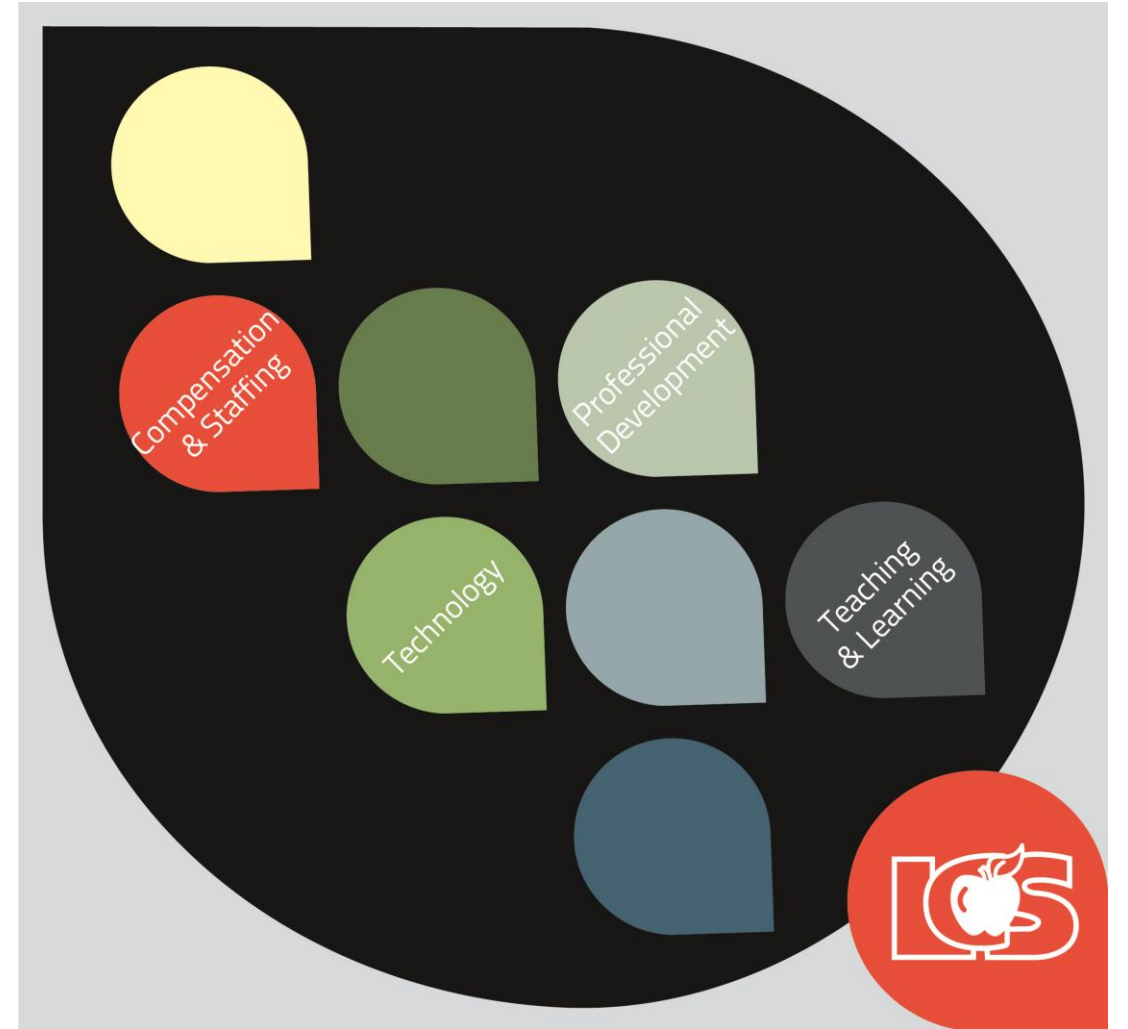


ENGAGELCS

Strategic Finance Plan Outline and Input for 2014-15



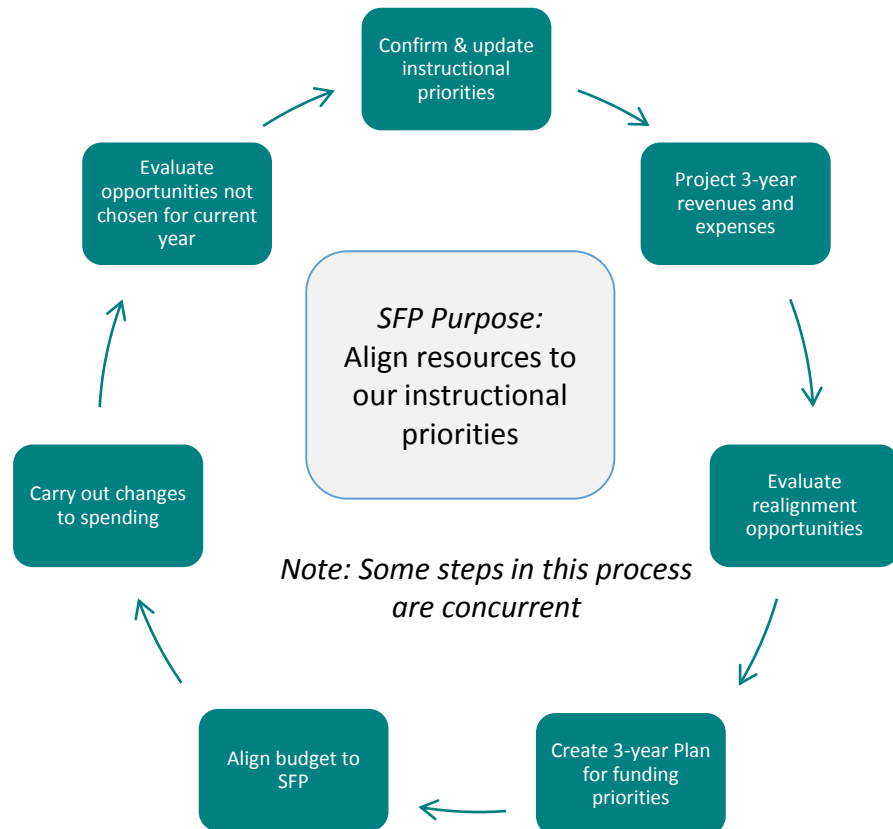
Strategic Finance Plan (SFP) Update

- 2014 -15 Process and Calendar
- 2014-15 Realignment Opportunities



Our picture of the Strategic Finance Plan process

Building the SFP is a rolling process



Important notes on rolling process

SFP covers a multi-year span

- Allows for more than "just-in-time" planning
- Aligns leadership on district's long-term goals

2013-14 built critical systems and infrastructure

- Focus on return-on-investment in decisions
- Building SFP before completing budget serves as a budget blueprint

2014-15 is the second year of using this process

- Continued long-term planning
- Consistently incorporating each step of the rolling process

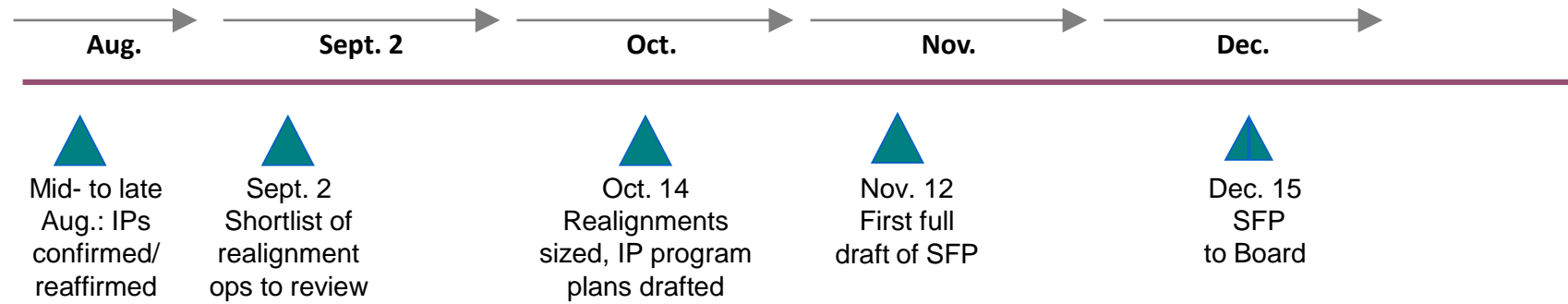
Committed to continuing refinement

- Ongoing improvement over time
- Feedback from Stakeholders is guiding current year implementation



2014-15 SFP calendar for major milestones

Key milestones
in SFP development

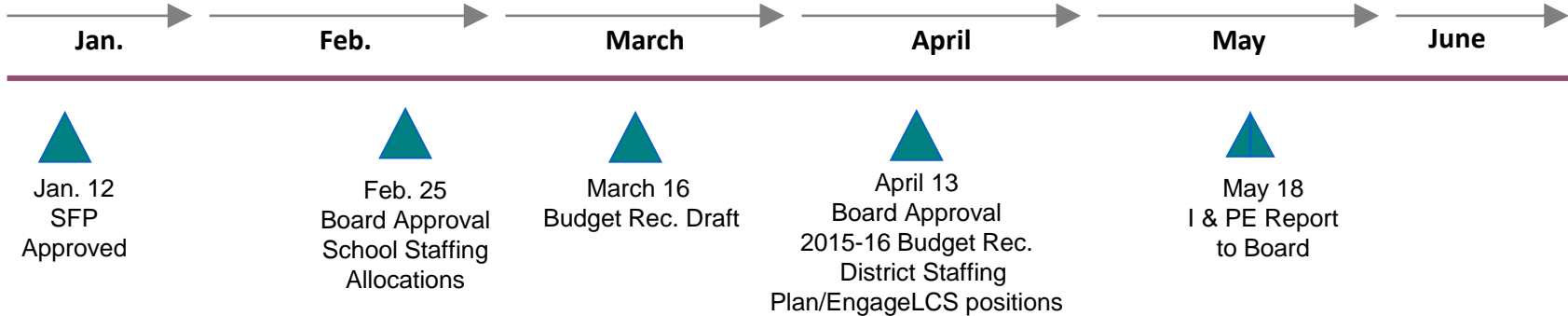


Strategic Finance Plan = SFP
Instructional Priority = IP



2014-15 SFP calendar for major milestones

Key milestones
in SFP development



Strategic Finance Plan = SFP
Instructional Priority = IP
Innovation & Program Evaluation = I & PE



Strategic Finance Plan (SFP) Update

- 2014 -15 Process and Calendar
- **2014-15 Realignment Opportunities**



Reminder: Our original Engage balance sheet

Realignment Opportunities

	2014-15	2015-16	2016-17
Shift of expenses out of general fund (\$M)			
Capital expenditures	1.5	1.5	1.5
Realignments within general fund (\$M)			
High school schedule	4.6	4.7	4.8
Consolidated purchasing	2.0	3.0	3.0
IDEA funding (non-recurring)	0.5	0.5	0.5
Maintenance: lawn care	0.5	0.8	0.8
Management discretion	0.3	0.5	0.5
Transportation ¹	0.4	1.7	1.7
Administrative salaries	0.2	0.3	--
Athletics transportation	0.1	0.1	0.1
Clerical	--	0.2	0.5
Guidance Counselors	--	To be determined	To be determined
Other TBD ideas	--	--	3.5
Total	10.1	13.3	16.9

Investment Opportunities

	2014-15	2015-16	2016-17
Baseline (\$M)			
Surplus (gap)	(3.8)	(7.1)	(10.4)
IP Costs (\$M)			
Roll forward from previous yr	--	1.4	1.0
ELL	(1.0)	(1.0)	(1.0)
Struggling Students & Schools	(1.0)	(1.0)	(1.0)
Talent Development Pipeline	(1.4)	(1.6)	(1.6)
Teacher Induction & Coaching	(0.4)	(0.4)	(0.4)
Principal Induction & Development	(0.2)	(0.2)	(0.2)
Program Evaluation & Innovation	(0.2)	(0.2)	(0.2)
Pers. Learning (Teachers/Leaders)	(1.0)	(1.2)	(1.3)
<i>Self funding across PD initiatives</i>	0.6	0.6	0.6
Pers. Learning (Students)	(0.3)	(1.6)	(2.7)
<i>Self funding</i>	--	--	0.3
Total: priorities only	(5.5)	(5.8)	(7.4)
Total: net of self-funding	(4.9)	(5.2)	(6.5)
Total: incl. baseline gap	(8.7)	(12.3)	(16.9)
Net surplus (gap)	1.4	1.0	--



To fill gap, as well as add incremental investments in priorities, expect to seek savings primarily from three sources

1

Ideas introduced last year by our stakeholders

Ideas we learned of last year, but decided not to pursue for year 1

We committed to following up on these for this year

2

New ideas from over the last year

Ideas generated by Engage teams over the past year

3

Continuing ideas from last year

Ideas that have been started in 2013-14 for which we continue to seek savings



1 We already committed to explore certain areas this year

Areas we discussed but did not incorporate into last year's SFP (1 of 2)

Position/area	Description of opportunity	Rationale
Secretarial & clerical staff	<ul style="list-style-type: none"> Explore reducing number of administrative assistants, secretarial and clerical staff (Analysis is in process) 	<ul style="list-style-type: none"> Compared to similarly-funded peer districts, Lake has higher staffing levels for these positions; need to understand and evaluate the Lake-specific reasons behind this
Guidance counselors	<ul style="list-style-type: none"> Explore reducing total number of guidance counselors (Analysis is in process) 	<ul style="list-style-type: none"> Based on resource map data, LCS has more counselors per student compared to similarly-funded peer districts; need to understand needs of the district and constraints
Middle school schedule	<ul style="list-style-type: none"> Explore moving from current 6-period day to 7-period day 	<ul style="list-style-type: none"> Current schedule requires more resources to administer; it also under-utilizes our best teachers and does not align to testing windows
IDEA Efficiencies	<ul style="list-style-type: none"> Pursue additional reimbursements (revenue increase) for Exceptional Student Education services through Medicaid and other insurance sources Non-recurring savings- Strategically decrease amount of IDEA funding annually held in reserve to yield one-time savings each of the next two years 	<ul style="list-style-type: none"> ESE funds district receives do not always align with the level of service provided to students A large carryover of funding could be used for current needs
School models	<ul style="list-style-type: none"> Examine magnet school models 	<ul style="list-style-type: none"> May still be able to offer highest-quality programming for less cost through consolidated programming

Note: Opportunities and analyses suggested are preliminary and subject to alignment with relevant laws, regulations and policies



1 We already committed to explore certain areas this year

Areas we discussed but did not incorporate into last year's SFP (2 of 2)

Position/area	Description of opportunity	Rationale
District Skyward systems efficiencies	<ul style="list-style-type: none">• Potential to reduce both supplies and staff	<ul style="list-style-type: none">• Skyward and other improvements are making it easier to streamline processes
Materials & supplies budget	<ul style="list-style-type: none">• Revision of overall materials and supplies budget	<ul style="list-style-type: none">• Online vendors often have cheaper prices than some district-approved vendors; currently not a concrete process for getting them approved

Note: Opportunities and analyses suggested are preliminary and subject to alignment with relevant laws, regulations and policies



② The following areas for examination were added to the list this year (1 of 2)

Position/area	Description of opportunity	Rationale
IDEA and Title I realignment	<ul style="list-style-type: none"> Determining what should be site-based and what should be district-based related to staff hiring with entitlement funds with a focus on increasing student achievement 	<ul style="list-style-type: none"> A wide range of staff is hired through entitlement funds, and their impact on student achievement is unclear
IDEA Efficiencies	<ul style="list-style-type: none"> Reduce investment / redundancy in ESE facilitative support and coordination Examine school staffing ratios for ESE students of varying exceptionalities, eliminate any instances of over-staffing Make sure district is allocating 15% of IDEA funds for prevention / early intervention 	<ul style="list-style-type: none"> We may be overinvested in facilitators and coordination positions that are not heavily student-facing Staffing ratios for ESE students are opaque; need to determine if allocations lead to overstaffing for certain exceptionalities Unclear whether district is making use of this rule; may be able to use IDEA revenue to support prevention programming for students
School Models	<ul style="list-style-type: none"> Examine collegiate H.S., IB, Class size/School Choice, CTE Academies, zone waivers, Academic anchors, Boundaries, VPK 	<ul style="list-style-type: none"> May still be able to offer highest-quality programming for less cost through changed/targeted programming



2 The following areas for examination were added to the list this year (2 of 2)

Position/area	Description of opportunity	Rationale
Title I office consolidation & Central office for district staff	<ul style="list-style-type: none"> Consolidating two Title I district offices into one Explore the costs and efficiencies gained through a centralized location for the office of all district departments including real estate analysis, efficiency analysis, infrastructure analysis, space usage analysis 	<ul style="list-style-type: none"> Title I office has two locations (South & North); these may be able to be consolidated The district departments are scattered throughout the county; consolidating offices into one site may provide savings related to facilities, staffing and efficiency
District staffing in several areas	<ul style="list-style-type: none"> Examination of roles and responsibilities of district-level positions 	<ul style="list-style-type: none"> Use of both directors and coordinators may not be utilizing staff as efficiently as possible
Purchasing Cards	<ul style="list-style-type: none"> Increasing use of district purchasing cards with vendors 	<ul style="list-style-type: none"> May be able to get substantial rebates if vendors agree to be paid with this card



3 The following areas for examination are continuing from 2013-14: (1 of 2)

Position/area	Description of opportunity	Rationale
Consolidated Purchasing	<ul style="list-style-type: none"> • Centralize purchasing process to realize greater savings • Revision of overall materials and supplies budget • Consolidation of Academic Core area software 	<ul style="list-style-type: none"> • Centralizing purchasing processes and standardizing purchases can help the district realize greater savings
Self-funding across professional development initiatives	<ul style="list-style-type: none"> • Coordinate self-funding realignment across LCS departments resulting in professional learning redesign 	<ul style="list-style-type: none"> • Coordinated funding and moving to Personalized Learning for Teachers and Leaders should result in savings as the delivery system is redesigned
Transportation	<ul style="list-style-type: none"> • Utilize routing software to create more efficient routes • Align middle and high schools to the same bell schedule so that these students can share routes (2 Tiers) 	<ul style="list-style-type: none"> • These efficiencies should produce savings based on fewer miles and more fully used buses



3 The following areas for examination are continuing from 2013-14: (2 of 2)

Position/area	Description of opportunity	Rationale
Maintenance Lawn Care	<ul style="list-style-type: none">• Create lawn care teams to provide services to all facilities (Needs to work by January 1st for the first year sites)• Through attrition, reduce the number of custodians at each school by approximately one custodian• Implement lawn care teams at the high school level including care of the athletic team fields	<ul style="list-style-type: none">• More efficient use of staff and equipment will result in savings

