Loudoun County School Board

FY18 Superintendent’s Proposed Budget
January 31, 2017

Department of Business and Finance
FY18 Business and Finance Divisions

- Assistant Supt.
- Budget Svcs.
- Employee Benefits & Retirement
- Financial Svcs.
- Procurement Svcs.
Presentation Overview

✓ Mission
✓ What We Do
✓ High Performing Department
✓ Strategic Plan Work
✓ Business & Finance Fast Facts
✓ Business & Finance: Size; Growth
✓ Challenges
✓ Request by Category: Enrollment Growth & Transfers
✓ Request by Division
What Is Our Mission?

✓ To provide support, leadership and direction on financial matters to schools, central departments, the Superintendent and the School Board.

✓ To assure that financial matters are managed in a fiscally responsible manner consistent with School Board budget and goals.
What Do We Do?

We provide central support to Schools, Departments and all LCPS employees
Business and Finance, A High-Performing LCPS Dept.

- Awards!
  - Meritorious Budget Award from the Association of School Business Officials (ASBO) International - 17 yrs.
  - Distinguished Budget Award from the Government Finance Officers Association (GFOA) - 15 yrs.
- Continued management of ORACLE Phase 1 and Phase 3
- Preparation of ORACLE Phase II
- Manage Self Insurance Fund’s healthcare, workers’ compensation and disability programs
- Manage the Staffing Standards calculations to more efficiently and consistently budget for staff
Strategic Goal: Cultivate a high performing team of professionals focused on our mission and goals

- Competitive Teacher Salaries Strategic Action
  - Analysis of existing salary scales and recommendation for improvements

- Business & Finance Leadership
  - Experienced, talented Leaders
  - Interested in staff development opportunities to improve skill sets
  - Working together to make operations as efficient as possible
Strategic Goal: Deliver effective and efficient support for student success

- **ORACLE Finance & Human Resource Management System Strategic Action**
  - ✔ Supported major upgrade of Oracle Financials
  - ✔ Supported Oracle reporting platform upgrade
  - ✔ Ongoing support of roll-out of Oracle Phase II Human Resources and Payroll module

- **School Board Policies Strategic Action**
  - ✔ Reviewed/revised 75% (30) of Business & Finance policies
  - ✔ 25% (10) remaining to be reviewed this Spring
Business and Finance FAST FACTS

**Financial Services**
- 57,000 checks cut
- 467 wires made
- 70,000 invoices paid
- 5,000 IEXPENSE requests

**Budget**
- Managed over 100 staffing standards
- Position Control for over 11,000 FTEs

**Procurement**
- Issued 71 formal solicitations
- Reviewed 2,000 contracts
- Created 81 MOUs

**Employee Benefits & Retirement**
- Orientations for almost 2,000 new hires
- Published 6 Wellness Works! Newsletters & E-Magazines
Funding for Business & Financial Services is 0.8% of the total Operating Fund

The positions or FTEs supporting Business & Financial Services is 0.7% of the total FTEs in the Operating Fund
 ✓ Business & Financial Services positions have grown at a slower rate than overall staffing and enrollment from FY09 to FY18
Challenges

• ORACLE Phase II Human Resource & Payroll module
  ✓ Successful transition from current Legacy payroll system to Oracle
  ✓ Train over 11,000 full-time employees in the usage of the self-service module and entry of time and labor
  ✓ Train about 4,000 part-time employees in the entry of time and labor

• Reporting
  ✓ Timeliness of internal financial analysis
  ✓ Turnaround time of Annual School Report
## FY18 Expenditure Changes

<table>
<thead>
<tr>
<th>PRIMARY CHANGES</th>
<th>FTE</th>
<th>$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment Growth</td>
<td>4.0</td>
<td>$0.4</td>
</tr>
<tr>
<td>Reallocation</td>
<td>(1.0)</td>
<td>0.0</td>
</tr>
<tr>
<td>Transfers</td>
<td>(8.0)</td>
<td>$(0.9)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(5.0)</td>
<td>$(0.5)</td>
</tr>
</tbody>
</table>
## FY18 Enrollment Growth

<table>
<thead>
<tr>
<th>PRIMARY CHANGES</th>
<th>FTE</th>
<th>$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Growth Staffing</td>
<td>4.0</td>
<td>$0.5</td>
</tr>
<tr>
<td>Other Growth Operating</td>
<td>-</td>
<td>$(0.1)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4.0</td>
<td><strong>$0.4</strong></td>
</tr>
</tbody>
</table>
# Other Growth Staffing

<table>
<thead>
<tr>
<th>PRIMARY CHANGES</th>
<th>FTE</th>
<th>$ in millions</th>
<th>Budget Book</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement and Disability Specialist</td>
<td>1.0</td>
<td>$0.1</td>
<td>167</td>
</tr>
<tr>
<td>Supervisor, Purchasing</td>
<td>1.0</td>
<td>$0.1</td>
<td>175</td>
</tr>
<tr>
<td>ERP Reporting Specialist</td>
<td>1.0</td>
<td>$0.1</td>
<td>161</td>
</tr>
<tr>
<td>ERP System Administrator</td>
<td>1.0</td>
<td>$0.1</td>
<td>161</td>
</tr>
<tr>
<td>Total</td>
<td>4.0</td>
<td>$0.5</td>
<td></td>
</tr>
</tbody>
</table>
### Other Growth Operating

<table>
<thead>
<tr>
<th>PRIMARY CHANGES</th>
<th>FTE</th>
<th>$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractual Services</td>
<td>-</td>
<td>$(0.1)</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>$(0.1)</td>
</tr>
</tbody>
</table>
# FY18 Reallocation

<table>
<thead>
<tr>
<th>PRIMARY CHANGE</th>
<th>FTE</th>
<th>$ in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reallocation (Grant Specialist)</td>
<td>(1.0)</td>
<td>$0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(1.0)</td>
<td><strong>$0.0</strong></td>
</tr>
<tr>
<td>PRIMARY CHANGES</td>
<td>FTE</td>
<td>$ in millions</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>-----</td>
<td>---------------</td>
</tr>
<tr>
<td>Retirement &amp; Disability Supervisor to Self Insurance</td>
<td>(2.0)</td>
<td>$(0.2)</td>
</tr>
<tr>
<td>Benefits Specialist to Self Insurance</td>
<td>(2.0)</td>
<td>$(0.2)</td>
</tr>
<tr>
<td>Senior Benefits Specialist to Self Insurance</td>
<td>(1.0)</td>
<td>$(0.1)</td>
</tr>
<tr>
<td>Benefits Assistant to Self Insurance</td>
<td>(1.0)</td>
<td>$(0.1)</td>
</tr>
<tr>
<td>Secretary II to Self Insurance</td>
<td>(1.0)</td>
<td>$(0.1)</td>
</tr>
<tr>
<td>Supervisor, Retirement &amp; Disability to Self Insurance</td>
<td>(0.5)</td>
<td>$(0.1)</td>
</tr>
<tr>
<td>Supervisor, Health, Wellness &amp; Benefits to Self Insurance</td>
<td>(0.5)</td>
<td>$(0.1)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(8.0)</td>
<td>$(0.9)</td>
</tr>
</tbody>
</table>
Personnel
• System-wide changes for existing personnel
• 1.0 ERP System Administrator requested
• 1.0 ERP Reporting Specialist requested
• Part-time Funds-Phase II

Operations & Maintenance
• Training for FAST team positions
## FAST TEAM FY14 to FY18

<table>
<thead>
<tr>
<th>Personnel</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordinator, ORACLE Functional Lead (Phase 1 - FY14)</td>
<td>1.0</td>
</tr>
<tr>
<td>System Administrator, Phase 1 (repurposed Computer Tech FY15)</td>
<td>1.0</td>
</tr>
<tr>
<td>FAST Team (FY17- ½ year)</td>
<td>4.0</td>
</tr>
<tr>
<td>System Administrator, Phase 2 (FY18)</td>
<td>1.0</td>
</tr>
<tr>
<td>Report Writer (FY18)</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8.0</strong></td>
</tr>
</tbody>
</table>
Personnel
• Increases reflect system-wide changes for existing personnel
• No new positions requested

Operations & Maintenance
• Overall decrease
**Personnel**

- System-wide changes for existing personnel
- 1.0 Retirement & Disability Specialist requested
- (8.0) FTEs moved to Self Insurance Fund
- Part-time Funds – Phase 2

**Operations & Maintenance**

- Contractual Services – movement of the cost of flu shots to Self Insurance Fund
Financial Services (pg. 170 )

Personnel
• Increases reflect system-wide changes for existing personnel
• No new positions requested
Part-time Funds – Phase 2

Operations & Maintenance
• Materials, supplies & technology to support office functions
• Professional development for staff
Procurement Services (pg. 174)

**Personnel**
- Increases reflect system-wide changes for existing personnel
- 1.0 New Procurement Supervisor requested

**Operations & Maintenance**
- Training for new position
Conclusion

• Need structured functional support team for all financial applications
• Defining moment by adding the Payroll, Time & Labor, Advanced Benefits and Employee Self-Serve for all LCPS employees (Full Time & Part Time)
• Triage system won’t work anymore with an ERP System, the modules are inter-dependent
• A $1 billion business, massive changes now, massive changes ahead
Loudoun County School Board

FY18 Superintendent’s Proposed Budget
January 31, 2017

Department of Business and Finance