Loudoun County School Board

FY19 Superintendent’s Proposed Budget
January 18, 2018

Department of Business and Finance
Presentation Overview
FY19 Business and Finance Divisions

- Assistant Superintendent’s Office
- Budget Services
- Employee Benefits & Retirement
- Financial Services
  - Accounting
  - Payroll
  - FAST
- Procurement Services
What Is Our Mission?

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

✓ To ensure 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 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 - 18 yrs.
  - Distinguished Budget Award from the Government Finance Officers Association (GFOA) - 15 yrs.
- Oracle’s continued management of Phase 1 and Phase II
- Manage Self Insurance Fund’s health, 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
  ✓ Concerted effort to improve stakeholder opportunities for input and feedback
  ✓ 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 100% of Business & Finance policies
Challenges

• ORACLE Phase II Human Resource & Payroll module
  ✓ Successful transition from current Legacy payroll system to Oracle
  ✓ Train over 11,000 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
  ✓ Support 14,000 in Financial Suite, Reimbursements, P-card etc.

• Reporting
  ✓ Timeliness of internal financial analysis
  ✓ Turnaround time of Annual School Report
<table>
<thead>
<tr>
<th>Financial Services</th>
<th>Budget</th>
<th>Procurement</th>
<th>Employee Benefits &amp; Retirement</th>
<th>FAST Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cut 57,000 checks annually</td>
<td>Manages over 100 staffing standards</td>
<td>Issues 71 formal solicitations</td>
<td>Orientations for 2,000+ new hires</td>
<td>Fields high volume of hotline calls</td>
</tr>
<tr>
<td>Makes more than 467 wires annually</td>
<td>Handles position control for 11,000+ FTEs</td>
<td>Reviews 2,000 contracts</td>
<td>Publishes Wellness Newsletter &amp; E-Magazines</td>
<td>Responds to high volume of emails</td>
</tr>
<tr>
<td>Pays 70,000 invoices annually</td>
<td>Monitor &amp; report on $1.1 b budget</td>
<td>Creates 81 MOUs</td>
<td>Manages SI Fund &amp; seeks efficiency</td>
<td>Trains time-keepers</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Develops training materials</td>
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</tbody>
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## FY19 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>1.0</td>
<td>$0.1</td>
</tr>
<tr>
<td>Reallocation</td>
<td>1.0</td>
<td>$0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2.0</td>
<td><strong>$0.1</strong></td>
</tr>
<tr>
<td>PRIMARY CHANGES</td>
<td>FTE</td>
<td>$ in millions</td>
</tr>
<tr>
<td>----------------------------</td>
<td>-----</td>
<td>--------------</td>
</tr>
<tr>
<td>Other Growth Staffing</td>
<td>1.0</td>
<td>$0.1</td>
</tr>
<tr>
<td>Total</td>
<td>1.0</td>
<td>$0.1</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>Senior Accountant, Payroll</td>
<td>1.0</td>
<td>$0.1</td>
<td>107</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1.0</td>
<td><strong>$0.1</strong></td>
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</tr>
</tbody>
</table>
# FY19 Reallocations

<table>
<thead>
<tr>
<th>PRIMARY CHANGES</th>
<th>FTE</th>
<th>$ in millions</th>
<th>Budget Book</th>
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</thead>
<tbody>
<tr>
<td>Payroll Specialist III</td>
<td>1.0</td>
<td>$0.1</td>
<td>107</td>
</tr>
<tr>
<td>Non-FTE Salaries</td>
<td></td>
<td>($0.1)</td>
<td>107</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1.0</td>
<td><strong>$0.0</strong></td>
<td></td>
</tr>
</tbody>
</table>
Personnel
• System-wide changes for existing personnel

Operations & Maintenance
• No increases compared to FY18
Personnel

• Increases reflect system-wide changes for existing personnel

Operations & Maintenance

• Overall decrease
Personnel
• System-wide changes for existing personnel

Operations & Maintenance
• Contractual Services – benefits-related studies and audits
Personnel
• Increases reflect system-wide changes for existing personnel
• 2.0 Payroll positions requested
• A reallocation of non-FTE salaries was made to fund one of the Payroll positions

Operations & Maintenance
• No increases requested
Procurement Services (pg. 110)

**Personnel**
- Increases reflect system-wide changes for existing personnel

**Operations & Maintenance**
- Other Contractual Services increase of $10k
• Defining moment by adding the Payroll, Time & Labor, Advanced Benefits and Employee Self-Serve for all LCPS employees (Full Time & Part Time)
• Structured functional support team for all financial applications in place
• Need additional payroll staff for increased processing volume and to reduce overtime of payroll staff members
• Triage system won’t work anymore with an ERP System, the modules are inter-dependent
• A $1.2 billion business, massive changes now, massive changes ahead
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