A & M

ALVAREZ & MARSAL

SOUTH CAROLINA DEPARTMENT OF EDUCATION
SCHOOL DISTRICT EFFICIENCY REVIEW

Lexington 01

District Report

6/16/2017

OUTLINE

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.

- 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 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.

PROJECT OVERVIEW (CONTINUED)

- A&M's review focused on identifying opportunities across the operational areas noted above that would yield:

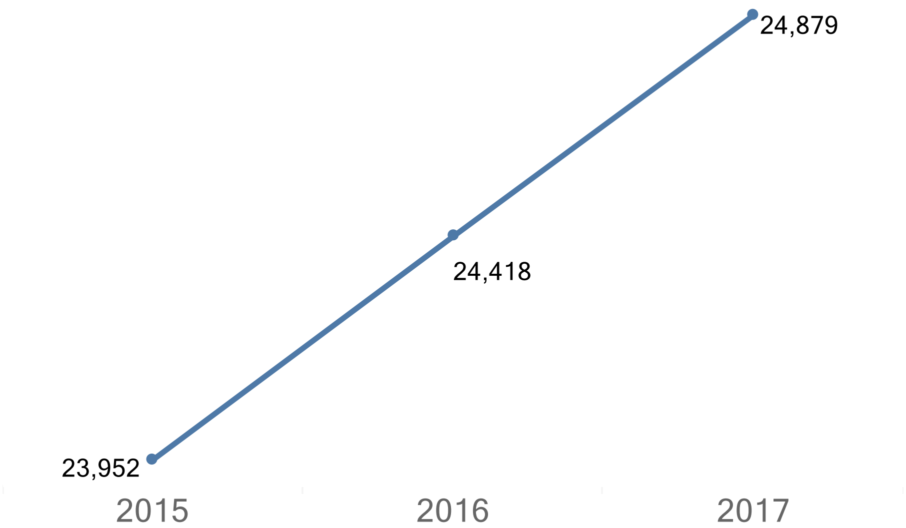
1. **Increased Effectiveness and Efficiency**
   - Improved processes that would enable increased levels of service to the District's students and teachers and enhance financial controls and financial stewardship of the District's funds and assets.
   - A&M considered potential opportunities that could 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.

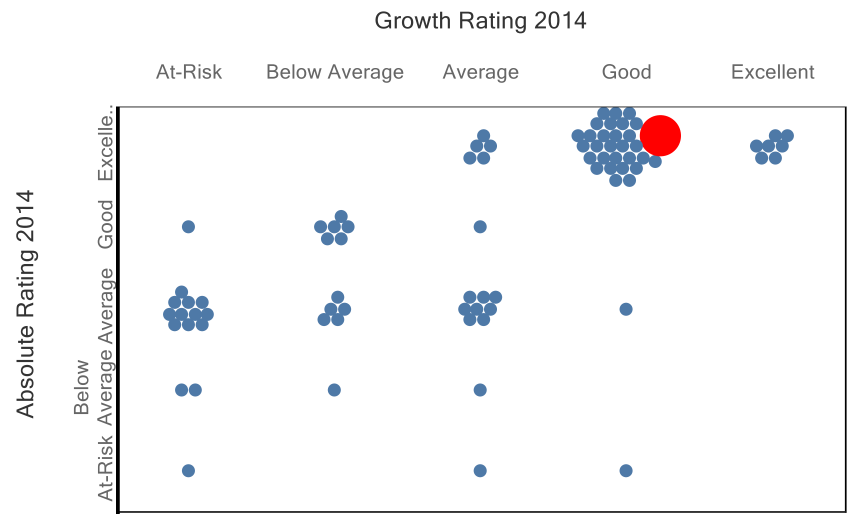
- **Sources of Data and Savings Estimates**
  - A&M based the recommendations included in this report on data received from both the State and the District.
    - State provided data: FY16 revenue and expenditure data submitted by districts to the State, 3-year historical enrollment/average daily membership 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, 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
LEXINGTON 01

Average Daily Membership[2]



Student Achievement[1]

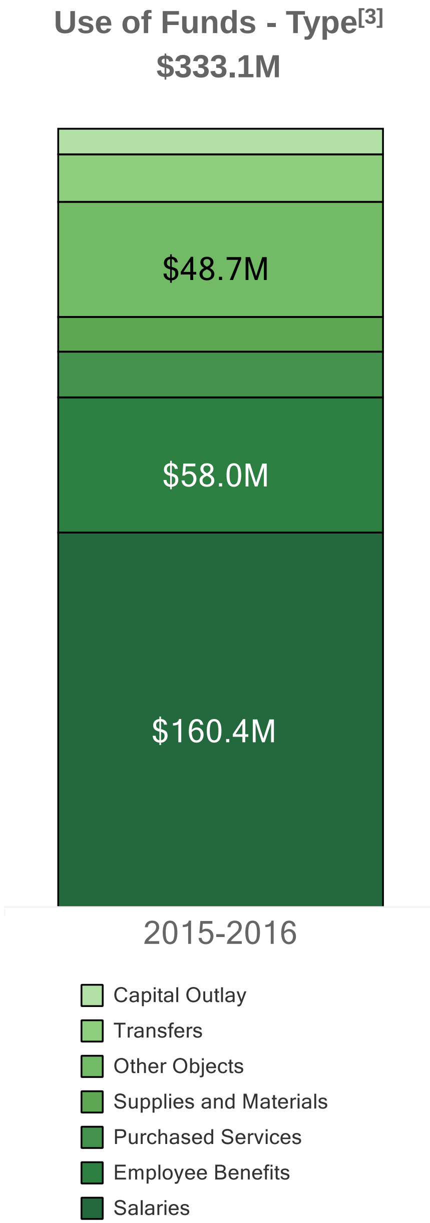


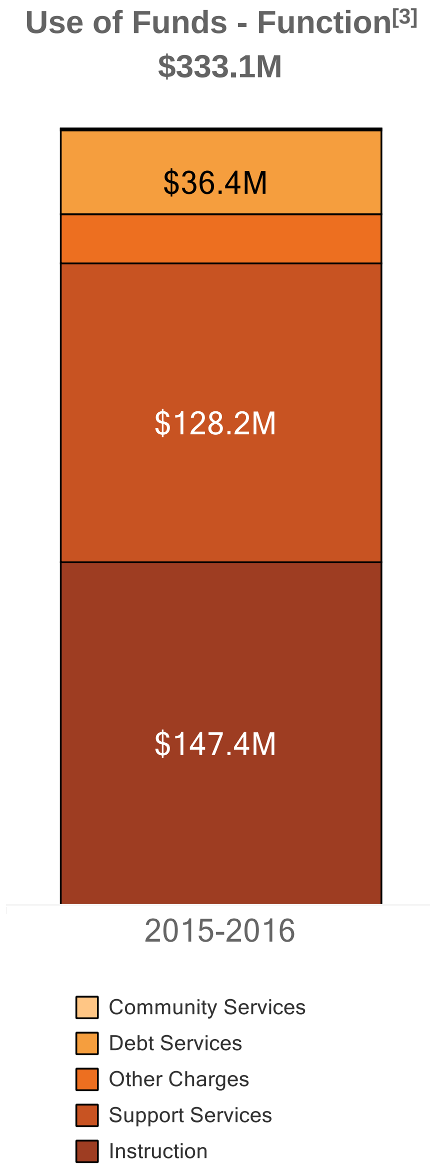
General Info

Number of Schools[2]	**30**
% Poverty[1]	**42.7%**
% Disability[1]	**12.3%**
$ Per Student[2],[3]	**$13,641**
$ Per Student Excluding Debt & Capital[2],[3]	**$10,835**

Administration

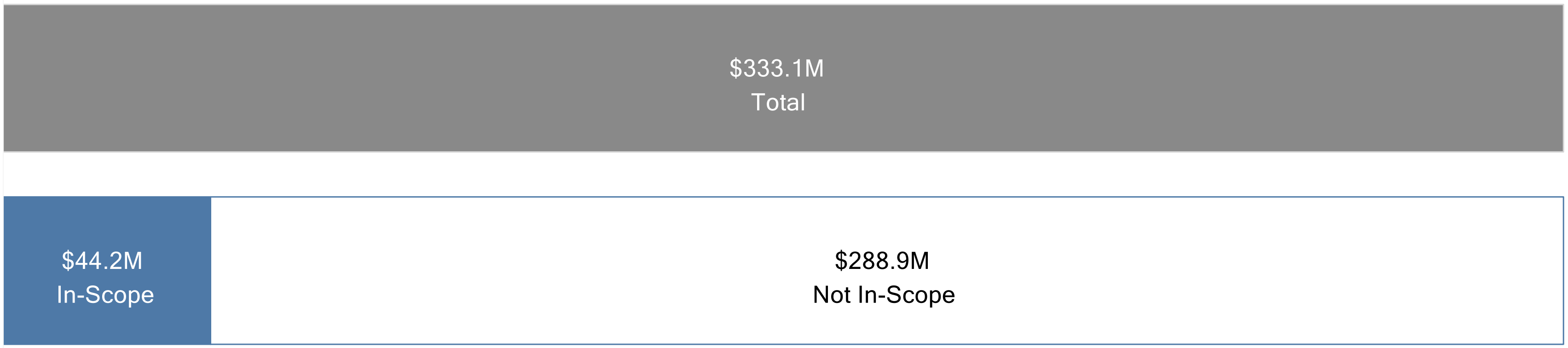
Students Per Instructional Services FTE[2],[4]	**8.6**
Students Per Overhead FTE[2],[4]	**185.8**
Students Per School Support FTE[2],[4]	**33.5**
Students to Total FTE[2],[4]	**6.6**





* totals may not tie due to rounding

EXECUTIVE SUMMARY
LEXINGTON 01



13.3% of total spend is within scope of the efficiency review:

	In Scope Spend[3]	**Procurement Component**
Finance	$3,088,975	$85,380
Human Resources	$1,704,150	$89,220
Overhead	$3,572,497	$2,433,821
Transportation	$8,951,251	$981,925
Procurement (Community Services, Instruction, Support Services)	$26,851,071	$26,851,071
TOTAL	**$44,167,944**	**$30,441,417**

** totals may not tie due to rounding*

GOALS, CHALLENGES & ACHIEVEMENTS

District Goals

Mission: Where caring people, academics, the arts and athletics connect to prepare 21st century graduates while serving as the center for community learning. Therefore, Lexington School District One will provide:

1. An array of exceptional learning experiences in a high-performance culture of excellence that sets high expectations for every student.
2. Opportunities to develop talents, interests, and skills through choices from a comprehensive system of a 21st century learning experiences in the arts, academics, and athletics.
3. Various innovative learning delivery and support systems to personalize learning and to ensure that our students are learning sophisticated 21st century skills, knowledge, and attitudes.
4. Opportunities to practice leadership and citizenship in a global context.
5. Access by the community to a range of learning and participatory community experiences throughout life.
6. A learning environment and professional culture of caring and learning.

Achievements

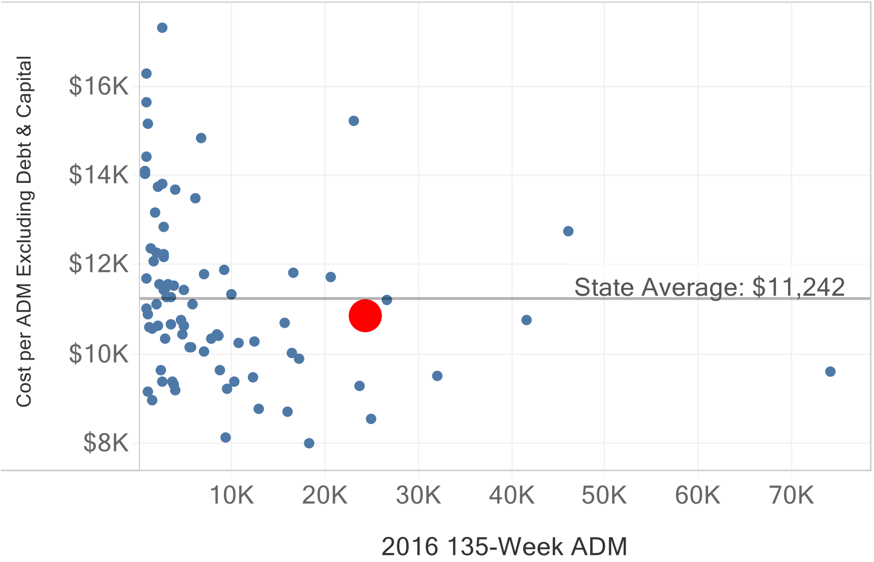
- A national leader in second language instruction.
- Implemented 1:1 program for 6-12 with every student having an iPad.
- Students have equitable access to all of the programs within the district and across zones.
- The Superintendent has started a leadership development pipeline to help attract and retain highly qualified teachers.
- Dual credit opportunities.

Challenges

- The District is growing by approximately 500 students every year. This growth is making it difficult to find teachers, bus drivers, and other staff to meet the needs of the growing enrollment.
- Funding for student programs, curriculum procurement, and facilities development to drive innovative learning experiences throughout the District.
- Keeping up with transportation needs for the growing population due to either not having enough bus drivers or not having enough buses.

KEY OBSERVATIONS

Per Pupil vs. Enrollment



District Size and Minimum Costs

Minimum Cost Base:

The larger size of the District enables increased efficiencies and effectiveness for the organization as the fixed cost structure of the District is spread across a large number of students.

Resource Utilization:

In general, the District utilizes its resources in a way that allows for increased efficiencies and effectiveness. Transactional processes are generally centralized creating efficiencies. Resources are able to specialize in functions.

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.

OBSERVATIONS: INDIVIDUAL SCOPE AREAS

	Current State
Finance	• **Staffing**: The District is staffed appropriately to manage all of the financial roles and responsibilities of the District while keeping proper oversight over internal controls. • **Technology:** The District uses a self-hosted BusinessPlus software as its ERP system. BusinessPlus was implemented a few years ago and has consistently been a problem with latency. The software consultants have not been able to figure out ways to fix the latency as of yet and have advised the District to not use certain functionality to avoid further latency on the system.
Human Resources	• **Staffing:** The District has had an incredible amount of stability in the Human Resources team with six current employees having been in the District for over 12 years. • **Recruiting and Retention**: The District has been very aggressive in developing recruiting and retention plans by going out of state, using data to predict future needs to start recruiting earlier, and creating a comprehensive induction program. The District's high Average Teacher Salary can be attributed to pay for National Board Certification and higher qualified teachers, but also is a sign of a significant portion of the population heading towards retirement.
Transportation	• **Staffing**: The District is struggling with finding bus drivers like the rest of the State. The District had 41 openings to start the year and was 100% staffed by Christmas, only to find itself with 30 openings in May. • **Bus Management:** The District does not currently use routing software and is depending on the State's GPS which does not work. The District is currently looking into a solution for both routing software and GPS.
Procurement	• **Staffing**: The District has an experienced purchasing team that manages a wide variety of spend and also oversees the procurement of the construction management vendor. • **Strategic sourcing**: The District leverages State contracts and other large district contracts for a significant portion of their procurement spend.
Overhead	• **Staffing**: The Superintendent is in his first full year at the District and has spent his first full year getting to know the District in a large part by spending a lot of time in schools as he has visited over 1,600 classrooms this year. • **Collaboration**: The District meets regularly with other regional superintendents.

RECOMMENDATIONS

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

RECOMMENDATIONS

FINANCE	HUMAN RESOURCES	PROCUREMENT	TRANSPORTATION
ERP Improvements: Continue to work with ERP consultants and invest in hardware to unlock the full capabilities of BusinessPlus. Consider cloud hosted version if available. **Other System Enhancements**: Continue path of implementing an automated time tracking system that will eliminate the processing workload of manual timesheets throughout the District.	**System Enhancements:** Continue path of automated time tracking implementation. **Succession Planning**: Develop a plan to replace hard to fill positions that will be opened through retirement with the TERI program ending. Plans can include training and developing current staff to move into those hard to fill positions, hiring slightly earlier to include a transition period, and developing relationships with staffing agencies to temporary fill gaps if needed.	**System Improvements:** Continue to work with ERP consultants to improve the latency of BusinessPlus. **Purchasing Cards:** Look to maximize the use of Pcards through a rebate program. **Collaboration:** Work with other districts to not only use their negotiated rates, but provide even better rates through combined larger volume procurement of goods, services.	**Route Design:** Implement new routing software to maximize the use of buses while maintaining an optimal ride time for students. **System Enhancements:** Implement District owned GPS on buses to replace the State GPS that is not working properly. **Staffing / Organization:** Continue to create dual employment opportunities to help address bus driver shortage that is not only impacting Lex 1, but districts around the state.

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. Actual savings may vary based on implementation decisions.

FINANCE AND HUMAN RESOURCES

- A&M conducted interviews and analyzed personnel rosters and expenses to understand the intersection of people, process and technology within the District.
- A&M estimated potential savings that could be realized after implementation of recommended process, policy and technology changes based upon past experience implementing similar initiatives, comparison of staffing and spend against peer benchmarks and discussion with the District. A&M also estimated investments required to achieve savings based upon prior experience.
- In addition, while A&M evaluated potential synergies from a regional shared services model for transactional activities, after considering the District's size, current staffing levels and uniqueness of processes, policies and technology, A&M is not recommending implementation of this approach at this time.

PROCUREMENT

- A&M reviewed the District disbursement register and reviewed a limited sampling of vendor invoices to gain an understanding of the Districts 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 compare with benchmarks across the state.
- A&M evaluated opportunities for savings based upon comparison of benchmarks across the state that took into consideration the location, population and geographic profile of the each district.
- Savings estimates were not provided in instances where the District was in line with benchmark targets and was using both routing software and leveraging staggered bell times.

CONCLUSION: ESTIMATED ONE-TIME INVESTMENT AND ANNUAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for process, technology and policy changes.

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.

	Est. One-Time Investment			Est. Net Annual Savings		
	Low		High	Low*		High
Finance	$87,500	-	$218,800	$0	-	$156,200
Human Resources	0	-	10,000	0	-	72,900
Procurement	0	-	0	304,400	-	1,522,100
Transportation – District	N/A	-	N/A	38,000	-	56,000
District Total	**87,500**		**228,800**	**342,400**		**1,807,200**
Transportation – State	0	-	0	38,000	-	58,000
Total	**$87,500**	**-**	**$228,800**	**$380,400**	**-**	**$1,865,200**

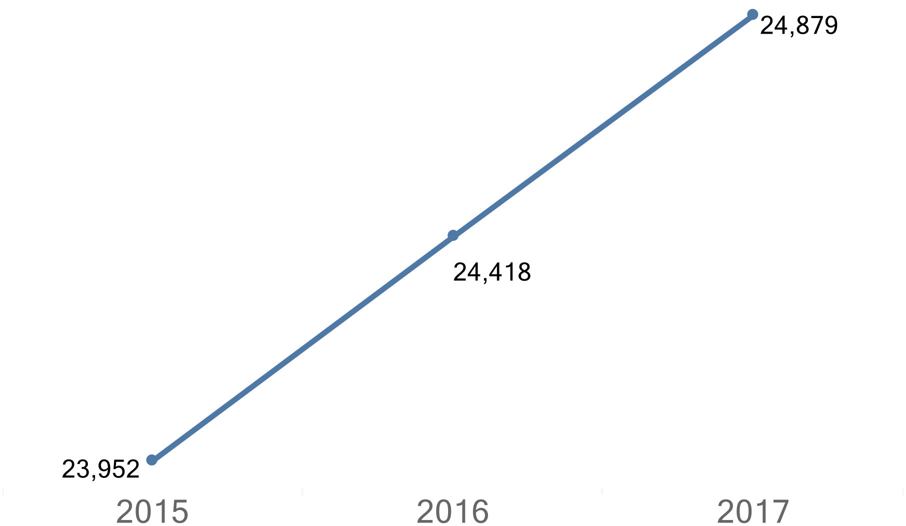
* *A negative savings amount reflects the need to hire additional resources if collaboration with other districts is not pursued.*

OUTLINE

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

DISTRICT ADMINISTRATION AND PERFORMANCE
LEXINGTON 01

Average Daily Membership[2]



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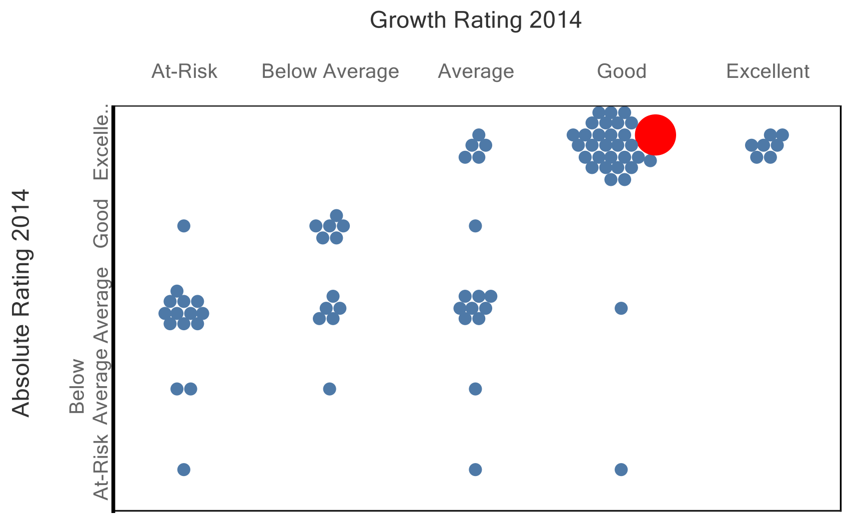

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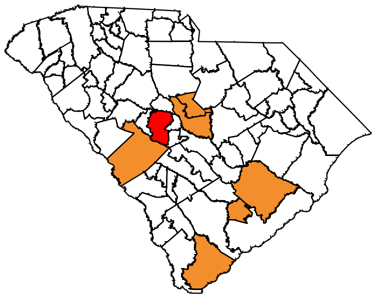
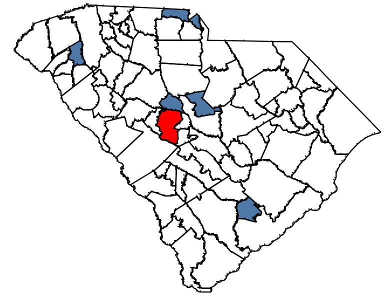
DISTRICT BENCHMARKING
LEXINGTON 01



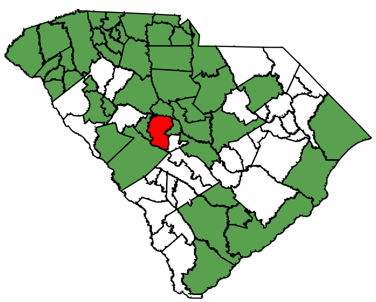
Enrollment (20,000 - 40,000)

Aiken
Beaufort
Berkeley
Dorchester 02
Lexington 01
Richland 01
Richland 02



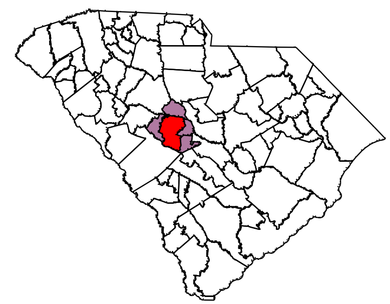
Poverty (<50%)

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



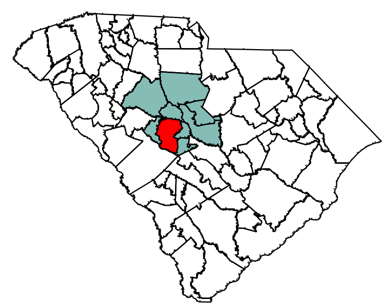
Phase 1 (No)

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



County (Lexington)

Lexington 01
Lexington 02
Lexington 03
Lexington 04
Lexington/Richland 05

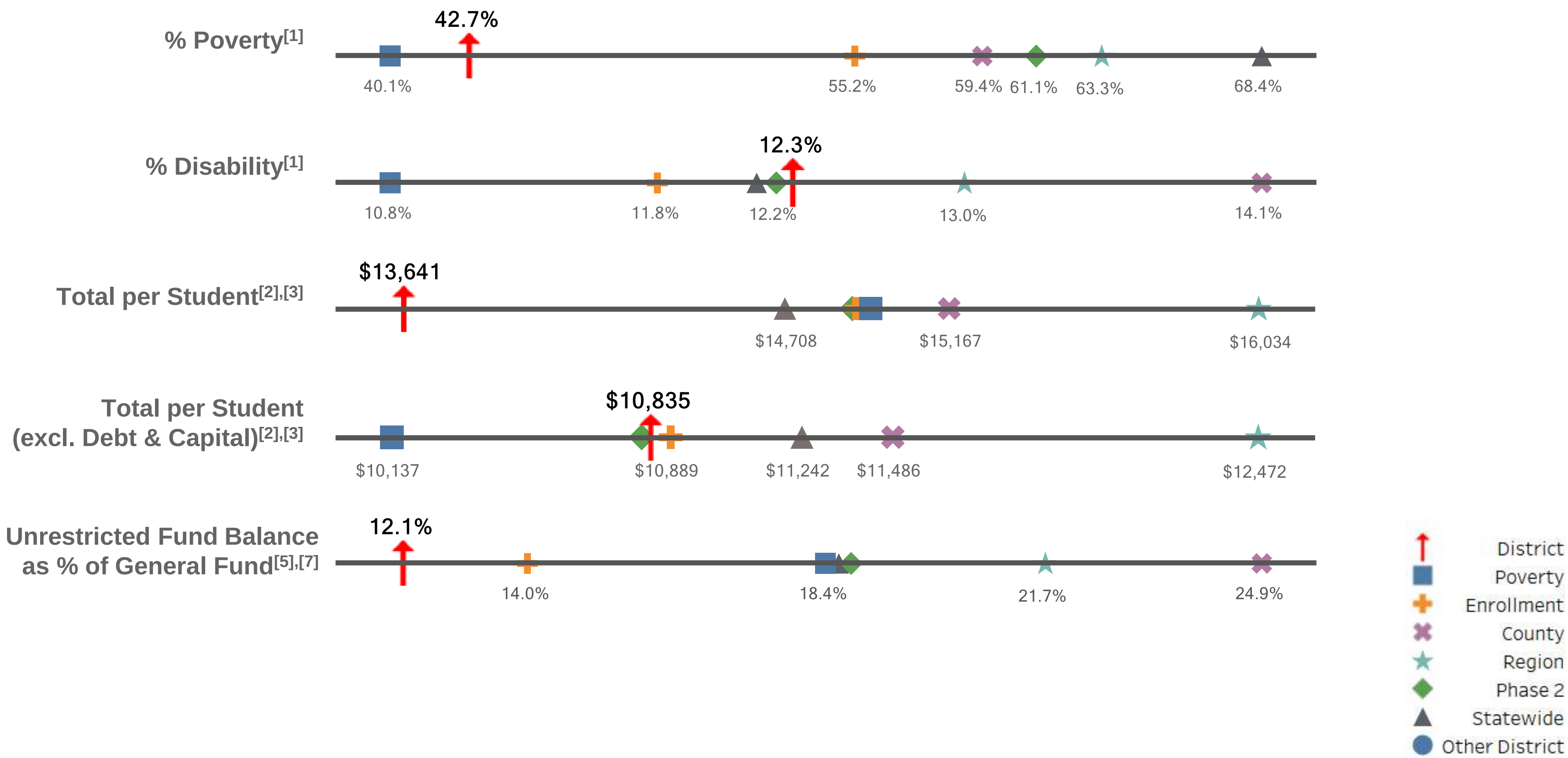


Region (Central Midlands)

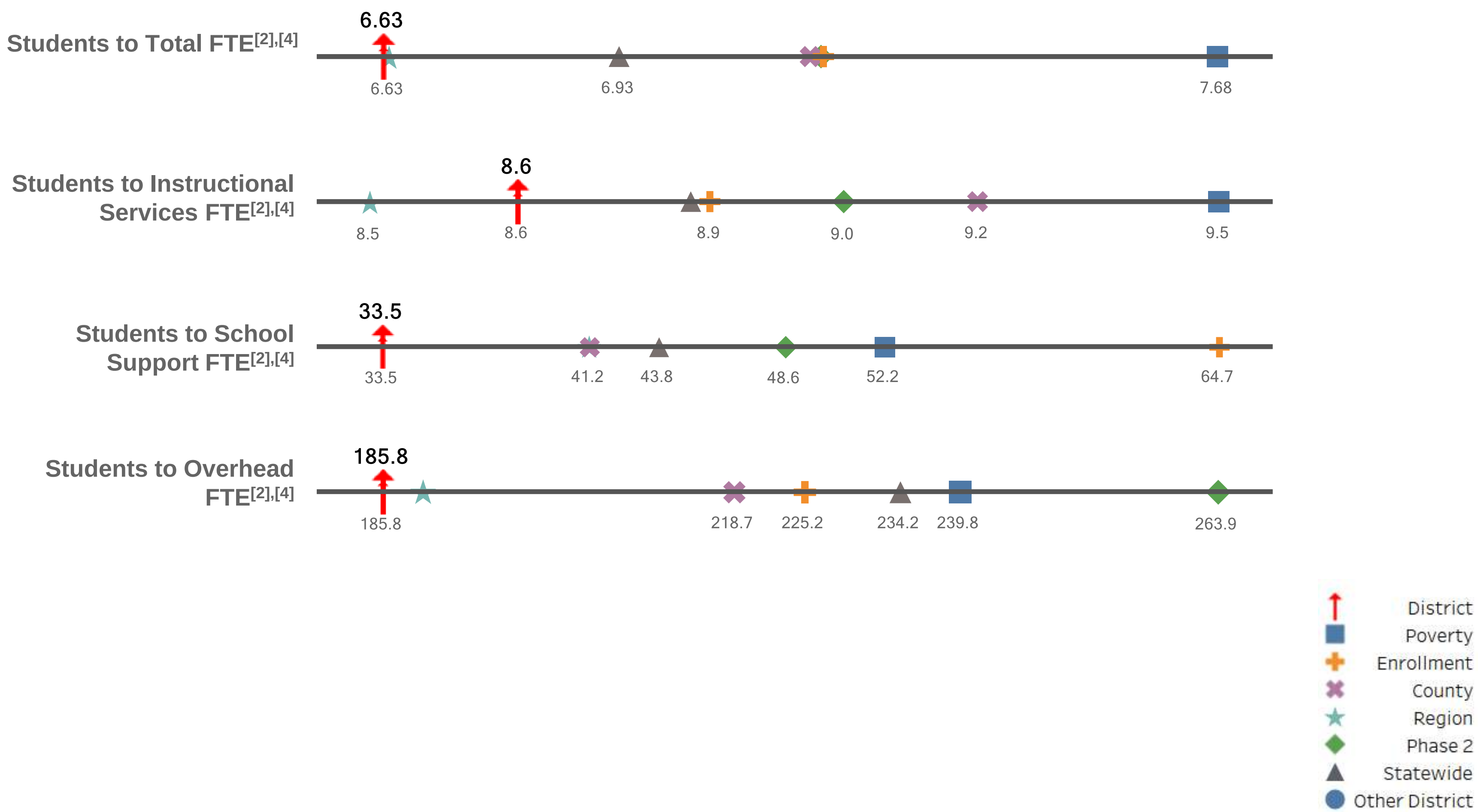
Fairfield
Lexington 01
Lexington 02
Lexington 03
Lexington 04
Lexington/Richland 05
Newberry
Richland 01
Richland 02

KEY PERFORMANCE INDICATORS: KEY DISTRICT RATIOS

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



KEY PERFORMANCE INDICATORS: KEY STAFFING RATIOS



SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Enrollment Trends	• **3-year Enrollment Trend**: The District's enrollment has increased by 927, or 4%, since FY15. • **Student Demographics**: The District has 42.7% of their enrollment qualifying for free and/or reduced lunch and 12.3% having special needs. The state average is 68.4% and 12.2%, respectively. • **Long-term Planning**: The District prepares long term enrollment projections to help inform long-term planning.	
District Funding and Resource Allocation	• **Per Pupil Expenses**: The District's Per Pupil Expense excluding debt and capital is $10,835, which is lower than the state average ($11,242) and similar to peers with similar enrollment ($10,889). The Per Pupil Expense is also adjusted to account for inter-fund transfers. • **Unrestricted Fund Balance**: The District's Unrestricted Fund Balance is 12.1% of general fund revenues. The fund balance is below the State average (18.6%) and peers with similar enrollment (14.0%).	

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
District Funding and Resource Allocation (cont'd)	• **Student to FTE**: The District's Student to Total FTE is 6.63, which is lower than the state average (6.93) and districts with similar enrollment (7.18). • **Student to Instruction Services FTE**: The District's Student to Instruction Services FTE is 8.64, which is lower than the state average (8.85) and districts with similar enrollment (8.88). • **Student to Support Services FTE**: The District's Student to Support Services FTE is 33.51, which is lower than both the state average (43.82) and districts with similar enrollment (64.74). • **Student to Overhead FTE**: The District's Student to Overhead FTE is 186, which is lower than both the state average (234) and districts with similar enrollment (225).	• Consider review and reorganization of other direct support areas of the superintendent which are outside of the scope of this report, in order to optimize resources and bring spending in line with benchmarks.
Staffing / Organization	• **Role of Superintendent:** The Superintendent spends his time on mission critical elements of the District. During his first full year at Lexington 1, he has visited over 1,600 classrooms and seen almost every teacher in the classroom. He has also spent a lot of time working with the Board to create a shared vision and values. He has spent this year listening and learning to understand what has made Lexington 1 successful before he arrived. He also spends a lot of energy on leadership development within the District. • **Communications Function:** There is Communications support for the Superintendent's office.	

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Staffing / Organization (cont'd)	• **Legal:** The District has no legal department. If legal advice is required, the District utilizes external firms to provide support. • **Turnover:** The Superintendent is in his second year at the District.	
Collaboration	• **Leadership**: The District does coordinate with other regional superintendents. • **Career Center**: The District does not have a shared career center. • **Special Education**: The District does not coordinate with other area districts on Special Education programs. • **Headcount**: The District does not share certain FTEs with area districts.	• Consider implementing a regional shared service model that allows for sharing of resources and systems that are specialized skills.

OUTLINE

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.

550 : 1

District Students (ADM)[2] : Financial FTE[4]

Key statistics for metrics	
Financial FTEs[4]	45.2
Personnel Expense[3]	$3,003,595
Non-Personnel Expense[3]	$85,380
Total Financial Expense[3]	$3,088,975

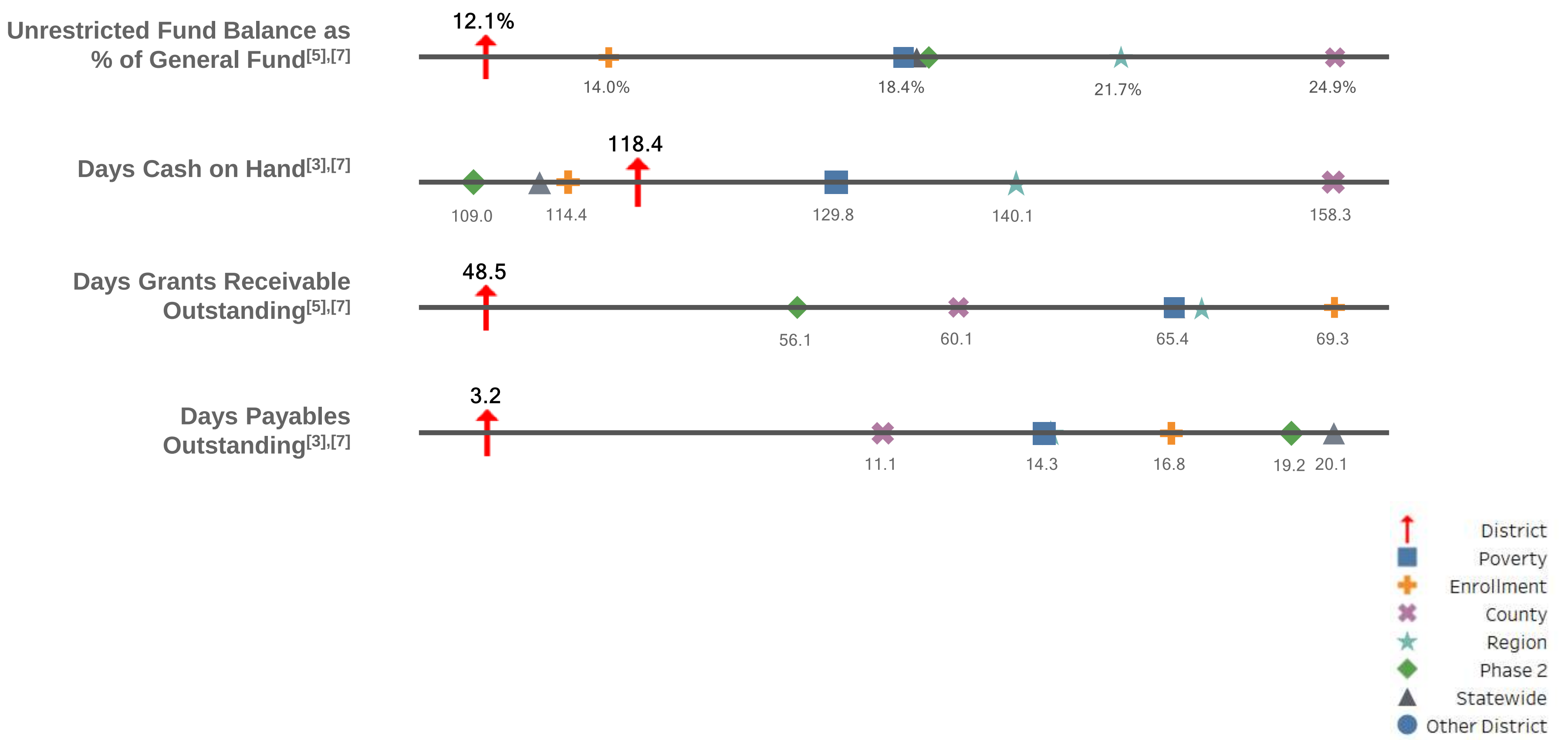
NOTE: FTEs shown in the table above reflect dedicated finance staff only; Financial expenses shown above reflect amounts coded to the finance department. In some instances districts may include salary and benefit related charges that are not related to dedicated Finance costs in their totals.

$127 per Student

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

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.



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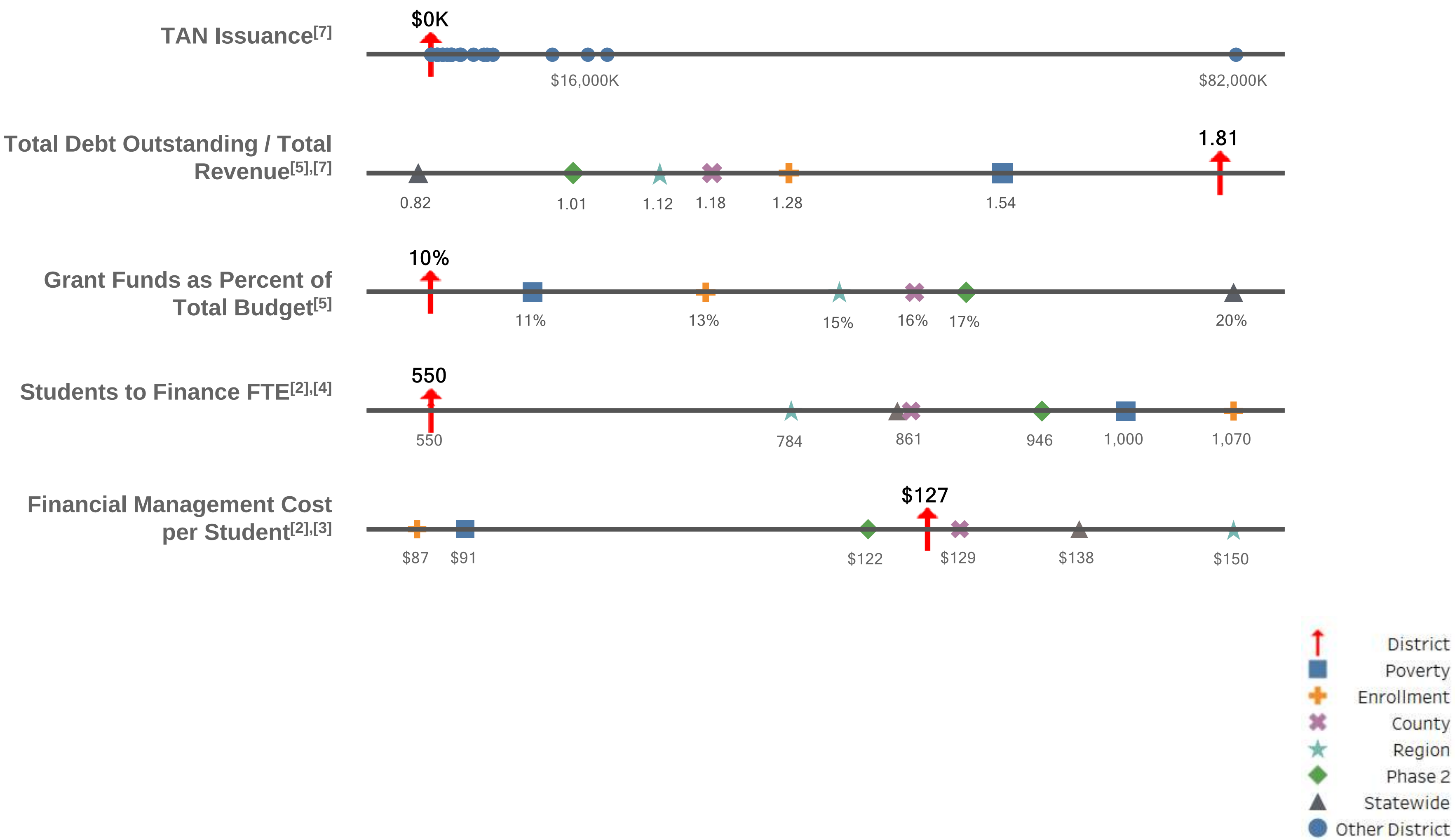


SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Staffing / Organization	• **Staffing**: The Finance organization is adequately staffed to support the scope of its roles and responsibilities over accounting, payroll, accounts payable, budget, treasury, procurement, financial reporting and benefits. Food Services also reports into the CFO, but the Food Services headcount is not included in any of the analysis below. • **Turnover**: The CFO has been at Lexington 1 for over 30 years. • **Finance Costs Per Pupil**: The Finance cost per pupil for the district is $127, which is lower than the state average ($139), but higher than districts with similar enrollment ($87). School staff is included in the District's Finance costs. If you remove school staff the Finance Cost Per Pupil is $103. • **Students to Finance FTE**: The Student to Finance FTE ratio is 550, which is lower than both the state average (852) and districts with similar enrollment (1,070). School staff is included in the District's Finance headcount. If you remove school staff the Student to Finance FTE increases to 825. • **Other**: The District staff also includes two people who manage benefits and a payroll accountant who is primarily responsible for reconciling benefit billings, payments, and collections.	• Continue to review staff capabilities on an annual basis and continue to ensure individuals are provided with training on systems and processes. Continue to cross-train individuals to be able to do multiple functions.

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Payroll and Accounts Payable	• **Payroll**: The District currently runs payroll on a semi-monthly basis. • **Direct Deposit**: The District has 100% of employees using direct deposit. • **Self Service Portal**: The District uses a self service portal that enables employees to view check stubs, W2 information, pay assignments, and leave activity and leave balances. • **Timekeeping**: Time tracking is currently managed via manual processes and entered into the payroll system by the bookkeepers at the school. Finance checks through various reports to ensure accuracy. • **Purchasing**: The District currently uses Business Plus as a centralized purchase order system. Schools are able to secure items and services in accordance with district and state regulations with workflow approval tracking and transparency. • **Accounts Payable**: AP is run twice per week. Invoices are received centrally and input into Business Plus upon receipt. Business Plus has a workflow set up for appropriate parties to receive the goods and services and approve invoices. They do not currently use ACH very frequently. • **Pcard**: The district does utilize a Pcard program. They currently have no rebates with the program. It is primarily used for incidentals and travel with a $1,000 transaction limit. • **Inventory**: The District tracks technology with bar codes through IT. This asset tracking includes iPads, MacBooks, iMacs, projectors, printers, copiers, software licenses, and wireless access points. The Finance team tracks all other assets over $5,000. All inventory is counted annually.	• Continue the implementation of an automated time-tracking functionality with biometric timeclocks.

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Grants Management	• **Grants Revenue %**: Grant revenues provide 10% of revenue for the District, excluding debt and capital, making this district less reliant on grant funds than its peers. The District has a grant writer that is supervised by Instruction. • **Federal Funds**: Federal program coordinators (outside of Finance) are primarily responsible for ensuring that special funds are used in compliance with regulations prior to payments being processed. The finance department collaborates closely with the grants administrators and reviews purchase requests and expenditures. This ensures that the Director of Accounting is able to submit claims in a timely manner in order to maximize cash flow. • **Indirect Costs**: The District does charge indirect costs against federal grants • **Grants Monitoring**: The Director of Accounting reviews expenditures against grant requirements to monitor compliance with grant requirements .	

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Internal Controls	• **F/S Audit**: The District was not found to have material weaknesses in its FY16 audited financial statements. • **Position Control**: The District does have position control. • **Purchasing**: The District has set transaction limits for Pcards as well as the purchasing team approves everything over $1,000 on top of department head approval. Each statement is matched to individual original receipts by Pcard owner and routed to purchasing for approval through Business Plus.	• Continue annual review of processes to ensure segregation of duties over key areas of internal control.
Cash Management	• **Days Cash on Hand**: The District's Days Cash on Hand is 118 days. This ratio signifies a strong cash balance. • **Cash Forecast**: The District uses several years of historical data to forecast cash forward. • **Grants Receivable Outstanding**: The District's Grants Receivable Outstanding is 48.5 days which is better than both the state average (65.4) and districts with similar enrollment (69.3). The District submits grant reimbursements quarterly. • **Payable Outstanding**: The District's Days Payables Outstanding is 3 days, which is lower than the state average (20) and districts with similar enrollment (17). • **Cash**: The District invests cash balances in State local investment pool	

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Budget	• **Planning**: The annual budget process is linked with the annual strategic planning process. The district has a robust resource allocation model that is used to determine annual budgets for schools and departments. • **Monitoring**: The District does not perform monthly or quarterly closes. However, financial reports comparing budget to actual are shared in real time with budget owners through Business Plus. • **Transfers**: The CFO approves all budget transfers after appropriate approvals through a workflow that includes the principal for school related transfers or instructional coordinators for grant expense transfers.	

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Technology	• **ERP**: The District uses the Business Plus accounting software system; however, processes remain manual for time-keeping and payroll. • **Time Tracking**: The District does not have Time Tracking software, but is in the process of implementing a system with biometric clocks. • **Purchasing**: The District uses Business Plus for approval and recording of purchase orders. All quotes and relevant information are also stored locally in Business Plus. • **Accounts Payable**: The District uses Business Plus for processing payment for all invoices. The receipt of goods and services is also tracked through Business Plus. • **Other**: The District locally hosts the servers for Business Plus. The finance team has continued to speak of slow response when sending documents through the system. This latency has caused Payroll and Benefits to not use Business Plus to send and store documents in the software, while the space is used for more valuable functions such as procurement and accounts payable. The District had many problems with the implementation of the Purchasing workflow and were advised by the software consultant to not implement workflow for HR and payroll functions.	• Invest in more infrastructure to reduce latency in self hosted Business Plus solution to enable further use of the functionality for payroll, or look to transfer from self-hosted to cloud-hosted version of Business Plus. • Continue with implementation of an automated and integrated time keeping system that will integrate with Business Plus.
Regional Collaboration	• The District does not coordinate with others in the region on any transaction processing or finance related activities. • The directors of the finance department belong to and participate in the South Carolina Association of School Business Officials (SCASBO). Also, our procurement directors are active members of the South Carolina Association of Governmental Purchasing Officials (SCAGPO).	

OUTLINE

HUMAN RESOURCES OVERVIEW

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

1,659 : 1

District Students (ADM)[2]

Human Resources FTE[4]

$70 per Student

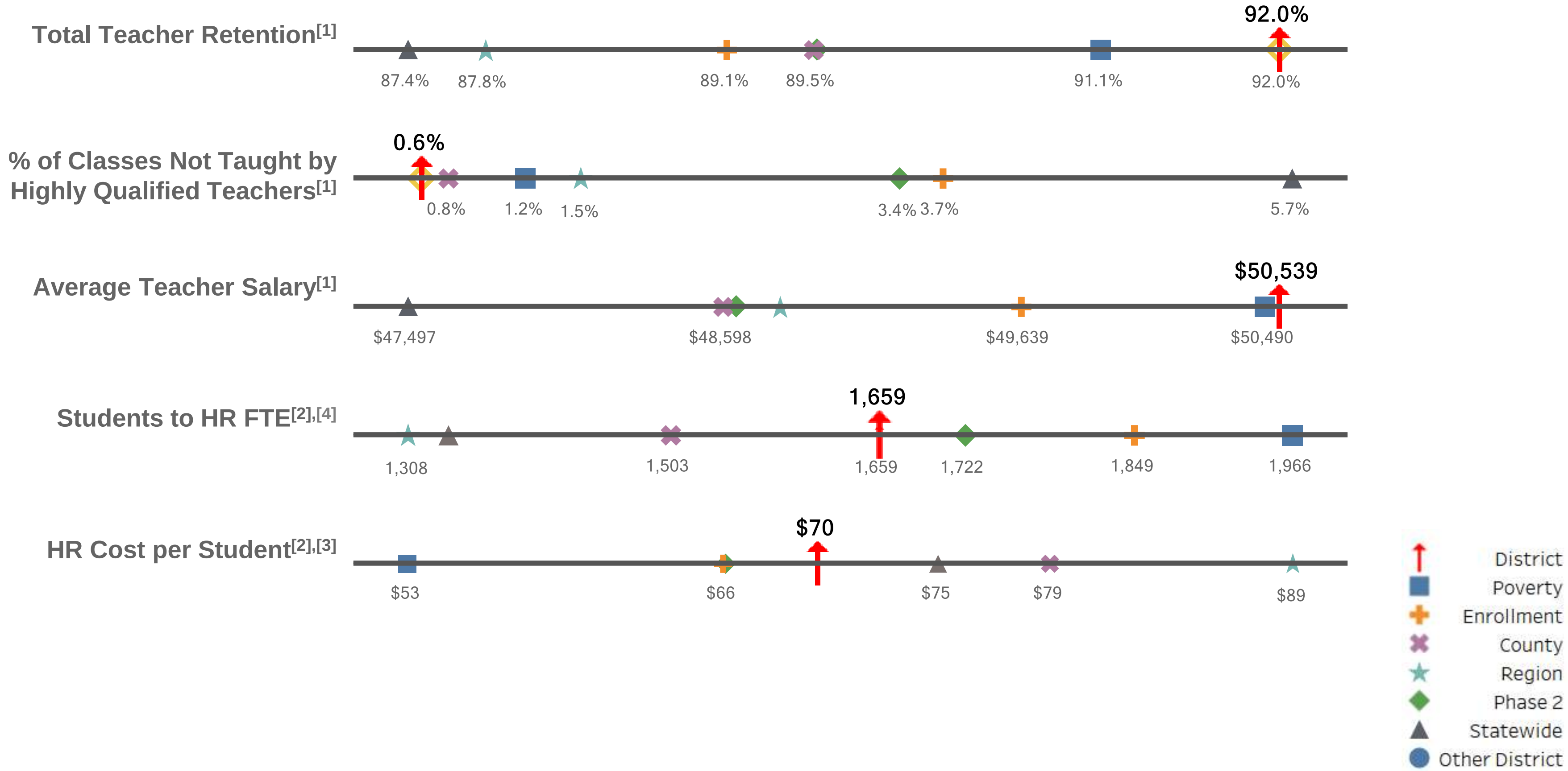
Cost of all HR personnel[3] per Student (ADM)[2]

Key statistics for metrics	
Human Resources FTEs[4]	15.0
Personnel Expense[3]	$1,614,930
Non-Personnel Expense[3]	$89,220
Total Human Resources Expense[3]	$1,704,150

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.

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.



SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Staffing / Organization	• **Staffing**: The Human Resources function is adequately staffed with the positions required to support recruiting, retention, teacher evaluation, personnel relations and benefits. • **Turnover**: The Chief Human Resources officer has been at Lexington 1 for 40 Years. She is retiring in December and is working closely with her successor to ensure a smooth transition. Her replacement has been at the district for 18 years. • **Human Resources Costs Per Pupil:** The Human Resources cost per pupil for the district is $70, which is similar to both the state average ($75) and districts with similar enrollment ($66). • **Students to Human Resources FTE**: The Student to Human Resources FTE ratio is 1,659, which is higher than the state average (1,338) and similar to districts with similar enrollment (1,849).	• Review staff capabilities on an annual basis and ensure individuals are provided with training on systems and processes and cross-train individuals to be able to do multiple functions.
Recruiting and Retention	• **Environment**: Similar to other school districts in the State, recruiting teachers into the District is challenging. • **Average Teacher Salary**: The District's average teacher salary is $50,539, which is higher than both the state average ($47,497) and districts with similar enrollment ($49,639). • **Incentives/Tactics**: The District has become more aggressive in signing teachers earlier in the school year. They looked back at historical hiring trends and known needs for next year to develop a pool of positions they know they will need before the position officially opens. They then recruit for this pool and assign roles when actual positions open up.	• Consider implementation of incentive programs to recruit and retain teachers that could include: (a) signing bonuses that vest over a period of time to encourage retention; (b) housing incentive signing; (c) tuition reimbursement; (d) differentiated salaries for hard to staff positions; (e) innovative professional development programs.

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Recruiting and Retention	• **Vacancies**: The District hires approximately 225 teachers every year with a retention rate of 92%. • **Induction**: The first-year teacher turnover rate is 14%. To decrease the turnover rate, the District has modified its induction program by addressing separation reasons they can control. • **Substitutes**: The District has a pool of over 500 substitutes. • **Retirement**: The District has 113 employees included in the TERI program, this is less than 5% of their current staff.	
Technology	• **Recruiting**: The District uses Business Plus for applicant management. Applications are submitted online, checked for completion by the HR team, and then made available to view by the principal or hiring manager. • **Substitutes**: The District uses AESOP to manage substitute needs.	• Implement technology to automate recruiting and enhance the on-boarding processes in processes the require manual completion of forms. • Continue Implement of an automated time tracking system that can interface directly with the payroll system.

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

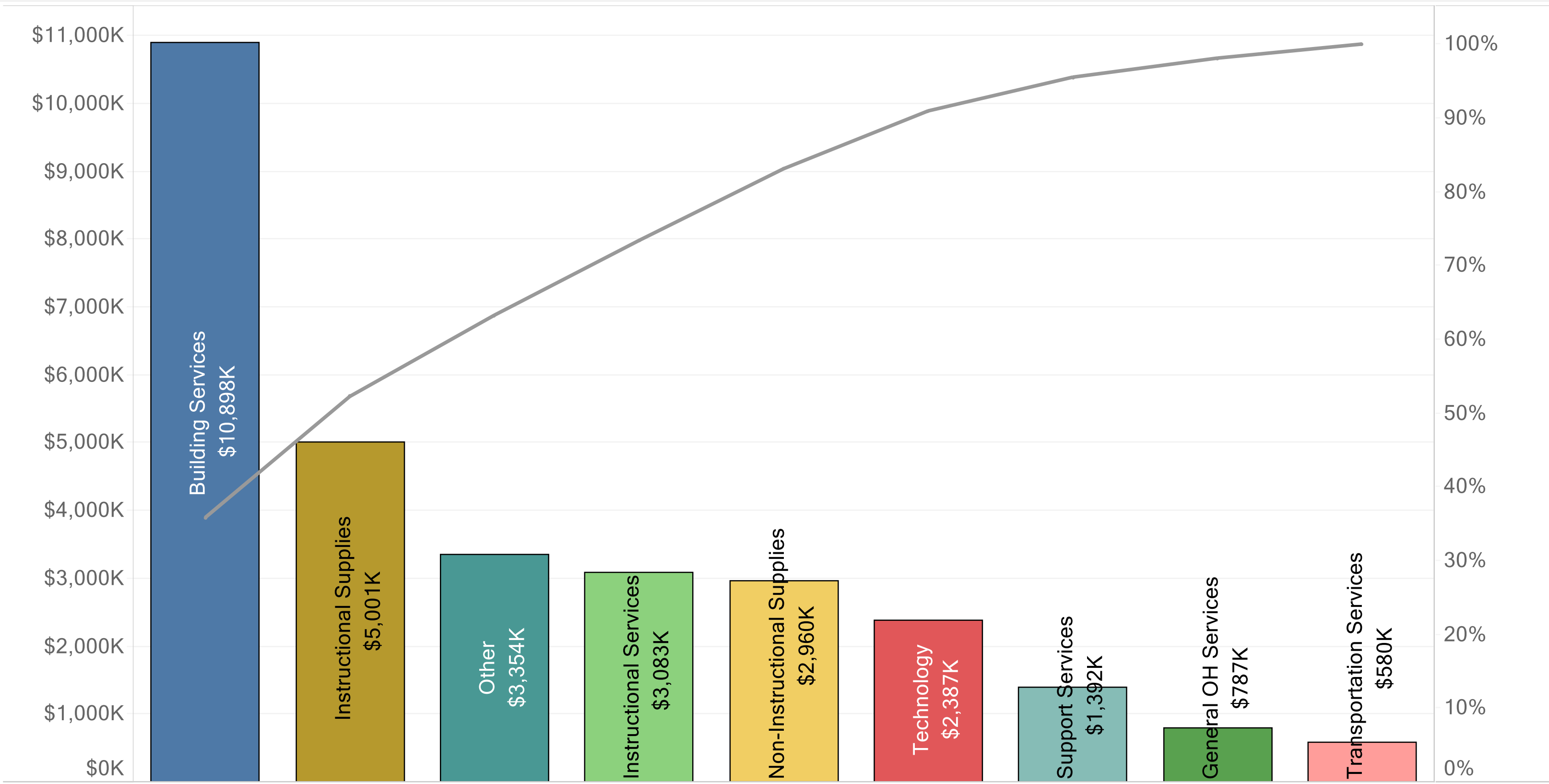
	Observations	Recommendations
Benefits	• **Organization**: The Finance team manages benefits outside of FMLA requests. • **Process**: All personal information changes can be made and viewed online, but many are sent through a PEBA paper universal change form that is completed by the employee and sent to HR. HR sends this form to benefits who forward to the State.	
Collaboration	• The District does not collaborate with other nearby school districts on recruiting, human resource system licenses, or arrangements with international or local staffing agencies. • The District is part of the WEPEC Consortium in which the human resources directors of individual districts meet quarterly to discuss various topics.	

OUTLINE

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.

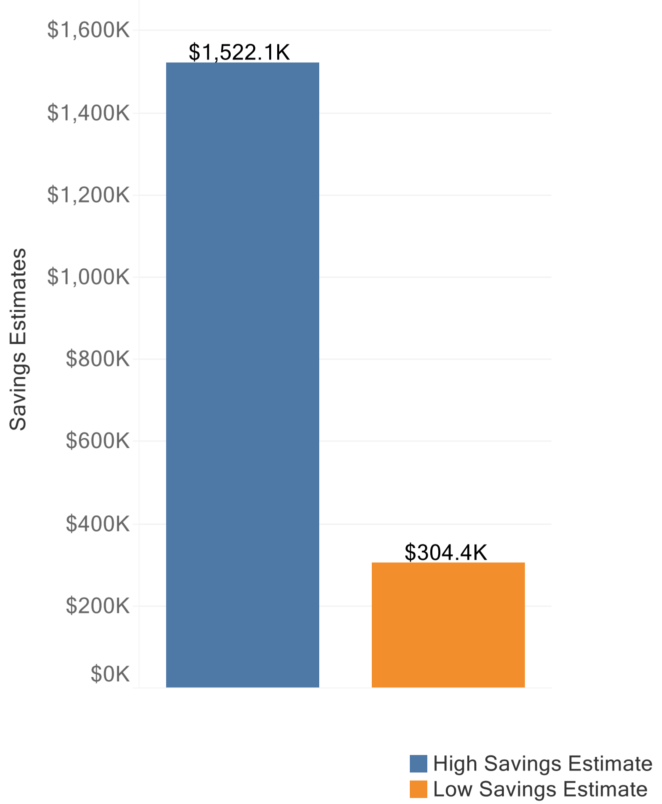
District In Scope Total Procurement Spend[3] = $30,441,417



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	1.0%	5.0%
Non-Instructional Supplies	1.0%	5.0%
Instructional Supplies	1.0%	5.0%
Instructional Services	1.0%	5.0%
Support Services	1.0%	5.0%
Technology	1.0%	5.0%
Other	1.0%	5.0%
Overhead Services	1.0%	5.0%
Transportation Services	1.0%	5.0%



SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Organization / Staffing	• **Staffing**: The District has resources focused directly on procurement and is able to rely on these resources to maximize purchasing activities. • **Scope**: The purchasing team handles all procurement excluding construction. • **Technology**: The district currently uses Business Plus as their centralized purchase order system. There are a number of people that submit purchasing requests through the system. The District attaches all relevant documentation to each purchase requisition in Business Plus. • **Pcard**: The District utilizes a Pcard program. The Pcard program is primarily used for incidentals and travel. The District receives no rebate on $2.8 million of spend. The statements are reconciled each month by the purchasing team.	• Leverage additional resources to better optimize procurement functions. See Regional Collaboration below.
Spending by Vendor	• Spending is fragmented across more than 2,800 vendors; however, the top 100 make up more than 80% of total spending. These statistics exclude any other vendors that may be used through Pcards. • Spending efforts are made by the individual buyer. Aggregated purchasing decisions across districts are not made.	• 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. • Seek opportunities to better leverage buying power by participating in Group Purchasing Organizations. Areas to consider for potential collaboration include supplies and technology.

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Spending by Category	• **Building and Maintenance**: The District is in the middle of a very large capital projects initiative that includes school construction and renovation. The District uses a construction management company to manage most procurement. The District collaborates with the largest districts in the state to procure some building supplies, such as flooring. • **Food Services**: The District does not collaborate with other districts for the purchase of dairy or bread but will collaborate through the Food Purchasing Alliance next year. • **Energy**: The District does not fix rates for natural gas contracts. • **Instructional Support Services and Supplies**: The District follows all state procurement regulations in the procurement of Instructional Support Services and Supplies. • **Technology**: The District has a 1:1 program in grades 6-12 and 1:5 in K-5 with iPads. The district continues to purchase infrastructure to support digital software and these devices. The plan is to replace devices every 4-5 years. The district has not coordinated technology purchases with any other districts. • **Non-instructional Supplies**: The District follows all state procurement regulations in the procurement of Non-Instructional Supplies.	• Coordinate purchasing of instructional software with surrounding districts to maximize 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. • Consider establishing fixed rate contract for natural gas. • Coordinate purchases with surrounding districts to maximize the potential for volume discounts for facilities services such as HVAC, electrical and plumbing..

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Regional Collaboration	• The District does partner with other large districts to procure some goods and services. • The District does not partner with other districts to procure technology.	• Consider combining resources to create a regional procurement function across districts that is charged with reviewing and optimizing spending through ongoing market intelligence on pricing opportunities, contract RFP management, contract negotiations and contract management. • A regional collaboration model would allow for districts to further capitalize on volume discounts and rebates on areas of spend that would include: - Technology - Instructional Software and Services - Instructional Staffing - Supplies

OUTLINE

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

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]

$367 per Student

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

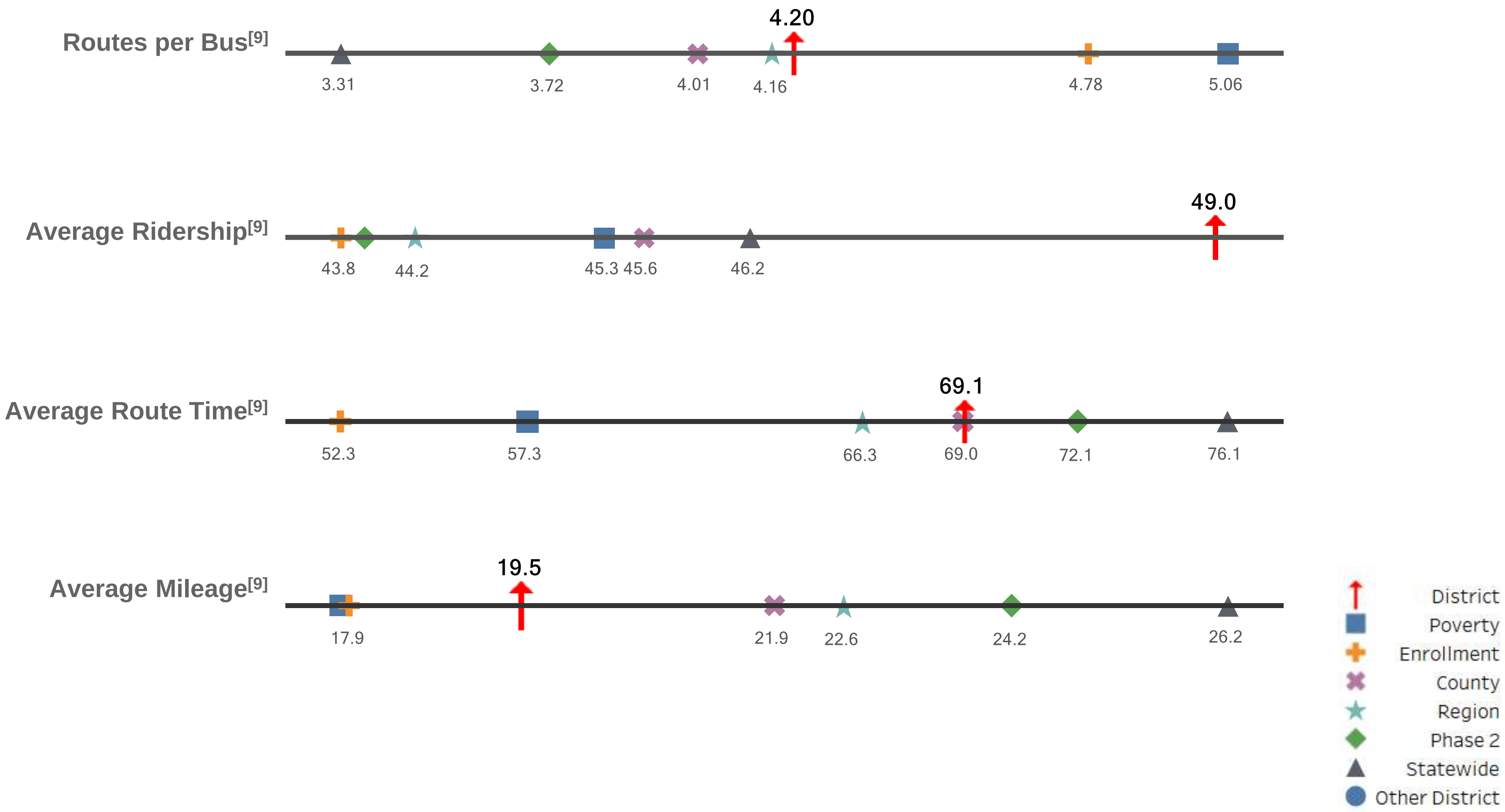
Key statistics for metrics	
Transportation FTEs[4]	223.1
Personnel Expense[3]	$7,969,326
Non-Personnel Expense[3]	$981,925
Total Transportation Expense[3]	$8,951,251

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	99.0	416	4.2	20,395	49	69	20
Special Needs	35.4	129	3.6	673	5	Not-Available	36
Other	26.0	118	4.5	2,001	17	Not-Available	25
Total	160.4	663	4.1	23,069	N/A	N/A	N/A

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.



SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Staffing / Organization	• **Staffing**: The District has a difficult time recruiting bus drivers. The District currently has 30 vacancies (15 for regular routes and 15 for special needs routes). The District had 41 open positions to start the year and had none by Christmas. This was likely due to raising hourly wages by $2 per hour, offering night training, and an aggressive advertising campaign. • **Substitutes**: The District does not have a pool of substitute drivers, but does use aides and monitors who have CDL license to fill in during any absences. The District has a hard time finding a pool of substitutes to fulfill high job vacancies. • **Pay**: Bus drivers are currently paid a starting rate of $13.37, approximately $5.67 above state reimbursement levels. 85% of the bus drivers are full-time employees. • **Retirees**: The District has 20 bus drivers who are already retired (or under 10% of the workforce).	• Create incentives to recruit and retain bus drivers, such as offering full-time, dual employment. Bus drivers in other districts in the State are dual employed serving in aide, food services and / or maintenance roles when not driving buses.

SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS

	Observations	Recommendations
Routing and Bus Management	• **Staggered Bell Times**: The District runs staggered bus routes with each bus generally running an elementary school route first and then a route for middle and high school, both in the morning and afternoon. • **Routing Software**: The District does not utilize routing software. • **GPS**: The District does have state GPS system on its buses. The GPS system does not work. • **Security**: The District does have security cameras on all state-owned buses. • **District Buses**: The District does not use the State fuel for activity buses on state costs (pays for it, but with state rate). • **Maintenance**: The District has one maintenance person who can do minor maintenance, but larger work is outsourced. • **Hazard Costs**: The District has spent $93,300 per year on hazard costs over the last three years.	• Implement routing software to ensure most efficient routes. • Implement GPS on buses to replace the ineffective GPS that the State supplied.
Collaboration	• The District does not collaborate with surrounding districts	

APPENDIX A:
SAVINGS METHODOLOGY

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. Actual savings may vary based on implementation decisions.

FINANCE AND HUMAN RESOURCES

- A&M conducted interviews and analyzed personnel rosters and expenses to understand the intersection of people, process and technology within the District.
- A&M estimated potential savings that could be realized after implementation of recommended process, policy and technology changes based upon past experience implementing similar initiatives, comparison of staffing and spend against peer benchmarks and discussion with the District. A&M also estimated investments required to achieve savings based upon prior experience.
- In addition, while A&M evaluated potential synergies from a regional shared services model for transactional activities, after considering the District's size, current staffing levels and uniqueness of processes, policies and technology, A&M is not recommending implementation of this approach at this time.

PROCUREMENT

- A&M reviewed the District disbursement register and reviewed a limited sampling of vendor invoices to gain an understanding of the Districts 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 compare with benchmarks across the state.
- A&M evaluated opportunities for savings based upon comparison of benchmarks across the state that took into consideration the location, population and geographic profile of the each district.
- Savings estimates were not provided in instances where the District was in line with benchmark targets and was using both routing software and leveraging staggered bell times.

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.

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.

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.

TECHNOLOGY

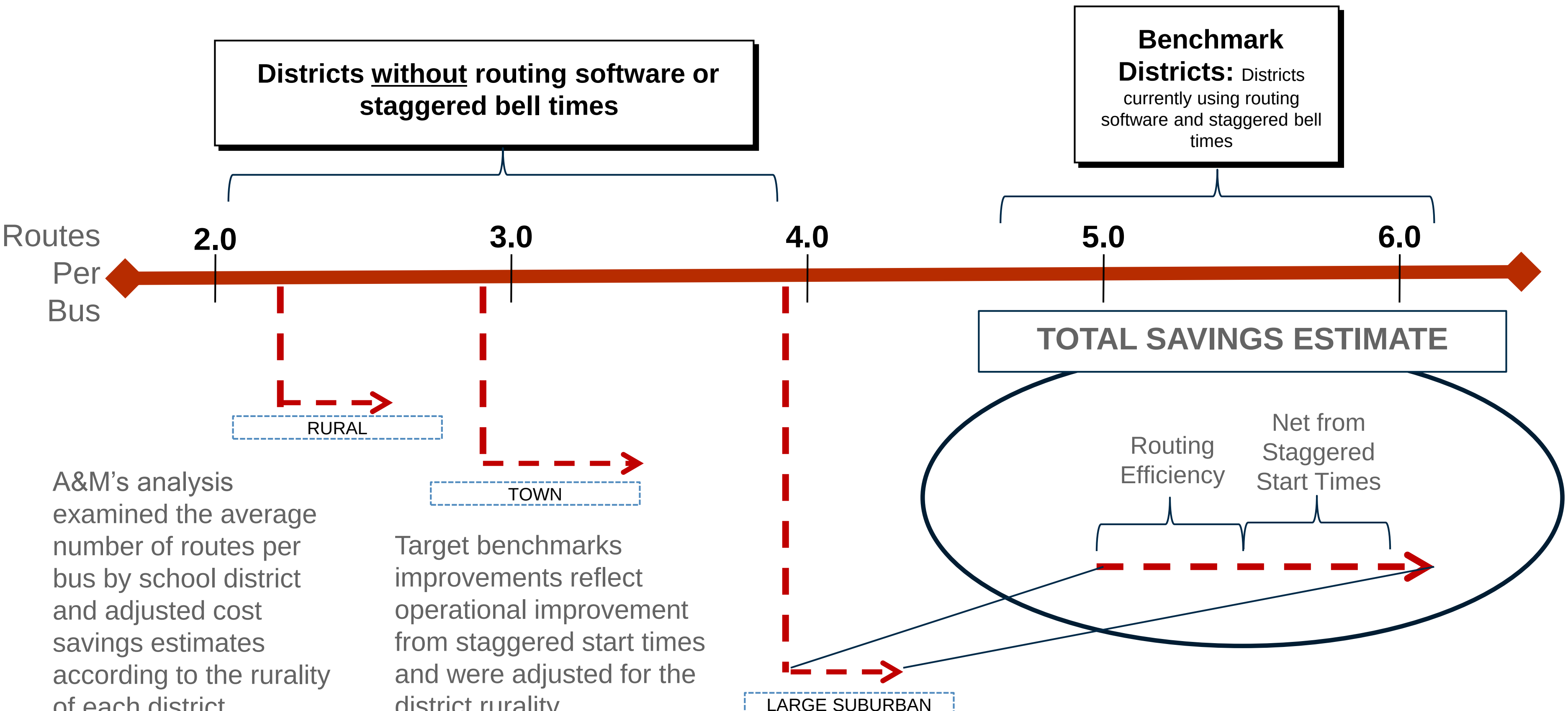
Technology investments were identified based on the need to automate processes for each function and determination of shared costs by school district.

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.

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.



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 reflect operational improvement from staggered start times and were adjusted for the district rurality.

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

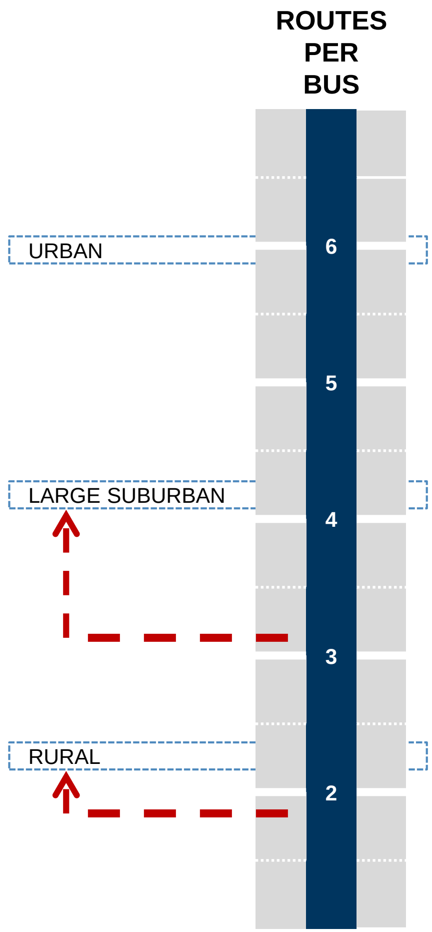
DISTRICT A	VOLUME	UNIT	DISTRICT	STATE
DRIVERS	5.0	$ 19,390	$ 55,051	$ 37,238
FUEL	43,560	$ 0.15	$ -	$ 6,749
MAINTENANCE	43,560	$ 0.34	$ -	$ 14,595
BUSES (COST AVOIDANCE)	1.0	$ 60,000	$ -	$ 60,000
TOTAL			$ 55,051	$ 118,582

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

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.

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.

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	
	Low	**High**
Building Services	1.0%	5.0%
Non-Instructional Supplies	1.0%	5.0%
Instructional Supplies	1.0%	5.0%
Instructional Services	1.0%	5.0%
Support Services	1.0%	5.0%
Technology	1.0%	5.0%
Other	1.0%	5.0%
Overhead Services	1.0%	5.0%
Transportation Services	1.0%	5.0%

Preliminary estimates of potential savings from increased collaboration of purchasing across districts range from 1.0% to 5.0%.

APPENDIX B: DATA SOURCES

APPENDIX B: DATA SOURCES
LEXINGTON 01

[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

LEXINGTON 01

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
LEXINGTON 01

Source [5]

- Grant Funds as Percent of Total Budget = ((Total Special [5] + Special EIA Revenue [5]) / Total Revenue Excluding) Where Fund Name ≠ "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 = (Cash: Unrestricted, general fund [7] + Investments: general fund [7] + AR: County [7]) / (General Fund Expenditures [3] / 365))
  *General Fund Expenditures = expenses where fund code = 100

- Days Payable Outstanding = (Accounts Payable: General Fund [7] / (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 = Fund balance – unrestricted [7] / General Fund Revenue [5]

- Grants Receivables Days Outstanding = (Grants Receivable from State [7] + Grants Receivable from Federal [7]) / (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 = Total Debt Outstanding[7] / Revenue[5] (Where Fund Name ≠ "Capital Projects Fund" or "Debt Service Fund")

Source [9]

- Routes Per Bus = Number of Routes [9] / Number of Buses [9]

- Average Ridership = Total Ridership [9] / Number of Routes [9]

- Average Route Time = Total Route Minutes [9] / Number of Routes [9]

- Average Mileage Per Bus = Total Route Miles [9] / Number of Buses [9]

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