixed expenses, incremental budgeting for raises or step increases, and zero-based budgeting for several of the programming initiatives. A 45-day average daily membership is recorded at the beginning of the year and used as the basis for resource allocation. • The budget planning process is not directly linked to the strategic plan. • There is no resource allocation model for the central office in order to control headcount growth and to run on a lean model across all central office functions. • Fiscal Monitoring: The District produces budget to actual variance reports monthly, performs regular variance analysis and meets with key department heads to review expenses. | <ul style="list-style-type: none"> • Prepare zero-based and / or performance based budget annually to ensure resources are aligned with strategic priorities and expenses are anticipated and planned for. • Prepare monthly financial reports and variance analysis. Reports should be shared with District leadership and each department head on monthly basis. • The District should create a resource allocation model and practices and leverage key performance indicators to estimate reasonable growth requests in the schools and with District Office staff. |

FINANCIAL MANAGEMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-------------------------------|---|---|
| Technology | <ul style="list-style-type: none"> • ERP: The District uses the Harris CSI accounting software system for general accounting, payroll and accounts payable; however, the processes remain manual for time-keeping, payroll, and invoice approval. The District also uses SchoolDude for requisitions and maintenance. • The District leverages SoftDocs for procurement and automated workflow approval of requisitions. It also uses Harris CSI to facilitate employee self service for payroll matters. It is currently using manual processes for time-keeping. • The District uses SCBoss for unemployment claims, PEBA for benefits, and Oragami for Workers Comp (SCSBITS). • The District recently purchased the SunGard eFinance system and is beginning the process for implementation of a new ERP system with increased and modern functionality. Sungard was selected due to the integration with Powerschool. | <ul style="list-style-type: none"> • The District should invest in the implementation of the new ERP system to ensure that the project is properly resourced and that the initiative stays on schedule to deliver enhanced functionality that provides automated workflow and approval of purchase orders and automated time tracking that links directly with the payroll system. • Complete the process of selecting a provider for a new ERP system, begin implementation, and plan for full implementation by the beginning of FY18-19. |
| Regional Collaboration | <ul style="list-style-type: none"> • The District does not coordinate with others in the region on any transaction processing or finance related activities. | <ul style="list-style-type: none"> • 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). |



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HUMAN RESOURCES GEORGETOWN

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.

964 : 1

District Students (ADM)^[2]

Human
Resources
FTE^[4]

\$95 per Student

Cost of all HR personnel^[3] per Student (ADM)^[2]

Key statistics for metrics

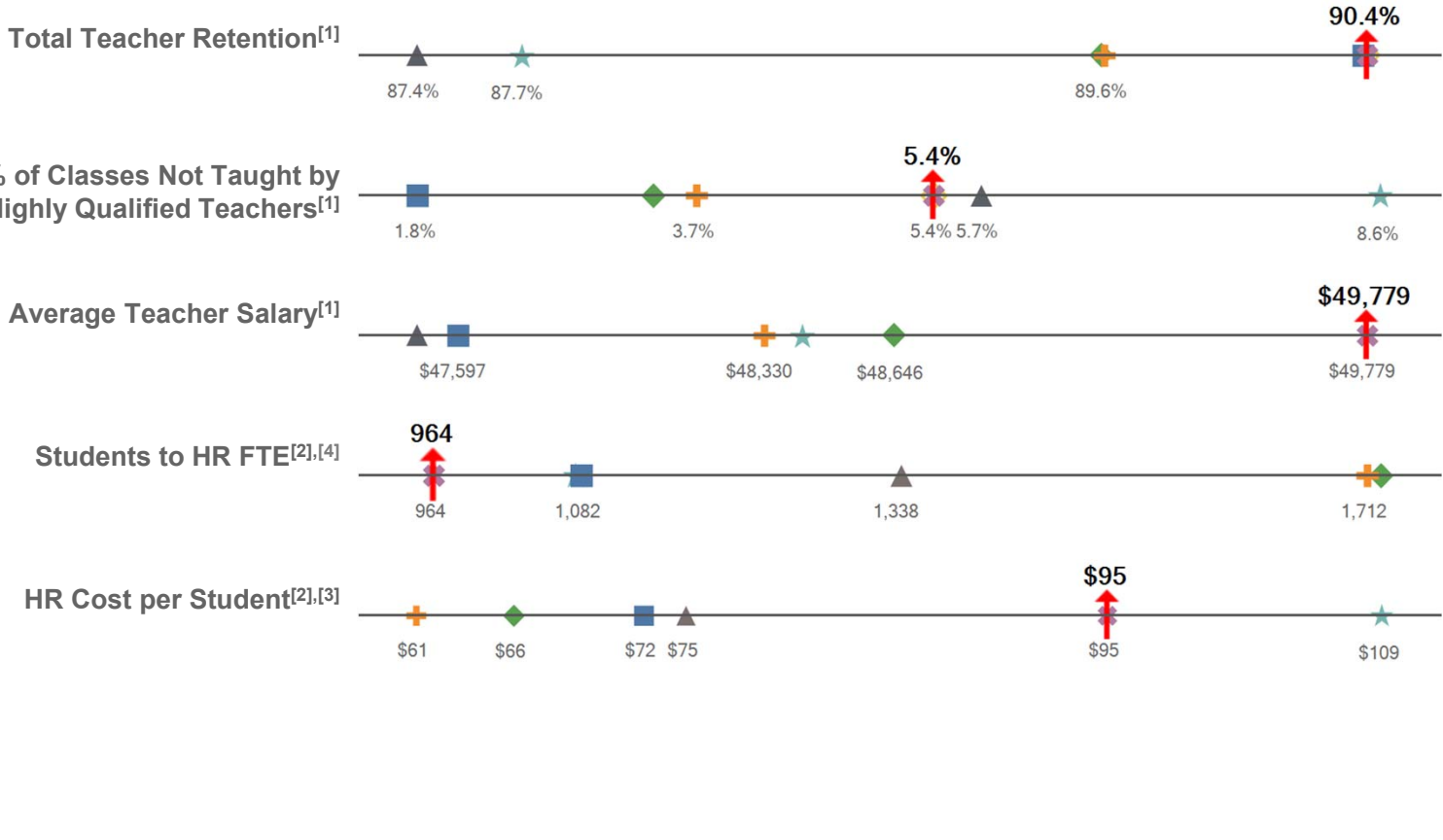
| | |
|--|-----------|
| Human Resources FTEs ^[4] | 9.5 |
| Personnel Expense ^[3] | \$823,939 |
| Non-Personnel Expense ^[3] | \$62,505 |
| Total Human Resources Expense ^[3] | \$886,444 |

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 GEORGETOWN

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 GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| Staffing / Organization | Observations | Recommendations |
|-------------------------|---|---|
| Staffing / Organization | <ul style="list-style-type: none"> • The Human Resources function is adequately staffed with the positions required to support recruiting, retention, personnel relations and benefits. • Human Resources Cost Per Pupil: The HR Department's per pupil of \$95 is very high relative to districts with similar levels of enrollment average of \$61 and the statewide average of \$75. • Student per Human Resources FTE: The District's Student per HR FTE ratio of 964 is lower than the statewide average of 1,338 and the enrollment band average of 1,712. • FTE Per Human Resources FTE: The FTE per Human Resources FTE ratio of 147 is lower than the state average due to the inclusion of ADEPT program staff and a part time support from the receptionist coded as a full FTE. As a result, the FTE for the department are reflected as 9.5 FTE versus 7 FTE. • Department handles cross training of individuals. When turnover or a change in position occurs, or a new responsibility is taken on by a department, the department works to ensure that individuals are provided with training on systems and processes and cross-trains individuals to be able to do multiple functions. • The District has several programs to groom future leaders including the Aspiring Assistant Principals Program, Principal Induction Program, and Administrators Academy. • The District recently focused on an attrition initiative to foster advancement in roles for employees and cultivate cross department understanding. | <ul style="list-style-type: none"> • After implementation of the ERP system and steps to automate processes are complete, the District should begin to bring staffing levels in line with peer district benchmarks through reallocation of staff toward instruction and through attrition. |

HUMAN RESOURCES GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| Recruiting and Retention | Observations | Recommendations |
|--------------------------|--|--|
| Recruiting and Retention | <ul style="list-style-type: none"> • The District struggles with minority recruiting but does not struggle as much with recruiting in general relative to the other districts due to the desirable location, high number of retired teachers living locally, and the relatively flat growth. The District has 20 working retirees and has consistently been able to fill all vacancies prior to the start of the school year. • The District has also invested in smaller class sizes by transitioning toward early childhood ratios of 15:1 and has sought to create opportunities for advancement within the District, which contributes to the attractiveness of the jobs. The District benefits from retirees from up north who relocate to the District and take jobs and, therefore, does not require significant incentives to increase recruiting and retention. The District used to maintain a tuition reimbursement program. They currently provide certifications free of charge and partner with Rosemont Oaks for housing incentives through a Memorandum of Understanding (MOU). • The District currently employs 9 international teachers and leverages 2 agencies (FACES and EPI) to provide these positions. Many of the positions staffed through the agency are in areas of specialty or high-need, such as foreign language and special education. • The District has 60 teachers enrolled in the TERI program. • The District has a retention rate of 90.4% and is working to increase retention of millennials. • The average teacher salary of \$49,779 is above the statewide average and the similar enrollment average of \$48,330. | <ul style="list-style-type: none"> • Consider implementation of incentive programs to recruit and retain teachers that could include: (a) expanded housing incentives; (b) reinstating tuition reimbursement; (c) providing innovative professional development programs. |

HUMAN RESOURCES GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-------------------|--|--|
| Technology | <ul style="list-style-type: none"> The District does not leverage technology support systems for recruiting or application processing. ERP: The District uses an older version of the Harris CSI Accounting Plus program for employee applications, benefits, and time and attendance. The District has employee self service, but data is required to be manually entering into Accounting Plus, and employee Reimbursements are entered through the bookkeeper at the school. The District leverages Frontline’s AESOP absence management system in conjunction with Kelly services, but absences are manually entered by bookkeepers at the schools, as there is no employee self service for absence management. The District also uses Docufield and Docuscan for personnel items, School Insights for online posting, and CERRA to post positions. The District does not use AppliTrack due to CERRA. | <ul style="list-style-type: none"> Implement technology to help enhance and automate recruiting and on-boarding processes that are currently manual. Implement an automated time tracking system that can interface directly with the payroll system. Capitalize on functionality provided by Frontline technology to fully automate the application to onboarding process. |

HUMAN RESOURCES GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|----------------------|---|--|
| Benefits | <ul style="list-style-type: none"> The District has a Benefits Assistant fully dedicated to the benefits administration process. | <ul style="list-style-type: none"> 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 Establish a process with PEBA to conduct a local review of benefit plans for ineligible dependents. |
| Collaboration | <ul style="list-style-type: none"> The department participates in the SCASA personnel working group by attending semi-annual meetings, round tables, and leveraging the interactive network to solve issues, provide support, and answer questions. The District maintains partnerships with the College of Charleston, Citadel, Charleston Southern, Central Carolina University (CCU), and Francis Marion for recruiting. The District does not collaborate with other nearby school districts on recruiting, human resource system licenses, or arrangements with international or local staffing agencies. | <ul style="list-style-type: none"> 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"> - Benefits Coordination - Human Resources System Licenses (Frontline) - H1B Process for International Teachers |



OUTLINE

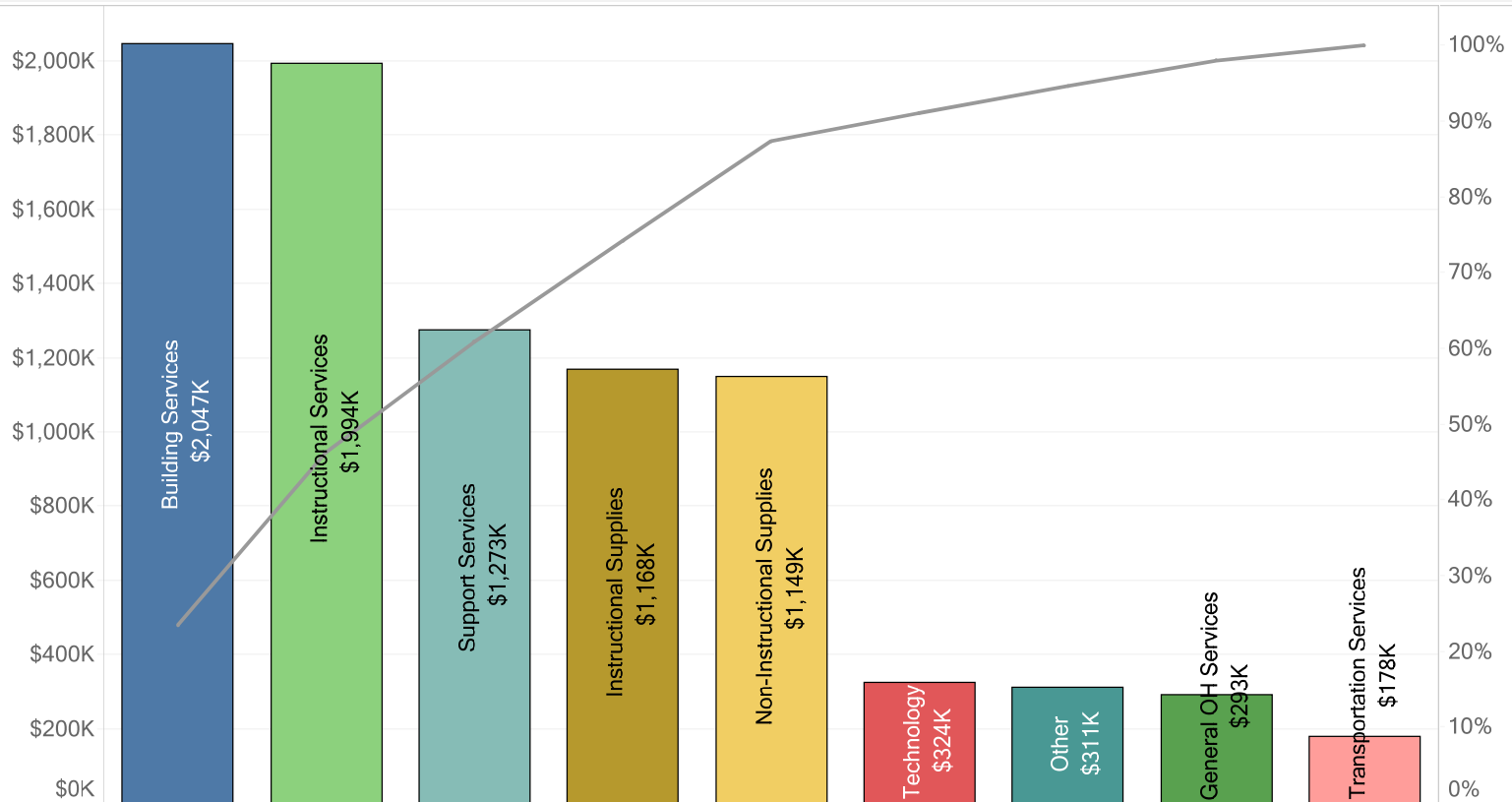
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PROCUREMENT GEORGETOWN

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^[3] = \$8,735,175

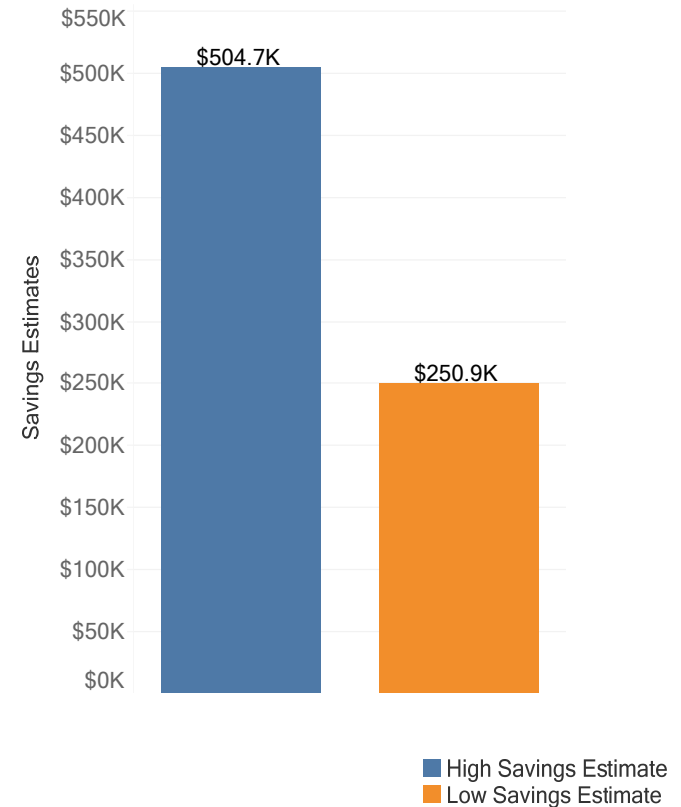


PROCUREMENT GEORGETOWN

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 ^[8] | | |
|--|------|------|
| | 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 GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|--------------------------------|---|---|
| Organization / Staffing | <ul style="list-style-type: none"> The District has 4 resources focused directly on procurement and is able to rely on these resources to maximize purchasing activities. | <ul style="list-style-type: none"> After implementation of the ERP system and steps to automate processes are complete, the District should begin to bring staffing levels in line with peer district benchmarks through reallocation of staff toward instruction and through attrition. |
| Spending by Vendor | <ul style="list-style-type: none"> Spending is fragmented across more than 1,500 vendors; however, the top 85 make up more than 80% of total spending. Spending efforts are made based upon the individual buyer, with local optimization as the main priority. Aggregated purchasing decisions across districts are not made. Supplier relationship management consists of checks to ensure that the supplier has not been debarred by the state. The District does not conduct vendor fairs, choosing to attend SCAGPO conferences instead. The District periodically conducts analysis of the district spend to identify savings opportunities (e.g., the district reviewed cost per copy for printers last year to drive \$400,000 in savings over five years). | <ul style="list-style-type: none"> 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. Perform annual review of vendor performance (on time, complete, quality) to assess opportunities to reduce or eliminate non-value add services. 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. Standardize time frames for major recurring purchases (instructional software, hardware, etc.) to capitalize on bulk ordering discounts. |

PROCUREMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-----------------------------|--------------|---|
| Spending by Vendor (cont'd) | | <ul style="list-style-type: none">• 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.• Where appropriate, include Most Favored Nation (MFN) clauses into contracts that require the vendor to provide the District pricing that is no higher than the price it provides to any other buyer, now or during the term of the agreement.• The District should work with the state procurement officials to promote the value of cooperative purchasing and advertise opportunities through SCBO. Ultimately, the state legislature will need to consider revisions to the code to enable use of this type of collaboration. |

PROCUREMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-----------------------------|---|---|
| Spending by Category | <ul style="list-style-type: none"> • Building and Maintenance: The district primarily focuses on use of local vendors for MRO services. • Food Services: The District collaborates with other districts for the purchase of all food services. • Energy: The District does not fix rates for natural gas contracts. • Instructional Support Services and Supplies - Procurement Exemptions: The District does not require procurement of instructional support software to be placed out to bid. • The District does not procure instructional services or software in collaboration with any other districts. • The District currently relies on one vendor for international staffing services. • Technology – Standardization: The District is expanding its 1:1 initiative and is leveraging a state contract with a Dell. • The District does not coordinate technology purchases with other nearby districts. • Non-instructional Supplies - Contracting Vehicles: The District purchases the majority of its non-instructional supplies through available state contracting vehicles. | <ul style="list-style-type: none"> • Coordinate purchasing of facilities services such as HVAC, electrical and plumbers with surrounding districts to maximize the potential for volume discounts. • Consider establishing fixed rate contract for natural gas. • 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. • Coordinate purchasing of instructional services with surrounding districts to maximize the potential for volume discounts. • Standardization of Technology: 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. Sized across a geographic region. • 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. |

PROCUREMENT GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-------------------------------|--|--|
| Regional Collaboration | <ul style="list-style-type: none"> The District is part of the SC School District Procurement Group and with SCAGPO and regularly opts into procurements with other District's. The District also participates in buying alliances such as the JTPA but does not participate in a regional cooperative purchasing. | <ul style="list-style-type: none"> 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. 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"> - Technology - Instructional Software and Services - Instructional Staffing - Supplies 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. |



OUTLINE

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

TRANSPORTATION GEORGETOWN

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

TRANSPORTATION GEORGETOWN

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.

14 Years

Avg. Age of State Provided Bus Fleet^[9]

\$240 per Student

Cost of District incurred transportation related expenses. State related expenses are excluded ^{[2],[3]}

Key statistics for metrics

| | |
|---|-------------|
| Transportation FTEs ^[4] | 60.2 |
| Personnel Expense ^[3] | \$2,033,706 |
| Non-Personnel Expense ^[3] | \$196,205 |
| Total Transportation Expense ^[3] | \$2,229,911 |

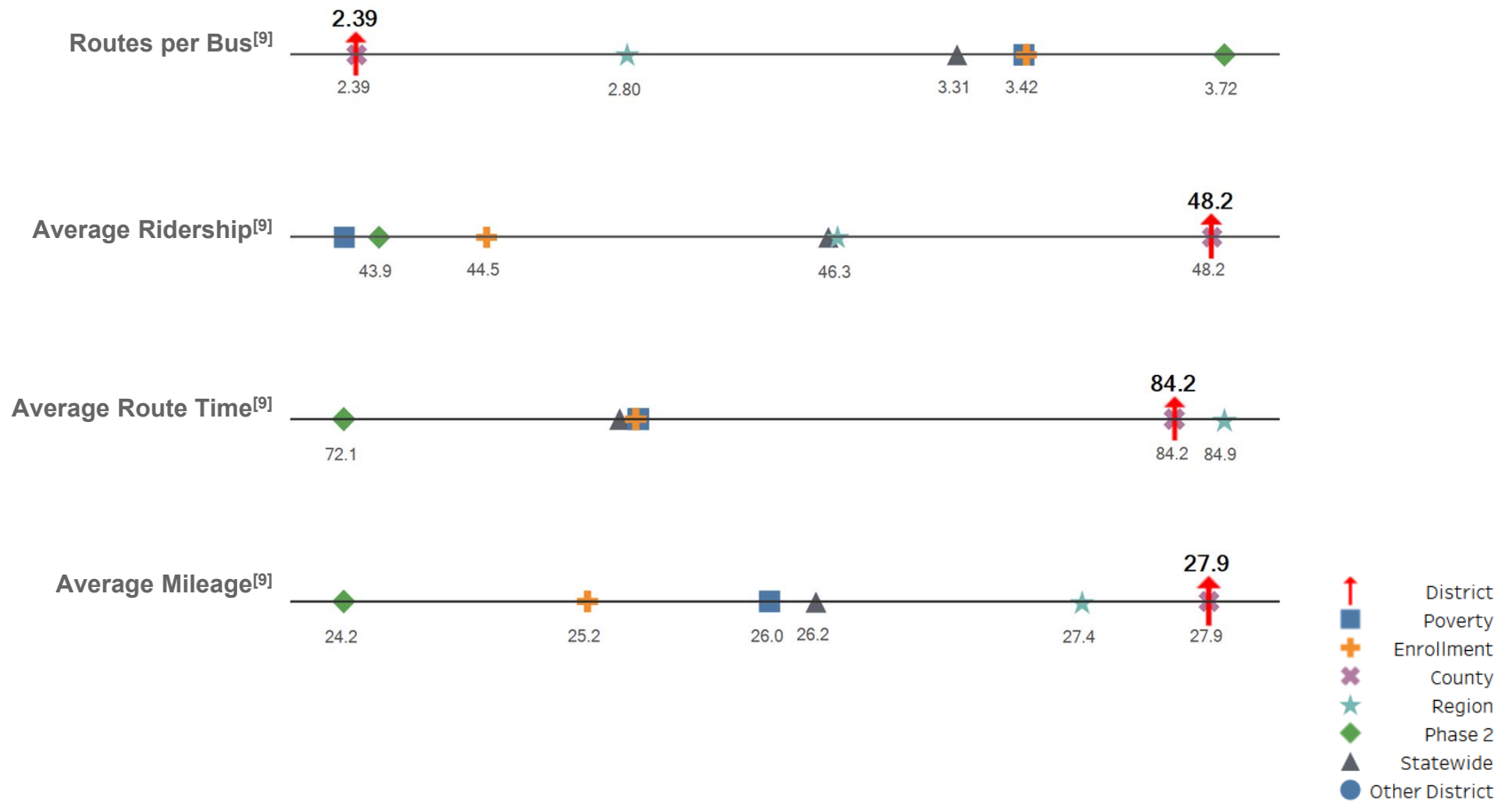
NOTE: FTEs reflected in table above may not reflect dually employed bus drivers.

| Key statistics for State Routes | # Buses ^[9] | # Routes ^[9] | Routes per Bus ^[9] | Ridership ^[9] | Avg Ridership ^[9] | Avg Route Time (including dead time) ^[9] | Avg Mileage per Bus ^[9] |
|---------------------------------|------------------------|-------------------------|-------------------------------|--------------------------|------------------------------|---|------------------------------------|
| Regular | 62.0 | 148 | 2.4 | 7,136 | 48 | 84 | 28 |
| Special Needs | 11.3 | 26 | 2.3 | 353 | 14 | Not-Available | 55 |
| Other | 8.7 | 28 | 3.2 | 1,249 | 45 | Not-Available | 11 |
| Total | 82.0 | 202 | 2.5 | 8,738 | N/A | N/A | N/A |

TRANSPORTATION GEORGETOWN

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 GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| Staffing / Organization | Observations | Recommendations |
|-------------------------|--|---|
| Staffing / Organization | <ul style="list-style-type: none"> • The District has a difficult time recruiting bus drivers and currently has 11 vacancies. • The Bus driver attendance rate is about 99%, which is extremely high relative to other districts in the state. • The District has a pool of 4 substitute bus drivers who are typically utilized every day. • 16 Bus Drivers are dually employed as food workers or administrative staff to offer full employment opportunities at the District. • The District runs 3 buses in the morning and afternoon to provide transportation to school choice children. • The District runs staggered bus routes and bell times but could stagger bell times further to maximize route efficiencies. • Bus drivers are currently paid a starting rate of \$12.75, approximately \$5 above state reimbursement levels • Transportation is run by a Transportation Director and Manager. • The District has four routing coordinators who manually track and plan routes for each subsection within the county. | <ul style="list-style-type: none"> • Use an automated calling system to fill needed driver substitute vacancies. |

TRANSPORTATION GEORGETOWN

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

| | Observations | Recommendations |
|-----------------------------------|--|---|
| Routing and Bus Management | <ul style="list-style-type: none"> • The District does not utilize routing software. • The District does have GPS capability on state buses, but all data from it goes to the state and is not in real time. • The District provides radios to drivers to contact drivers while on routes. • The District has security cameras on all buses. • The District does not have stop-arm cameras on buses. • Activity Buses: The District does not use the State fuel for activity buses. | <ul style="list-style-type: none"> • Implementation of further staggered bell times will 1) reduce the number of drivers needed, 2) eliminate the need for double bus runs, 3) reduce the number of buses needed, 4) allow students to ride with peers of their own age, and 5) shorten ride times for students. • Implement routing software to ensure most efficient routes. • Install GPS on buses to monitor bus routes and ensure most efficient route. • Install stop-arm cameras to assess tickets to drivers passing buses. |
| Collaboration | <ul style="list-style-type: none"> • The District does not collaborate with surrounding districts for any transportation services. • The District contracts with the state for maintenance of activity buses. • Bus Managers on the state board of directors for pupil transportation. | <ul style="list-style-type: none"> • Consider partnering with districts that are also transporting children to other out of district placements. |

APPENDIX A: SAVINGS METHODOLOGY



APPENDIX A: SAVINGS METHODOLOGY GEORGETOWN

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.

APPENDIX A: SAVINGS METHODOLOGY

GEORGETOWN

APPROACH TO SAVINGS: OTHER CONSIDERATIONS

➤ **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.

APPENDIX A: SAVINGS METHODOLOGY GEORGETOWN

SAVINGS ANALYSIS BY FUNCTIONAL COMPONENT

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.

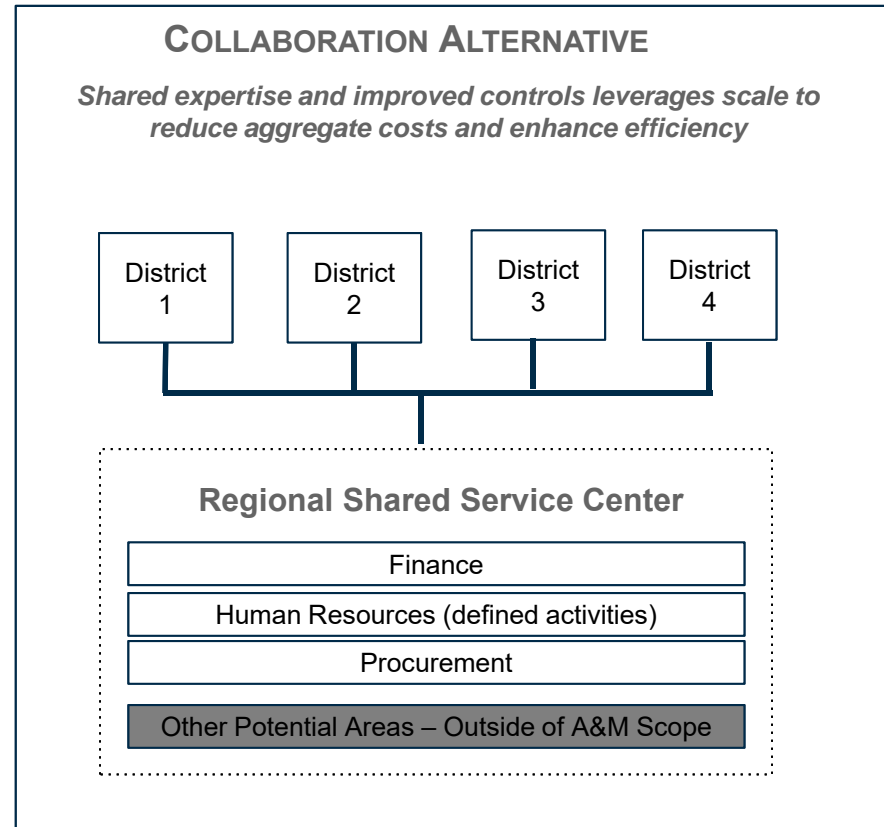
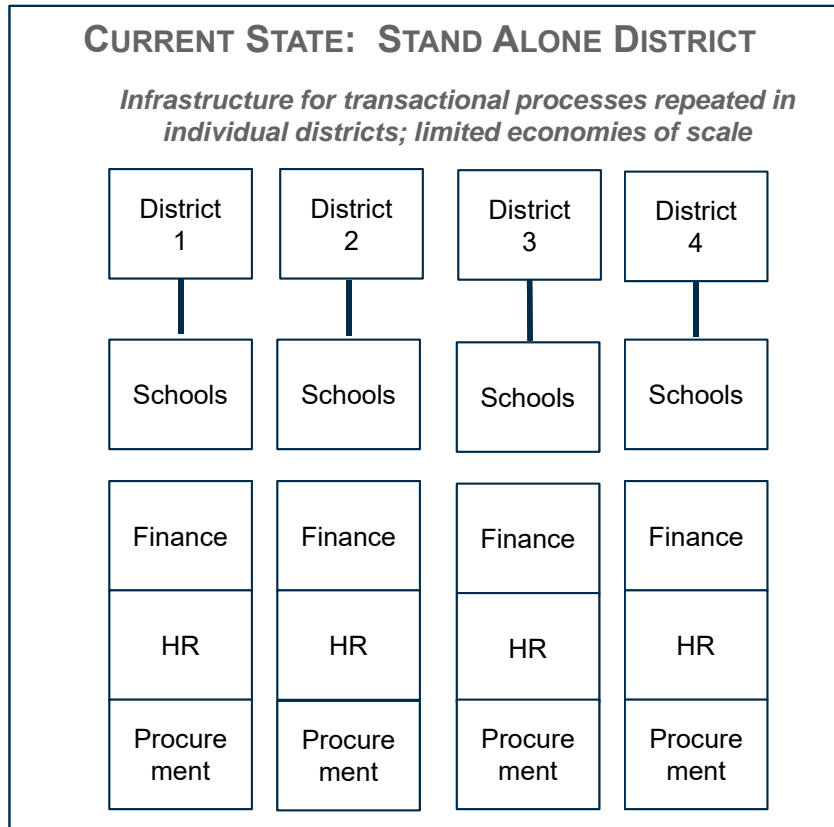
ORGANIZATION

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.

APPENDIX A: SAVINGS METHODOLOGY GEORGETOWN

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 GEORGETOWN

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 ⁽¹⁾ | 4.75 | 4.00 | 0.75 |
| Total Spend ⁽¹⁾ | \$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 ⁽²⁾ | 18.9 | 13.0 | 6.0 |
| Total Spend ⁽²⁾ | \$2,409,840 | \$1,684,478 | \$725,326 |
| Savings % | | | 30.1% |

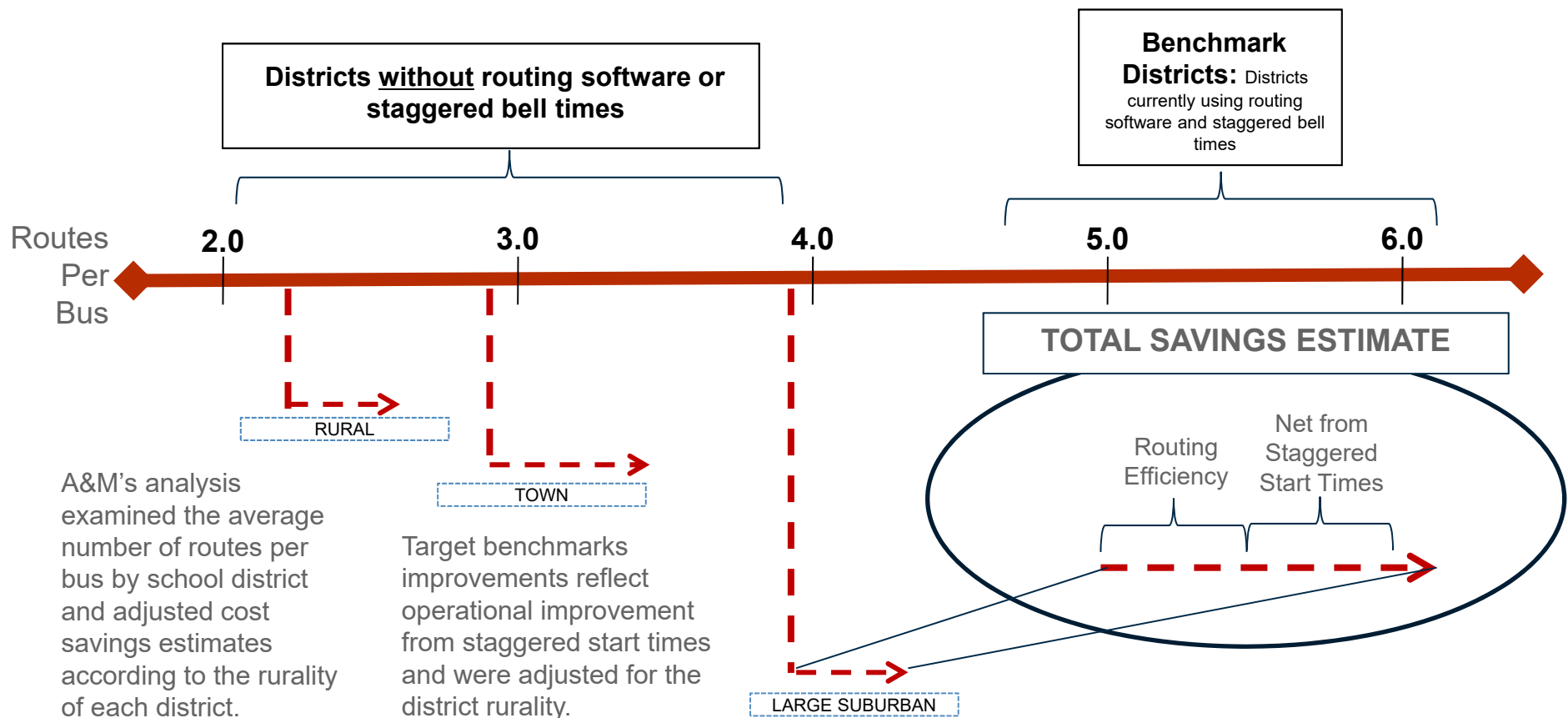
(2) Total FTEs and Total Spend based upon average FTEs and average spend of one large district (>10,000 ADM), one medium district (between 5,000 and 10,000 ADM) and 3 small districts (less than 2,500 enrollment).

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%.

APPENDIX A: SAVINGS METHODOLOGY GEORGETOWN

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 GEORGETOWN

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.

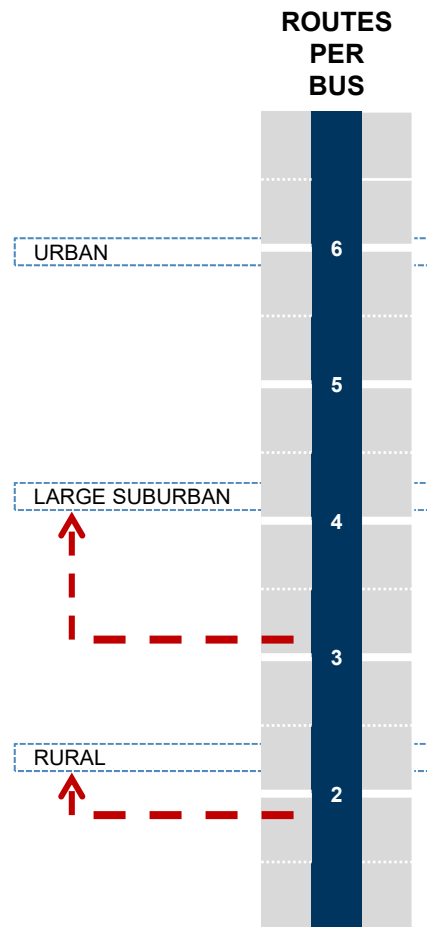
APPENDIX A: SAVINGS METHODOLOGY GEORGETOWN

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 |
|------------------------|--------|-----------|------------------|------------------|
| DRIVERS | 2.0 | \$ 19,390 | \$ 23,133 | \$ 15,647 |
| FUEL | - | \$ 0.15 | \$ - | \$ - |
| MAINTENANCE | 2.0 | \$ 4,138 | \$ - | \$ 8,276 |
| BUSES (COST AVOIDANCE) | - | \$ 60,000 | \$ - | \$ - |
| TOTAL | | | \$ 23,133 | \$ 23,923 |

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

APPENDIX A: SAVINGS METHODOLOGY GEORGETOWN

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 GEORGETOWN

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

GEORGETOWN

[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 GEORGETOWN

Sources [2],[3]

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

Sources [2],[4]

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

APPENDIX B: FORMULAS DEFINED GEORGETOWN

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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