



Ron Bienkowski
Chris Eide
George Ferguson
James Ritchie
Robert Tait
Dan Wiedemann

TOWN OF NEWTOWN

SHARED SERVICES COMMITTEE

The Legislative Shared Services Ad Hoc Committee held a regular meeting on Tuesday, January 26, 2016 at 7:30 P.M., in Meeting Room One in the Newtown Municipal Center, 3 Primrose Street, Newtown, CT.

PRESENT: Ron Bienkowski, Chris Eide, George Ferguson, James Ritchie, Robert Tait, Dan Wiedemann

ALSO PRESENT: Legislative Council Chair Mary Ann Jacob, Dr. Erardi.

CALL TO ORDER: Ms. Jacob called the meeting to order with the Pledge of Allegiance at 7:30pm.

VOTER COMMENT: None

NEW BUSINESS

Election of a Chairman: MR. FERGUSON NOMINATED DAN WIEDEMANN. SECOND BY CHRIS EIDE. THERE BEING NO FURTHER NOMINATIONS, MR. WIEDEMANN WAS ELECTED UNANIMOUSLY.

Election of a Vice Chairman: MR. FERGUSON NOMINATED JAMES RITCHIE. SECOND BY CHRIS EIDE. THERE BEING NO FURTHER NOMINATIONS, MR. RITCHIE WAS ELECTED UNANIMOUSLY.

Appointment of a Clerk: MR. WIEDEMANN NOMINATED CAREY SCHIERLOH FOR CLERK. SECOND BY MR. FERGUSON. UNANIMOUSLY APPROVED.

Next Steps on Council Charge to Committee:

Ms. Jacob discussed the Committee Charge. (ATT) She would like the findings/recommendations to begin impacting the budget in fiscal year 17/18. The Blum Shapiro report from 2012 was shared for review. Ms. Jacob explained we need to find more efficiencies that will not affect services. She would like a report similar to the Blum Shapiro report; very specific recommendations. She shared an email from Council member Ryan Knapp regarding a part-time purchasing agent with the fire departments. (ATT)

Mr. Bienkowski expressed concerns that it sounds predetermined to combine. There are levels of efficiencies that exist on both sides and it doesn't necessarily mean combining will be efficient. The town satisfied the biggest recommendation from the Blum Shapiro report by operating on the same financial platform. He stated there are services that we should have like a purchasing agent

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Town Clerk of Newtown 10:21
am
Debbie Aurelia Halstead

and town risk manager. The insurance company has recommended a risk manager to investigate all accidents and to run safety committees.

Ms. Jacob doesn't think adding a position that makes sense for the town is off the table. This committee is going to make recommendations. Implementation is the done by the Boards of Selectmen and Education. The purpose of this committee is to look at feasibility and cost savings. We must remember we are doing what is right for the community.

Mr. Bienkowski noted the responsibilities of a risk manager are now fragmented among a number of people. Another advantage would be a self-insurance fund for liability.

Ms. Jacob explained currently we have two work charts (municipal and Board of Ed). How do we put the responsibilities of both together, which could mean new positions, and create a functional well run department. Look at the work that has been done; investigate what has changed and what have other towns done.

Mr. Wiedemann stated he would like to break into smaller groups to share the work. He and Mr. Ferguson will review and analyze the Blum Shapiro report, Mr. Ritchie will report to the committee the benefits and disadvantages of combining services in his experience as Superintendent in Plainville.

Mr. Bienkowski shared a 2015 CASBO report on shared services. (ATT) He stated there are many things in the report that we are already doing.

Mr. Wiedemann asked Mr. Tait to report his suggestions for improvements, and Mr. Bienkowski and Mr. Eide to report on suggestions for the Board of Ed side.

Mr. Tait suggested including how recommendations will be implemented.

Mr. Ritchie noted timing of implementation is important, such as when to eliminate a position especially if the employee is nearing retirement.

Ms. Jacob believes many residents are facing difficult choices and expects the town to also take a hard look at costs while maintaining services.

Mr. Bienkowski believes this should be a fresh look. The Blum Shapiro report, while extensive, it left a lot of areas flat and never came to a conclusion. For example, they never addressed what to do about office space if services are combined. They suggested reducing four staff by combining but then added 3 managers, which is counter what we have been trying to do.

Ms. Jacob stated the Blum Shapiro report was influenced by hardened positions on both sides. We really need to come at this with an open mind as to what is the right thing for the community.

Mr. Ferguson suggested getting a table of organization from both sides with descriptions to see what is similar or overlapping.

Dr. Erardi stated when he was in Southington, they brought in people that were alike and asked them to have a conversation and bring back 2 things to the committee. What can be done immediately as best practice, cost savings and one that is long term, involving them in the process.

Ms. Jacob suggested the committee compile questions and send to CCM and they will do research and send a report to us. Mr. Tait has a list of towns who have shared services. (ATT)

Next Meetings will be February 11 at 7:30pm in Meeting Room 1 in the Municipal Center and February 23 at 7:30pm in Meeting Room 1 in the Municipal Center.

VOTER COMMENT: None

ADJOURNMENT: There being no further business, the meeting adjourned at 8:22pm.

Respectfully Submitted,



Carey Schierloh

Clerk

Attachments: Council Charge, Email-Ryan Knapp, Blum Shapiro Report, CASBO Report, CCM Report

From: Ryan Knapp

Date: January 18, 2016 at 1:56:04 PM EST

To: Mary Ann Jacob

Subject: Info For The Shared Services Committee - Purchasing Agent

Hi Mary Ann,

I'm not sure if the Shared Services Committee is aware, but I noticed while looking through the Fire Budget for Ordinance that in the Account detail Salaries and Wages - Part Time break down on page 139 of the current budget, we pay \$15,000 per year for a Part Time Purchasing Agent for the FD. It would be worth studying if that effort could be absorbed by a Town Purchasing Agent and that line item may offset some of the costs.

If you would, please forward this information to the committee.

Thanks,

-Ryan



Volume 14, Issue 7

BULLETIN

Shared Services

CCM's Research and Information Service has recently received numerous requests concerning shared services between Connecticut municipalities and their Boards of Education. We believe this may also be of interest to you and your municipality.

In light of Public Act 13-60 which requires a town to make spending recommendations to the school board concerning consolidation of non-educational services and cost savings, many municipal governments have consolidated services with their Board of Education in an effort to share costs and eliminate overlapping services. These services often include IT services, human resource services, finance services, facility maintenance services, and others.

This bulletin provides examples of different Connecticut municipalities and boards that have collaborated to operate in a more efficient manner. This bulletin represents information gathered this month in a survey CCM sent to all 169 municipalities.

The table below includes the responses received as of August 14, 2014.



CCM's Research & Information Service

900 CHAPEL STREET, 9th FLOOR, NEW HAVEN, CT 06510-2807 PHONE (203) 498-3000 FAX (203) 562-6314

SHARED SERVICES BETWEEN MUNICIPAL GOVERNMENTS AND BOARDS OF EDUCATION

SURVEY

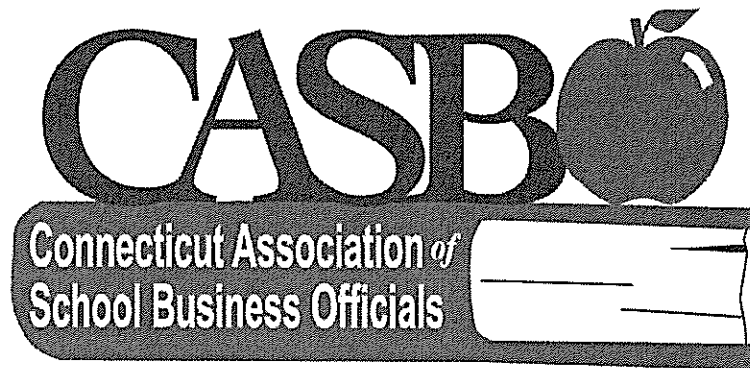
Municipality	IT	Grounds/Facility Maintenance	Human Resources	Office Services	Office Software	Finance	Other	None
Barkhamsted		✓				✓	✓	
Beacon Falls								✓
Bethel	✓	✓						
Bloomfield		✓					✓	
Bolton	✓				✓		✓	
Canterbury								✓
Chaplin								✓
Colchester		✓				✓		
Columbia		✓				✓	✓	
Coventry	✓	✓			✓			
Durham								✓
East Granby		✓						
East Haddam	✓				✓	✓	✓	
East Hampton	✓					✓		
East Hartford		✓				✓	✓	
East Windsor		✓					✓	
Ellington		✓						
Enfield	✓	✓						
Essex								✓
Fairfield		✓			✓	✓		
Franklin		✓				✓	✓	
Glastonbury		✓						
Goshen		✓						
Gulford		✓						
Haddam	✓	✓						
Hamden								✓
Hebron		✓					✓	
Killingly		✓						
Killingworth								✓
Lebanon		✓			✓	✓	✓	
Ledyard			✓					
Madison	✓	✓				✓	✓	
Manchester	✓	✓						
Mansfield	✓	✓			✓	✓	✓	
Marlborough		✓			✓			
Meriden						✓	✓	
Middlebury								✓
Middlefield							✓	
Montville								✓
Naugatuck		✓	✓			✓	✓	
New Canaan		✓				✓	✓	
New Milford	✓				✓	✓		
Norfolk								✓
North Branford		✓						
North Haven		✓						
Norwich							✓	
Old Saybrook								✓
Plainville	✓		✓		✓	✓		
Portland		✓				✓	✓	
Ridgefield		✓						
Roxbury								✓
Salisbury								✓
Simsbury	✓	✓	✓	✓	✓	✓	✓	
Somers					✓	✓		
South Windsor		✓	✓				✓	
Southbury							✓	
Southington								✓

Municipality	IT	Grounds/Facility Maintenance	Human Resources	Office Services	Office Software	Finance	Other	None
Thomaston								✓
Tolland		✓					✓	
Union							✓	
Vernon	✓	✓					✓	
Warren								✓
Washington		✓						
Waterford	✓	✓	✓	✓		✓		
West Hartford	✓	✓	✓	✓	✓	✓	✓	
Weston	✓	✓						
Westport				✓			✓	
Willington	✓					✓		
Wilton		✓					✓	
Windham					✓	✓		
Windsor		✓					✓	
Windsor Locks							✓	

Note: Almost all the municipalities who selected “Other” as a shared service did so as their local government shares risk management/insurance services with their board of education.

For additional information or questions please contact CCM’s Research and Information Services at (203) 498-3000 or by email at research@ccm-ct.org

The information provided in this bulletin is not intended to be legal advice or opinion.



Shared Service Whitepaper

2015

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Shared Services Whitepaper

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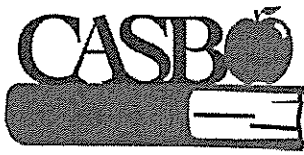
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Introduction to Shared Services

Connecticut has a long history of seeking ways to reduce costs through cooperation. The most visible results of this effort have been the creation of regional school districts (RSD) and Regional Education Service Centers (RESC), but there are many other ways communities and school districts can and have worked together to reduce costs. In a recent survey, 94% of responding districts participate in some type of shared services or purchasing with another district, RESC or town. Over 92% participate in at least 3 areas and 76% participate in 5 or more areas of shared services or purchasing.

There is also a long tradition in New England of not wanting to lose local control. Often, shared services and the concept of local control collide and sometimes savings get lost as a result.

CASBO's first edition white paper on consolidation/shared services was published in 2004 and it is time to update that information. It was felt that more practical information was needed in terms of the pros and cons of different types of cooperation and case studies, copies of formal contracts and the like would serve community leaders and public officials better.

The paper is broken down into nine (9) major categories:

1. Health, Dental, Liability, Property and Worker's Compensation Insurance
2. Maintenance of Parks, Athletic Fields, Buildings, Grounds and Vehicles
3. Computer Hardware, Software, Financial Management Systems and Information Technology Staffing
4. Shared Finance Office and Operations
5. Co-Operative Purchasing, Bidding and Purchasing Consortia and Regional Education Service Centers (RESCs).
6. Human Resources and Negotiations with Certified Staff
7. Cafeteria Services and Director
8. Transportation Services
9. Safety and Security Operations

Executive Summary

There are opportunities to be gained in reviewing various aspects of consolidation or shared services. The challenge is to keep the process free of politics and those looking to protect "turf" and/or build an empire. It is clear from our interviews and experience from school business officials and municipal officials, that collaboration can be most effective when good planning takes place, egos are put aside, and the planners are united in their mindset of "Public Service First".

As you will see, it is clear from the legal opinion that a board of education cannot be forced to consolidate financial services. It is just as clear that several towns in the state have consolidated some or all of the financial functions.

During the research phase for this paper it was clear that even the education statutes encourage school districts to work together. As the reader looks over the number and variety of consolidation efforts, one can readily see cooperation is alive and well from one corner of the state to another. We encourage districts to continue to explore efforts to share services.

As one reads the shared services examples outlined in Appendix A, it is important to recognize that there are, and have been, situations where the shared services has not been successful. Examples of some of the reasons are anticipated efficiencies not realized, cost-savings were not achieved, and in some districts, there were control and political issues. Some have reverted back to separation of services and/or hired additional staff. Few representatives were willing to publicly discuss unsuccessful situations.

The final measure that districts and towns should consider is the value such efforts contribute to the children and the taxpayers we serve.



Shared Services Whitepaper

Considerations of Consolidation

From the perspective of the taxpayer and the community, consolidation should be considered. From the perspective of the town and school officials, the actual consolidation of services may not be quite so simple.

When considering consolidation of services, there are several basic concepts that should be considered. They are as follows:

1. Does consolidation make sense operationally?
2. Does consolidation improve the effectiveness of the organizational functions for both entities?
3. Does consolidation improve the efficiencies of the organizational functions for both entities?
4. Does consolidation infringe or restrict in any way the operational prerogatives of any of the entities involved?

Limiting Operational Prerogatives

This area of assessment is the most difficult and complex when considering consolidation of services. What do we mean by "limiting" prerogatives? For clarification, a prerogative is according to the American Heritage Dictionary "an exclusive right or privilege held by a person or group, especially a hereditary or official right." (The underscoring of "official" is emphasized by the author.)

Let us first look at the consolidation of benefits. Once a community and board of education consolidate benefits and realize savings from pooling employees, does this action limit the future prerogatives of the respective organizations?

Official rights of boards of education are laid out in Section 10-220 of the General Statutes, as follows:

"Duties of boards of education. *(Each local or regional board of education shall maintain good public elementary and secondary schools, implement the educational interests of the state as defined in section 10-4a and provide such other educational activities as in its judgment will best serve the interest of the school district;..)

The Statute goes on in considerable detail to outline the rights and responsibilities of the board of education.

Could a board of education or a town withdraw from a cooperative effort? The answer is "yes"! However, the economic and political implications would probably be more than either organization would be willing to face.

Financial services is the most sensitive areas of consolidation of services and cuts to the central issue regarding prerogatives. Thomas B. Mooney, Esq. and author of "Connecticut School Law" is quoted:

"Everyone has an opinion on how to run the schools, and local municipal officials are no exception. Towns have tried various ways to dictate how local boards of education should expend funds appropriated to them, but the principle that school boards may exercise their independent discretion in deciding upon school expenditures remains intact."



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Important material from CASBO's original Consolidation of Services Whitepaper from 2003

Following is a legal opinion provided by a Connecticut law firm who requested to remain anonymous but is allowing for "liberal" quotes of their findings. In reading the opinion, keep in mind the concept of board prerogatives discussed previously.

"While the proposed consolidation is probably legally permissible, the Board cannot be required to accede to it. The reasons for this conclusion follow. First, any such consolidation could impinge upon the authority of the Board of education to determine the specific purposes for which the board wishes to spend its appropriations. Second, we are concerned that any such arrangement might impermissibly restrict the Board's right to hire, direct, supervise and discharge finance office employees. Finally, the Board would need to bargain with the affected union regarding the impact of the reorganization. While the Board generally has the managerial prerogative to make certain changes to its operations, that prerogative is not unfettered when those changes affect the working conditions of its unionized employees. Consolidation of the financial offices could affect the working conditions for bargaining unit members and would therefore necessitate impact bargaining. Therefore, the Board has a defensible basis for refusing to consolidate its financial operations with the Town. A detailed analysis follows:

Analysis:

1. The Statutory Scheme and Relevant Case Law.

The State of Connecticut has granted local boards of education broad authority to provide for local education within their districts. *Folwer v. Enfield*, 138 Conn. 521, 530 (1952). Connecticut Gen. Stat. 10-220(a) delegates to local boards of education the responsibilities to "maintain good public elementary and secondary schools, implement the educational interests of the state as defined in 10-4a and provide such other educational activities as in its judgment will best serve the interest of the school district."

The discretion of local boards of education, however, is not unfettered. The Connecticut Supreme Court has made clear that municipal charter provisions may limit the broad powers delegated by statute to a board of education, so long as those charter provisions "are not inconsistent with or inimical to the efficient and proper operation of the educational system." *Board of education v. New Haven* 237 Conn. 169, 181 (1996) (quoting *Cheshire v. McKenney*, 182 Conn. 253, 259 (1980)). See also *Local #1186 AFSCME v. Board of education*, 182 Conn. 93 (1980). In *Board of education v. Ellington*, 151 Conn. 1 (1963), the board of finance made its regular appropriation for the board of education, but then retained an additional \$46,300 for educational expenditures in a general government fund, in order to monitor the purposes for which such additional funds could be spent. (The board of finance was apparently concerned that the board of education would spend the monies on additional teaching positions, a curriculum coordinator and building maintenance without what the Board of Finance believed to be adequate justification). The Court held that the board of finance had no authority either to retain the funds for educational expenditures within the general government budget or to restrict the purposes for which such funds could be spent. The Court first pointed out that Section 10-222 of the Connecticut Gen-



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eral Statutes expressly provides that "money appropriated by any municipality for the maintenance of public schools shall be expended by and in the discretion of the board of education." *Id.* (emphasis added)

In the *New Haven* case, decided in 1996, the Court had occasion to revisit the issue of control over educational expenditures. The Court noted that "traditionally, there has been a tension between local boards of education, which seek sufficient funds to fulfill their educational mission, and municipalities, which are concerned with their overall financial condition." *New Haven*, 237 Conn. at 176. The Court reiterated that a municipality has control over the "total annual operating appropriation" (i.e. the "bottom line") for the school district. The Court went on to explain, however, that once money is appropriated to the board of education for annual operating expenditures, the board has discretion to determine how the funds should be spent. In fact, "even if the board of education justifies an appropriation for its annual operating budget based upon an anticipated expenditure for a particular educational purpose, it has the discretion to expend operating funds for an alternative educational purpose." *Id.* at 180.

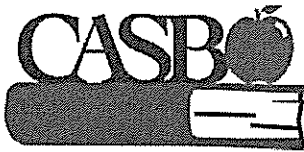
The Court has thus made clear that local boards of education have a great deal of discretion with regard to the operation of school districts, particularly with regard to the purposes for which appropriated funds are spent. That discretion, however, is not unlimited. As the case law makes clear, municipalities are permitted to restrict the authority of local boards of education, so long as they do not conflict with the board's statutory authority and do not adversely affect the efficient operation of the school district.

2. The Impact of Consolidation

The Board's Authority to Expend Its Funds

Against the legal background set forth above, we have concerns about requiring the consolidation of the town's financial offices and the financial offices of the board of education. Any such consolidation could likely impinge upon the authority of the board of education to determine the specific purposes for which the board wishes to spend its appropriations. If the board determines that it wishes to expend funds, within its appropriation, for a finance office, the town would likely be hard pressed to challenge the board of education's right to do so. Preventing the board of education from maintaining a finance office would seem to cut right at the heart of the authority of board of education to determine the specific purposes for which education appropriations should be spent.

Moreover, a conflict of interest arises if there is any interference with the Board's independent right to allocate its budget as well as perform other functions under Conn. Gen. Stat. 10-220. Consolidating financial offices and having town employees, under direction of the Town's supervisors, could adversely affect the ability of the board of education to make its own independent determinations over how its budget is prepared and allocated."



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Appendix A – Examples of Current Shared Service Situations

Health, Dental, Liability, Property and Workers' Compensation Insurance

The Farmington Town and Board of Education have worked cooperatively for many years on all types of insurance. They are also self-insured for medical benefits. Periodically they go to bid for various types of coverage and when they do, consult a broker. Several years ago, because of high medical claims, they had concerns about their level of reserves. They decided to work cooperatively to develop a policy to manage reserves. This policy was adopted by the Board and Town approximately two years ago. The Board has approximately 600 covered employees and the Town has approximately 250 employees. A copy of the policy is in the appendix, but what was developed was a minimum reserve of 7-11% of expected claims. In addition, if the reserves grew to more than 25% the Town and Board agreed to use the excess funds to supplement their budgets the following fiscal year. The funds would be distributed proportionately based on the number of covered employees for each entity.

Each year the Town and BOE set the following year's rates based on the estimated cost of premiums had they not been self-insured. This practice helps keep reserves healthy.

It should be noted here that the Town of Farmington offices and Board of Education offices are in the same building which helps to foster good communication.

This insurance collaboration has been going on for a long time and there is no formal agreement between the entities. The Town of Hebron and Hebron Board of Education, like many communities, collaborate on the purchasing of property, liability and workers' compensation insurance. This is a natural collaboration that saves no obvious dollars. It most likely evolved from the fact that the Town owns the property the Board of Education manages and the Board is technically a department of the Town. In most cases the Town deals with an insurance broker to develop coverage and deductibles. There is a clear separation between what coverage is the Town's and what coverage is the Board of Education. Workers' Compensation claims are generally reviewed by each entity separately with the broker in order

to manage claims and keep costs down. In terms of manpower, this is a relatively efficient process. One downside is that when budgeting, the Town is aware of the forthcoming year's renewal numbers long after the administration has submitted their budget to the Board of Education. This can be awkward, but it can also be managed.

The Town of Sherman and the Board have worked together on insurances for many years without a formal agreement. The town has about 5 members covered by medical benefits and the remaining 15 are BOE employees. Because of their small size, they are looking to form a medical consortium and are considering working with Education Connection, a RESC, to link with other communities to form a group which is credible in actuarial terms. They are looking to EASTCONN as a model. During the interview it was stated that the Sherman Public Works Staff, as part of their labor contract, each receive \$10,000 to purchase their own insurance.

Until recently, the Board and Town of Fairfield maintained all the insurances with the same carrier. In a recent bidding situation on Medical Insurance the Town stayed with Anthem while the Board changed carriers.

The Town of North Haven and North Haven BOE work together in maintaining medical benefits for their staff. A committee comprised of a member of the Board of Selectmen, the Board of Finance, the Board of Education, the Town Finance Director and the Board of Education's Director of Finance & Operations meet on a regular basis to review the medical experience with their broker. The group self-insures for dental and prescription and is premium based for medical coverage. There is no formal agreement, but there is a close and effective working relationship between the Town and the Board.

The Plainville Town and Board of Education have worked cooperatively for many years on all types of insurance. They are self-insured for medical and dental benefits and coordinate on the purchasing of property, liability and workers' compensation insurance. Both sides budget their Anthem projected health and dental expenditures annually in order to maintain a sufficient



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Appendix A – Examples of Current Shared Service Situations

insurance reserve. They conduct their insurance business through a broker, who reviews policies, conducts bids, and provides expertise and support to human resources staff. Periodically, they do an RFP and review for broker services. Both Town and Board staff work jointly on this.

The Plainville Board uses an Unemployment Services company to manage their Unemployment claims and appeals. However, the Town human resources person keeps records for both sides and does the interface with their management company. Thus far, this has proved to be a positive venture as there is a benefit from an employee well versed in unemployment law, and from the unique knowledge gained from educational unemployment quirks.

Maintenance of Parks, Athletic Fields, Buildings, Grounds and Vehicles

The Town of Farmington maintains the Board of Education property, prepares athletic fields and plows snow. The Board is responsible for the areas immediately next to the building, such as shrubs, and the BOE is responsible for clearing the sidewalks. This arrangement has been in place for many years.

For Hebron Public Schools and the Town of Hebron, snow plowing has gone on twenty years or more, but the town maintaining the grounds began in 2005. Staff indicates that the Superintendent of Schools met with the Town Manager to see if Parks and Recreation would maintain the fields and grounds. The Town Manager was in agreement if the Board would house a PREP program, which is before and after school child care. This is a very efficient program as the Town has all the equipment and the work done for the Board of Education is top quality and timely. Even when school is closed for snow, the parking lots are plowed in a timely manner. Both entities are served well and the taxpayer reaps the benefits of this cooperation. As with many shared efforts, the success of the cooperation stems from the knowledge and leadership of the Director of Park and Recreation. He is very knowledgeable about turf management and has found alternatives to the pesticide bans. He has a strong link with the University of

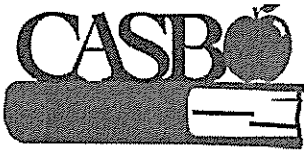
Connecticut, Department of Agriculture, which keeps him in the forefront of pest management which meets the state requirements and helps him with soil samples and expert advice. Given the number of acres managed, this gentleman must have strong leadership skills as he has a dedicated staff that follows his example and the attention to detail is impressive. It was also reported in the November 21, 2014 edition of the River East that RHAM (Regional School District #8, a 7-12 school) was outsourcing their sports field maintenance to the Hebron Park and Recreation program in order to improve the condition of their ball fields, the same gentleman that is maintaining the grounds for Hebron Public Schools. It will be interesting to watch how this plays out, as the challenge in managing sports fields in a secondary school environment is difficult because of the continuous use of the fields.

The Town of Sherman provides all the grounds and field maintenance for the school and has for many years. It is described as a past practice. The school is responsible for the area immediately around the building and for clearing sidewalks in the winter.

The Cheshire Public Works Department collaborates with the Board of Education with certain large projects, such as repairing water main breaks or assisting with the installation of natural gas lines. They will also assist with the sanding of parking lots, when requested. While the Board of Education has its own grounds crew, the Town's Park and Recreation Department occasionally mows school fields and the Board of Education occasionally mows park fields. This occurs when equipment is down or either party is short of manpower. This works well because both sides work cooperatively when the need occurs.

It is interesting to note that the Board employees and the town employees are represented by different unions and there have been no grievances on the issue of bargaining unit work.

The Town of Fairfield maintains the school grounds, but not the ball fields. The Town also does snow plowing, but the Board also contracts out some of the snow plowing. The Town's fleet is not big enough to handle both



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Appendix A – Examples of Current Shared Service Situations

the town roads and the schools in a timely manner. The school system is responsible to maintain the areas close to the school buildings and for clearing sidewalks in the winter.

In Greenwich, when a Superintendent heard criticisms from athletic groups that school playing fields were not as well kept as Town managed playing fields, he proposed moving all of the school's grounds employees to Town control including its foreman. The school budget decreased. He was hailed for his decisiveness.

The Town of Plainville maintains the Board of Education grounds, prepares athletic fields, and plows snow. The Board is responsible for the areas immediately next to the building for final clearing and sanding. This arrangement has been in place for many years and works well. Walkways, parking lots, and adjacent road areas are cleared in a timely manner and snow pushed back for clear view, thus protecting students and staff.

Most vehicle maintenance is done by the Plainville town crew and the Board is responsible for the cost of supplies and parts for their vehicles. Judging by the age and mileage of the vehicles, this works well for the Board and all Town departments.

The Plainville BOE manages the interior of all of the schools both for custodial and for maintenance, while the Town contracts for cleaning services. Both the BOE and Town have separate Maintenance staff. During this past year, it has been decided that they will merge the Buildings and Grounds crews under the BOE direction. The BOE Director of Facilities has been assisting the Town and BOE with energy saving projects and thus has built the trust with the administration. He will assume oversight of the combined units. The Highway and Engineering Departments will be Town controlled and provide joint services to the BOE and Town.

Computer Hardware, Software, Financial Management Systems and Information Technology Staffing

The Town of Hebron and Hebron Public Schools both use the same financial management software, but each has its own server and database. Essentially, the Town and the Board of Education are stand-alone systems. The town and BOE are beginning to explore the possibility of end-of-month electronic reconciliation of accounts and offsite backup since both are on the same town-wide fiber optic network. They also want to see if there are other areas where they can cooperate to streamline operations. Since, both the Town and BOE have small finance staffs and anything that can be done to streamline processes is helpful. The primary benefit of both being on the same software, but separate, is that there is a site nearby for emergency backup in case of a catastrophe. With a single-person office doing payroll and accounts payable, it is nice to know there is experienced backup available nearby.

The Town of Cheshire and the Cheshire Board of Education both use MUNIS on the same server, but with different databases. This saves dollars and helps the town with its monthly reconciliation. The costs for the financial management system are shared. The Town and BOE also share the same data network and subcontract the maintenance to a third-party vendor. The Town and BOE share the costs proportionately. Over the past three years the network and equipment were upgraded and this was extended to both the Town and BOE buildings. The BOE has a Technology Coordinator who also assists the Town with planning. In addition, the BOE has six technology assistants to service staff and student needs.

Monroe Public Schools shares information technology services with the Town of Monroe. As a school district function, IT serves the schools and the town on a 70/30 basis. According to the School Business Manager, sometimes the Town feels the delivery of services should be more equal. The arrangement pre-dates the current business manager; who given the choice, would opt to continue it. As an outgrowth, IT manages copier leases and phones. The school district and the town share these services arranged by the school IT director.



Shared Services Whitepaper

Appendix A – Examples of Current Shared Service Situations

The Town of Plainville and Plainville Community Schools both use the ADMIN Financial Management System, but each has its own server and database which are not connected. The Town and the BOE are stand-alone systems but personnel from Town and BOE have log-ins for each side. We do have offsite backup but each side is separate.

The Town of Plainville and Plainville Community Schools both use the BOE technology staff to provide all support and technical services. The Town has provided the funds to cover one staff while the BOE budgets for the others. The BOE has a Director of Technology and four technology assistants to service BOE and Town staff and student needs. The Director of Technology provides the oversight and management of all services and serves to provide the purchasing expertise to both the BOE and Town. Our systems show an up time of 99%. Over the past three years the network and equipment has been upgraded and this extended to both the Town and BOE buildings.

To many individuals, sharing a financial management system makes fiscal sense and seems fairly straight forward. In fact, the process of sharing a server is very straight forward, but sharing the same financial database is quite complex.

When one shares a financial database, there is a single chart of accounts for both entities. When two organizations meld their respective charts of accounts into one, many compromises take place.

The obvious question from a lay person is, what is so important about a chart of accounts? Every school district in the nation develops their chart of account under the requirements of the US Department of Education as outlined in the Financial Accounting for Local and State School Systems 2009 (Education Publication #2009325). This document is available at <http://nces.ed.gov/pubs2009/2009325.pdf>.

This document has also been adopted by the State of Connecticut as the basis for the Uniform Chart of Accounts (UCOA), which is in the process of being implemented as this white paper is being written. This chart of accounts also requires a site code for reporting

school by school. The chart of accounts is important as it creates a uniform basis for annual reporting to the State and Federal Government educational expenses.

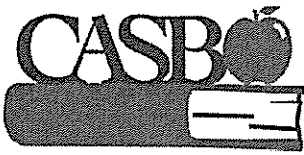
The chart of accounts, if set up properly, also helps local administrators develop reports in a logical sequence that makes projecting, management and budget reporting very efficient. It also allows for comparing accounts from one school district to another. At least that is the hope of the UCOA project.

The Town of Farmington has one financial management software, while the Board of Education has a different software. Both products are owned and distributed by the same company. While the Board and Town do not share the same platform, they do make a practice of meeting quarterly to reconcile their books. This leads to an easier and cleaner process when the auditors arrive.

The Town and BOE of Plainville merger of financial services came about in 2012 and was finalized in 2013. The Town and the BOE had issues in communications and understanding of each other's responsibilities. In 2011-2012, the Town Council contracted with a consultant to study the feasibility of the merging of the fiscal operations. The consultant worked with both operations to study their responsibilities and to determine opportunities for saving or providing better services.

The outcome of this study was to change the BOE Director of Fiscal and Operations to a Director of Business and Operations. This allowed the Town Finance Director to oversee the HR / Payroll operations from the fiscal perspective, and the Board Director of Business and Operations to address the actual services and flow. As time progressed, the major changes that we have seen were to improve the General Ledger side of the BOE with the Town Finance Director focusing on the cash while the BOE Director of Business and Operations focused on the expenditures and fiscal compliance.

In North Haven, both the Town and the BOE use the same software, but they each have their own database. While they do not reconcile their accounts using the software, the Board uses the software to help reconcile their bank statement. The advantage to each is they can back each other up in case of staff illness.



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Appendix A – Examples of Current Shared Service Situations

Shared Staffing (those not already referenced)

The Town and BOE of Columbia merger of financial services came about somewhere in 2000-2001 and was finalized in 2002. The BOE had issues in its finance office; such as, audit had been performed late, W-2s were incorrect, bills not being paid timely. The merger was to provide backup and/or cross training to both the BOE and the town staff in case someone on the staff was sick or left their respective position. Communication between the BOE and the town was lacking. One of the goals of the merger was to improve communication (particularly with the financials and budgeting) and develop a more cooperative relationship. Budget savings to the town was another reason.

Griswold shares an OTPT employee with Canterbury. District representatives described it as "win - win." The Griswold employee works several days a week in each district according to a set schedule. It has created a good working relationship between the two districts.

Avon and Granby share an employee who services Open Choice.

Co-Operative Purchasing, Bidding, Consortiums and RESCs

Cooperative purchasing groups have been active in the State of Connecticut dating back to the late 1960's. With the inception of RESCs, cooperative purchasing was an early service they offered. These groups are still active today and most school districts purchase materials and supplies of all kinds through these cooperatives. State purchasing contracts are also a popular source for purchasing. Their contracts are almost always available for municipal subdivision to access.

More recently, communities and school districts have gotten into bidding the generation of electricity. Organizations such as Connecticut Council of Municipalities (CCM) and Capital Region Council of Governments (CRCOG) have been supporting cooperative groups to bid electricity generation. CRCOG successfully did a reverse auction (similar to eBay) for the purchase of electric generation.

The Farmington BOE and Town used to bid oil together.

Within the past 5 years, when oil tanks needed to be replaced, the Town and the Board agreed to not replace the oil tanks, a project that was estimated at \$750,000, but instead burn natural gas. At the time there were both town and board buildings that did not have gas service and they worked together to convert those buildings. For the most part, the Board uses State of Connecticut contracts to purchase supplies. The Board has found a way to link these purchases to their Infinite Visions Financial Management System.

Hebron Public Schools uses the CCM bid for its electric supply.

The Town of Cheshire and Board work cooperatively to bid gasoline, diesel, and #2 Fuel Oil. The Board uses the cooperative purchasing services of its RESC.

The Town of Fairfield does most of the bidding and purchasing for the Board of Education. The Board provides the specifications and the Town completes the formal bid process.

The Plainville BOE and Town continue to purchase electricity and natural gas through the CRCOG bidding process. At times bidding individually might save one side some money, but this joint bidding does provide the taxpayers with the best combined pricing.

Many Farmington Valley districts, as well as others, have been able to join in on an environmental services (such as asbestos abatement, mold remediation, indoor air quality, etc.) contract. This has provided considerable savings for the towns/districts and provided consistent service on joint projects such as building repairs, bonding projects, and design work.

Monroe Public Schools and the town also purchase diesel together and re-fueling is at the Town DPW facility.

Nine school districts purchase services including environmental services, copiers and printers as one entity; Avon, Bloomfield, East Granby, Farmington, Granby, Plainville, RSD 10, Simsbury and Suffield. Separate individual awards are made by each board of education. Economies of scale provide lower costs.

Regional School District #8 (RHAM) is a 7-12 school



Shared Services Whitepaper

Appendix A – Examples of Current Shared Service Situations

district and is comprised of the communities of Andover, Hebron and Marlborough. Each community also maintains an elementary school for K-6 students. The number of staff covered by medical insurance in FY 2014-15 is as follows: RHAM 222, Andover BOE 38, the Town of Andover 12, The Board of Education for Hebron 114, the Town of Hebron 40, the Marlborough BOE 68 and the Town of Marlborough is 19. The entire group totals 513 covered employees. In actuarial terms, a “credible” group in terms of calculating experience is between 275-300 covered employees. None of the entities individually form a “credible” group. In order to avoid wide swings in premium increase, in 1997 they agreed to form a “Related Group Rating Agreement”, which at the time was prepared by Blue Cross Blue Shield of CT. A copy of the original agreement is available through CASBO. The consortium has been working very effectively for the past seventeen years, with no formal organization except the original Blue Cross Agreement. The group meets monthly, except for the summer, to review experience, look for new ways to control costs, coordinate negotiation of medical benefits and discuss a myriad of issues with the insurance broker dealing with medical coverage. More recently, a great deal of time has been spent understanding and planning for the Affordable Care Act.

At present the group is considering a draft of a formal agreement to determine voting rights and how many votes each entity has, what constitutes a quorum and the like. A copy of the draft agreement can be found in the appendix.

The group is faced with a difficult economy and declining enrollment, which in turn reduces the covered members over time. In order to maintain a “credible group” it would not come as a surprise for the group to invite other districts to join the group and enlarge its membership to offset this trend.

In order to further control costs, the group is researching issues around self-funding health benefits rather than full premium. For the next fiscal year they are looking to self-fund dental coverage. Dental insurance has an annual cap on individual expenses and is not a very volatile expense. It is hoped that the experience with dental insurance will lead to self-insurance of all medical

claims. One other option being considered is joining the EASTCONN Insurance Consortium.

The information above clearly shows the benefits each entity gets from being a member of the consortium. In the current fiscal environment radical swings in the medical insurance line would have catastrophic impact on the small local budgets.

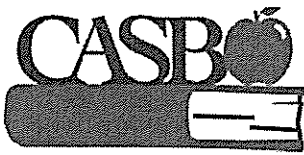
On the downside, when you have seven entities trying to adapt and make changes, it is a slow and difficult process.

Human Resources & Negotiation with Certified Staff

Under CGS, Section 10-153d requires that the Board of Education meet with the Board of Finance or Board of Selectmen prior to negotiating with teachers. In addition, the law encourages, but does not require, that the town participate in negotiations.

The Farmington Board of Education invites the Board of Selectmen to have a representative on the negotiating team for teachers, and the Town has always sent a representative to these meetings. The selectman representative updates the Board of Selectmen as negotiations progress. In this way, when the final negotiated teacher contract comes before the Board of Selectmen for approval, there are no surprises. This process supports good communication between the parties.

The Plainville Board of Education invites the Town council to have a representative on the negotiating team for teachers. This process supports good communication between both the Town and Board. The Town of Plainville offices and Board of Education offices are located in the Town Municipal Center with both Administrations on the same floor. This has been very helpful for good communication. The HR and Payroll offices have been combined and as of now we have backup coverage for all parts of Payroll and HR for the Town and BOE. Each staff member has areas of key responsibilities and specialty, yet there is back up coverage and the ability to problem solve jointly. This did not save on the number of staff in that office but did allow for changes in duties and titles. The consultant had not projected that the merger



Shared Services Whitepaper

Appendix B – Examples of Current Shared Service Situations

would save money or reduce staff, but had projected efficiencies.

Where communication between the BOE and the Town had been challenging in the past, it has improved to the point that we all share celebrations and projects together. One of the goals of the merger was to improve communication (particularly with the financials and budgeting) and develop a more cooperative relationship. Budget savings to the taxpayers has been a pleasant by-product of the merger.

Cafeteria Services and Director

The Coventry School Food Service was approached by the Administration at Andover Elementary School in 1999. At the time, they did not have a production kitchen and were getting the food delivered from another school. They wanted to make changes, and asked Coventry to take over the management of their food service program. The food is prepared at a Coventry school and delivered it in temperature controlled containers.

A few years after, Andover renovated to build a full service kitchen. Coventry still provides all Food Service director and secretarial duties, including but not limited to menu planning, nutritional analysis, USDA compliance, accounts payable and receivable, food and supply ordering, meal claiming, staff training, etc.

Coventry processes all food, paper and government orders, handle all A/P and A/R, develop menus in compliance with USDA regulations, retain nutritional and ingredient information on all products, inventory figures and all financial data, and provide all necessary staff training. The cost to Andover is roughly \$20,000 a year, with increases in line with the Coventry contract. It would cost them considerably more to hire a director and secretarial help outright.

All food service programs that run other districts are required by USDA to have a yearly interschool agreement on file with the State Department of Education. A copy of the agreement is available through CASBO.

In the past ten (10) years, Hebron Public School enroll-

ment has dropped by over 400 students, a little more than one third of the enrollment. In declining enrollment, it's challenging to maintain a self-sufficient cafeteria program. In order to address this situation Hebron sought out a partnership with a nearby community to share a food service director similar to the model provided by the partnership between Coventry and Andover. The partnership effort failed, but Hebron is still talking with area superintendents to see if a partnership can still be accomplished. Most area school districts are facing the same reduction in enrollment and are struggling to maintain a cafeteria program. Politically and economically, small communities cannot afford to add cafeteria expenses to the operating budget. The Hebron Board of Education is supportive of creating a partnership to avoid this possibility. Community members may see the cafeteria program as "expendable", but it is well documented that well fed children perform better. All one has to do is look at the free and reduced count of eligible children to understand the impact if this program is lost.

Avon, Canton and Region 10 operate a consolidated food services program using a single Director of Nutrition and support clerical personnel. Common menu planning leading to purchasing economies provides savings.

Transportation Services

Connecticut State statutes required towns to provide transportation for non-public school resident children. Economies of scale exist by sharing with the Board of Education a single transportation provider.

The Fairfield Board of Education handles all the busing for children that attend their school. However, Fairfield has a lot of private schools, and the Town picks up the cost of that transportation. First Student has the local contract and handles both the public and private schools. This practice happens in many school districts.



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Appendix A – Examples of Current Shared Service Situations

Safety and Security Operations

Many districts engage the services of School Resource Officers (SROs, which is a specially-trained police officer) for security purposes at school districts. In general, the SROs are employees of the town or State Police department. Their salaries may be allocated from the BOE budget.

The Town of North Haven helps with the SRO and retired police officers to cover security guard positions and covers most of the cost.

The MORE Commission

At the time of this report the Connecticut House of Representatives has established a commission to study municipal regional opportunities and efficiencies, The MORE Commission. Three subcommittees include:

- ◆ Municipal Efficiencies
- ◆ Regional Entities
- ◆ Special Education

Several early reports and recommendations have been issued including regional common school calendars. Others are expected.



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Appendix B – Regional Education Service Centers (RESCs)

RESCs were established in 1972 by Connecticut's legislature:

CGS Sec. 10-66a. Establishment. *A regional educational service center may be established in any regional state planning area designated in accordance with section 16a-4a upon approval by the State Board of Education of a plan of organization and operation submitted by four or more boards of education for the purpose of cooperative action to furnish programs and services.*

RESCs were further given the mandate in law that the "Department of Education shall encourage the use of regional educational service centers as providers of goods and services for local and regional boards of education and may award special consideration to grant applications that indicate the use of services of regional educational service centers or joint purchasing agreements among boards of education for the purpose of purchasing instructional or other supplies, testing materials, special education services, health care services or food or food services."

In addition, RESCs were also given the opportunity "to provide professional development services, technical assistance and evaluation activities to local and regional boards of education, state charter schools, regional vocational-technical schools, school readiness providers and other educational entities, as determined by the commissioner. Regional educational service centers and state education organizations shall expend such funds in accordance with procedures and conditions prescribed by the commissioner. For purposes of this section, state education organizations may include, but not be limited to, organizations or associations representing superintendents, boards of education and elementary and secondary schools."

There are six RESCs established in the state;

- ◆ Area Cooperative Educational Services (ACES), North Haven
- ◆ Capitol Regional Educational Council (CREC), Hartford
- ◆ Cooperative Educational Services (CES), Trumbull
- ◆ EASTCONN, Hampton
- ◆ Education Connection, Litchfield
- ◆ LEARN, Old Lyme

Services are provided in many areas by the RESCs. "Every school district in Connecticut benefits from services provided by Regional Educational Service Centers (RESCs). Through RESCs, districts and communities have access to high quality, cost-effective collaborative programs and initiatives.

All RESCs support the instructional and operational components of Connecticut school districts. RESCs design and deliver community-based education, training, and human service programs, which add to the economic well-being and quality of life throughout the state.

RESCs are poised to serve their districts with timely, relevant, tailored and cost-effective services. The Alliance has an active role in statewide initiatives.

RESCs now offer statewide Online Learning Opportunities for both students and educators." (1)

As stated, RESC offers services to its local boards of education. For instance, *LEARN in Old Lyme has the following goals:*

Goal One:

To provide exemplary and innovative school based programs that advance achievement for all students and nurture the cognitive, physical and emotional well-being of students in safe, respectful and diverse learning communities.

Goal Two:

To provide leadership in the delivery of high quality regional or local programs and services that enhance teaching and learning for all students and educators and improve the quality of public education.

Goal Three:

To provide cost effective and efficient regional and organizational services to better meet our members' needs. (2)

Not all RESCs offer the same services.

Many RESCs offer special education schools "designed to meet the unique needs of K – 12th grade students with a wide range of abilities and complex needs. Special education schools utilize state-of-the-art assistive technology equipment and instructional strategies to maximize students' educational experience.

RESCs develop solutions to the most pressing needs of member school districts. From school-based technical



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Appendix B – Regional Education Service Centers (RESCs)

assistance to programs that advance education in the workforce, RESCs work closely with local educators and state officials to improve teaching and learning.” (3)

In addition, some RESCs supports the career development and transition for a multi-challenged adult population, ages 21 and above. These programs provide vocational training and support to adults with disabilities in the areas of Individual Employment, Group Supported Employment, and Volunteer Services. For additional information. (4)

Professional Development and School Improvement Services provides districts with high-quality programs, services, resources and technical assistance in a variety of areas, including curriculum design and implementation, content and pedagogy, assessment, instructional technology, evaluation and supervision, leadership development and strategic planning. (5)

Another service is Early Childhood Services which offers high quality competency-based interdisciplinary consultation and training to early childhood practitioners and supports the design and implementation of early childhood experiences in both regular and special education settings. The interdisciplinary team also provides child-specific interventions in ECE settings for children Birth to Five. (6)

Applied Behavior Analysis (ABA) services for school programs, school districts, organizations and families. Highly experienced Board certified Behavior Analysts work with children, adolescents, and adults. RESCs combine the most current methodology in the ABA field to design teaching and clinical solutions. Students are taught to achieve goals in the areas of social, behavioral, academic and language development. (7)

Extension Therapy Services provides contractual occupational therapy and physical therapy services to member school districts and local private schools. Services are provided as a related service when deemed necessary for a special education student to participate in his/her educational curriculum and also to provide support

to the general education curriculum, as requested by the LEA or school. (8)

RESCs provide transportation services for public schools, including PK-12 regular and special education students. In addition, some RESCs provide transportation services to human services agencies in their respective region. Transportation vehicles of various types and seating capacities are available; RESCs also manage the maintenance, routing, dispatching, vendors, insurance and provision of drivers. The fleet includes wheelchair-accessible vehicles for riders who require this equipment. Some RESC vehicles are equipped with cellular phones and GPS devices. Routes and schedules are flexible in order to meet specific needs. Weekend, field trip, holiday, summer and other special transportation is available. RESCs use professionally licensed drivers who undergo state and federal criminal checks and continual, random drug testing. Drivers are trained in carrying medically fragile riders and in dealing with difficult populations. Drivers can also escort clients to and from appointments, as needed. Bilingual staff is available. Some RESCs can also provide transportation management assistance to organizations that are going out to bid for transportation services. (9)

RESCs offer various services in technology as well. Software and Application, Hosting Data Management, Desktop Computer and Server Support, Technology Audit, CONNECT: The Connecticut Educational Consortium for Technology Bring Your Own Device (BYOD) Services Online Assessment Readiness Technology Policy and Practice Development, PowerSchool System Support, Curriculum Unit Revision Infusing Technology, Technology Professional Training and Certification, Managing Digital Learning Environments, Online and Blended Course Design for Flipping the Classroom, Digital Literacy are just some of the technology services offered. (10)

Cooperative Bidding is also a program offered by RESCs. Cooperative purchasing saves time and money. This cooperative purchasing brings the buying power of



Shared Services Whitepaper

Appendix B – Regional Education Service Centers (RESCs)

many school districts, municipalities and non-profit organizations together to offer numerous savings opportunities. We try to make cooperative purchasing as simple as possible, so that school districts, towns and non-profit organizations save money and time.

For example, CREC's philosophy regarding cooperative-bid programs encompasses the following:

- ◆ All bids must be publicized so that all vendors have an opportunity to respond. All bids are evaluated and awarded based upon the total offer – lowest price, ability to offer the exact product requested, ability to deliver and customer service
- ◆ CREC has a two-fold approach to these offers. First, when feasible, CREC develops its own competitive-bid programs.
- ◆ Secondly, CREC sponsors and promotes national competitively bid programs to complement CREC's in-state offers. With this philosophy, CREC taps into the expertise of other programs who offer value and competitive prices.

These local and national programs are available to all public and private school districts, towns and municipalities, libraries and non-profit organizations. CREC continually do research to understand the market, improve our offers, and work with vendors to resolve problems. These programs are endorsed by CT RESC Alliance and are available to districts throughout the state and throughout New England.

So RESCs through CREC's Cooperative Purchasing program is one more way that we provide cost-effective solutions to public education challenges. (11)

Construction services is another service that a RESC offers to schools and municipalities, these services include the following:

- ◆ Clerk of the Works;
- ◆ Management and Construction Administration Services;
- ◆ Pre-Construction Services;
- ◆ Move Management;
- ◆ Owners Representation;
- ◆ Renewable Energy Solutions;

- ◆ Energy Management and Audits;
- ◆ Owners Project Management;
- ◆ Closeout Service;
- ◆ Remote Monitoring;
- ◆ Budgeting and Forecasting Services;
- ◆ Energy Efficiency Program;
- ◆ Energy Conservation Measures;
- ◆ FF&E Coordination;
- ◆ Construction Development and Planning Services. (12)

In addition, others areas in which services are offered include:

- ◆ GED (General Educational Development)
- ◆ Pre-GED
- ◆ ABE (Adult Basic Education)
- ◆ ESL (English as a Second Language)
- ◆ HSD (High School Diploma Program)
- ◆ NEDP (National External Diploma Program)
- ◆ Citizenship Classes
- ◆ Online Learning- (CT Distance Learning Consortium offerings) & Odysseyware
- ◆ Family Literacy Program
- ◆ Career Pathways
- ◆ Transition to College
- ◆ Non-Traditional Adult Education Instruction
- ◆ Workplace Education (13)

Regional Educational Service Centers (RESCs) In each of six geographic areas there is a regional educational service center. Governed by appointed board of education members from local area school districts, at their genesis is the fundamental concept of sharing public school services especially among smaller school districts to lower the combined cost. Over time Connecticut RESCs have developed programs and services in response to individual area needs and preferences and the economic advantages have been realized many times over.



Shared Services Whitepaper

Appendix B – Regional Education Service Centers (RESCs)

Today, however, these RESCs look very different from one another for several reasons. The governing boards and the educational leadership have been driven by regional variations and as an unintended consequence the basic missions of the RESCs, to share educational services, has been reduced and where today it must compete with other educational programs for limited budget resources.

This can be attributable in part to the parochial nature of Connecticut towns and school boards, however, in other states the trend has been the opposite. Regional educational services have grown and the pursuit of such services guides their growth. To encourage this state aid is available for services shared through a RESC.

It is recommended that the role of our RESCs relative to shared services and economic advantages be the subject of future study. This could include a comparison with RESCs or equivalents in other states. There is a distinct likelihood that under the correct conditions shared services among Connecticut public schools could prosper and flourish in concert with an effective network of the very same RESCs they currently govern.

The services above are just a few services that RESCs offer. It is suggested that one go to each RESCs website in order to obtain a more comprehensive list of services offered.

For your convenience the following are the home pages on the web for each RESC:

<http://www.aces.org/>

<http://www.ces.k12.ct.us/page.cfm?p=2510>

<http://www.crec.org/about/index.php>

<http://www.eastconn.org/>

<http://educationconnection.org/about-us/overview/>

<http://www.learn.k12.ct.us/>

<http://www.rescalliance.org/>

Bibliography

<http://www.rescalliance.org/>

<http://www.learn.k12.ct.us/?DivisionID=16489&DepartmentID=19555>

<http://www.aces.org/administration/curriculum-programs/curriculum-programs-overview>

www.aces.org/access

<http://www.aces.org/professional-development/professional-development-overview>

www.aces.org/early-childhood

www.aces.org/behavior

www.aces.org/ets

<http://www.eastconn.org/index.php/component/content/article/9-uncategorised/139-display-program-or-service?productid=65>

<http://www.ces.k12.ct.us/page.cfm?p=2517>

<http://www.crec.org/find.php?s=a71>

<http://www.crec.org/coop/index.php>

<http://www.crec.org/find.php?s=t23>

<http://educationconnection.org/adults-community/adult-and-continuing-education/>



Shared Services Whitepaper

Appendix C – Separation of Duties

Separation of Duties Recognizes Distinct and Independent Educational and Municipal Needs Title 10, Chapter 163 of the Connecticut General Statutes (CGS), Sections 10 – 4 and 10 - 4a outline the State of Connecticut's responsibility to supervise and control the educational interests of the students in Connecticut. CGS Section 10- 220 outlines the duties of boards of education and charges that the local board "SHALL maintain good public elementary and secondary schools, implement the educational interests of the state," and "shall provide an appropriate learning environment for its students which includes (1) adequate instructional books, supplies, materials, equipment, staffing, facilities and technology, (2) equitable allocation of resources among its schools, and (3) a safe school setting; shall have charge of the schools of its respective school district; shall make a continuing study of the need for school facilities and of a long-term school building program and from time to time make recommendations based on such study to the town; shall report annually to the Commissioner of Education on the condition of its facilities and the action taken to implement its long-term school building program, which report the commissioner shall use to prepare an annual report that said commissioner shall submit in accordance with section 11-4a to the joint standing committee of the General Assembly having cognizance of matters relating to education; shall advise the Commissioner of Education of the relationship between any individual school building project pursuant to chapter 173 and such long-term school building program; shall have the care, maintenance and operation of buildings, lands, apparatus and other property used for school purposes and at all times shall insure all such buildings and all capital equipment contained therein against loss in an amount not less than eighty per cent of replacement cost;" This supports the Connecticut constitution that requires free public elementary and secondary schools. These statutes create a legal separa-

ration between management of town resources and management of school resources. The Board of Education is a quasi state agency created by law to implement the statewide interests to provide an adequate, equitable educational opportunity for all children of the state. CGS Section 10-222 states that, "the money appropriated by any municipality for the maintenance of public schools shall be expended by and in the discretion of the board of education." The Board has full discretion to transfer funds to any item of its budget. The law determines that the operation of the schools resides with the board of education. The town's responsibility is to provide the funds for that educational activity. CGS Section 10-4b provides penalties to towns not providing adequate financial support in meeting the state's educational interests. This separation recognizes that the nature of the responsibilities of town/city government and Boards of Education require different skill sets, experience and focus for the administrative personnel in each office.



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Appendix D – Examples of Agreements

Excerpt from the Colchester Town Charter, Article XII, subsection C-1202 Department of Finance.

- A. The (Colchester) Department of Finance shall be responsible for maintaining all budgets, accounts and financial records of the Town, including those of **the Board of Education**. The Department of Finance shall have administrative oversight over all budget accounts and shall be responsible for the disbursement of all moneys therefrom. The Department of finance shall keep records of all financial transaction for the town , including those of the Board of Education, and shall perform such other duties as deemed necessary by the Board of Finance, the Board of Education or Superintendent of Schools for the sound administration of their respective budgets. **Notwithstanding the forgoing, both the Board of Selectmen and the Board of Education shall at all times remain in control of their respective budgets.**
- B. The Department of Finance shall consist of the Chief Financial Officer, who shall be the department head, and such other personnel as deemed necessary by the Board of Selectmen.
- C. The Board of Selectmen and the Board of Education **shall jointly hire the Chief Financial Officer**, who shall possess the appropriate practical and technical qualifications for the office. The Chief Financial Officer shall be responsible to the Board of Selectmen and the Board of Education and shall supervise the Department of Finance. The Chief Financial Officer shall also have the additional responsibility of coordinating all purchases for the Town, including those of the Board of Education and reviewing all fiscal requests to determine budgetary compliance. At least once each month, the Chief Financial Officer shall prepare and present financial statement to the Boards of education and Finance, together with cost reports and statements of receipts, as each board shall deem necessary to understand their respective budgets.

Emphasis added

Revised July 25, 2002


PROCEDURAL AGREEMENT

**between the
Columbia Board of Education
and
the Town of Columbia**


The parties listed above agree to the following provisions regarding the establishment of a combined Finance Department to service the Board of Education and the Town of Columbia:

1. The individual hired as the Director of the combined financial department must be approved by both the Superintendent and the First Selectperson (or the town's chief executive officer should the form of government change).
2. The Director of the combined finance department will be jointly supervised and evaluated by the Superintendent and the First Selectperson.
3. There will be a fiscal policy board chaired by the Director of Finance. This board shall consist of the Superintendent of Schools, First Selectperson, Chairperson of the Board of Education, and Chairperson of FIPAC. The purpose of this board is to advise and be advised by the Director of the Finance Department on financial issues and/or policies.
4. Nothing in this document, the authority of the Financial Director or conduct of the combined financial office, will limit or infringe on the statutory rights of the Board of Education or the Town to prepare and approve its annual budget.
5. Creation of the school budget, expenditures and transfers are the sole responsibility of the Superintendent/Board of Education.
6. Creation of the town budget, expenditures and transfers are the sole responsibility of the First Selectperson/FIPAC.
7. The initial staff of the merged financial department will be the current office employees from the Board of Education and Town who perform financial duties.

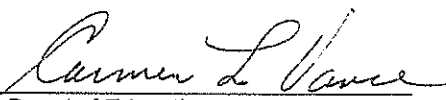
8. The termination of any current employee within the first year of the consolidation will require the recommendation of the new Director and the agreement of both the Superintendent and the First Selectperson.
9. Future staffing, job descriptions, hiring, supervision, and termination of employees will be the responsibility of the Director with consultation with the Superintendent/First Selectperson.
10. During the first year of the merger, the Director's salary and expenses will be paid by the Town and staff will be paid by their respective boards. The additional capital expenses for the consolidated office space will be funded by the Town.
11. The Director of Finance and the Advisory Board will determine the appropriate manner of accounting for the merged department and funding for the department.
12. The merger of the two financial areas will not be effective until 120 days, or as agreed by the Boards of Education and Selectmen, before the space is available for the consolidated office. At a minimum, this space will include offices for the Superintendent of Schools, the Administrative Secretary, Financial Staff and the Director of Finance and meet the approval of the Board of Selectmen, Board of Education, and FIPAC.
13. Any alterations or revisions to this agreement must be approved by the Board of Education and the Board of Selectmen.



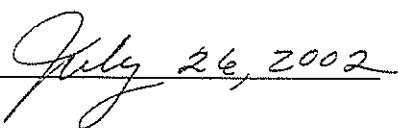
First Selectperson



Date
per BOS-8/6/02



Chair, Board of Education



Date

As of August 14, 2014

EASTERN CONNECTICUT HEALTH INSURANCE PROGRAM

BY-LAWS

ARTICLE I – NAME, STATUTORY CREATION, PURPOSE & PRINCIPLE ADDRESS

Section 1 – Name – The name of the cooperative shall be the Eastern Connecticut Health Insurance Program (“ECHIP”) hereinafter in this document referred to as the “Cooperative”.

Section 2 – Address – The principal office of the Cooperative is 376 Hartford Turnpike, Hampton, Connecticut 06247. The Cooperative may have other such offices within the State of Connecticut as determined by the Board of Directors.

Section 3 – Statutory Creation – In accordance with Public Act 10-174 Connecticut General Statutes (Attachment A), Connecticut public school districts and municipalities are eligible to become members of the Cooperative. Membership shall at all times be consistent with State statutes.

Section 4 – Purpose – The purpose of the Cooperative is to jointly provide health insurance benefits to member Towns and/or Boards of Education.

ARTICLE II – MEMBERSHIP

Section 1 – Qualifications – In accordance with Public Act 10-174 of the C.G.S. (Attachment A), Connecticut public school districts and municipalities are eligible to become members of the Cooperative. Membership shall at all times be consistent with State statutes.

Section 2 – Initial Members – The initial members of the Cooperative are listed on Attachment B and their local legislative bodies have approved these by-laws and authorized the Chief Administrative Officer and Superintendent to sign this document acknowledging their approval of the Cooperative’s by-laws. The initial members may not withdraw their membership during the Cooperative’s first two fiscal years.

Section 3 – Additional Members – Subsequent to the establishment of the initial membership of the Cooperative, additional eligible Connecticut public school districts and municipalities may request to join the Cooperative by providing to the Board of Directors a certified copy of the resolution of its board of education, board of directors, or legislative body which states its approval for joining the Cooperative. The decision for accepting new members is subject to 2/3 approval of the existing Board of Directors. Additional members may not withdraw their membership for two fiscal years from the date they join the Cooperative.

Section 4 – Withdrawal from Membership –

4.1 – A current member may withdraw from the Cooperative only as of the last day of the Cooperative’s fiscal year, specifically June 30th, provided written notice has been given to the Board of Directors and all other current members by April 1st of the year prior to the year of withdrawal.

4.2 – Any member entity that withdraws from ECHIP may be assessed a departure fee of \$85 per covered employee at the time of termination. These fees will offset charges associated with claims processing and other transition expenses. The charge will be due and payable by the termination date. Incurred but not reported (IBNR) claims and administrative cost will remain the responsibility of the withdrawing member entity.

4.3 – A withdrawing member shall receive its prorated share of income or shall be required to reimburse the Cooperative for its prorated share of any losses after a full reconciliation of the Cooperative's fiscal year has been completed. A withdrawing member shall also be responsible for any expenses incurred, including but not limited to paid claims and administrative costs, as a result of the member's withdrawal. A member who does not adhere to the notice requirement shall forfeit its right for any prorated gains for which it might otherwise be eligible.

Section 5 – Removal of Members – Members may be removed from the Cooperative by a 2/3 vote of the Board of Directors if the member fails to remit premium contributions within sixty (60) days after written notice of delinquency. The removed member shall be responsible for any expenses incurred as a result of its removal as well as its prorated share of any losses of the Cooperative after full reconciliation of the Cooperative's fiscal year.

Section 6 – Reinstatement of Members – Former members of the Cooperative shall be eligible for renewed membership two years after the expiration of their last date of participation. Written notice of the former members' request to rejoin the Cooperative must be provided to the Board of Directors at least six months before the start of the Cooperative's fiscal year. Members who have been removed on two occasions are not eligible for reinstatement. Members who have withdrawn are eligible for reinstatement subject to 2/3 Board approval.

ARTICLE III – BOARD OF DIRECTORS

Section 1 – General Powers – The business and affairs of the Cooperative shall be managed by its Board of Directors, and the Board of Directors shall have, and may exercise all of the powers of the Cooperative.

Section 2 – Qualifications – All directors and alternate directors must be an active employee of their respective public school district or municipality. Directors whose employment has ended with their public school district or municipality will be removed from the Board of Directors effective with their last day of active employment. Consultants and brokers are not eligible to be directors.

Section 3 – Appointment of Directors – The initial directors shall be appointed by the initial members with each member appointing one person to the Board of Directors. A Town and local/regional Board of Education of the same Town are separate members. Appointment of directors shall be effective as of the annual meeting of the Board of Directors and shall serve until the next succeeding annual meeting. Once appointed, each member of the Board of Directors may appoint one alternate director who shall assume all of the director's responsibility in the event of the director's absence from a Board of Directors meeting. Consultants and brokers are not eligible to serve as an alternate director. Such appointments shall be provided in writing to the Chair of the Board of Directors.

Section 4 – Vacancies – Any vacancy occurring in the Board of Directors shall be filled by the member public school district or municipality which the former director represented within two months.

Section 5 – Executive Committee – The Board of Directors may elect from its members an Executive Committee of up to seven directors representing seven different members and there shall be no more than one representative from the same Town and Board of Education. At no time shall there be a total of more than four members representing either a Town or local/regional Board of Education. The Executive Committee shall manage the on-going program and operation of the Cooperative subject to any specific or general directions regarding such management imposed by a 2/3 vote of the Cooperative members present and voting at a duly called meeting of the Cooperative's full membership. The Chairperson of the Executive Committee shall be the Chairperson of the Board of Directors.

Section 6 – Meetings – The Board of Directors shall meet for its annual meeting each May. There shall be at least one annual meeting each year to:

6.1 – fill member vacancies on the Executive Committee, provided however that initial members of the Executive Committee need not be elected at the annual meeting.

6.2 – to adopt the final budget for the Cooperative.

6.3 – to address any financial related matters of the Cooperative as may arise.

6.4 – to consider or enact such other business as shall be deemed advisable at such meeting. Any matters relating to the affairs of the Cooperative may be brought up for discussion and added to the agenda by a 2/3 vote of those present at the annual meeting or of any other meeting of the Cooperative.

Additional quarterly meetings will be held in September, December and March and other regular meetings as needed. A special meeting will be held each January to establish the rates for health insurance. The meetings will take place at the Cooperative's principle office. Alternate meeting sites may be designated by the Executive Committee and communicated to the Board of Directors by the Chairperson. Special meetings may be called by the Chairperson, provided the notice of the special meeting is delivered to all board members at least five business days before the day on which the meeting is scheduled to occur. Every notice of a special meeting shall state the time and place of the meeting and state the purpose of the meeting. Meetings and voting may take place electronically or by telecommunications in the event of extraordinary circumstances and shall be determined by the Chair of the Board of Directors. In the conduct of its meetings, the Board of Directors shall be guided by Robert's Rules of Order unless such provisions are inconsistent with these by-laws or any subsequent modifications to these by-laws.

Executive Committee will continue to meet on the 3rd Thursday of every month.

Section 7 – Quorum – A majority of the total number of filled directors positions shall constitute a quorum for the transaction of business at all meetings; but if less than such majority is present at any meeting, a majority of members present may adjourn the meeting from time to time without further notice.

Section 8 – Voting – Each member is entitled to one vote upon each matter submitted for a vote at a Board of Directors meeting. The Chair vote is the one which breaks any ties.

Section 9 – Prohibition of Compensation – Directors may not be paid compensation for performance of their duties as directors.

Section 10 – Notice – Written or printed notice stating the place, day and hour of the meeting of the full membership of the Cooperative shall be delivered not less than ten (10) days, not more than thirty (30) days before the date of the meeting by mail, email or fax to the Town Clerk and Board of Education and to each identified Board member.

Section 11- Removal- Any Director may be removed at any time when in the judgment of the Board of Directors the best interest of the Cooperative shall be served. Such removal shall be effected by a 2/3 decision of the Directors at any meeting of the Board of Directors, provided that written notice of such meeting and purpose shall have been given to the Director(s) whose removal is to be considered. Such notice shall be met by sending it by first class mail to the Directors most recent address shown on the records of the Cooperative. The vacancy in the Board caused by any such removal may be filled by the Directors at such meeting or any subsequent meeting.

ARTICLE IV – OFFICERS

Section 1 – Structure – The Cooperative’s officers shall include a Chairperson, a Vice-Chairperson, and a Secretary/Treasurer, plus other such officers as may be deemed necessary by the Board of Directors. The Chairperson may not hold more than one office. An officer must be a director of the Cooperative. Officers shall not be compensated for their service.

Section 2 – Election and Term of Office – The Cooperative’s officers specifically designated in Section 1 of Article IV shall be elected every two years by the Board of Directors at its annual meeting or as soon thereafter as is practical.

Section 3 – Removal – Any Officer may be removed at any time when in the judgment of the Board of Directors the best interest of the Cooperative shall be served. Such removal shall be effected by a 2/3 decision of the Directors at any meeting of the Board of Directors, provided that written notice of such meeting and purpose shall have been given to the Officer(s) whose removal is to be considered. Such notice shall be met by sending it by first class mail to the Officer’s most recent address shown on the records of the Cooperative.

Section 4 – Vacancies – Any position vacated by an officer may be filled by 2/3 decision of the Board of Directors for the unexpired portion of the term in the manner prescribed in these by-laws.

Section 5 – Chairperson – The Chairperson shall preside over all regular and special meetings of the Board of Directors, and shall call special meetings of the Board of Directors at his/her own discretion or upon petition as set forth in these by-laws.

Section 6 – Secretary – The Secretary shall perform all duties incident to the office of Secretary including, but not limited to, being the custodian of the Cooperative’s records, keeping minutes of the proceedings of the Board of Directors, as well as other such duties from time to time as may be assigned by the Executive Officer or Board of Directors.

Section 7 – Treasurer -- The Treasurer shall have charge and custody of, and shall be responsible for, all funds and financial instruments of the Cooperative. The Treasurer shall also have charge of the books and records of account of the Cooperative, which shall be kept at the principle office or other location as directed by the Board of Directors. The Treasurer shall provide a financial report of the Cooperative to the Board of Directors at each regularly scheduled board meeting. The Treasurer is responsible for the filing of all reports and returns relating to or based upon the books and records of the Cooperative kept under the direction of the Treasurer and other such duties from time to time as may be assigned by the Executive Officer or Board of Directors.

ARTICLE V – STAFF TO THE BOARD OF DIRECTORS

Section 1 – Executive Manager -- Upon authorization of the members at an annual meeting the Executive Committee may hire or contract with an Executive Manager who, acting on behalf of the Board of Directors, shall be the principal executive of the Cooperative and shall have responsibility for carrying out the business affairs of the Cooperative. The Executive Manager's compensation shall be determined by the Board of Directors.

Section 2 – Support Staff – The Cooperative may employ or contract with staff, including but not limited to, accountants and administrative assistants, who shall work under the direction of the Executive Manager. These positions and the corresponding compensation shall be approved by the Board of Directors.

ARTICLE VI – CONTRACTS, LOANS AND CHECKS

Section 1 – Contracts – The Board may authorize the Executive Manager to enter into contracts and agreements in the name of and on behalf of the Cooperative. Any contract amount involving amounts in excess of any threshold established by the Board of Directors shall require the signature of both the Executive Manager and Chairperson. Unless specifically authorized by the Board of Directors, no other officers, employees or agents shall have any authority to enter into any contracts or behalf of the Cooperative.

Section 2 – Loans – No loans shall be contracted on behalf of the Cooperative and no indebtedness shall be issued in its name unless authorized by a specific resolution of the Board of Directors.

Section 3 – Checks, Drafts or Other Similar Orders – All checks, drafts, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Cooperative, shall be signed by Secretary/Treasurer and an appointed member of the Board of Directors.

ARTICLE VII – INDEMNIFICATION

To the extent permitted by the laws of the State of Connecticut, the Eastern Connecticut Regional Health Insurance Cooperative shall indemnify any Officer, Representative or Employee of the Cooperative who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action, suit or proceeding (other than an action by or in the name of the Cooperative) by reason of the fact that he or she is an Officer, Representative or Employee of the Cooperative, against expenses including attorney fees, judgments, fines and amounts paid in settlement activity and reasonably incurred by him or her in connection with any such claim, actions, suit or proceeding; provided that no indemnification shall be provided with respect to any civil matter in which he or she shall have been finally adjudicated not to have acted in good faith in the

reasonable belief that his or her action was in the best interests of the Cooperative or in any criminal matter not to have had reasonable cause to believe that his or her conduct was lawful. To the extent permitted by law, the Cooperative may purchase and maintain insurance against the liabilities of its Officers, Representatives, Employees and Agents.

ARTICLE VIII – GENERAL PROVISIONS

Section 1 – Fiscal Year – The Cooperative’s fiscal year shall be July 1st through June 30th.

Section 2 – Operating Policies – The operating policies developed for conducting the business affairs of the Cooperative must be approved by the Board of Directors. These operating policies shall include payment requirements by members, development of financial accounts and other pertinent provisions necessary for operating the Cooperative.

Section 3 – Amendments – These by-laws may be amended and new by-laws may be adopted by a 2/3 decision of the Board of Directors at any regular or special meeting of the Board of Directors provided that in each case the notice of the proposed amendment or new by-law be included in the notice of the meeting. Such amendments or new by-law shall be effective upon the signed agreement of all the signatories to these by-laws.

Section 4 – Termination Provision – The Cooperative and its related agreements shall terminate upon:

- 4.1 – cessation of business of the Cooperative;
- 4.2 – insolvency, receivership or dissolution of the Cooperative; or
- 4.3 – the unanimous agreement of all Members. In the event of such termination, each member shall remain fully obligated to pay its prorated share of all outstanding expenses, and each member shall be eligible to receive its prorated share of income, if any, after a full reconciliation of all accounts.⁶⁶

THE PARTIES, INTENDING TO BE LEGALLY BOUND, have executed this agreement on the

_____ Day of _____, 2013

Town of _____

By _____

Title _____

Town of _____

By _____

Title _____

CASBO Shared Services Whitepaper
Appendix D – Examples of Agreements

THE PARTIES, INTENDING TO BE LEGALLY BOUND, have executed this agreement on the
_____ Day of _____, 2013

Board of Education _____

By _____

Title _____

Board of Education _____

By _____

Title _____

**The Town of Farmington and The Farmington Public Schools
Employee Health Self-Insurance Fund
Reserve Policy**

I. Purpose

The purpose of this policy is to provide a standard for the appropriate level of reserves that should be maintained in the employee health self insurance fund and for defining the processes: (a) to maintain their adequacy, and (b) cover plan expenses in the event of a reserve inadequacy.

II. Policy Statement

It is the intention of both the Town Council and Board of Education of Farmington to adequately fund the liabilities of their respective health insurance plans and provide sufficient financial resources to fund any unexpected increase in claims over the budgeted claim level. Accordingly, the Town and Board of Education will fund an Incurred But Not Reported (IBNR) reserve and an Excess Claim Reserve.

IBNR Reserve

The IBNR reserve shall be established as of June 30 of each fiscal year at a level deemed appropriate by the Town Council and Board of Education, after consultations with Town and School insurance consultants and insurance vendors and after testing and verification by the Town's independent auditors. The IBNR reserve shall be fully funded. Any insufficiency in the IBNR reserve will be funded from the Excess Claim Reserve.

Should the IBNR reserve fall below the established level and the excess claim reserve have insufficient resources to restore the IBNR reserve to its established level, then the Town and Board will take steps to restore the IBNR reserve to its fully funded status by budgeting for the shortfall in the next budget cycle. This will be done on a proportional basis, the proportion to be determined based on each entity's expected claims for the next fiscal year. However, no entity shall contribute an amount greater than 80% of the amount required to be contributed.

Excess Claim Reserve

In addition to the IBNR reserve, the Town and Schools will establish an Excess Claim Reserve to fund claims in excess of the expected claim level. The desired reserve level shall be in a range between 7% - 11% of annual expected claims.

Claim Reserve Maximums

Considering that a plan year following a poor claim year in which all or most of the claim reserve was expended would result in a substantial health care budget increase, the Town and Schools recognize that an Excess Claim Reserve of between 7% - 11% would be desirable and thus there is no formal maximum to the Excess Claim Reserve. Moreover, money cannot be withdrawn from the Excess Claim Reserve for self-insurance purposes until the combined IBNR and Excess Claims reserves exceed twenty-five percent (25%) of annual expected claims.

Should the combined reserves exceed 25% then each entity will be credited with a proportional amount of the excess above 25% to put towards the funding of their subsequent year's expected claims. The proportion to be determined will be based upon the proportion that each entity contributed to the excess reserve in the preceding 24-month plan period. However no entity will receive less than an amount equal to 20% of the amount to be distributed.

III. Budget Requests

During the annual budget preparation process the Town Manager and the Superintendent of Schools will include in their respective budget requests sufficient budget amounts to cover expected claims for the upcoming year plus additional funds to fully fund the estimated IBNR level and such additional amounts as may be necessary to fully fund the excess claim reserve pursuant to this agreement. It is recognized that achieving these targets in one year would be difficult. Therefore, the Town Council and Board of Education would meet the IBNR standard and at least the 7% excess claim reserve standard within three years after adoption of this policy.

IV. Procedure for Covering Claims When Reserves Are Not Sufficient

Shortfall

If at any time during the Plan Year either the Town Manager or the Superintendent or both determine that there are insufficient revenues and accumulated reserves to meet the immediate claim expense obligations of their respective plans they will immediately report such findings to their respective policy bodies.

The Town shall make available sufficient cash to either the Town self insurance plan or Schools' self insurance plan to permit each employer to meet its obligations to fund the self insured cash account for claims incurred on behalf of its employees for the balance of that fiscal year.

If at any time during the Plan Year, either Town staff or the school staff or both determine that it is likely that there will be insufficient revenues and accumulated reserves to meet claim expenses, they will report such to their respective policy bodies at their next regular meeting. The report shall include the following information:

1. Provide a projection of the fiscal year end shortfall in expected paid claims;
2. Utilization information indicating current and/or projected paid claims;
3. Identify any self insurance revenue variances from what was originally budgeted.

Following the Board of Education's review of the school projection, the information will be transmitted to the Town Council. The Town Council after reviewing the self-insurance financial report(s) provided by the Town and/or Board of Education, will determine the amount of, if any, additional appropriation to be made to the Town or Board or both to meet claims payments during the remainder of the Plan Year. In making their determination, the Town Council will consider all of the information provided by the Town Manager and Board of Education.

Any supplemental appropriation approved by the Town Council will be made in three equal payments directly to the Employee Health Self-Insurance Fund over the balance of the Plan Year. If at anytime after an additional appropriation is

CASBO Shared Services Whitepaper
Appendix D – Examples of Agreements

made, it is determined that the full appropriation will not be needed, then the amount not needed will not be paid to the Fund or if already paid, the amount will be withdrawn from the Fund and returned to the General Fund.

This policy shall be reviewed on a biennial basis during the month of January in each even numbered year or at any time in between, if requested by either the Town Council or Farmington Board of Education.

Approved by the Town Council: _____

Approved by the Farmington Board of Education: _____

Hebron

Blue Cross Blue Shield of Connecticut, Incorporated

**REGIONAL SCHOOL DISTRICT #8
HEBRON: TOWN & BOARD OF EDUCATION
ANDOVER: TOWN & BOARD OF EDUCATION
MARLBOROUGH: TOWN & BOARD OF EDUCATION**

Related Group Rating Agreement

Blue Cross Blue Shield of Connecticut, Incorporated, (BCBS), and Regional School District #8, Hebron: Town & Board of Education, Andover: Town & Board of Education and Marlborough: Town & Board of Education, (collectively referred to as RHAM), agree to establish the following Related Group Rating Agreement (the Agreement) for the contract years commencing July 1, 1997, and each subsequent contract year thereafter through the contract year commencing July 1, 2001 (the Contract Years).

The terms of the Agreement as described below are based on the following:

1. RHAM agrees to comply with all BCBS Underwriting Guidelines.
2. RHAM agrees that no portion of the membership for which it provides health care coverage through BCBS will disenroll or be provided health care coverage through a non-BCBS program.
3. RHAM agrees that rates for all active non-Medicare employee health benefit programs provided by BCBS during the initial contract year July 1, 1997 through June 30, 1998 will be determined in accordance with the attached Rate Schedule.
4. RHAM agrees that rates for all active non-Medicare employee health benefit programs provided by BCBS during the contract years commencing on or after July 1, 1998 will be expressed as a single-tier grouping of weighted composite rates combining all four entities, i.e.; Regional School District #8, Hebron: Town & Board of Education, Andover: Town & Board of Education and Marlborough: Town & Board of Education, and that the weighted composites between the Century Preferred and Indemnity Medical Programs will reflect the normal percentage differences which BCBS incorporates into its benefit rating.

5. RHAM agrees that rates for all active non-Medicare employee health benefit programs provided by BCBS during the two contract years July 1, 1998 through June 30, 1999 and July 1, 1999 through June 30, 2000 will be determined in accordance with the following schedule:

<u>Loss Ratio</u>	<u>Rate Adjustment</u>
Less Than 75.0%	-10.0%
From 75.1% to 85.0%	- 4.0%
From 85.1% to 90.0%	0.0%
From 90.1% to 95.0%	+ 5.0%
From 95.1% to 100.0%	+ 9.0%
From 100.1% to 105.0%	+12.0%
From 105.1% to 115.0%	+15.0%
Greater than 115.1%	+20.0%

6. RHAM agrees that the term Loss Ratio as used in Item 4 above is defined as the ratio of the sum of incurred claims plus BCBS retention charges to paid premium for the calendar year period ending six months prior to the effective date of the new Contract Year.
7. RHAM agrees that the rate adjustment for the Contract Years commencing July 1, 2000 and July 1, 2001 will be determined in accordance with the BCBS Group Merit Rating Program in effect for all merit rated groups being renewed for those effective dates. The RHAM renewal will utilize the aggregate experience of the four entities comprising RHAM.
8. RHAM agrees that none of the four entities comprising RHAM as listed above will seek to be rated independent of the other entities while enrolled in BCBS health benefit programs during the Contract Years.

In return, BCBS agrees to provide RHAM with rates for all active non-Medicare employee health benefit programs enrolled based on the terms as stipulated above. Such rates will be provided to RHAM no later than either the January 20th prior to the July 1 effective date, or the first working day after the January 20th prior to the July 1 effective date.

CASBO Shared Services Whitepaper
Appendix D – Examples of Agreements

Agreed to this _____ day of _____, 1997

By: _____, Its: _____
Regional School District #8

By: _____, Its: _____
Town of Hebron

By: _____, Its: _____
Town of Andover

By: _____, Its: _____
Town of Marlborough

By: _____, Its: _____
Blue Cross Blue Shield of Connecticut

B. Hebron: Town & Board of Education

<u>Benefit Code</u>	<u>Program</u>	<u>Individual</u>	<u>Two Person</u>	<u>Family</u>
11252/ 11253	Century Preferred	\$ 210.26	\$ 420.52	\$ 536.16
11252	Century Preferred Drug Rider	\$ 22.68	\$ 45.36	\$ 58.64
00883	Century Contract Endorsement 96	\$ 80.36 9.88	\$ 160.72 19.76	\$ 200.48 33.78
05110	Century Contract Endorsement 96	\$ 80.36 9.88	\$ 160.72 19.76	\$ 200.48 33.78
11258	Hospitalization Major Medical	\$ 173.36 62.28	\$ 346.72 124.56	\$ 410.27 163.84
11317	Hospitalization Major Medical	\$ 166.37 55.61	\$ 332.74 111.22	\$ 396.65 146.32
11325	Hospitalization Major Medical	\$ 173.36 62.28	\$ 346.72 124.56	\$ 410.27 163.84

Regional School District 8 Health and Medical Insurance Consortium

This agreement is made as of _____, 2015, by and among the Members, as hereinafter defined and identified.

Whereas, Connecticut Public Act 10-174 provides that municipalities or local or regional boards of education may join together for the purpose of providing medical or health care benefits for their employees; and

Whereas, the legislative body or board of education or board of Representatives of each Member, as defined below, has duly authorized the establishment of the Regional School District 8 Health and Medical Insurance Consortium (hereinafter the "Consortium") pursuant to Connecticut Public Act 10-174 to facilitate the purchasing of health and medical insurance coverage for the parties; and

Therefore, the parties hereto, in consideration of the mutual covenants hereinafter set forth, and intending to be legally bound, covenant and agree as follows hereafter.

Article 1.

1. Purpose

- 1.1. The undersigned municipalities and/or boards of education agree to exercise their powers pursuant to Connecticut Public Act 10-174, as amended, to act in a cooperative manner to procure medical or health care insurance for their respective employees in a manner designed to stabilize and contain the cost of such insurance.

Article 2.

2. Name and Fiscal Year

- 2.1. The name of the Consortium shall be Regional School District 8 Health and Medical Insurance Consortium.
- 2.2. The fiscal year of the Consortium shall commence on July 1 and end on June 30.

Article 3.

3. Membership

- 3.1. Any entity that is permitted by law to cooperate in the provision of health benefits to its employees, including, but not limited to, Connecticut Public Act 10-174, as amended, may become a "Member."
- 3.2. The original Members shall be the Town of Andover, the Town of Hebron, the Town of Marlborough (collectively, the "Towns"), the Andover Board of Education, the Hebron Board of Education, the Marlborough Board of Education

(collectively, the “Boards”), Connecticut Regional School District Number 8 (“RHAM”) and Andover, Hebron and Marlborough Youth Services (aka AHM).

- 3.3. Any entity that is not a party to this Agreement and desires to become a Member shall signify its intention by furnishing to the Consortium a written request to join. New Members may be added by the affirmative vote of at least six (6) Members.

Article 4.

4. Withdrawal from Membership

- 4.1. A Member may withdraw from the Consortium effective as of the last day of the fiscal year of the Consortium and after having given all other Members and the Consortium written notice not later than the last day of the previous fiscal year.
- 4.2. The requirement of at least one year’s prior written notice for a Member to withdraw from the Consortium may be waived by the affirmative vote of at least six (6) of the remaining Members.

Article 5.

5. Representatives

- 5.1. Each Member shall be represented at Consortium meetings by one (1) authorized officer, employee or elected official of that Member (the “Representative”).
- 5.2. Any Representative who leaves employment or elected office of a Member of the Consortium will be considered as having resigned his or her position as a Representative on the effective date of his or her leaving employment or elected office. The Member shall appoint a substitute Representative as soon as reasonably practicable.
- 5.3. Each Representative shall serve at the will of the appointing Member and may be removed from office at any time by the appointing Member, and written notice of such action shall be delivered to the Chairman and the Secretary of the Board of Representatives by such group. A Representative may serve more than one term.
- 5.4. The Members and the Representatives shall not be liable for the acts or omissions of any Consultant, Third-Party Administrator, attorney, certified public accountant, investment manager, or other consultant, agent, or assistant employed in pursuance of this Agreement, if such Consultant, Third- Party Administrator, attorney, certified public accountant, investment manager, or other consultant, agent, or assistant was selected pursuant to this Agreement and such person’s performance was periodically reviewed by the Representatives who found such performance to be satisfactory.

Article 6.

6. Officers

6.1 Chairman, Vice Chairman, Secretary.

6.1.1. The Representatives shall elect from among themselves an initial Chairman, a Vice Chairman, and a Secretary to serve for a term of one (1) year commencing with such election.

6.1.2. The Officers will rotate through the positions such that in each year, the prior year's Chairman shall no longer serve in that role, the prior year's Vice Chairman shall become Chairman, and the prior year's Secretary shall become Vice Chairperson. Each year, the Representatives shall elect from among themselves a Secretary.

6.1.3. If a vacancy occurs in one or more of the officer's positions, the Representatives shall elect the necessary officer(s) to fill the vacancy(s).

6.1.4. The Chairman shall preside at all meetings of the Consortium. In the Chairman's absence, the Vice Chairman shall preside. If both the Chairman and Vice Chairman are absent, the Secretary shall preside. If no officers are present, the Representatives in attendance shall appoint an Acting Chairman.

6.2. Power to Act in Case of Vacancy.

6.2.1. No vacancy or vacancies in the Representatives shall impair the power of the remaining Representatives, acting in the manner provided by this agreement, to administer the affairs of the Consortium notwithstanding the existence of such vacancy or vacancies.

Article 7.

7. Meetings

7.1. The Consortium shall meet monthly, from September to June, on the second Thursday of each month, or at such other times as they deem it necessary to transact their business, at a place to be determined by the Representatives. The Officers of the Consortium may, and upon the written request of any two (2) Members shall, call a special meeting of the Consortium at any time giving at least five (5) days written notice of the time and place thereof to the remaining Members.

7.2. Notwithstanding the provisions of Paragraph 7.1, to the extent required by law, meetings will be held consistent with the requirements of Connecticut's Freedom of Information Act. Discussions of medical or health information, as defined in Connecticut General Statutes 1-210(b)(2), as amended; as subject to HIPAA

Privacy Protections; or as otherwise protected as confidential under law; will be held in executive session.

7.3. Agendas for meetings of the Consortium shall be distributed and posted at least twenty-four (24) hours in advance.

7.4. Quorum; Voting

7.4.1. Representatives of five (5) Members present at any meeting shall constitute a quorum for the transaction of business. Acts of a majority of the Representatives present at a meeting at which a quorum is present shall be the acts of the Representatives.

7.4.2. Any action taken by the Representatives shall be by affirmative vote of a majority of the votes cast at a meeting.

Article 8.

8. Business Purpose of Consortium; Insurance Brokerage

8.1. The purpose of the Consortium is to allow Members to pool their various employee counts in order to achieve cost savings in the purchasing of health and welfare products insurance coverage. The Consortium shall review the collective claims experience of the Members and any other issues of common interest, including without limitation, wellness initiatives, the merits of full or partial self-insurance, retention of an insurance broker and predicting, calculating and negotiating the health and welfare insurance expenses of the respective Members for the next fiscal year.

8.2. In the event the Consortium determines that it shall engage an insurance broker to assist the Members in acquiring health insurance for their respective members, the contract for and performance of that insurance broker shall be evaluated at least annually and shall be approved or renewed or terminated by the vote of the Members.

8.3. Notwithstanding anything herein to the contrary, each Member shall be responsible for contracting for and paying for the health insurance premiums and costs for their respective employees.

Article 9.

9. Amendment of this Agreement.

9.1. This Agreement may be amended, in whole or in part, by an instrument in writing duly executed on behalf of at least six (6) of the Members.

Article 10.

10. Termination

- 10.1. This Agreement may be terminated by an instrument in writing duly executed on behalf of at least six (6) of the Members.

Article 11.

11. Miscellaneous

- 11.1. This Agreement and the Consortium is created in accordance with the laws of the State of Connecticut.
- 11.2. Each Member specifically agrees that it is its intent that this Agreement, under all circumstances and in every respect, shall comply with all applicable statutes, governmental regulations and judicial decisions. However, in the event any provision of this Agreement be held to be unlawful, or unlawful as to any person or instance, such fact shall not adversely affect the other provisions herein contained or the application of such provisions to any other person or instance.
- 11.3. Whenever any words are used in this Agreement in the masculine gender, they shall also be construed to include the feminine or neuter gender in all situations where they would so apply; whenever any words are used in the singular, they shall also be construed to include the plural in all situations where they would so apply; and whenever any words are used in the plural, they shall also be construed to include the singular.
- 11.4. Whenever the word "person" is used in this Agreement, it should be construed to include a natural person or organization, as would be applicable, including, but not limited to, a firm, labor organization, partnership, association, corporation, legal representative, or trustee.
- 11.5. The Article and Section titles are included solely for convenience and shall, in no event, be construed to affect or modify any part of the provisions of this agreement or be construed as part thereof.
- 11.6. Each copy of this Agreement shall be considered an original when duly executed by one of the parties hereto.

THE TOWN OF ANDOVER

By:
Its Duly Authorized _____

Date _____

THE TOWN OF HEBRON

By:
Its Duly Authorized _____

Date _____

THE TOWN OF MARLBOROUGH

By:
Its Duly Authorized _____

Date _____

THE ANDOVER BOARD OF EDUCATION

By:
Its Duly Authorized _____

Date _____

THE HEBRON BOARD OF EDUCATION

By:
Its Duly Authorized _____

Date _____

**THE MARLBOROUGH BOARD OF
EDUCATION**

By:
Its Duly Authorized _____

Date _____

**CONNECTICUT REGIONAL SCHOOL
DISTRICT NUMBER 8**

By:
Its Duly Authorized _____

Date _____

**ANDOVER, HEBRON AND MARLBOROUGH
YOUTH SERVICES**

By:
Its Duly Authorized _____

Date _____

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE TOWN OF WESTON AND WESTON BOARD OF EDUCATION**

From July 1, 2014 through June 30, 2019, the Board of Education (BOE) will approve the use of limited BOE space within Hurlbutt Elementary School (HES) by the Town of Weston (“the Town”) for the Town Senior Center (“Senior Center Space”). The Senior Center Space will encompass all the classrooms, offices, hallways, common areas, and storage areas in the South House south of, and including, Room 57, as detailed in Exhibit A. All space at HES utilized by the BOE, and the Senior Center Space, are under the jurisdiction and control of the BOE pursuant to Connecticut General Statutes Section 10-220.

Activities in the Senior Center Space must be managed in a manner that is not disruptive to the environment of the adjoining elementary school. Therefore, the Town agrees that during school hours, and during the 15 minutes before the student day and 20 minutes after the student day (“HES Operating Hours”), it will only use the Senior Center Space for activities that directly support the Senior Center’s mission and are attended by individuals who are normally permitted by the Town to participate in regular Senior Center activities. The only exception to this would be Town-managed programs for students already enrolled in Weston Public Schools or other K-12 students that reside in Weston.

After HES Operating Hours, the Town may utilize the Senior Space for activities other than those that directly support the Senior Center’s mission. Such activities outside of HES Operating Hours may be attended by individuals, including those who are not normally permitted by the Town to participate in regular Senior Center activities. Further, the Town agrees that it will not authorize the use of the Senior Center Space by user that is not a department or agency of the Town government (“Non-Town User”) without the prior written permission of the BOE. All requests for authorization will be submitted in writing to the Superintendent. The BOE will have two (2) business days to respond to such requests, or the request will be deemed approved. The Board will provide the Town with a list of pre-approved users of the Senior Center Space which may be amended at the request of the Town upon approval by the BOE or the Superintendent. If a user is on the pre-approved list, no separate approval by the BOE will be required. For any such use of the Senior Center, the Town will coordinate with the BOE to (a) ensure the security of HES, and (b) ensure that such organizations follow all district facilities use policies/protocols of the BOE, including obtaining appropriate insurance as required by BOE policy.

This agreement will operate under the following additional conditions:

- The BOE will provide utilities for the Senior Center Space. The Town agrees to pay the costs of such utilities for the Senior Center Space [based on the square footage of 8,873 which are currently estimated on an annual basis at \$_____ for electricity and \$_____ for heating.
- The BOE will provide standard maintenance services as are necessary to maintain the Senior Center Space in a condition acceptable to the BOE. The Town agrees to pay for non-standard maintenance on a case-by-case basis based on invoices provided by the

BOE. By way of example, non-standard maintenance includes the building of shelves, furniture, and other substantial items and the installation of doors and other hardware not otherwise required by the BOE.

- The Town will provide cleaning services for the Senior Center space at its expense.
- The BOE will have authority for determining all security requirements for the Senior Center, provided that (1) except in the case of emergency situations (which will be handled by the Superintendent), the BOE will implement any new security requirements that affect the operations of the Senior Center only after consultation with the WPD and the First Selectman, and, unless the parties otherwise agree, only if supported by a written recommendation of a security consultant selected by the BOE; and (2) absent prior express approval of the BOS (and for expenses in excess of \$5,000 the BOF), the cost of any such new security requirements shall be borne by the BOE.
- The Town will build a solid wall across the entire interior access hallway to the South House wing in which the Senior Center is housed at its sole expense.
- The Town will continue to provide the BOE with the existing fifteen (15) parking spaces in the Town Library parking lot.
- The BOE will provide the Town with a total of thirty-one (31) parking spaces in the parking area near the Senior Center for general use by the Senior Center. On days on which a major school-wide event or general PTO meeting is being held at HES, the BOE may limit the amount of dedicated spaces to the Town to thirteen (13) parking spaces in front of HES. The Principal of HES and the Senior Center Director will jointly create a master schedule that reflects the days of such major school events.
- The Town will permit the BOE to locate its dumpster currently located in the East House parking lot on Town property other than at HES.
- Any permanent alterations to the interior or exterior of the Senior Center Space for use by the Town will be pre-approved by the BOE or the Superintendent as the BOE may need to convert this space back to classrooms/educational space for future educational needs.
- The BOE will continue to provide emergency repair support for these facilities, as possible with available staffing.
- The BOE will provide snow plowing of parking areas and snow removal of sidewalk areas at HES.
- The BOE will provide electronic security monitoring of this space during off-hours.
- The BOE reserves the right to reclaim the Senior Center Space following June 30, 2019 in order to meet the operational needs of the Weston Public Schools. If the BOE determines that it will reclaim the Senior Center Space after June 30, 2019, the BOE will provide the Town with written notice of its decision to reclaim all or part of the Senior Center Space, no later than November 1, 2017.

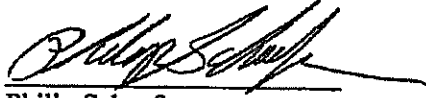
If the Town decides to vacate the Senior Center Space, the Town may terminate this Agreement upon written notice to the Board no later than November 1 of any fiscal year for which the Town seeks to terminate this agreement for the following fiscal year.

If any portion of this Memorandum of Understanding becomes invalid as a result of changes in the law, administrative ruling, or court ruling, this Memorandum of Understanding shall be null and void.

This Memorandum of Understanding supersedes the Memorandum of Understanding between the Town and the BOE regarding the Senior Center signed by the First Selectman on January 9, 2014 and by the Chairperson of the BOE on January 23, 2014.

Weston Board of Education

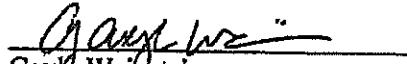
Town of Weston



Philip Schaefer
Chairperson

Date:

7/17/14



Gayle Weinstein
First Selectman

Date:

7/7/14



Shared Services Whitepaper

Appendix E – District Study of Combining Services

To: Members of the Board of Education
Members of the Town Council

From: William D. Guzman, Superintendent of Schools
Steven Werbner, Town Manager

Date: November 29, 2010

Subject: A Study of Combining Board of Education and Town Finance Services

The task of conducting a feasibility study to look into the merits of combining finance services for the Board of Education (BOE) and the Town was given to the Board of Education's Business Manager and the Town of Tolland's Administrative Services Director.

Committee members consisted of:

Christine Hutton, Director of Finance and Records, Town of Tolland
Jane Regina, Business Manager, Board of Education
Suzanne Waterhouse, Human Resources Generalist, Board of Education
Michael Wilkinson, Director of Administrative Services, Town of Tolland

Prior to this current study, in October of 2005, Mansfield's finance director made a presentation to the Town Council and the Board of Education as to the functions that combined in their district.

The following details the current demographics of the BOE and Town, the process followed for determining which districts to interview, the findings of the interviews, and the Board of Education and Town conclusions.

BOE and Town Department Demographics

Town Finance Department

The inventory of existing functions for the Town Finance department are as follows: addressing all citizen requests for financial and other pertinent information; the annual Town operating budget and capital budget preparation; audit preparation; expenditure approval and monitoring within budget parameters; funds management; investment management; issuance of bonds and debt management; revenue accountability; Town Council and citizens budget reporting; town wide fiscal planning and future projections; and vendor payment and accountability and supervision of the Town Clerk, Tax Collector and Assessment functions. Employee services includes; budget development; financial management of all revenues and expenditures associated with all Town

departments and projects; IT liaison (tech support); payroll services such as W-2 processing and deductions; and requisition and purchase order requests.

The Town of Tolland Finance/Accounting Office has four (4) employees. The Director of Finance and Records; Assistant Finance Director/Treasurer; Accountant 2; and Senior Account Clerk (The organizational chart for this function area is attached, Attachment A). The Director of Finance and Records and Assistant Finance Director/Treasurer are non-union positions that work 40 hours per week. The Accountant 2 and Senior Account Clerk positions belong to the CSEA bargaining union and work 35 hours per week. The FY2010-11 budget for this four (4) employee office is \$281,821 with the majority attributable to salaries \$249,466.

Board of Education Business Services Department

The Board of Education's Business Office has four (4) employees: the Business Manager, Accountant, Accounts Payable clerk, and Payroll clerk. (See Attachment B for organizational chart) The Business Manager's position is required to hold a 085 certification and is an exempt position. The Accounts Payable clerk is a union position working 35 hours per week, and the accountant and payroll clerk are non-union positions working a 35-hour workweek.

Current functions of the Business Office with regard to financial activities include:

- Payroll services including payment of wages to all Board of Education employees (approximately 575), including the handling of all deductions of certified and non-certified staff such as Teachers' Retirement, ICMA pension, tax sheltered annuities, generating employee W-2's, maintaining employee demographics, etc;
- Financial management of \$33.8 million dollar budget;
- All accounts payable including requisition requests and purchase order processing and handling for 3,300+ vendors including payment to vendors, expenditure approval, expenditure distribution to appropriate accounts, 1099 distribution, vendor upkeep, and account monitoring, etc;
- Billing and accounts receivable for community use of buildings;
- Grant processing: liaison to grant managers regarding the monitoring, expenditure approval, state reporting, and vendor payment for all state and federal grants;
- Monitoring and reconciliation of all school student activity accounts;
- Monitoring and reconciliation of all pay to participate athletic and co-curricular activities;
- Checking account reconciliations of payroll, accounts payable, and grant balances and revenues;
- Development of annual Board of Education budget and its appropriate budget document, presentations for Superintendent and BOE, and inquiry responses to BOE, Town, and citizens;
- Response to FOI requests;

- Annual audit preparation;
- All required State of Connecticut reporting including the ED001 End of Year School Report; and
- Financial software support and training to all applicable district employees.

The fiscal year 2010-11 personnel budget for the department is \$225,378 and the program costs associated with the department to provide services to the district is \$194,229. This includes the cost of copier services, postage, and auditing services (\$174,871 of the \$194,229) in the business services program budget). The approximate cost to run the business services office without the district-wide services items is \$244,736, which includes the salaries for the four (4) employees in the business office.

Survey and Interview Process

The Town members of this committee called towns that they were aware of having a combined finance department, Colchester and East Hampton.

The BOE members of this committee researched districts to determine if they a) had discussions between BOE and the Town in reference to combining finance services, b) conducted any type of study to determine if combining finance departments was feasible, and c) had actually combined finance services.

The survey resulted in most districts who had discussed any type of merger or consolidation between the BOE and Town not to move further in the process. For example, South Windsor had discussed the concept of combining services (finance and other functions such as technology, maintenance, buildings, and grounds upkeep) but no action had been taken.

Manchester does not share finance services but they do share the cost of some services with the town such as IT services, a portion of facilities project management, and maintenance of athletic fields.

Old Lyme looked into purchasing a joint financial system when the need arose to replace both the Town and BOE systems but the result was that the town needed fewer reporting features than the Board of Education and there proved to be no cost savings by combining packages

Meriden shares minimal services with the town. The BOE generates and processes their own payroll and accounts payable and the town prints the checks and performs the quarterly and year-end reporting.

Madison has had a combined department, which enabled the Town to bring their payroll back in-house and to initiate an encumbrance system for their purchases.

Of the 169 Connecticut towns, Mansfield, Madison, East Hampton, and Colchester are known to have combined finance departments.

We had discussions with two municipalities that have done some type of merger of Town and Board of Education (BOE) finance operations, the Town of Colchester and the Town of East Hampton.

The Town of Colchester has a consolidated operation with an estimated resident population of 15,578, with 3,100 BOE students and a budget of \$48 million. Colchester has a Chief Financial Officer who reports to both the First Selectman and the Superintendent of Schools. There are six (6) employees in the combined operation. The above CFO and a Director of Finance (Town); a Payroll & Accounts Payable Coordinator (Town); a Financial Administrator (BOE); a Support Services Supervisor (BOE) and an Accounts Payable & Purchasing Coordinator (BOE) (The organizational chart for this Town is attached, Attachment C).

Colchester utilizes one combined software application—MUNIS. All employees are located in one location at the Town Hall in Colchester. Separate payrolls and accounts payable functions for the Town and the BOE are run but employees are cross-trained. The town has four (4) different unions and utilizes the same purchasing policies. The treasurer is an elected position.

Combining departments did not necessarily save money or reduce positions. In fact, Colchester eventually added the Financial Administrator for the BOE position.

The stated reason for the consolidation was triggered in response to an over expenditure by the Board of Education. They were also looking to eliminate positions and become more efficient. A committee was set up with members of the three major elected Boards in town to develop the plan for this consolidation. There was no immediate savings from this consolidation and long-term savings is estimated to be through efficiency and cost effectiveness.

One drawback of the consolidation is employees in the same office perform similar job functions but belong to different unions and also have different work hours and benefits.

Several positive aspects of the consolidation are possible small savings, enhanced communications, enhanced trust and improved transparency and efficiency.

One outcome of both Towns reviewed was the development of a process whereby any unexpended funds from the BOE at the end of the fiscal year be transferred into a capital reserve fund for BOE projects determined by the BOE and only after approval by all parties involved (BOE and Town).

East Hampton's Town and BOE combined finance services 10 years ago for two primary reasons, retirement of both the Town and BOE finance directors and the need to purchase new software for the BOE. The town population is 13,000, student count is 2,050, and the combined budget is \$38 million. Services combined are purchasing, accounts payable, bidding (copiers and insurance), maintenance and facilities, general ledger, and grants. Human resources and payroll services are not combined due to the two building locations.

The consolidation saved \$30,000 because the retired BOE business manager was replaced with a newly created position titled Business Services Coordinator at a lower salary. This new position handles human resources and transportation. The finance director is currently trying to transfer the ED001 duties to the business services coordinator position. (The organizational chart for this Town is attached, Attachment D).

Another reason for East Hampton combined services at the time was the cost factor of replacing legacy software for the town and BOE with the approach of the year 2000 and the Y2K concerns that all businesses were facing. The accounts payable functions were handled manually due to legacy software and by combining services, they were able to automate the A/P services.

One other position impacted was the BOE accounts payable clerk who was transferred to the Town building, but remained in the BOE union. This has caused some problematic issues since the same job for the same position for the two entities has a different pay rate and different hours for the two accounts payable employees who both work for the Finance Director.

The town has gained efficiency and transparency in the general ledger and the finance director feels there is better communication. It also has allowed the town to take unexpended BOE funds and move them to capital budget items as well as create a reserve to cover unplanned special education tuition costs.

A 2003 Connecticut Association of School Business Officials (CASBO) report (Attachment E) states aptly that there are several concepts that should be followed when considering a consolidation. First, does consolidation make sense operationally? Second, does consolidation improve the effectiveness and efficiencies of the functions for both entities? Third, does consolidation restrict in any way the operational prerogatives of the entities involved?

Operationally, as noted in the CASBO report, in the case of medical benefits "pooling employees from both sides of the street" there are benefits that perhaps may be realized for both parties. It also states, "If the issues being considered for consolidation do not offer clear benefits to both parties then the consolidation should be questioned."

Conclusions

There are several known challenges to consider with a Town and BOE consolidation in Tolland. First, the current Town Hall or the Board of Education building would not easily accommodate collocating these two entities. Second, both entities do not use the same software package. A “crosswalk” from the BOE system to the Town system is in development and this crosswalk is designed to give the Town a better view of BOE expenditure accounts and its activity. Third, having employees in different unions with different hours and benefits could prove problematic.

The BOE and Town already work collaboratively on obtaining the best prices for commodities such as utilities, fuel oil, diesel and gasoline, and refuse collection with regard to bidding and purchasing together. We already utilize an insurance consultant to obtain the best insurance rates for medical, workers' compensation, and liability, and utilize the town maintenance department for vehicles, the maintenance of fields, and snow removal.

The BOE and Town could reconsider sharing technology services as they had in the past, and investigate the options of expanding cooperative purchasing to include bulk purchasing of copier paper, office supplies, and even the lease of copiers. Perhaps creating a “copy center” to handle printing needs could be investigated for possible cost savings.

It is in the public's interest for the BOE and the Town to work cooperatively. The Town Manager and the Superintendent already meet biweekly to discuss concerns of mutual interest. Improving communication, having common beliefs and goals, having a continued dialogue between the BOE and Town, all add to a spirit of cooperation.

State and Federal reporting requirements for education grants and programs require designated personnel and resources. Added to this responsibility are the budgetary reports required by the Board of Education on a regular basis. In addition, throughout the fiscal year, there are multitudes of ad hoc reports requested by the Board on numerous accounts – student activity accounts, utilities, special education excess costs, etc.

It would appear that there would be limited cost savings with a merger of financial functions.

As stated in the CASBO paper “it is clear from the legal opinion that a board of education cannot be forced to consolidate services...There are opportunities to be gained in reviewing various aspects of consolidation or shared services...The final measure should be the value such efforts contribute to the children we serve and the taxpayers who foot the bill.”

CASBO Shared Services Whitepaper
Appendix E – District Study of Combining Services

- Attachment A: Town of Tolland Division of Finance and Records Organizational Chart
- Attachment B: Tolland Board of Education Business Services Organizational Chart
- Attachment C: Town of Colchester Finance Department Organizational Chart
- Attachment D: Town of East Hampton Organizational Chart (2 items)
- Attachment E: CASBO Consolidation of Board of Education and Town Services Report



Town and School District of Newtown

Municipal and School District Operations Feasibility Study Findings and Recommendations

Final Report
March 2012

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 - 1. Town and School District Current Workflows
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I. Newtown Municipal and School District Operations Feasibility Study – Project Overview

I. Project Overview

A. Background

The Town and School District of Newtown (hereafter referred to as “Newtown”) has reached a critical milestone where they are looking for an organizational analysis on the feasibility, benefit or disadvantage from an efficiency or cost prospective, of fully or partially combining municipal services and school district operations related to Finance and Human Resources functions, computer technology and building management. Newtown hired Blum Shapiro Consulting, LLC to conduct this comprehensive evaluation of all operations of the finance, human resource and building management functions within the municipal services and school district operations. We performed an analysis of the existing operations, including how the operations are functioning (quality, volume of work, and efficiency). BlumShapiro Consulting, LLC interviewed thirty-two individuals as part of the municipal and school district operations feasibility study. These individuals included personnel from the Town’s Finance, Human Resources, Purchasing, Public Works and Technology departments; and the School District’s Business Office, Human Resources, Technology and Facilities departments; the First Selectman and the Superintendent of Schools. We also interviewed members of the Board of Finance, Board of Education and the Legislative Council.

The goal of the municipal and school district operations feasibility study was to perform a comprehensive analysis of the existing operations, evaluate the current positions with all related staff, evaluate the way each department and its employees work within their respective department and how the department works within the organization as a whole, perform an evaluation of office space requirements, and develop an implementation plan for our recommendations. Part of our goal was to deliver effective and efficient performance within a framework that may fully or partially consolidate support provided to all operations within the municipal services and school district. As part of this process, workflows and business process maps were also documented.

B. Methodology

The goals and objectives of this municipal and school district operations feasibility study included the following:

- Perform a comprehensive analysis of the existing operations that will review quality, workload, processes, efficiency, compliance mandates, and overall performance.
- Evaluate the current positions (task, job descriptions, skill, experience, etc...) with all related staff including developing a detailed questionnaire prior to the interviews.
- Evaluate the way each department and its employees work within their respective department and how the department works within the organization as a whole, including reporting requirements.
- Develop an operational/organizational framework that best serves the needs of the Municipality and School District as a whole.
- Develop an implementation plan for our recommendations.

I. Newtown Municipal and School District Operations Feasibility Study – Project Overview

As a result of the aforementioned goals and objectives, the project team focused on the following:

1. Reviewing the current policies, procedures, and protocols and observing processes managing the flow of information within and between the various operating areas (e.g., Purchasing, Accounts Payable, Payroll, Human Resources, Technology, etc.). The following processes and functional areas were reviewed in detail:
 - Purchasing
 - Human resources
 - Facilities
 - Accounts Payable
 - Payroll
 - Technology
2. Evaluating current staff positions and structure by identifying the roles and responsibilities of key personnel within Town and School District's operations for the Finance, Human Resources, and Facility Management/Building Maintenance.
3. Confirming the current technology initiatives implemented by the Town and School District of Newtown by reviewing the use of key applications, including MUNIS and Phoenix financial management systems, the ADP/Phoenix payroll systems, TrackIT, ProGeos, and SchoolDude.

The process was participative and consultative. The project team interviewed and consulted with Newtown's key management and administrative staff, including Town and School District staff. Newtown was given significant opportunity to contribute their thoughts and suggestions. Individual interview sessions were held to gain specific information and perspectives on relevant issues. Additionally, we interviewed members of the Board of Finance and Board of Education and the Legislative Council. The entire municipal and school district operations feasibility study methodology was iterative in nature.

C. Acknowledgements

Blum Shapiro would like to thank the Town and School District of Newtown for their participation, support, on-going dialog, and feedback during this project. A list of the project participants is provided in the Appendix.

II. Newtown Municipal and School District Operations Feasibility Study – Detailed Findings

A. Overview

As part of the information gathering process to perform the municipal and school district operations feasibility study, the project team interviewed various personnel from the Newtown Municipal and School District, including the finance, human resources, IT, and building management functions. Additionally, we interviewed members of the Board of Finance and Board of Education and the Legislative Council. The project team tracked information obtained during individual interviews and discussions to better understand the technical, functional and business issues confronting the Town and School District from an operational, business and technology perspective. This information was then analyzed to determine a framework that may fully or partially consolidate support provided to all operations within the municipal services and school district.

Common themes raised by many individuals included:

- We think it is a good idea to share services.
- We are concerned about our jobs.
- We have invested too much time and energy into our existing department and do not want to change.

B. Report Format

We have grouped our findings into the following observations:

- A. Financial and Human Resources Operations
- B. Information Technology
- C. Facilities and Maintenance

For each observation, we discuss the critical issues involved and provide specific recommendations at the conclusion of the Findings section.

II. Newtown Municipal and School District Operations Feasibility Study – Detailed Findings

C. Commendations

Although this report will identify a number of findings and recommendations as part of the municipal and school district operations feasibility study, there are a number of very positive and successful initiatives that have had a significant positive impact on the overall operations within the Town and School District. Outlined below are some of these initiatives:

1. The Town and School District displayed the ability to work as a team by initiating this study.
2. All staff and management were timely and well prepared for all interviews and follow-up questions during this project.
3. The School District has implemented many of the SunGard-Phoenix software features and functionality.
4. Certain areas (Technology and Facilities) are already sharing some services on an informal basis.

II. A – Newtown Operations Feasibility Study – Financial and Human Resources Operations Findings

Findings

1. The Newtown Finance and Human Resources Departments consists of six employees (3 Union and 3 Contracted positions)
 - a. Finance – 3 union and 2 non-union positions
 - i. Finance Director – reports to the First Selectman (contracted position)
 - ii. Assistant Finance Director – reports to the Finance Director (contracted position)
 - iii. Accounts Payable Clerk – reports to the Assistant Finance Director (Town Hall Union)
 - iv. Accountant/Payroll Clerk – reports to the Finance Director (Town Hall Union)
 - v. Secretary – reports to the Finance Director (Town Hall Union)
 - b. Human Resources Administrator – reports to the First Selectman (contracted position)

2. The School District Business and Human Resources Department consists of ten employees (5 Union and 5 Contracted positions)
 - a. Finance – 5 union and 3 non-union positions
 - i. Director of Business – reports to the Superintendent (contracted position)
 - ii. Administrative Secretary – reports to the Director of Business (contracted position)
 - iii. Accountant – reports to the Director of Business (contracted position)
 - iv. Insurance Coordinator – reports to the Director of Business (union)
 - v. Payroll/Accounts Payable Assistant – reports to the Director of Business (union)
 - vi. Payroll Coordinator – reports to the Director of Business (union)
 - vii. Accounts Payable Coordinator – reports to the Director of Business (union)
 - viii. Business Office Bookkeeper – reports to the Director of Business (union)
 - b. Human Resources – both positions are non-union
 - i. Human Resources Director (0.6 FTE) – reports to the Superintendent (contracted position)
 - ii. Human Resources Coordinator – reports to the Human Resources Director (contracted position)

II. A – Newtown Operations Feasibility Study – Financial and Human Resources Operations Findings

3. Salaries and Benefits for the Town and School District are Similar But Different
 a. The chart below summarizes the comparison of salaries between the Town and School District

Salary Comparison	Town	School District
Assistant Finance Director/Accountant	Similar	Similar
Secretary/Administrative Secretary	Lower	Higher
Insurance Coordinator	N/A	
Payroll/AP Assistant	N/A	
Accountant-Payroll/Payroll Coordinator	Higher	Lower
AP Clerk/AP Coordinator	Lower	Higher
Business Office Bookkeeper	N/A	
Human Resources Director	N/A	

4. The Newtown Finance Department utilizes MUNIS for complete general ledger accounting
 a. The Finance Department utilizes the MUNIS system for complete general ledger accounting including: revenues, expenditures and balance sheet
 b. The Finance Department performs all bank reconciliations for all accounts
 c. The Finance Department controls cash transfers to the school district
 d. The Town does not own all needed MUNIS modules for a complete integrated financial system, the following modules are not owned and/or implemented:
 i. Payroll, Human Resources, Purchase Requisitions, Miscellaneous receivables
5. The Newtown Finance Departments utilizes ADP for payroll processing
 a. The ADP payroll service is operated as a standalone application and provides payroll checks and payroll filings
 b. The ADP service costs approximately \$33,000 per year
 c. It does not integrate with the general ledger or a human resources component

II. A – Newtown Operations Feasibility Study – Financial and Human Resources Operations Findings

- d. This creates the following inefficiencies/duplications:
 - i. Manual interfaces to general ledger
 - ii. No ability to inquire on payroll expenditure details through the financial system
 - iii. No ability to generate “what-if” scenarios for different payroll/benefit assumptions in the MUNIS budget module
 - iv. No integration with a human resources software module
- 6. The School District utilizes the SunGard-Phoenix software product for general ledger, accounts payable, purchase orders, human resources and payroll
 - a. The School District has been proactive in implementing the SunGard Phoenix software modules and online features such as purchasing requisitions and purchase orders
 - i. Recently purchased fixed asset module
 - ii. In the process of implementing an employee web portal
 - b. While the School District has implemented many of the Phoenix software modules/features, they are not realizing the efficiencies because they continue to maintain duplicate information (i.e., excel spreadsheets)
 - c. Additionally, the duplicate information maintained and updated in excel spreadsheets is used for reporting purposes instead of using the SunGard-Phoenix system’s capability and running system-generated reports to obtain the data
 - d. The SunGard-Phoenix software system supports full general ledger accounting, however, the School District is not maintaining full accounting on the system
 - i. The 7/31/2011 trial balance report shows a cash balance of over \$66 million in one (fund 01) account
 - e. The software vendor is not proactive in pushing out fixes
 - i. A concern exists regarding the longevity of the SunGard-Phoenix system due to the fact that SunGard has several other financial managements systems sold and supported directly for the municipal and local school district market
 - f. Users feel they have not been effectively trained on the system
- 7. Separate financial management systems between the Town and School District inherently creates inefficiencies
 - a. Reconciliations are required between the two organizations to account for cash transfers and receipts
 - b. Community-wide information is not readily available to analyze expenditures across both organizations

II. A – Newtown Operations Feasibility Study – Financial and Human Resources Operations Findings

- c. Users cannot support each other because they have different software, processes and operating procedures within each organization
8. Neither the Town or School District are using their existing software to its fullest capabilities
- a. The tables below and on the following pages summarizes the high-level usage
 - b. The table below provides a description of each ranking based on BlumShapiro’s assessment of financial system usage.

<u>Ranking</u>	<u>Description</u>
N/A	Module is appropriately not utilized by group.
1	Module/feature is not implemented or underutilized causing inefficiency and/or frustration.
2	Module/feature is implemented and working adequately.
3	Module/feature is essentially fully implemented.

<u>Accounting</u>	<u>Town</u>	<u>Comments</u>	<u>School</u>	<u>Comments</u>
1 <i>General Ledger</i>	2		2	The Balance Sheet is not maintained in Phoenix
2 <i>Budgeting</i>				
a. Budget Preparation	1	Unable to utilize PR data	2	Done in SunGard Phoenix
b. Monitoring	2		1	Excel is utilized for reporting
3 <i>Accounts Payable</i>				
a. Check Processing	3		3	
b. Check Reconciliation	2		N/A	Performed by Town
c. On-line Receiving	1	Unable to utilize since POs not used	1	Feature not utilized
4 <i>Purchase Orders/Requisitions</i>	1	PO not utilized, Requisition module not installed	3	
5 <i>Integration within Financials</i>	2		2	

II. A – Newtown Operations Feasibility Study – Financial and Human Resources Operations Findings

Accounting	Town	Comments	School	Comments
6 Payroll				
a Processing	2		2	
b Time and Attendance	1	Not available, ADP module not owned	2	
c Integration with Financial	1	No integration with G/L	2	
7 Human Resources	1	All manual	1	Position Control and PAFs are manual

9. Limited "Trust" exists between Town and Board of Education. See below table for trust factors:

Town	Trust Between Organizations	School District
Legislative Council	Low	Board of Education
First Selectman	Medium-High	Superintendent
Finance Director	Medium-High	Director of Business
IT/GIS Director	High	IT Director
Public Works Director	High	Facilities Director

II. B – Newtown Operations Feasibility Study – Information Technology Findings

Findings

1. The Newtown Information Technology Department consists of three employees (all non-union)
 - a. Technology and GIS Director – reports to First Selectman
 - b. Technology Specialist – reports to Technology and GIS Director
 - c. GIS Software Specialist – reports to Technology and GIS Director

2. The School District Information Technology function consists of seven employees and six stipend positions
 - a. Six of the seven positions are unionized; one is a contracted position
 - b. Director of Technology – reports to the Assistant Superintendent (contracted position)
 - c. Secretary/Help Desk Support – reports to the Director of Technology (union)
 - d. Technology Network Specialist – reports to the Director of Technology (union)
 - e. Technology Support Specialist – reports to the Director of Technology (union)
 - f. Two Technology Support Technicians – report to the Director of Technology (one is assigned to the High School) (union)
 - g. In addition, there is a District Database Administrator – reports to the Assistant Superintendent (union)
 - h. Six Stipend Positions provide additional technology support
 - i. Each position is assigned to a School building (excluding High School)
 - ii. Functions as technology liaison

3. Salaries and Benefits for the Town and School District are Comparable

- a. The chart below summarizes the comparison of salaries between the Town and School District

Salary Comparison	Town	School District
Technology and GIS Director/Director of Technology	Lower	Higher
Technology Specialist/Technology Support Technician	Similar	Similar
GIS Software Specialist/Secretary-Help Desk Support	Similar	Similar
Technology Network Specialist	N/A	
Technology Support Specialist	N/A	

II. B – Newtown Operations Feasibility Study – Information Technology Findings

4. Town Information Technology Department supports the key/critical Town applications
 - a. MUNIS – financial management system
 - i. Application is hosted by Tyler Technologies
 - b. ESRI – GIS system
 - c. QDS – Tax Assessment and Tax Collection system
 - d. MS-Exchange – email system
 - e. New World Systems – Public Safety software
5. District Database Administrator and School District Technical Staff support the key/critical School District applications, excluding the SunGard-Phoenix system
 - a. Key applications include, but are not limited to, the following:
 - i. PowerSchool – Student Information System
 1. Snap – School nurse software fully integrated with PowerSchool
 2. Versatrans – School Bus transportation software fully integrated with PowerSchool
 3. Destiny – Library system fully integrated with PowerSchool
 - ii. Inform
 - iii. Filemaker Pro Database – home-grown IEP system
 - iv. Gmail – email system (system is provided at no cost to educational institutions)
 - v. Postini – email archiving solution
 - vi. School Messenger

II. B – Newtown Operations Feasibility Study – Information Technology Findings

6. Town and School District Information Technology departments are currently sharing resources
 - a. Sharing of IT resources is currently done on an informal basis and the relationship is working well
 - i. This informal relationship is based on people and personalities not on standard policies and procedures
 - ii. If people and/or personalities change this relationship would be at risk for change as well
 - b. Share secretary/help desk support position (35 hours per week – School District and 5 hours per week – Town)
 - i. Individual answers help desk calls and forwards to appropriate staff for resolution
 - ii. Both Town and School District IT use TrackIT helpdesk software for managing security incidents
 1. TrackIT generates an automatic email to the requestor for problem ticket resolutions
 2. Entry of service tickets in help desk system decentralized for School District only
 - a. Technology Liaisons enter tickets for their respective building
 - b. Town's Technology and GIS Director or Help Desk Technician enters request for Town
 - c. Administrative passwords are not shared between IT departments
 - i. Separate user IDs and passwords with administrative privileges are used for each respective domain

II. C – Newtown Operations Feasibility Study – Facilities and Maintenance Findings

Findings

1. Newtown's Building Maintenance Division of Public Works consist of three employees (all union positions)
 - a. All three employees are in the Town Hall Union
 - i. Head Maintainer
 - ii. Two Maintainers
 - b. Experience in custodial and maintenance work
 - c. Formal work order system does not exist for building maintenance/custodial work

2. School District Facilities Department consists of fifty-eight employees
 - a. One Director of Facilities, five maintenance and fifty-two custodial staff
 - i. There are two custodial shifts in each of the school buildings
 - ii. Exception: High School has three custodial shifts
 - b. All staff, except for the Director of Facilities, are in the Custodians and Maintenance Federation Union-Local 3924
 - c. Maintenance staff expertise includes: Electrical, Plumbing, HVAC, Carpentry
 - i. Some maintenance staff hold a valid CT plumbing, Electrical or HVAC license
 - d. There is a Head Custodian in each of the seven school buildings
 - i. Hawley, Sandy Hook, Middle Gate and Head O'Meadow – each building has a total of 4 custodial staff assigned
 1. One head custodian and three custodians
 - ii. Reed Intermediate – 8 staff total; one head custodian/one lead custodian and six custodians
 - iii. Middle School – 9 staff total; one head custodian/one lead custodian and seven custodians
 - iv. High School – 18 staff total; one head custodian/two lead custodians and fifteen custodians
 - e. Use SchoolDude software for work orders
 - i. Head custodian is responsible for entering work orders in the system
 - ii. In the process of implementing scheduling module
 1. Currently using Google calendar for scheduling
 2. Includes preventative maintenance

II. C – Newtown Operations Feasibility Study – Facilities and Maintenance Findings

3. Salaries for the Town and School District are Similar but Benefits are different
 a. The chart below summarizes the comparison of salaries between the Town and School District

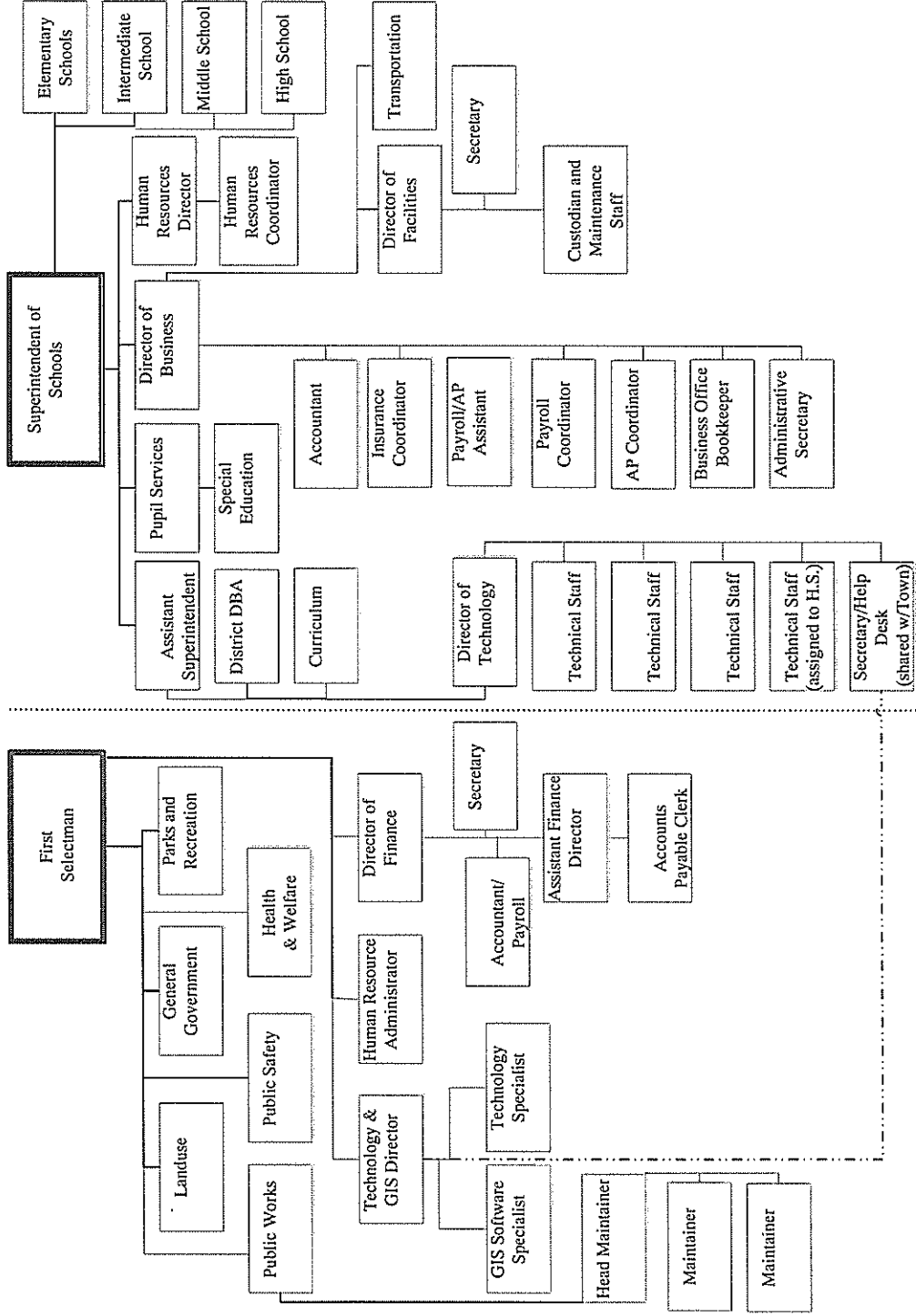
<u>Salary Comparison</u>	<u>Town</u>	<u>School District</u>
Public Works Director/Director of Facilities	Similar	Similar
Head Maintainer/Head Custodian	Similar	Similar
Lead Custodian	N/A	
Maintainer/Custodian	Similar	Similar
Licensed Mechanic	N/A	

4. Collaboration between School District and Town Parks and Recreation Department Already Exists
 a. Relationship is working well today
 i. This is due to individuals holding those current positions establishing great lines of communication and respect for each other, etc.
 b. Sharing resources for:
 i. Grounds maintenance
 ii. Snow plowing
5. Town's Building Maintenance Division of Public Works Collaborates with School District on a Limited Basis
 a. Town has used the expertise and knowledge of the School District staff related to Electrical and Plumbing
 b. School District has provided materials (i.e., light bulbs, etc.) to the Town as needed

II. C – Newtown Operations Feasibility Study – Facilities and Maintenance Findings

Outlined below is an overview of the current organizational structure for the Town and School District of Newtown.

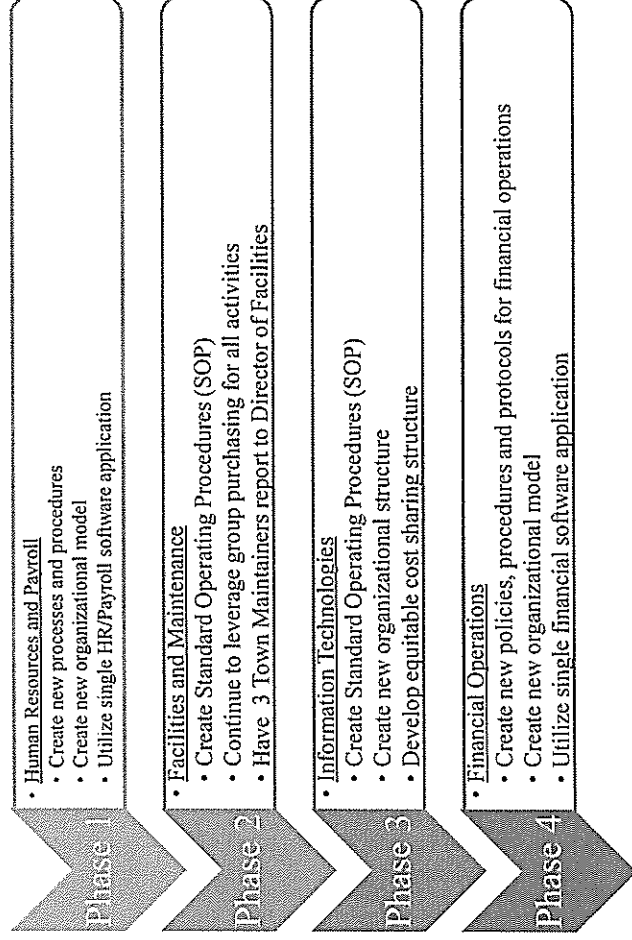
Town and School District of Newtown
 Current Combined Organizational Chart
 As of March 2012 – Final Version



III. A – Newtown Operations Feasibility Study – Transitional Approach Overview - Recommendations

Recommendation – Transitional Approach Overview

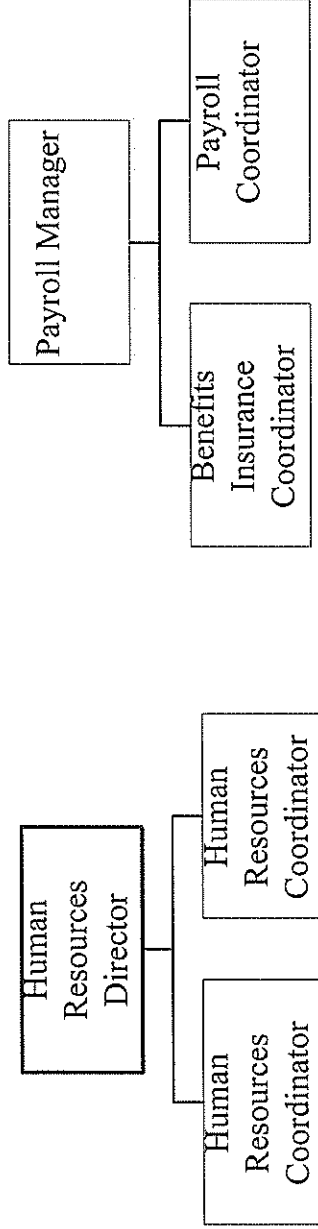
1. Implement a Shared Services Model for the Town and School District
 - a. We recommend a transitional approach to phasing into a new organizational structure for all areas reviewed
 - i. Phase 1 – Merge School District Human Resources and Payroll with Town
 - ii. Phase 2 – Merge Town Maintainers with School District
 - iii. Phase 3 – Merge Town Information Technology with School District
 - iv. Phase 4 – Merge School District Financial Operations with Town
 - b. Utilize current employees in new structure
 - i. Provides institutional knowledge of both organizations
 - ii. Provides stabilization
 - iii. Enables existing employees ability to ensure new organization is a good fit
 - c. As employees leave/retire roles may need to be realigned



III. A.1 – Newtown Operations Feasibility Study – Human Resources and Payroll – Recommendations

Recommendations – Phase 1 - Human Resources and Payroll

1. Formally combine the School District's Human Resource and Payroll personnel with the Town's operations
 - a. Create two shared departments for human resources management and payroll processing
 - i. One department for Human Resources and a second for Payroll
 - b. The HR Director (part-time person) and HR Coordinator would report to the First Selectman and Superintendent
 - i. The HR Administrators (coordinator) would report to the HR Director
 - ii. The hiring process would be managed by the HR Director
 - Interviews would be performed by the respective department
 - c. The School District's Payroll Coordinator and Insurance/Benefits Coordinator would report to:
 - i. The Town's Payroll Manager and Chief Financial Officer for accounting control, and
 - ii. The School District's Director of Business for data control
 - d. Implement a unified organizational chart for both departments as identified below
 - e. Consider eliminating a payroll position in the combined structure



2. Bring the Town's Payroll processing in-house utilizing a unified financial management system
 - a. Discontinue using ADP services for payroll and implement a payroll system that is integrating with the general ledger, financial reporting, and budget development systems
 - i. Town will save approximately \$33,000 per year
 - b. Create a pilot program and implement the Phoenix System's Human Resource and Payroll modules for the Town

III. A.1 – Newtown Operations Feasibility Study – Human Resources and Payroll - Recommendations

- i. Common HR and Payroll practices can be established between the Town and School District
 - ii. Personnel can support both Town and School District operations creating a broader cross-trained group of employees
 - iii. This will be allow the Town to review and evaluate the capabilities of the Phoenix system while utilizing the software system
 - iv. This will help set the direction for Phase 4 of this plan and help solidify a financial software direction/strategy for both the Town and School District
3. Create Standard Operating Procedures that address how the HR and Payroll Departments will support and provide services to the Town and School District personnel
- a. Characteristics of the SOP include:
 - i. Applicant tracking process
 - ii. Hiring process
 - iii. Termination process
 - iv. Salary adjustment process
 - v. Time and expense entry process

III. A.1 – Newtown Operations Feasibility Study – Facilities and Maintenance - Recommendations

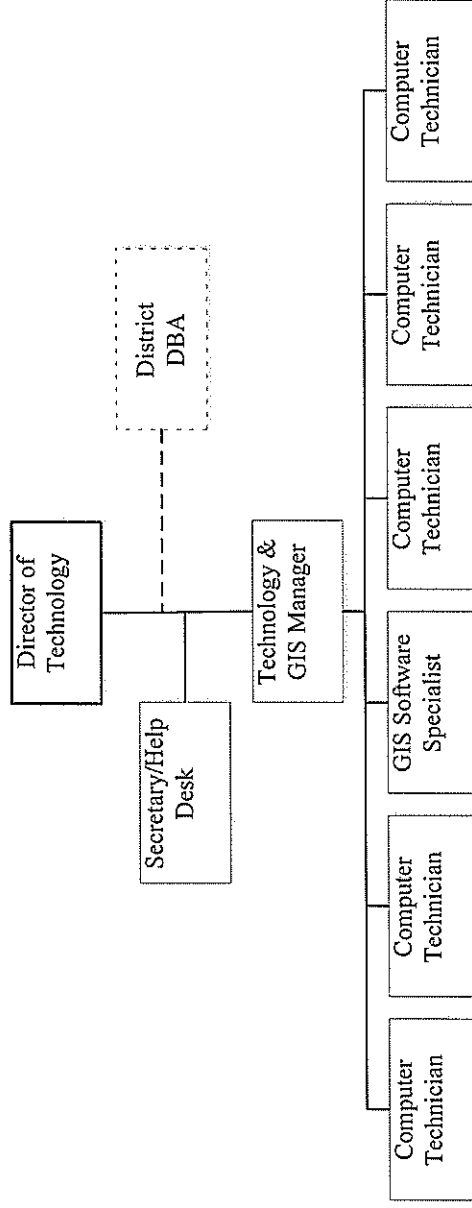
Recommendations – Phase 2 - Facilities and Maintenance

1. Formally combine the Town Building Maintenance with School District Facilities and Maintenance Department
 - a. Create a single shared department for facilities maintenance and custodial work
 - b. The three individuals working for the Town Building Maintenance department will report directly to the school district's Director of Facilities under the new shared department structure
 - c. The Director of Facilities will report to both the Town and School District
2. Develop Facilities and Maintenance Support Services Agreement between the Town and School District
 - a. Purpose of agreement is to establish a formal process and Standard Operating Procedures (SOP) to meet the facilities support needs of the Town and School District
 - i. Agreement should address the overarching policies and guidelines between the two organizations
 - ii. Agreement establishes a framework of principles and procedures to ensure the efficient management of resources
 - iii. Agreement identifies how facilities and maintenance services will be prioritized and on what basis.
 - iv. Priorities will be evaluated against:
 - Support and maintenance issues that significantly impacts critical operations will be dealt with immediately.
 - Support and maintenance issues that impact a large group of people will be dealt with immediately.
 - Support issues and maintenance issues that have a global impact on operations, security and/or safety will be dealt with immediately.
3. Continue to leverage joint purchasing between the Town and School District to receive better discounts for items including:
 - a. Oil, gas and other utilities for the Town and School District on one contract so that each entity receives benefits
 - b. Analyze facilities purchasing and receive better prices for cleaning and maintenance supplies
4. Continuing to operate independently and working together informally will not work in the long-term
 - a. This informal working relationship is based on current personalities
 - i. The continued success is subject to the risk of the personalities changing over time which would detrimentally impacting the ability to work together
 - b. Need to create an institutional approach and long term approach to be successful

III. A.2 -- Newtown Operations Feasibility Study -- Information Technology - Recommendations

Recommendations – Phase 3 - Information Technology

1. Formally combine the Town and School District's IT Departments into a single shared department
 - a. The three individuals working for the Town will work with and report directly to the School District's Director of Technology
 - i. New organization consists of nine employees with six stipend positions
 - The Stipend positions will continue to support each School's internal technology needs as required
 - ii. The District DBA will still report directly to the School District's Assistant Superintendent



2. Develop Technology Support Services Agreement between the Town and School District
 - a. Purpose of agreement is to establish a formal process and Standard Operating Procedures (SOP) to meet the technology support needs of the Town and School District
 - i. Agreement should address the overarching policies and guidelines between the two organizations
 - ii. Agreement establishes a framework of principles and procedures to ensure the efficient management of IT resources

III. A.2 – Newtown Operations Feasibility Study – Information Technology - Recommendations

3. Create an Information Technology Joint Committee to oversee the new Department
 - a. Committee identifies global issues/problems and provides leadership on funding of technology initiatives.
 - i. Members of the Committee include: Director of Technology, First Selectman, School Superintendent, Town’s Chief Financial Officer, and School District’s Director of Business.
 - b. Key goals of Committee include:
 - i. Establishing the policies and standards by which projects are requested and evaluated for implementation.
 - ii. Assessing and selecting potential technology projects based on criteria that fulfill the strategic requirements of the Town and School District.
 - iii. Project oversight to ensure selected initiatives are implemented according to set budgets and schedules or discontinued due to financial, technical or other justifiable reasons.
 - iv. Resolving non-budgetary IT related conflicts or issues within the Town and School District.
 - v. Make decisions regarding changes to the scope and deliverables of major project initiatives for all IT related projects provided that such changes are within the approved budget.
 - vi. Providing management support, direction and advice to the Director of Technology.
 - vii. Communicating requirements and decisions to Town or School District departments (if required) to minimize confusion or conflicts.
 - viii. Ensuring that projects are consistent with changing business needs and objectives providing an interdepartmental perspective that may not otherwise be available to an individual project team or department.
 - ix. Rank and prioritize budget requests for the Town and School District’s annual budget cycles.
4. Create Standard Operating Procedures that address how the Department will support and provide services to the Town and School District
 - a. Characteristics of the SOP include:
 - i. Help Desk and end user support services for incident reporting
 - ii. Problem resolution
 - iii. Desktop software support
 - iv. Office automation software training
 - v. Work computer maintenance and support
 - vi. Network infrastructure support

III. A.2 – Newtown Operations Feasibility Study – Information Technology - Recommendations

- vii. Telecommunications support
 - viii. Telephone maintenance and support
 - ix. Application development, installation and upgrade support
 - x. Prioritization of support services
5. Develop fair and equitable cost-sharing for the new IT department
- a. Consider creating an Internal Service Fund (ISF) to track and fund technology initiatives
 - i. Create a separate accounting fund used to account for services and technology purchases for all Town and School District departments
 - ii. Elements of Internal Service Fund
 - Accumulates all IT costs (operating and capital expenses are recorded in this fund)
 - Contains all IT related assets
 - Costs are allocated through charges to benefiting departments
 - Depreciation is accumulated within the fund
 - Promotes on-going funding of technology
6. Obtain Better Economies of Scale for Technology Purchases as a Shared Department
- a. Use the combined purchasing power of the Town and School District to purchase equipment
7. Standardize Technology Tools to Enhance Technology Operations
- a. Adopt a single set of technology standards for the Town and School District
 - i. Hardware and Technology Infrastructure
 - ii. Anti-Virus
 - iii. Virtualization
 - iv. Help Desk
8. Collaboration of IT Resources Provides Opportunities to Discover Trends
- a. Provides better tracking of security incidents and problem tickets
 - b. Align resources to provide more efficient technology support and project management

III. A.2 – Newtown Operations Feasibility Study – Information Technology - Recommendations

9. Continuing to operate independently and working together informally will not work in the long-term
 - a. This informal working relationship is based on current personalities
 - i. The continued success is subject to the risk of the personalities changing over time which would detrimentally impacting the ability to work together
 - b. Need to create an institutional approach and long term approach to be successful

III. A.4 – Newtown Operations Feasibility Study – Accounting Operations - Recommendations

Recommendations – Phase 4 - Accounting Operations

1. Implement a Single Integrated Financial Management System for the Town and School District
 - a. In order to create efficiencies and unified policies, procedures and protocols within the Town and School District, one financial management system should be utilized
 - b. Characteristics of a complete integrated financial management system:
 - i. Ability to support both the Town and School District's needs
 - ii. Fully functioning general ledger
 - iii. Proven track record of similar installations
 - iv. Vendor's stability and long term viability
 - v. Investing in future of product and research development efforts
 - vi. Ability to provide expected features such as: employee online access, document management, vendor access
 - c. Overall benefits of a single financial system:
 - i. Eliminate sub-systems (i.e., excel spreadsheets) and use reporting capabilities of financial system
 - ii. Implement electronic workflows and approvals within the system
 1. Budget management (i.e., development and transfers)
 2. Procurement (i.e., purchase requisitions and purchase orders)
 3. Accounts payable
 4. Payroll time entry and attendance
 - d. Evaluate the current financial solutions (SunGard-Phoenix and Tyler-MUNIS) that the School District and Town are currently using to identify if either solution best fits the combined operations
 - i. The existing systems were selected based on individual needs (Town vs. School District) rather than combined requirements
 - ii. Assess the success of the implementation of the Phoenix system's HR and Payroll modules for the Town
 - iii. The Town has not implemented many elements of the financial management system
 1. Missing applications include: purchasing, accounts receivable, fixed assets, etc.

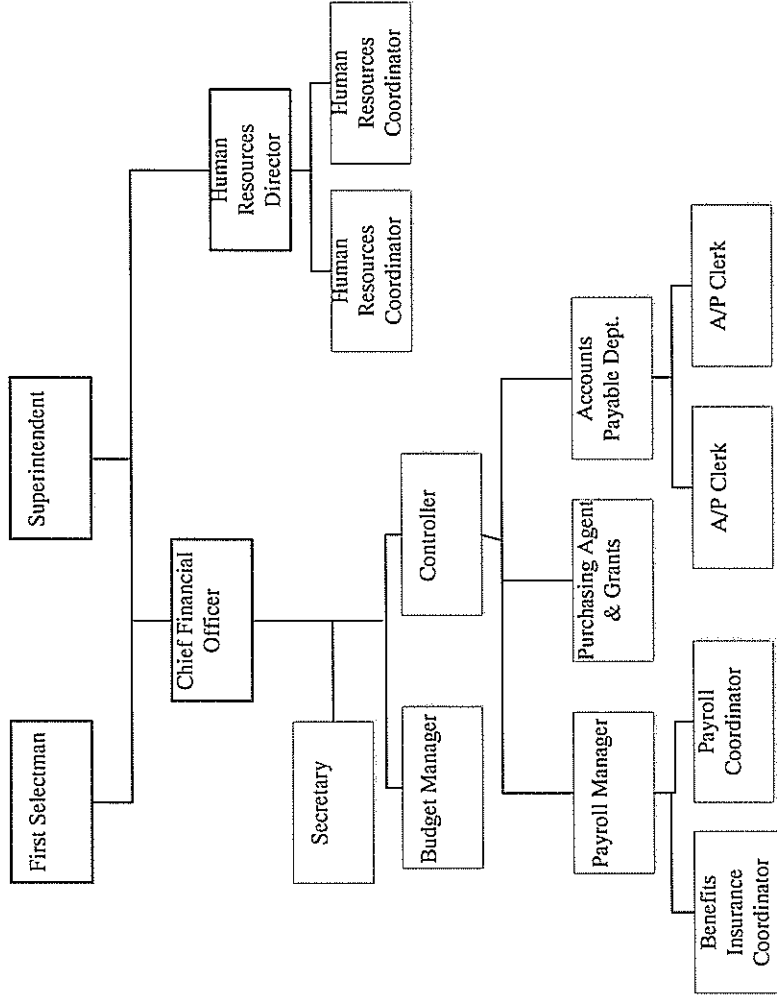
III. A.4 – Newtown Operations Feasibility Study – Accounting Operations – Recommendations

- iv. The School District has implemented an integrated solution, however, a lot of information is duplicated in Excel for management reporting
 - e. Both current financial vendors (SunGard-Phoenix and Tyler-MUNIS) should be asked to demonstrate how their software can support the Town and BOE combined
 - f. Consider bringing in a third vendor for a software demonstration with a proven track record for similar CT sites
 - i. Provides a different perspective on the software applications
 - ii. Allows a benchmark to measure the existing software systems
 2. Create standard policies, procedures and protocols that address how the Accounting department will support and provide services to the Town and School District employees
 - a. Common practices should be developed for consistency and cross-training purposes
 - b. Characteristics of the policies, procedures and protocols include:
 - i. Requisition process
 - ii. Purchase order process
 - iii. Budgeting process
 - iv. Accounts Payable process
 - v. Financial reporting
 3. Merge the School District's Accounting Operations with the Town, Creating a Centralized Operations
 - a. Create a new organization that integrates the Town and School District financial needs into a single shared organization
 - i. The shared services financial functional area will be led by the Chief Financial Officer
 - ii. Chief Financial Officer of the new department will report to both the First Selectman (Town) and Superintendent (School District)
 - b. The new department should be structured as follows:
 - i. Re-title the Finance Director to Chief Financial Officer
 - ii. Re-title the Assistant Finance Director to Controller
 - iii. Create a Budget Manager/Analyst position
 - iv. Create a Purchasing Agent position
 - v. Consider eliminating a single position

III. A.4 – Newtown Operations Feasibility Study – Accounting Operations - Recommendations

- c. Utilize existing employees as part of this new structure
 - i. Many existing positions are included in the new structure
 - ii. Existing employees may require retraining to perform new functions
- d. Align both HR and Payroll into this new structure
 - i. Payroll would now report to the Town’s Controller for accounting control
 - ii. HR would continue to report to the First Selectman and the Superintendent
- e. Implement a single combined financial management system
 - i. Users would be more effective if they used the same financial system
 - ii. Eliminates the need for reconciliations between the Town and School District since all information will be in the same system
 - 1. Users could still be restricted from viewing or processing other users accounts
 - 2. Standards could be implemented on the same system
 - iii. Standards could be implemented on the same system
 - iv. Users would be “cross-trained” between Town and School District similar business processes
 - 1. This provides user backup for vacations, etc.
 - 2. Also provides flexibility for shifting resources during peak processing time
- f. A shared financial system will require improved trust between the various groups; Town, School District, Boards
- g. Develop an equitable method of sharing the costs (allocation in the operating budget, operating as an internal service unit, or as “in-kind” expenditures)
- h. Comparable compensation packages - Employees performing the same tasks should receive comparable compensation to ensure equality
- i. Departmental employees must have the same work/holiday schedules
 - i. Managing the department will be facilitated by all employees having the same work weeks and holidays
- j. The diagram on the following page provides an organizational chart for the new department for the Phase 4 structure

III. A.4 – Newtown Operations Feasibility Study – Accounting Operations - Recommendations



- k. New Positions are as follows:
- i. Purchasing Agent and Grants - To handle bidding, procurement and grant needs of both the Town and School District. The Director of Business will sign-off on School District purchases
 - ii. Budget Manager – This person would be responsible for budget development and monitoring for both the Town and School District and special projects
 - l. The goals and objectives of the new finance department would be to provide full accounting (revenue, expenditure and balance sheet), payables, budgeting, payroll, human resources, and procurement services to the Town and School District
 - m. Requirements for the new department:
 - i. Document department’s mission and objectives

III. A.4 – Newtown Operations Feasibility Study – Accounting Operations - Recommendations

- ii. Update job descriptions to reflect new organizational structure and operating procedures
 - iii. Develop and document new standard operating procedures (SOP)
 - iv. Adjust salaries to ensure they are commensurate with job experience and that employees performing similar tasks are compensated equally
4. Benefits of a Shared Accounting Department
- a. A shared financial department would save approximately \$400,000 to \$500,000 over the next five years (assuming a transitional structure) based on our proposed structure.
 - b. Multiple employees experienced with the same software and similar processes, provides backup support during vacations and other high processing times.
 - i. Automatically creates a deeper bench of personnel
 - c. Increased efficiencies within the Town and School District
 - d. Allows the Town/School District to generate a broader reporting and analysis of information
 - i. Supports reporting across organizations for procurement analysis
 - ii. Supports capital projects reporting for projects that were completed by both the Town Public Works and School District maintenance
5. Challenges for the New Shared Accounting Department
- a. School District explicitly states they do not want to move from their current financial system platform (i.e., SunGard-Phoenix)
 - b. The lack of trust between the Legislative Council, Board of Finance, and the Board of Education
 - c. Changing, documenting and improving integrated processes (provided in Reference Section IV)
 - d. Continuing to maintain two separate and independent organizations and financial systems will not provide significant opportunities to promote efficiencies
 - i. Separate systems duplicate information and require reconciliations
 - ii. Separate systems prevent cross-training between the Town and School District
 - iii. Separate systems prevent “cost avoidance” by possibly requiring backup for the Town’s human resources and payroll functions

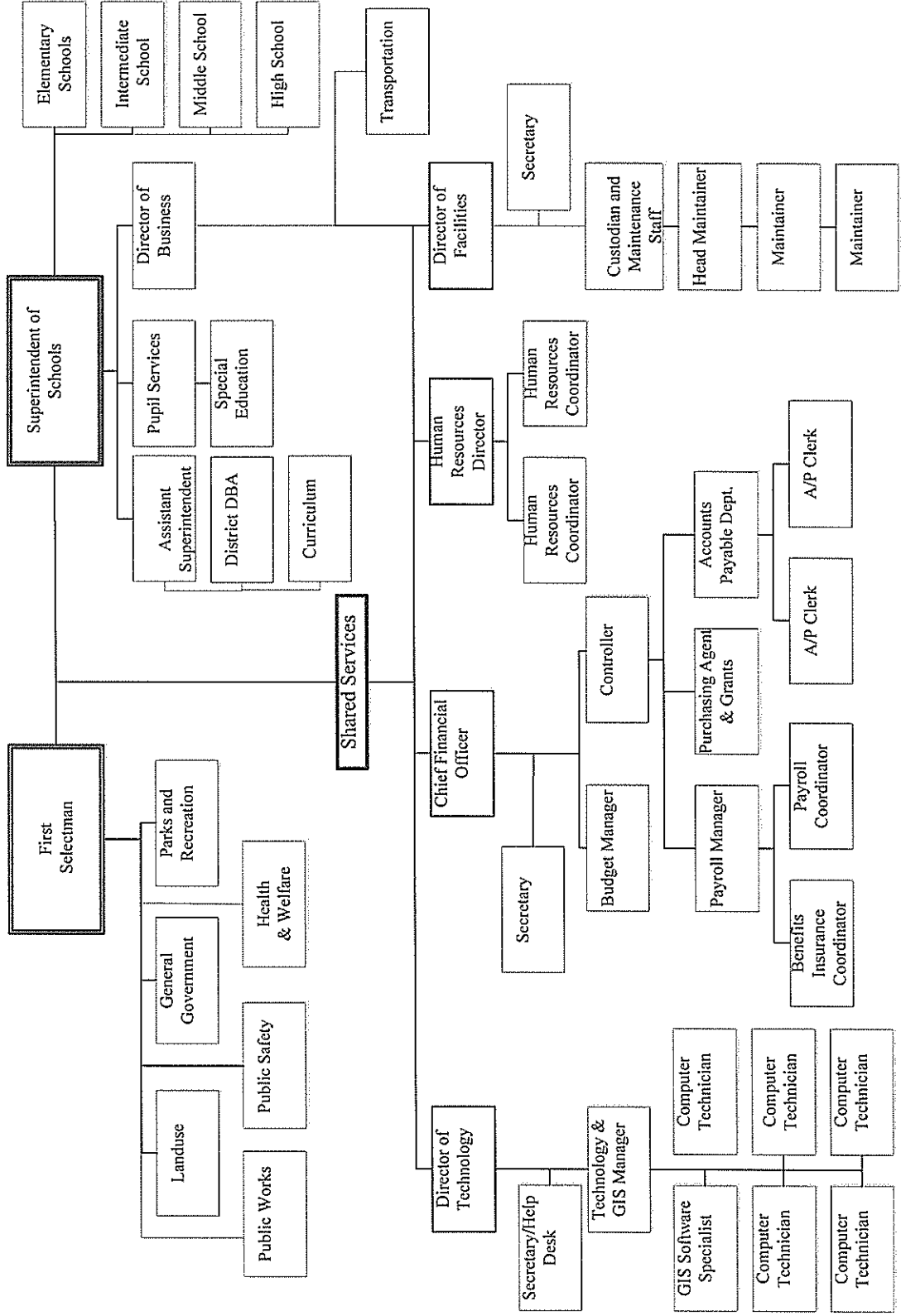
III. A.4 – Newtown Operations Feasibility Study – Accounting Operations - Recommendations

6. Facility Considerations for Successfully Merging Departments
 - a. The Town and School District share and use the same building facility for core operations
 - i. The Town employees are located on one side of the building while the School District personnel are on the other side
 - ii. Continuing to maintain two separate and independent organizations will not provide significant opportunities to promote operational and workflow efficiencies
 - b. Critical to the success of this project is the need to integrate personnel from both the Town and School District
 - c. Departmental personnel must be located near one another; not on opposite sides of the building
 - i. As an example all HR and Payroll personnel should be in close proximity of one another to enhance operations and affect positive change
 - ii. Accounts Payable, Purchasing and Budgeting personnel should be grouped together to unify their operations.

7. Outlined on the following page is a Phase 4 diagram depicting the complete shared services model

III. A.4 – Newtown Operations Feasibility Study – Accounting Operations - Recommendations

Town and School District of Newtown
 Proposed Combined Organizational Chart
 As of March 2012 – Final Version



Workflow Analysis

As a result of our review of the Town and School District’s key operational business processes, we have mapped the business process workflows and have identified process gaps to these workflows (see Section V. Appendix B of this report for the workflows). We have also identified areas where certain processes should be eliminated or modified in order to improve productivity and enhance efficiencies. They are the following:

1. Purchasing

Town – Process Gaps and Inefficiencies

- Electronic purchase requisitions and purchase orders are not used
- Budget checking is performed after-the-fact

Board of Ed – Process Gaps and Inefficiencies

- Multiple copies (i.e., four) of purchase orders are printed
- Accounting Department copies of purchase orders filed and maintained in two separate binders (PO’s with invoices and PO’s without invoices)
- Vendor copy of purchase order is not emailed (only mailing or manually faxing)

2. Accounts Payable

Town – Process Gaps and Inefficiencies

- No online receiving
- 3-way match not performed (due to not using purchase orders)
- Using pre-printed and pre-numbered check stock

Board of Ed – Process Gaps and Inefficiencies

- No online receiving
- 3-way match done manually (due to no online receiving feature implemented in current system)
- Excel spreadsheet used to track invoices without a receiving copy

III. Newtown Municipal and School District Operations Feasibility Study – Workflow Analysis

3. Human Resources – New Hires

Town – Process Gaps and Inefficiencies

- No online applicant tracking other than the DOL website
- Personnel Actions are not done electronically (hardcopy form is used)
- All employee records are maintained in hardcopy files or in the ADP payroll system
 - No integrated database that maintains both human resources and payroll data

Board of Ed – Process Gaps and Inefficiencies

- No electronic interface between Applitrack and Phoenix system
- Personnel Actions are not done electronically (hardcopy form is used)
- Separate excel spreadsheet maintained to track positions and salary for budgetary purposes

4. Human Resources – Voluntary/Involuntary Separations

Town – Process Gaps and Inefficiencies

- Personnel Actions are not done electronically (hardcopy form is used)

Board of Ed – Process Gaps and Inefficiencies

- Personnel Actions are not done electronically (hardcopy form is used)
- No exit interviews

5. Payroll

Town – Process Gaps and Inefficiencies

- Paid time-off is recorded after-the-fact
- Paid time-off is tracked by HR and individual departments using Excel
- Payroll input is centralized (i.e., not decentralized)
- Payroll rates are calculated in Excel and input into ADP
- Labor distribution not integrated with MUNIS financial system
- Direct deposit advices are printed and not emailed

III. Newtown Municipal and School District Operations Feasibility Study – Workflow Analysis

Board of Ed – Process Gaps and Inefficiencies

- Payroll input is centralized (i.e., not decentralized)
- Manual Journal Entry required by Town to track activity

6. Maintenance/Facilities – Work Orders

Town – Process Gaps and Inefficiencies

- Limited ability to monitor work orders
 - Reports from the ProGeos are not available since the Town reduced services from the system
- No ability to attach documents to work order request (e.g., scan of drawing)
- ProGeos is not compatible with the Town’s GIS (ESRI)
- Limited ability to identify duplicate work order requests

Board of Ed – Process Gaps and Inefficiencies

- None identified

7. Information Technology – Help Desk

Town – Process Gaps and Inefficiencies

- Resolution follow-up for service desk tickets is done manually
 - TrackIT system has not been configured to generate an automatic email notification to the requestor once the ticket is received, resolution is entered and the ticket is closed

Board of Ed – Process Gaps and Inefficiencies

- None identified

IV. Newtown Municipal and School District Operations Feasibility Study – Action Plan

A. ACTION PLAN SCHEDULE

Phase I 0 – 6 Months

- Configure Phoenix system's HR and Payroll modules for Town Use
- Develop policies and procedures to support combined processes
- Implement HR and Payroll modules within the Phoenix system

Phase II – 7 – 12 Months

- Confirm Facilities and Maintenance organizational structure
- Develop Job Descriptions
- Negotiate with Unions
- Merge current Maintainers personnel into current organization
- Develop SOP between Town and School District

Phase III – 7 to 12 Months

- Confirm IT organizational structure
- Develop Job Descriptions
- Negotiate with Unions
- Merge current IT personnel into new structure
- Develop SOP between Town and School District

Phase IV 12 -24 Months

- Perform Financial Software Evaluation
- Define Policies and Procedures Manual
- Co-locate shared financial management organization
- Implement financial modules (general ledger, accounts payable, procurement)
- Implement new financial processes (as required)
- Update policies and procedures to include new processes of financial system

V. Appendix

On the following pages, we have provided:

- A. Supplementary Tables and Charts
- B. Interview List
- C. Process Workflows
 - 1. Current
 - 2. Proposed

V. Appendix

1. Combined five year cost during transition (averaged)

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Current Separate Costs						
Combined Wages	\$ 993,330	\$ 993,330	\$ 993,330	\$ 993,330	\$ 993,330	\$ 4,966,650
Estimated Fringe Costs	\$ 198,666	\$ 198,666	\$ 198,666	\$ 198,666	\$ 198,666	\$ 993,330
Town Finance System	\$ 93,242	\$ 93,242	\$ 93,242	\$ 93,242	\$ 93,242	\$ 466,210
BOE Finance System	\$ 17,661	\$ 17,661	\$ 17,661	\$ 17,661	\$ 17,661	\$ 88,305
	\$ 1,302,899	\$ 1,302,899	\$ 1,302,899	\$ 1,302,899	\$ 1,302,899	\$ 6,514,495
Projected Shared Costs						
Shared Department Wages	\$ 920,748	\$ 920,748	\$ 920,748	\$ 920,748	\$ 920,748	\$ 4,603,740
Estimated Fringe Costs	\$ 184,150	\$ 184,150	\$ 184,150	\$ 184,150	\$ 184,150	\$ 920,748
Single Financial System	\$ 118,255	\$ 91,780	\$ 91,780	\$ 91,780	\$ 91,780	\$ 485,375
	\$ 1,223,153	\$ 1,196,678	\$ 1,196,678	\$ 1,196,678	\$ 1,196,678	\$ 6,009,863
Potential Savings/(Cost) - Averaged	\$ 79,746	\$ 106,221	\$ 106,221	\$ 106,221	\$ 106,221	\$ 504,632

V. Appendix

2. Combined five year cost after transition (averaged)

	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Current Separate Costs						
Combined Wages	\$ 993,330	\$ 993,330	\$ 993,330	\$ 993,330	\$ 993,330	\$ 4,966,650
Estimated Fringe Costs	\$ 198,666	\$ 198,666	\$ 198,666	\$ 198,666	\$ 198,666	\$ 993,330
Town Finance System	\$ 93,242	\$ 93,242	\$ 93,242	\$ 93,242	\$ 93,242	\$ 466,210
BOE Finance System	\$ 17,661	\$ 17,661	\$ 17,661	\$ 17,661	\$ 17,661	\$ 88,305
	\$ 1,302,899	\$ 1,302,899	\$ 1,302,899	\$ 1,302,899	\$ 1,302,899	\$ 6,514,495
Projected Shared Costs						
Shared Department Wages	\$ 857,534	\$ 857,534	\$ 857,534	\$ 857,534	\$ 857,534	\$ 4,287,670
Estimated Fringe Costs	\$ 171,507	\$ 171,507	\$ 171,507	\$ 171,507	\$ 171,507	\$ 857,534
Single Financial System	\$ 91,780	\$ 91,780	\$ 91,780	\$ 91,780	\$ 91,780	\$ 458,900
	\$ 1,120,821	\$ 1,120,821	\$ 1,120,821	\$ 1,120,821	\$ 1,120,821	\$ 5,604,104
Potential Savings/(Cost) - Averaged	\$ 182,078	\$ 182,078	\$ 182,078	\$ 182,078	\$ 182,078	\$ 910,391

i. Combined System cost based on the most expensive system estimate. This estimate is for a vendor hosted SaaS (software-as-a-service model).

V. Appendix

A. Acknowledgements

This project relied heavily on information that could only be obtained from the employees of the Town and School District of Newtown. Our challenge was to accumulate key information and as many viewpoints in a compressed amount of time. A lot of information and viewpoints were identified through individual interviews and the survey.

Interview Sessions – Thirty-two individual interview sessions, consisting of representatives from the Town and School District of Newtown, were conducted over the course of the project. These one and half-hour sessions gave employees from all aspects of the Town and School District the opportunity to share ideas and identify specific needs relevant to the use of technology in their departments. The sessions were developed along departmental lines within the Organization. The departments are identified later in this section.

Administration and staff were asked to consider the following five questions:

1. What information is currently gathered, processed, and/or produced within your area?
2. Are there any business problems/obstacles currently experienced within your area? If yes, how do these issues affect the flow of information through your area and your ability to deliver service?
3. Are there any changes that you would suggest to enhance and improve the workflows, processes and/or access to information through your department or other areas of the Town/School District?
4. What departments do you rely on, and rely on you, for information necessary to complete tasks and provide services?
5. Please provide the top three to five reports that are currently used to assist in the management of your department.

The responses to these questions were evaluated for common themes and specific issues that show how data is processed within and between the Town and School District.

Status Meetings- Ad-hoc meetings were held with the Project Committee consisting of the Superintendent, Business Manager, First Selectwoman and Finance Director to periodically review the progress of the project and to discuss ideas, raise issues and address any concerns in a timely fashion. These meetings also helped to identify other potential opportunities and to confirm that the project was on track.

V. Appendix

B. Interview List

The following groups were directly involved in providing information for the Newtown municipal and school district operations feasibility study. We wish to thank all who participated for their time, knowledge and efforts. The individuals that participated included:

<i>Town and School District of Newtown</i>	
<i>Board Members-Legislative Council</i>	
• Bill Hart, Board of Education Chair	• John Korteze, Board of Finance
• Jeff Capeci, Legislative Council Chairman	• George Ferguson, Legislative Council
• Kathy Fetchick, Legislative Council	• Kevin Fitzgerald, Legislative Council
<i>Town Staff</i>	
• Pat Llodra, First Selectman	
• Bob Tait, Finance Director	• Donna Tomasko, Assistant Finance Director
• Scott Sharlow, Technology and GIS Director	• Karen Szilagyi, Secretary
• Leslie Muldoon, Payroll	• Kathy Favreau, Accounts Payable Clerk
• Carole Ross, Human Resources Admin	• Fred Hurley, Public Works Director
• Arlene Miles, Public Works Administrator	• Bob McCulloch, Maintenance Manager
• Glen Adams, Maintenance	• Ralph Venezia, Maintenance
<i>School District Staff</i>	
• Dr. Janet Robinson, Superintendent	• Ron Bienkowski, Director of Business
• Carmella Amodeo, Director of Technology	• Barbara Bozeman, Business Manager Secretary
• Joan Libby, Director of HR	• Gino Faiella, Director of Facilities
• Tanya Gouveia, Bookkeeper	• Suzanne D'Eramo, HR Coordinator
• Denise Hornyak, Insurance Coordinator	• Tim Hart, Accountant
• Flo Pereira, Payroll Coordinator	• Jim Delgado, Accounts Payable Coordinator
	• Aldina Ferreira, Payroll/AP Assistant

V. Appendix – Process Workflows

C. Workflow Process Mapping

On the following pages, we have included the process workflows that were mapped using information collected during the interview sessions. All participants were provided a copy of the current process workflows for their review and input. We received feedback from some participants and, in some cases, made revisions to the current process maps as needed.

The following workflows were mapped:

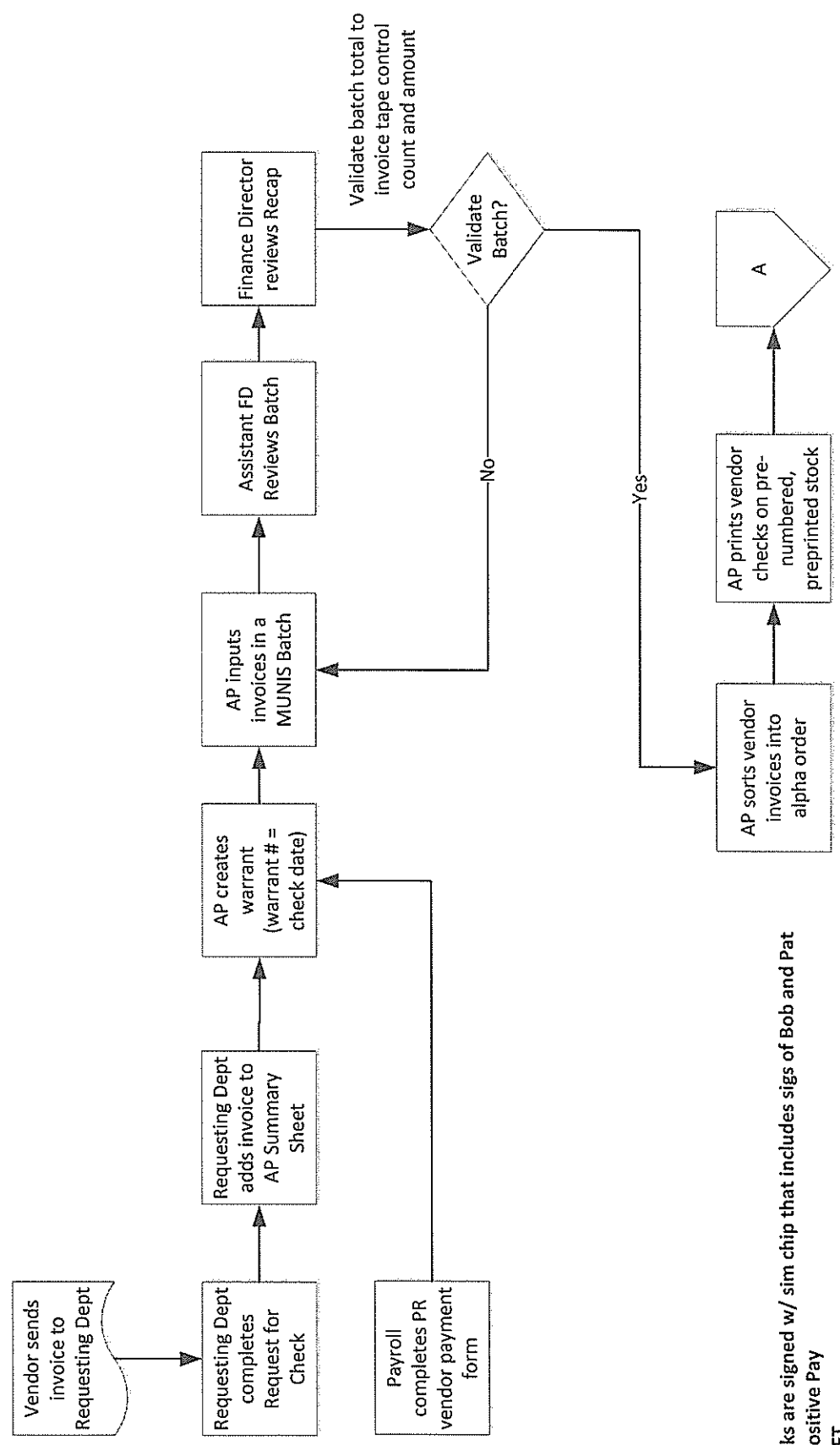
- Purchasing
 - Purchase Requisition
 - Purchase Order
- Accounts Payable
 - Reimbursements
- Human Resources
 - New Hires
 - Voluntary-Involuntary Separations
- Payroll
 - Time and Attendance
 - Time Entry
 - Payroll Processing
- Custodial and Maintenance
 - Work Order
 - Building Use
- Information Technology
 - Support

V. Appendix – Process Workflows

Town and School District Current Workflows

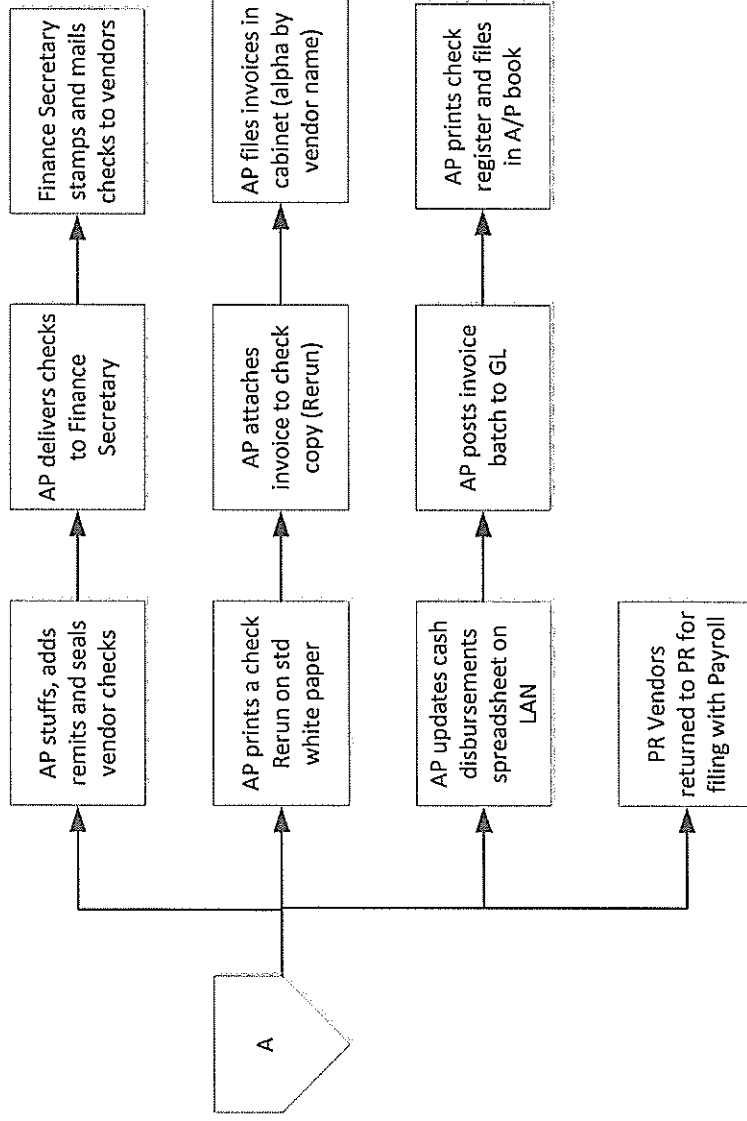
Current Workflow Accounts Payable

Town of Newtown
Operations Feasibility Study (Town)
High-Level Business Process Workflows
As of October 2011
Version 3.0



- Checks are signed w/ sim chip that includes sigs of Bob and Pat
- No Positive Pay
- No EFT

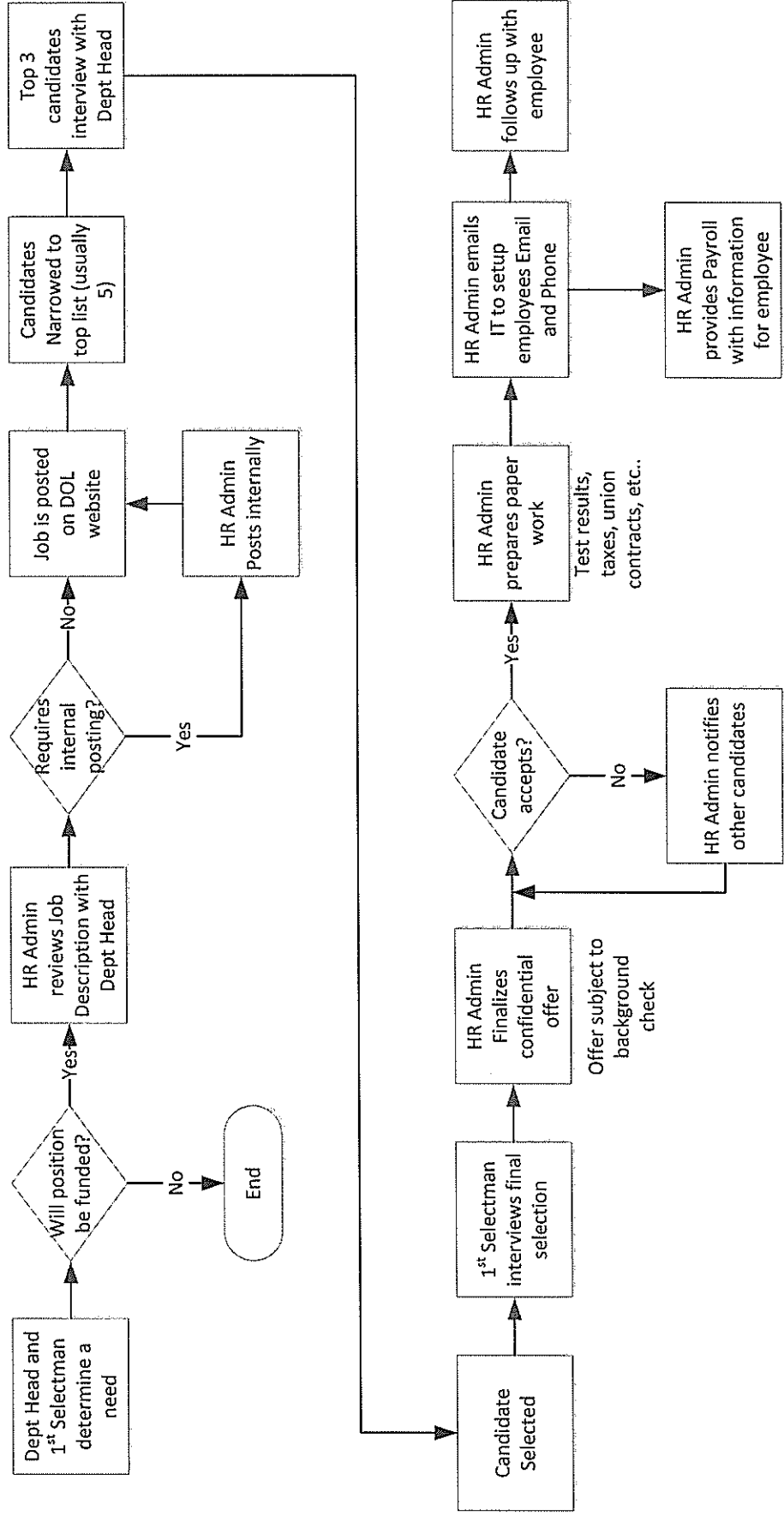
Current Workflow Accounts Payable



Current Workflow Human Resources

Town of Newtown
Operations Feasibility Study (Town)
High-Level Business Process Workflows
As of October 2011
Version 3.0

New Hires

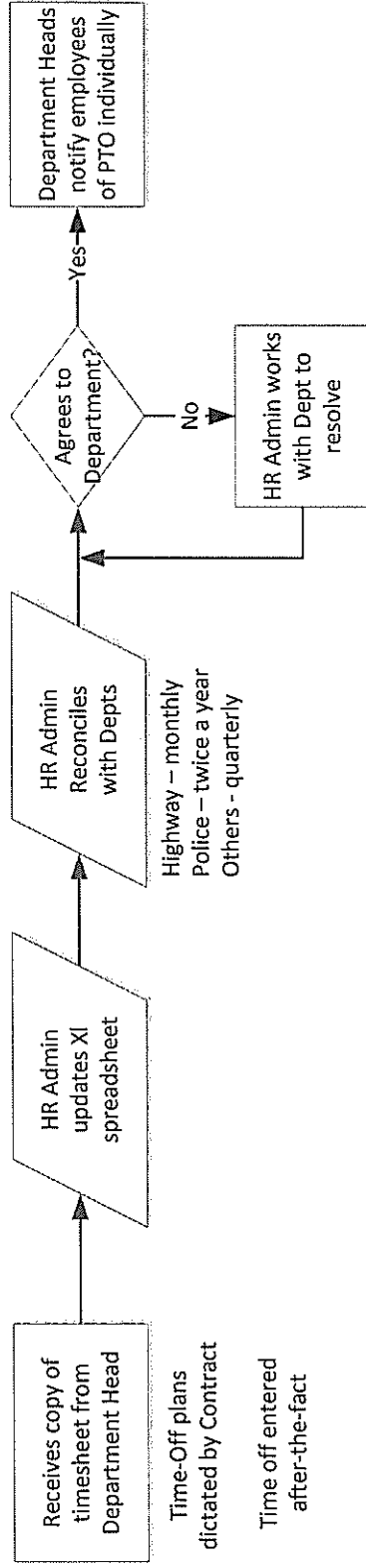


2 copies of PR change notification,
I-9, Tax information,
Medical information,
Pension information

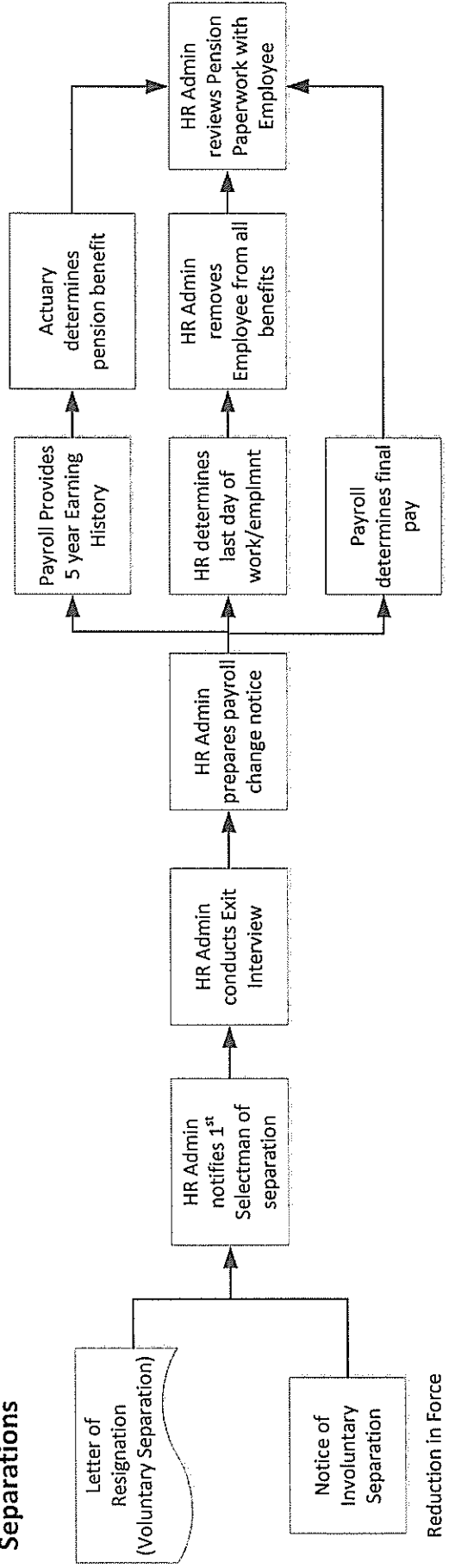
Current Workflow Human Resources

Town of Newtown
Operations Feasibility Study (Town)
High-Level Business Process Workflows
As of October 2011
Version 3.0

Time & Attendance



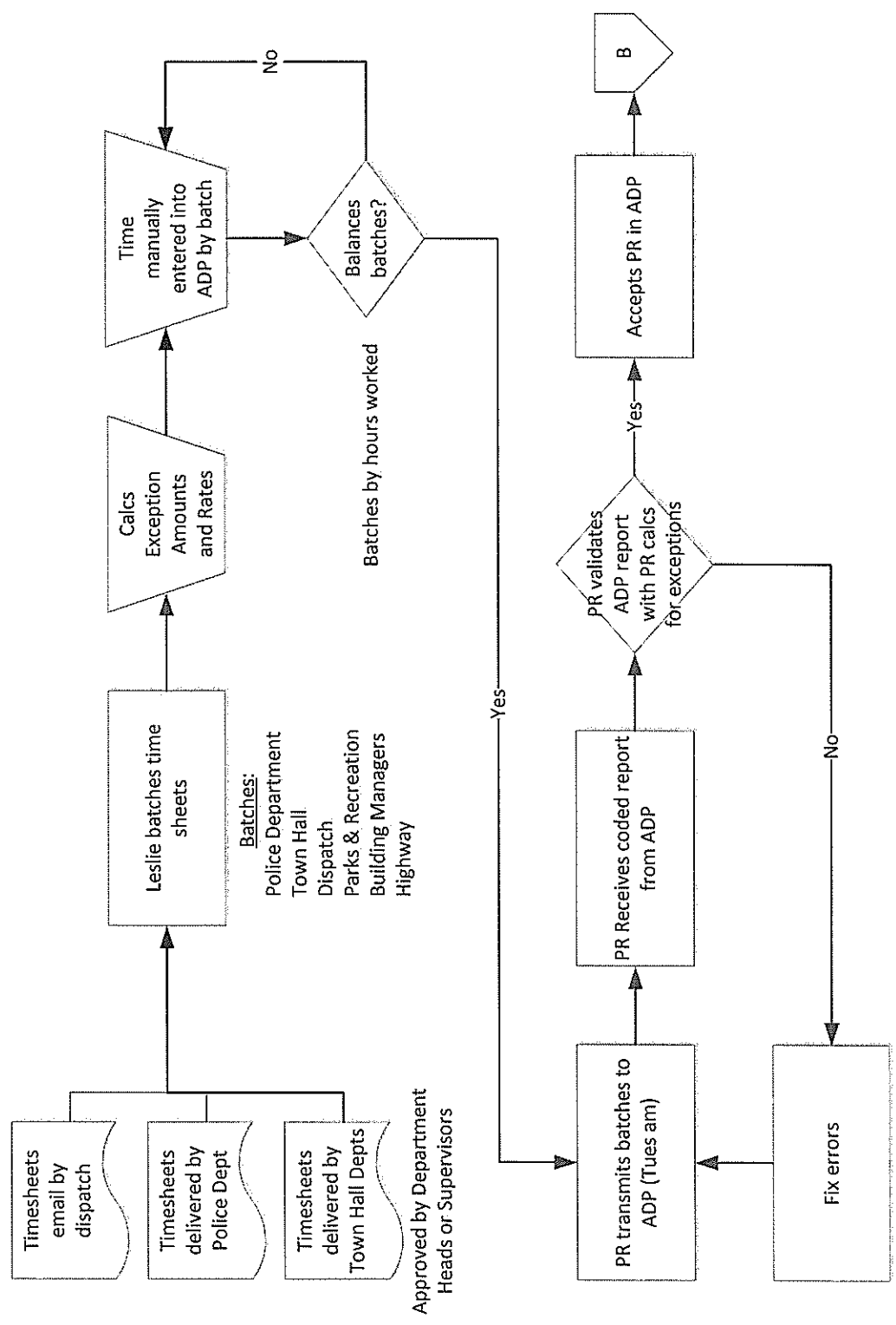
Separations



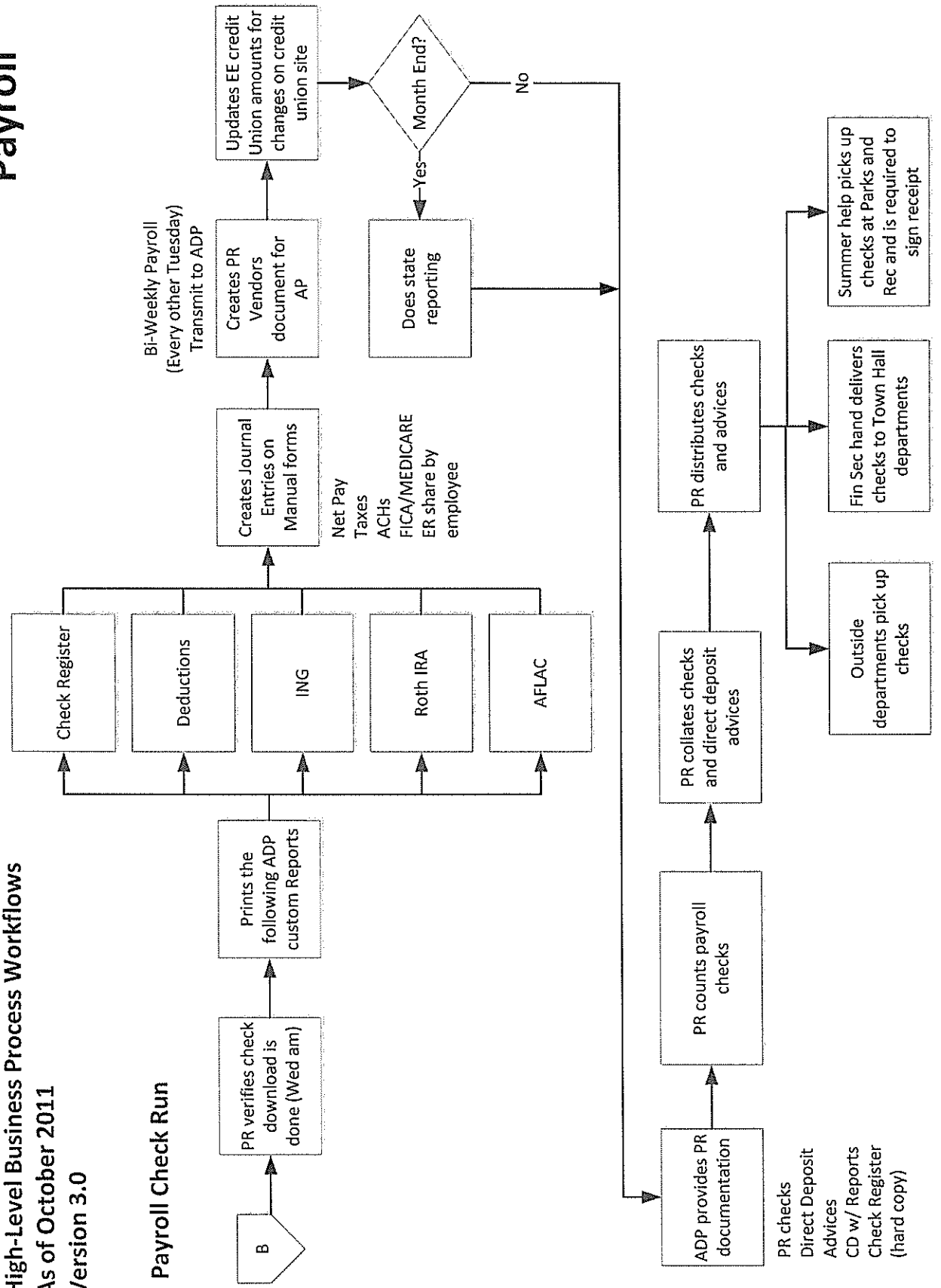
Current Workflow Payroll

Town of Newtown
 Operations Feasibility Study (Town)
 High-Level Business Process Workflows
 As of October 2011
 Version 3.0

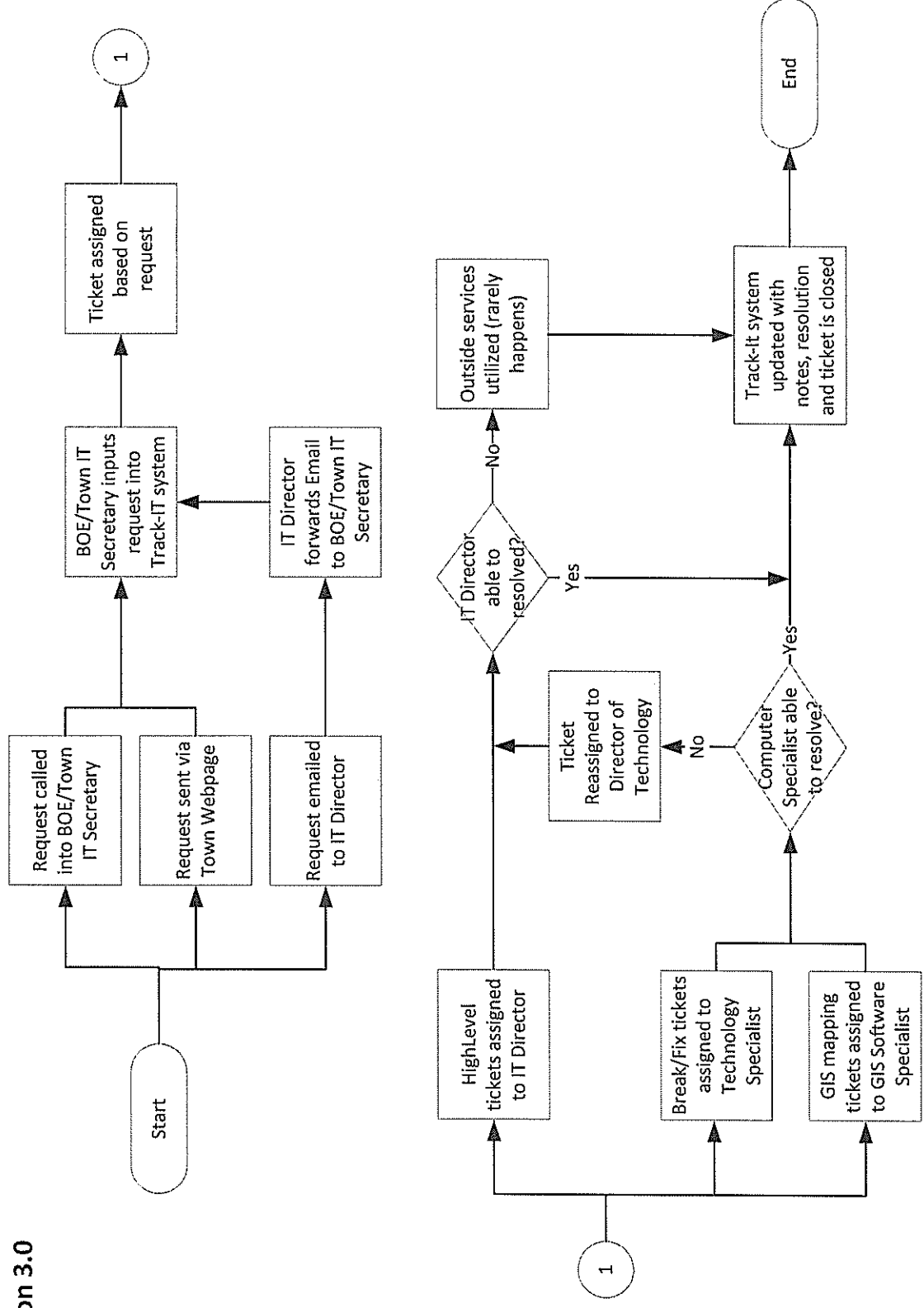
Time Entry



Current Workflow Payroll



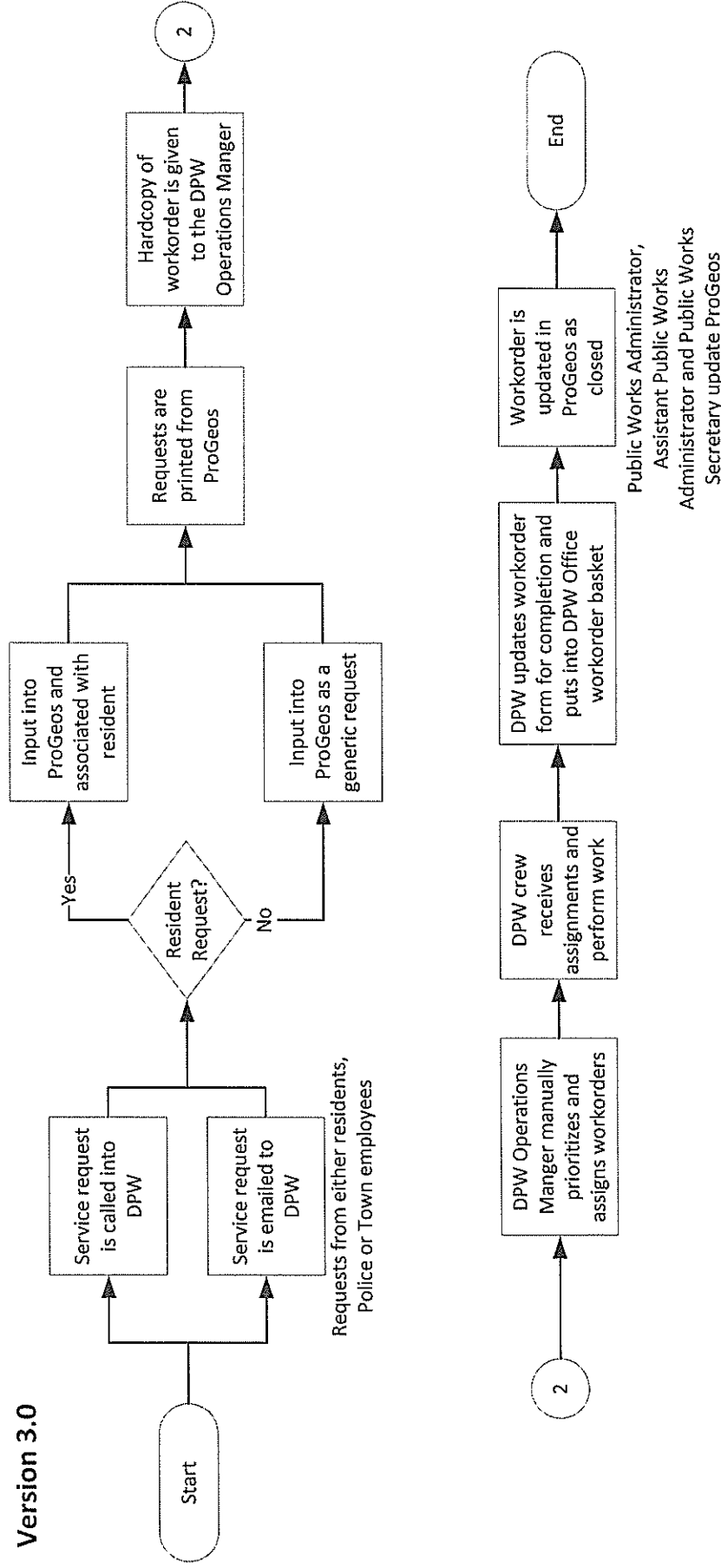
Current Workflow Information Technology



- Resolution follow-up is done manually since most requests are in Town Hall
- Town does not own module allowing tracking at PC level, BOE does own module

**Town of Newtown
Operations Feasibility Study (Town)
High-Level Business Process Workflows
As of October 2011
Version 3.0**

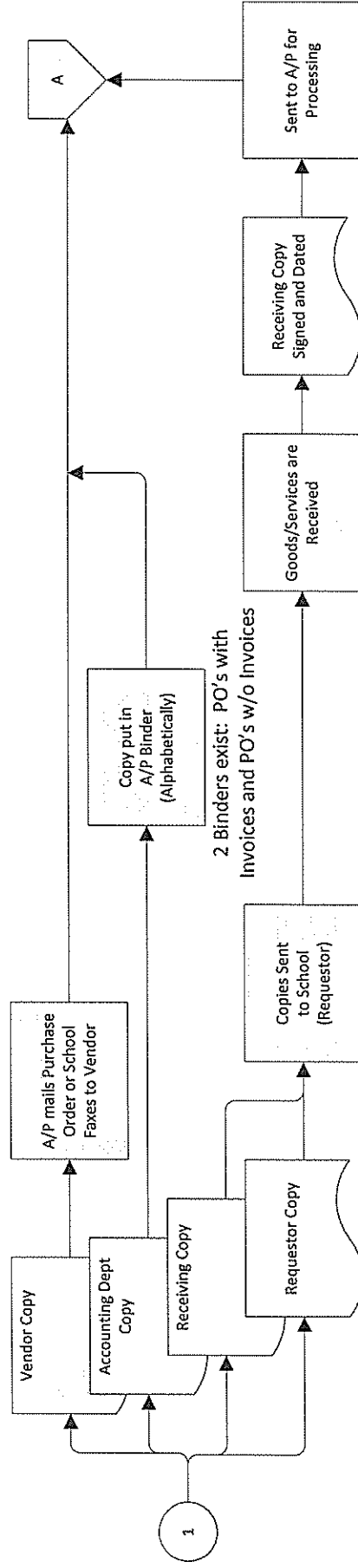
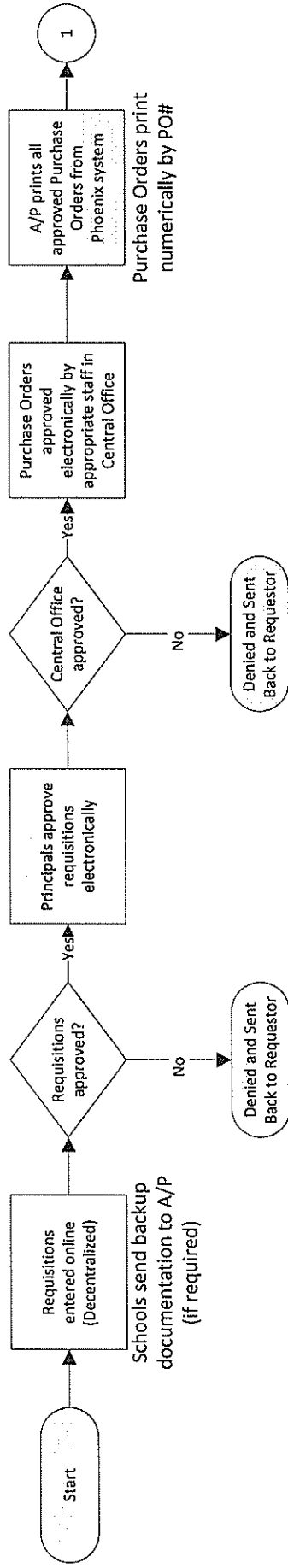
**Current Workflow
DPW/Maintenance**



- Limited ability to monitor, reports are not available since they reduced services from ProGeos
- No ability to attached documents to workorder request (ex. scan of drawing)
- ProGeos is not compatible with Town's GIS (Esri)
- System response time is too slow, users cannot get timely information from system about resident when they call in a request
- Limited ability to identify duplicate workorder requests

Current Workflow Purchasing-A/P

Town of Newtown
Operations Feasibility Study (School District)
High-Level Business Process Workflows
As of October 2011
Version 3.0

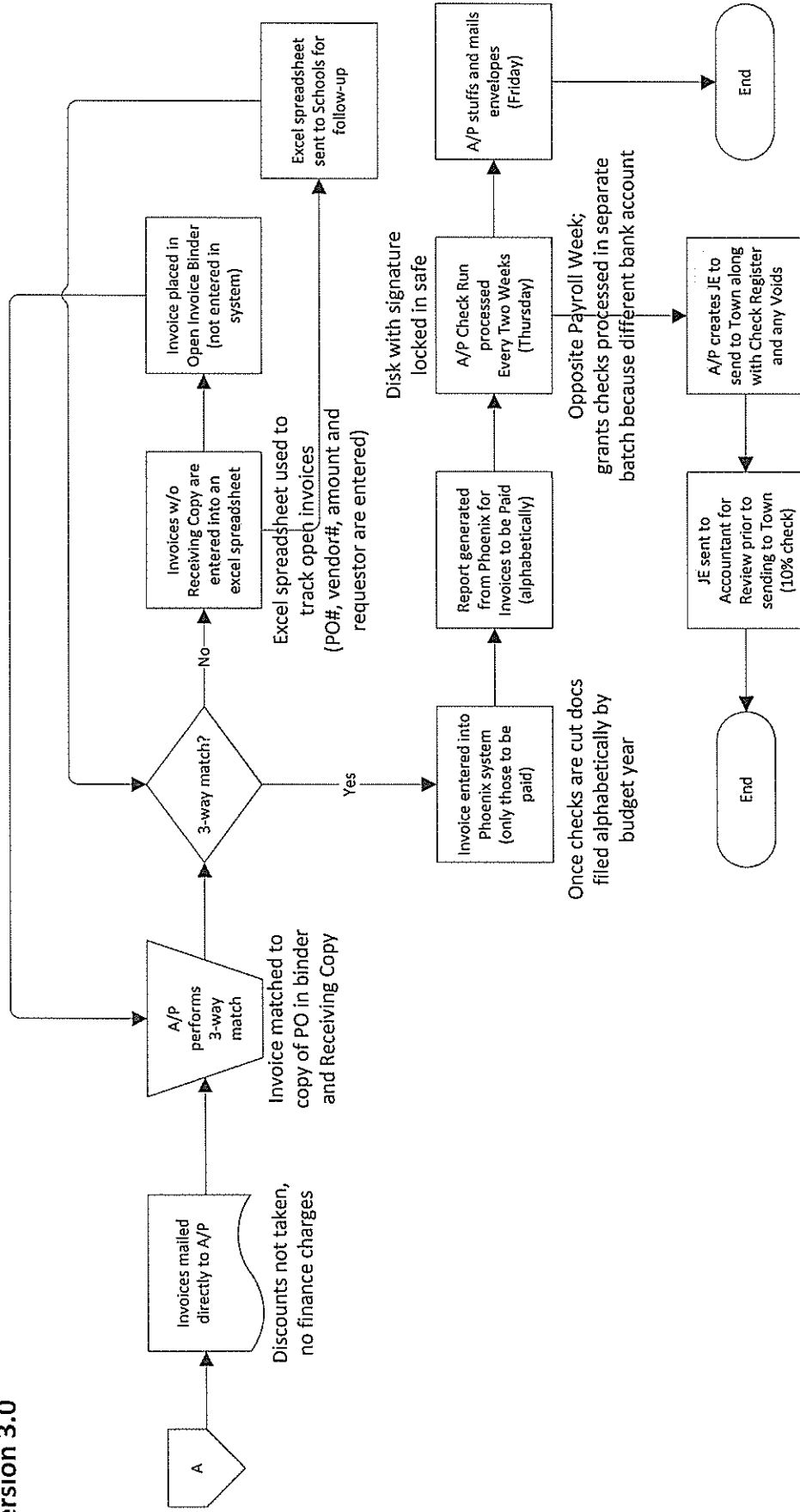


A/P reviews each PO to determine whether to Mail, Fax or Send back to School

2 Binders exist: PO's with Invoices and PO's w/o Invoices

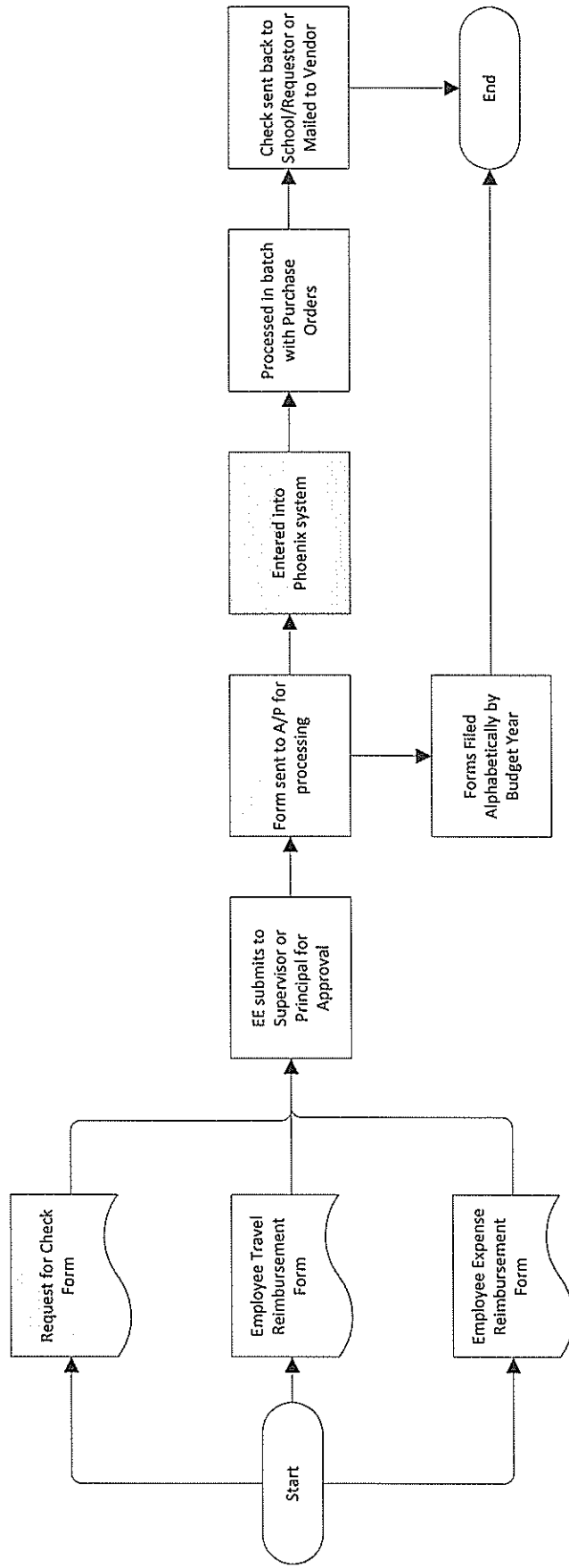
Current Workflow Purchasing-A/P

Town of Newtown
Operations Feasibility Study (School District)
High-Level Business Process Workflows
As of October 2011
Version 3.0



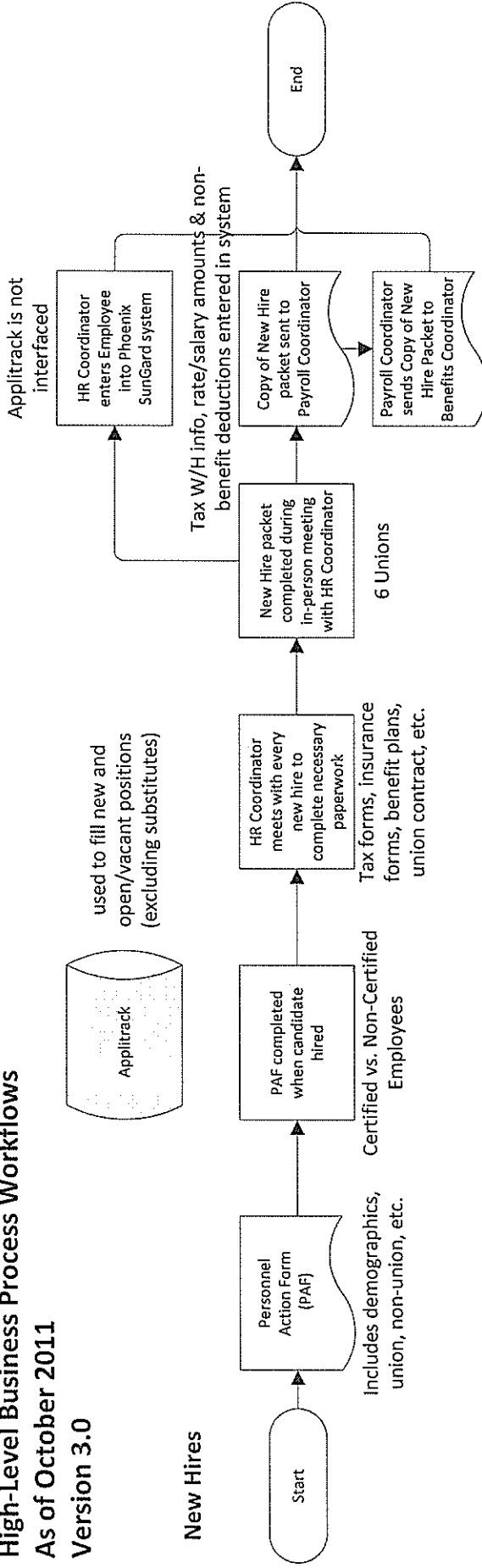
Current Workflow A/P-Reimbursements

Town of Newtown
 Operations Feasibility Study (School District)
 High-Level Business Process Workflows
 As of October 2011
 Version 3.0



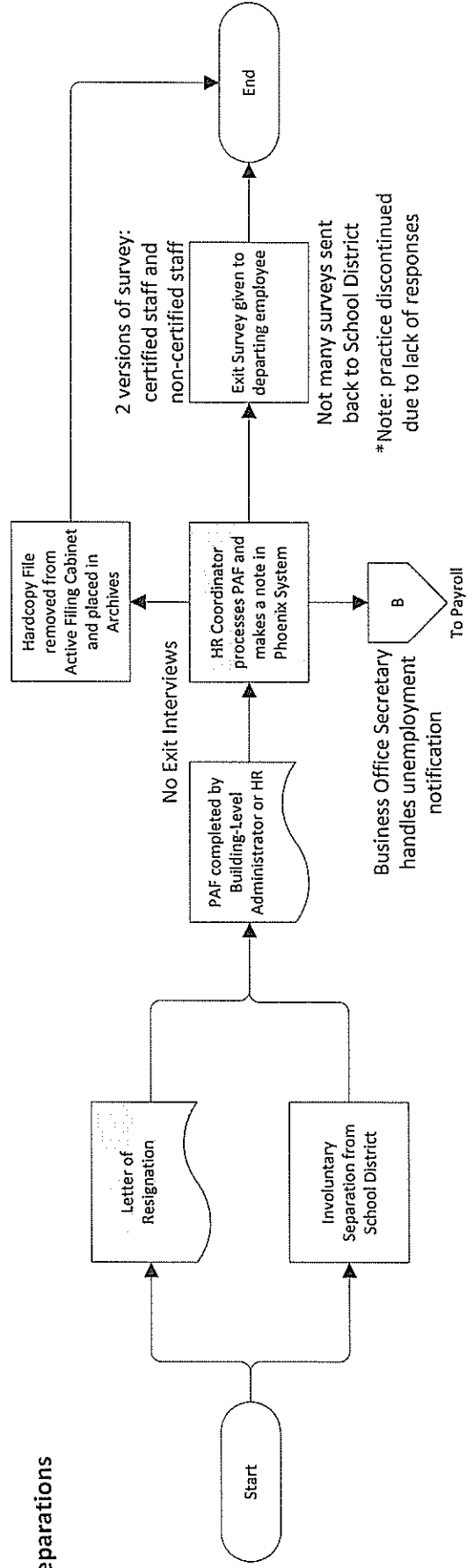
Current Workflow Human Resources

Town of Newtown Operations Feasibility Study (School District) High-Level Business Process Workflows As of October 2011 Version 3.0



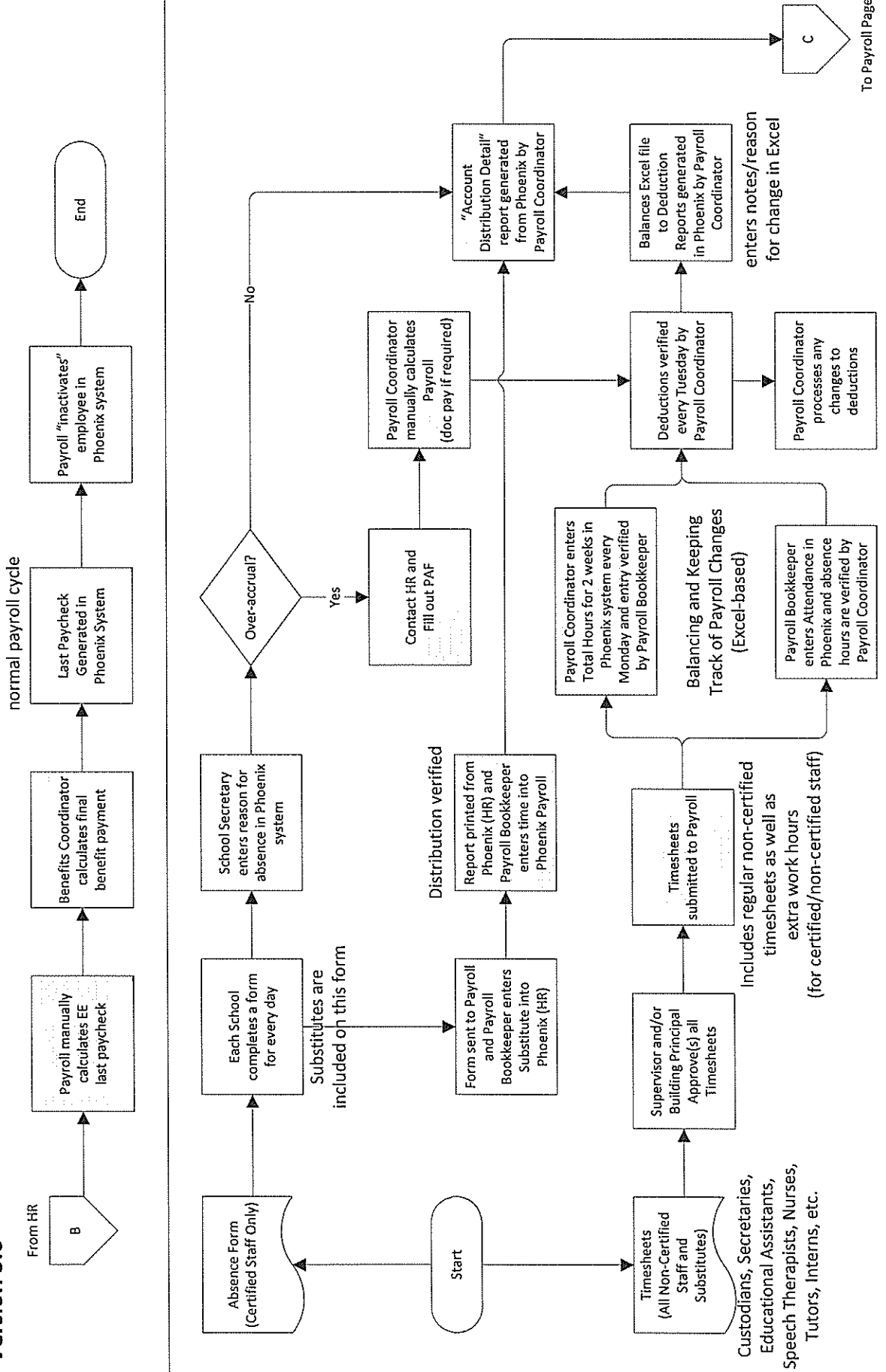
Appropriate benefit deduction information (i.e., insurance, pension, etc.) entered in system

Separations



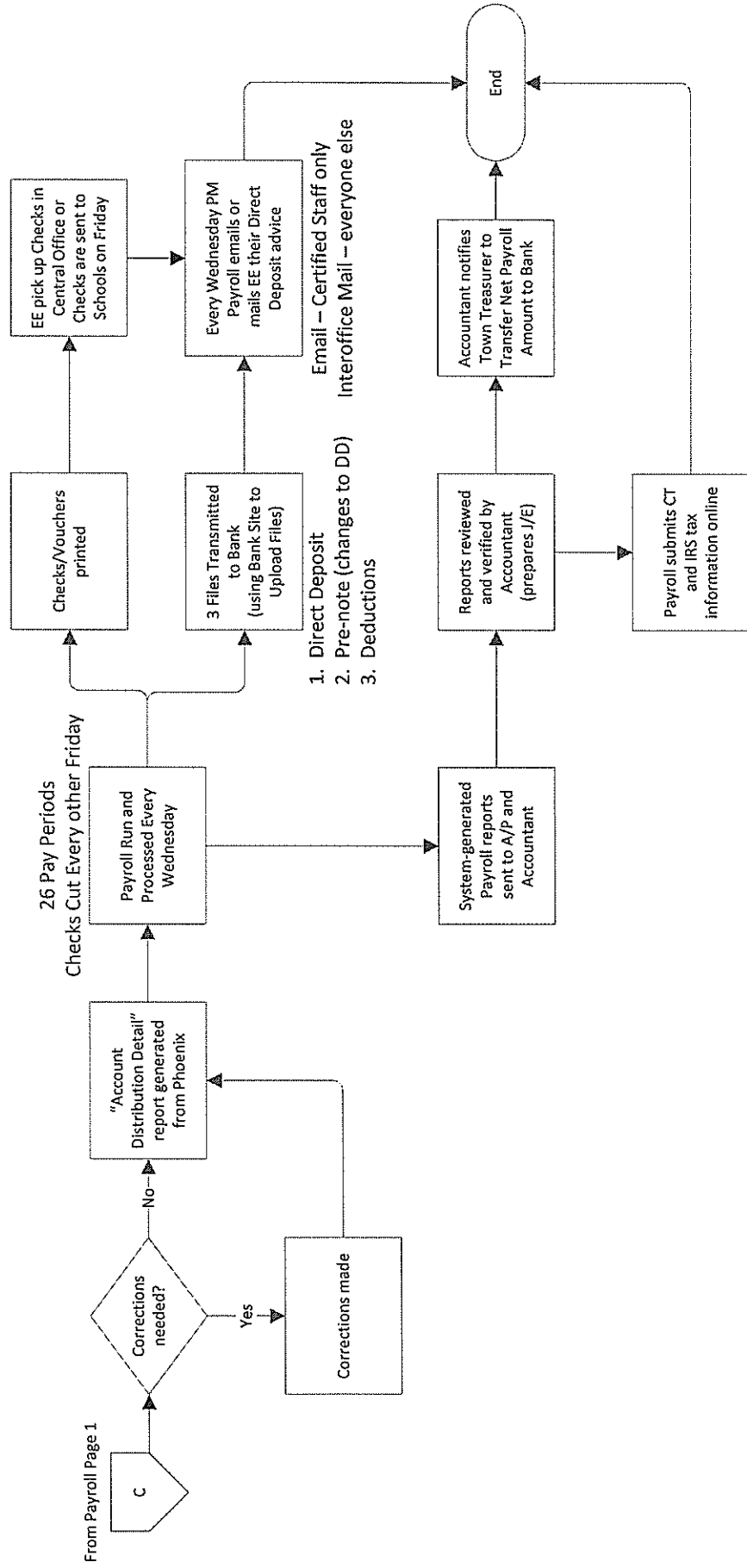
Current Workflow Payroll

Town of Newtown Operations Feasibility Study (School District) High-Level Business Process Workflows As of October 2011 Version 3.0



Current Workflow Payroll

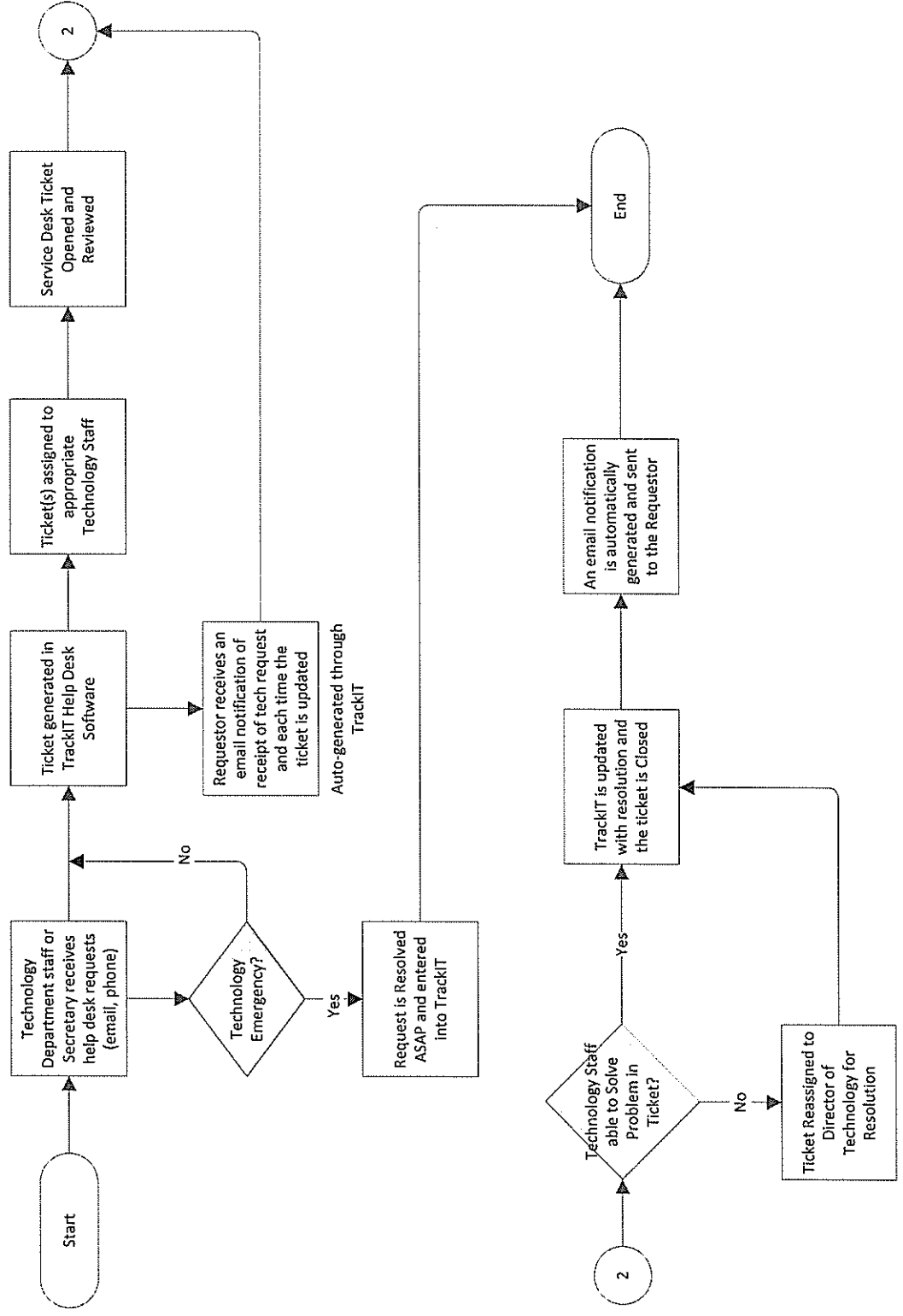
Town of Newtown
 Operations Feasibility Study (School District)
 High-Level Business Process Workflows
 As of October 2011
 Version 3.0



Quarterly 941's are done quarterly
 W-2's/W-3's are done annually

Current Workflow Information Technology

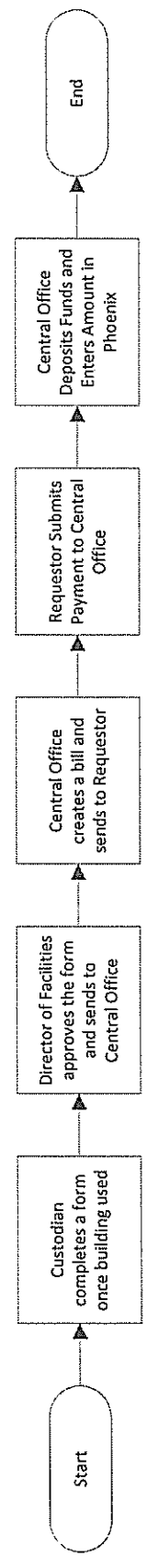
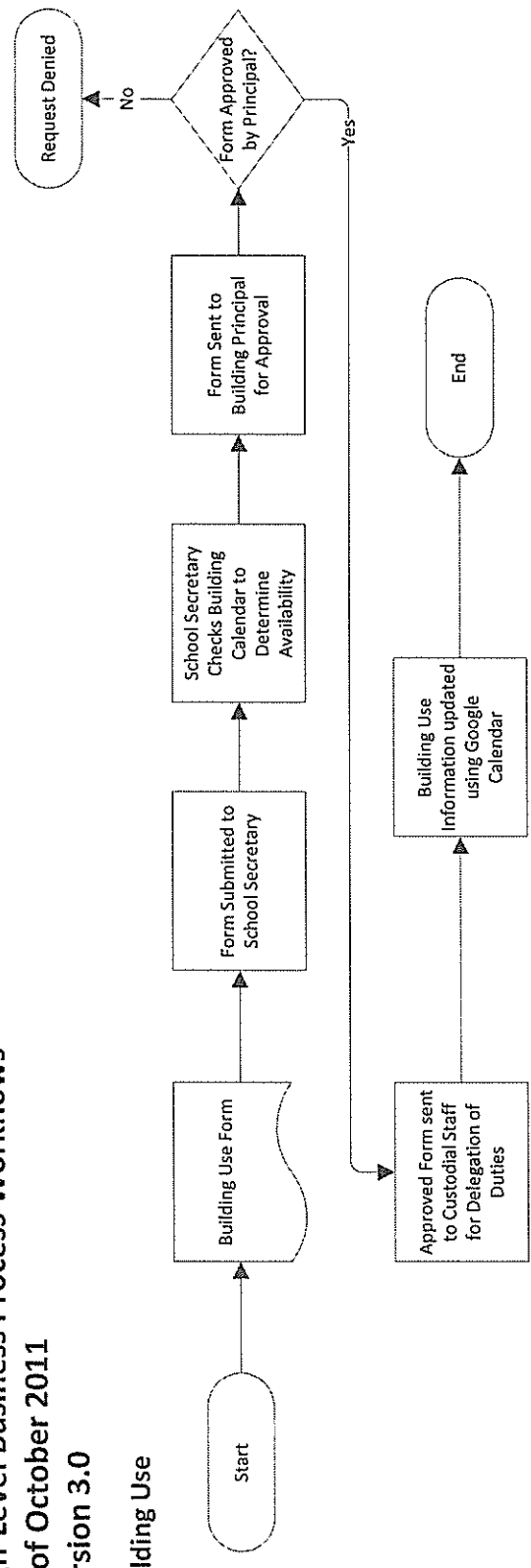
Town of Newtown
Operations Feasibility Study (School District)
High-Level Business Process Workflows
As of October 2011
Version 3.0



Current Workflow Facilities

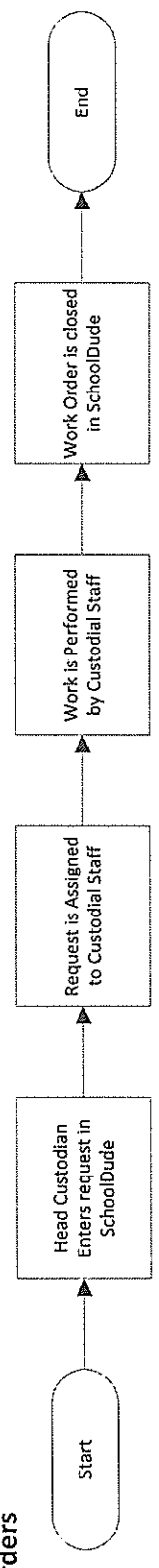
Town of Newtown
Operations Feasibility Study (School District)
High-Level Business Process Workflows
As of October 2011
Version 3.0

Building Use



Word Doc

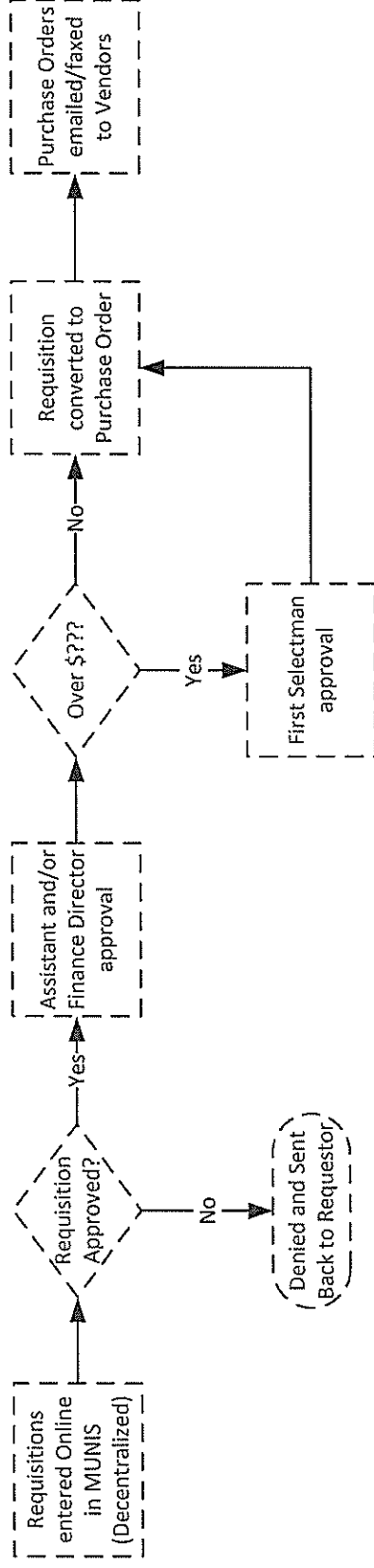
Work Orders



V. Appendix – Process Workflows

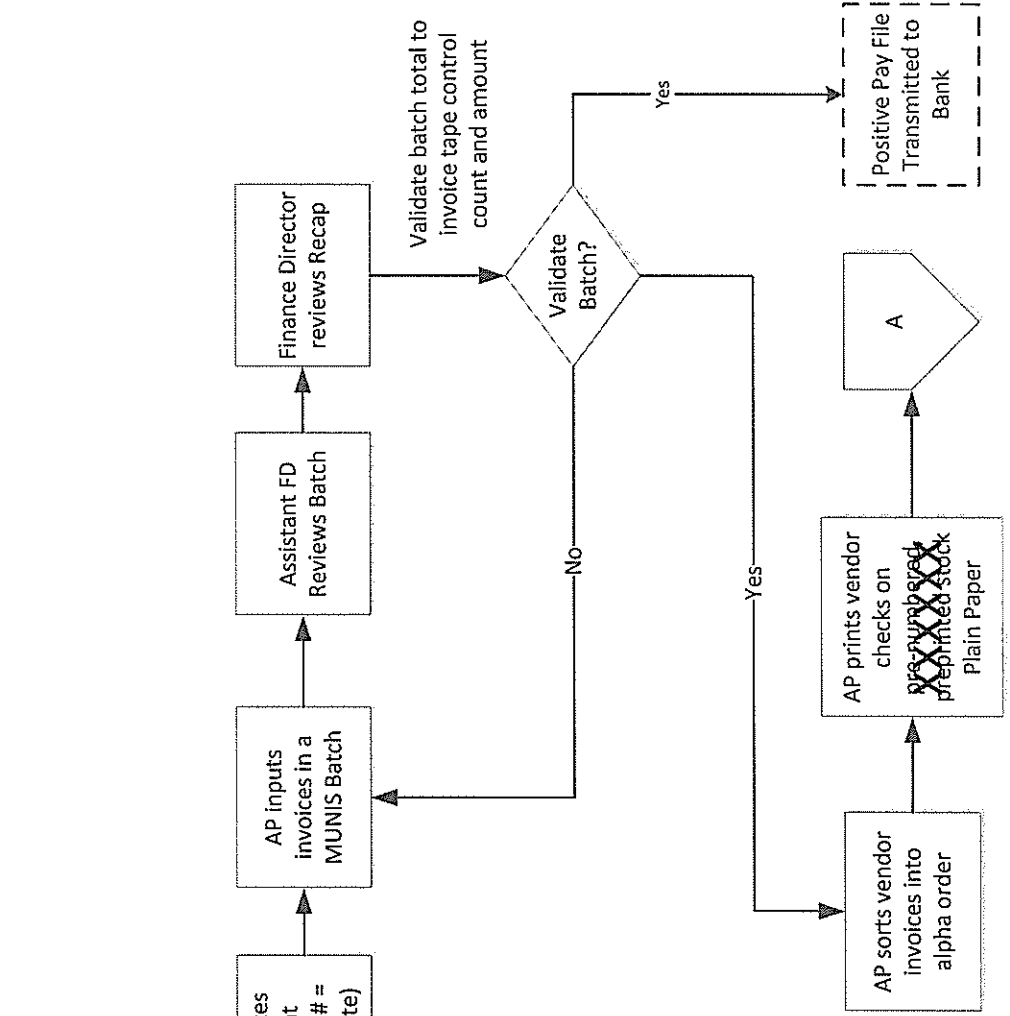
Town and School District Proposed Workflows

Proposed Workflow Purchasing



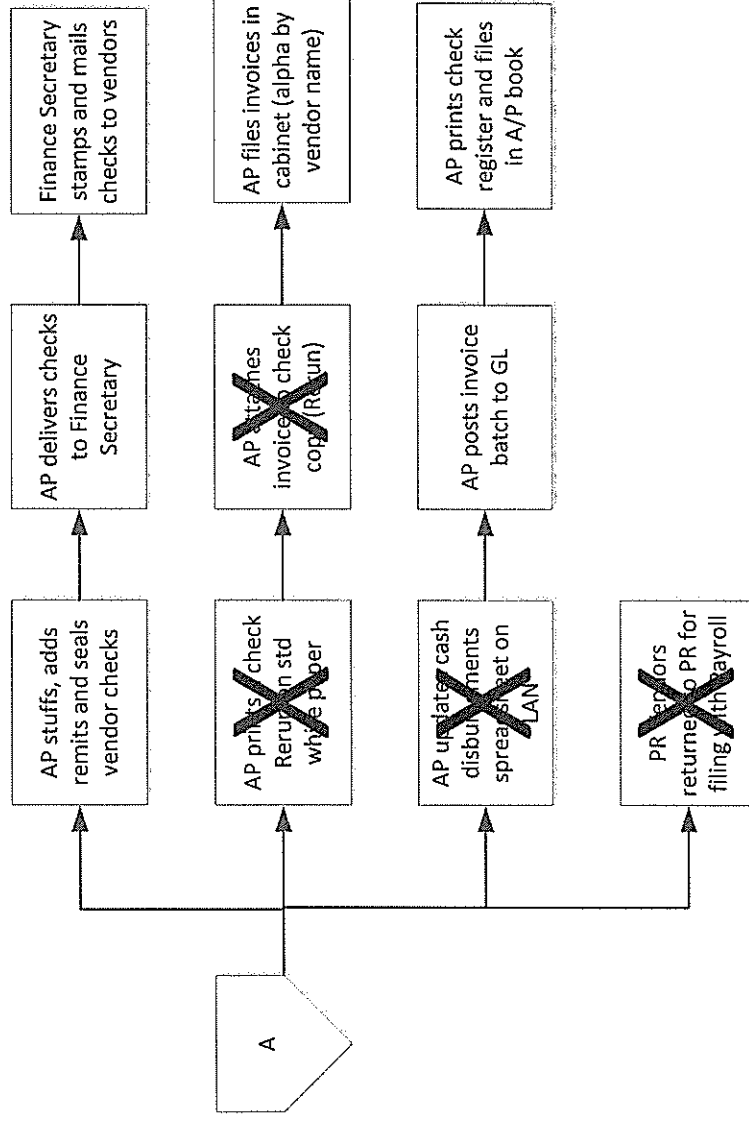
Proposed Workflow Accounts Payable

Town of Newtown
Operations Feasibility Study (Town)
High-Level Business Process Workflows
As of October 2011
Version 1.0



- Checks are signed w/ sim chip that includes sigs of Bob and Pat
- No Positive Pay
- No EFT

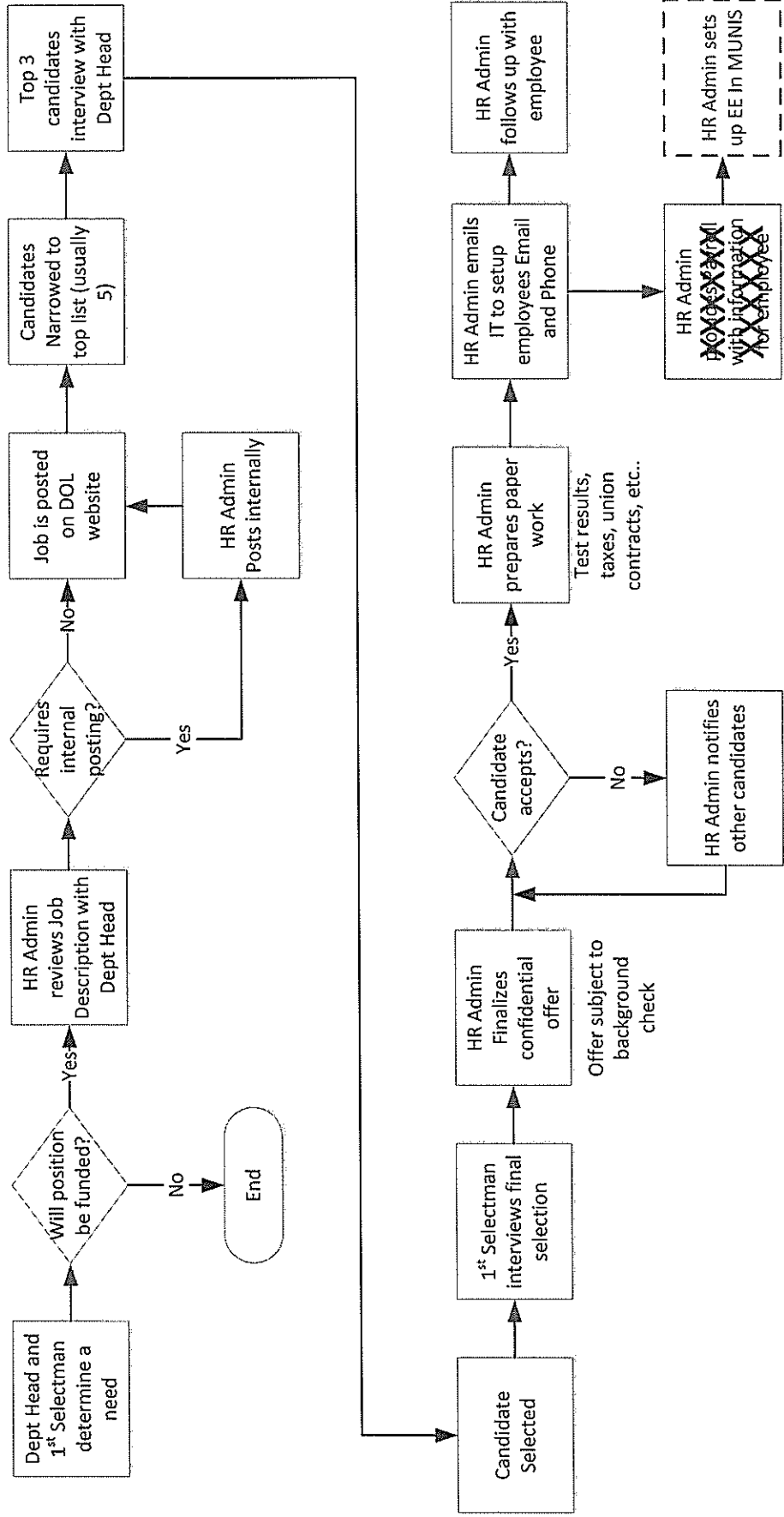
Proposed Workflow
 Accounts Payable



Proposed Workflow Human Resources

Town of Newtown
Operations Feasibility Study (Town)
High-Level Business Process Workflows
As of October 2011
Version 1.0

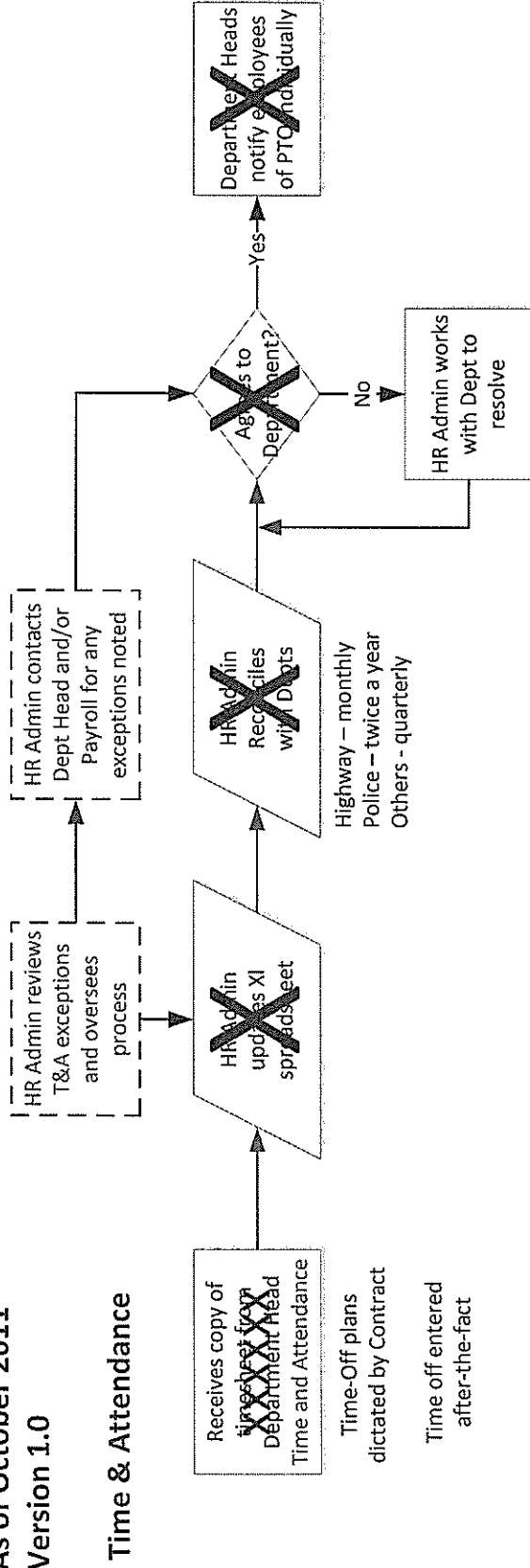
New Hires



2 copies of PR change notification,
I-9, Tax information,
Medical information,
Pension information

Town of Newtown
 Operations Feasibility Study (Town)
 High-Level Business Process Workflows
 As of October 2011
 Version 1.0

Proposed Workflow
 Human Resources



Time & Attendance

Receives copy of
~~Department Head~~
 Time and Attendance

Time-Off plans
 dictated by Contract

Time off entered
 after-the-fact

HR Admin reviews
 T&A exceptions
 and oversees
 process

HR Admin
 updates XI
 spreadsheet

Highway - monthly
 Police - twice a year
 Others - quarterly

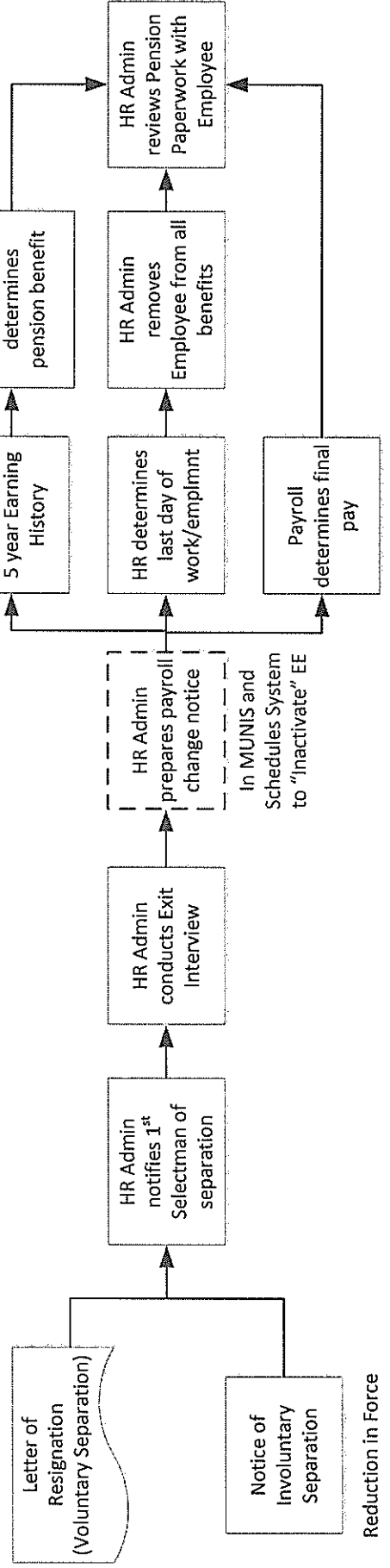
HR Admin contacts
 Dept Head and/or
 Payroll for any
 exceptions noted

HR Admin
 Reconciles
 with Dpts

HR Admin works
 with Dept to
 resolve

Department Heads
 notify employees
 of PTO individually

Separations



Letter of
 Resignation
 (Voluntary Separation)

Notice of
 Involuntary
 Separation

Reduction in Force

HR Admin
 notifies 1st
 Selectman of
 separation

HR Admin
 conducts Exit
 Interview

HR Admin
 prepares payroll
 change notice

In MUNIS and
 Schedules System
 to "Inactivate" EE

Payroll Provides
 5 year Earning
 History

HR Admin
 determines
 last day of
 work/emplmt

Actuary
 determines
 pension benefit

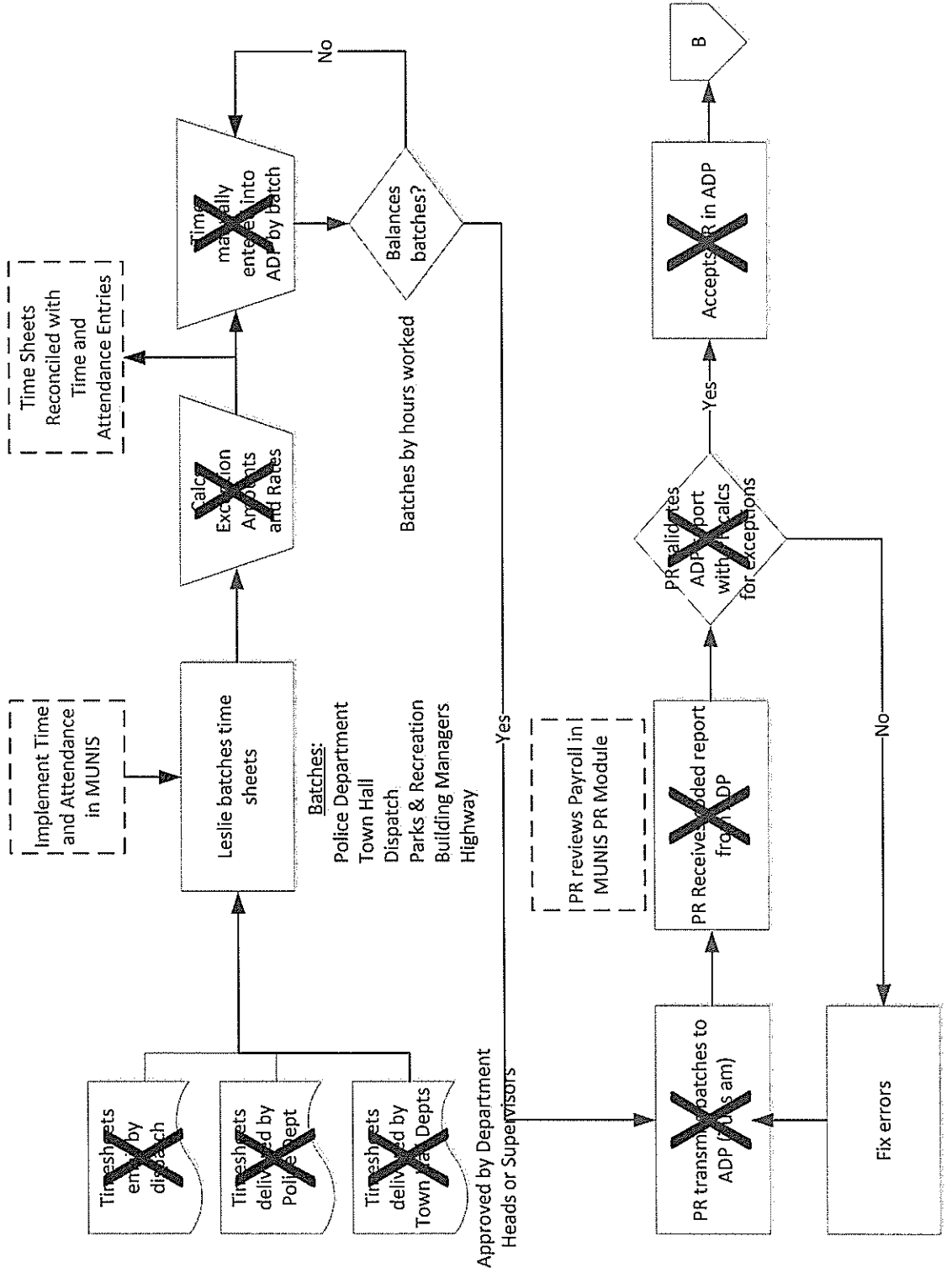
HR Admin
 removes
 Employee from all
 benefits

HR Admin
 reviews Pension
 Paperwork with
 Employee

Payroll
 determines final
 pay

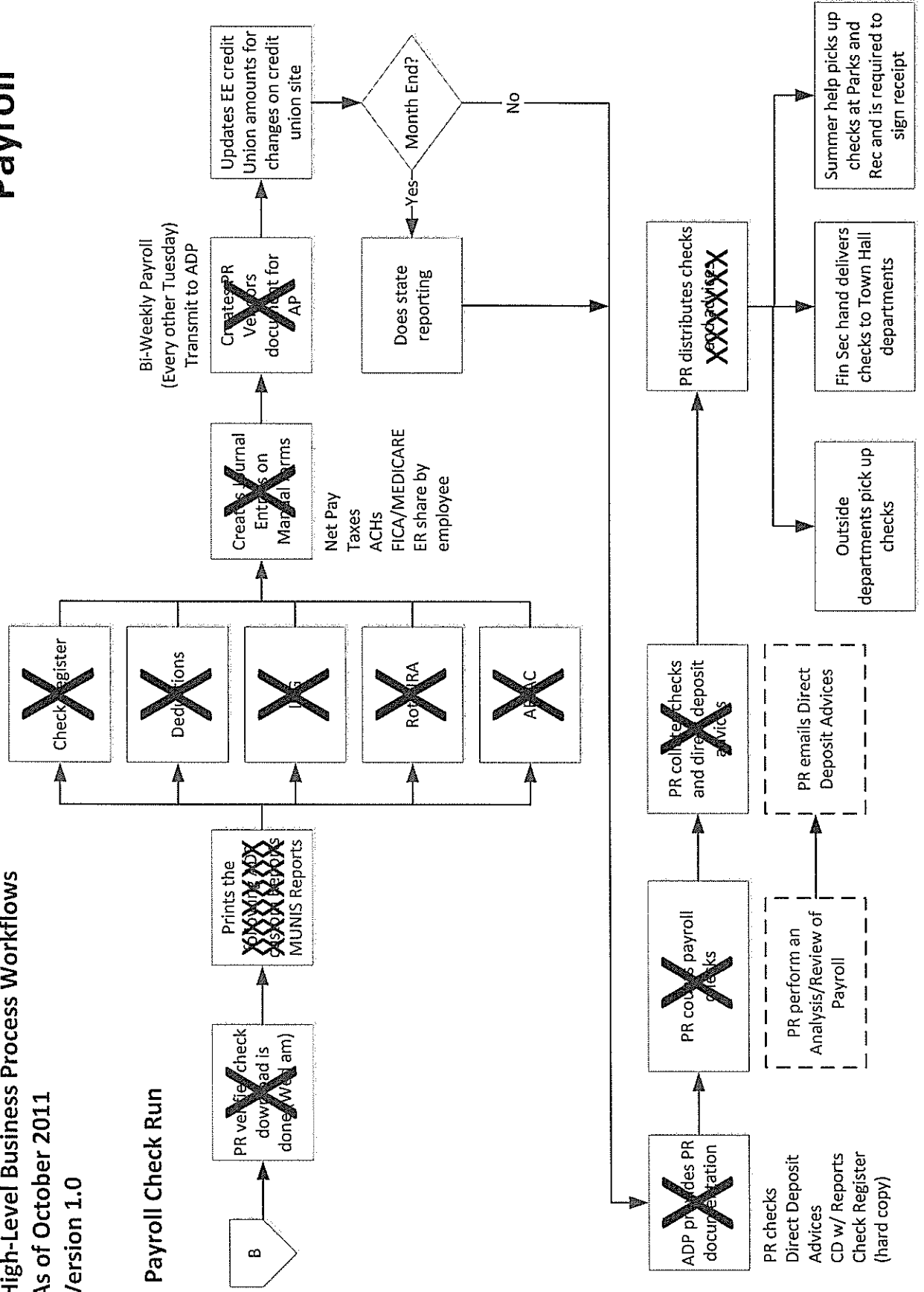
Proposed Workflow Payroll

Town of Newtown
Operations Feasibility Study (Town)
High-Level Business Process Workflows
As of October 2011
Version 1.0

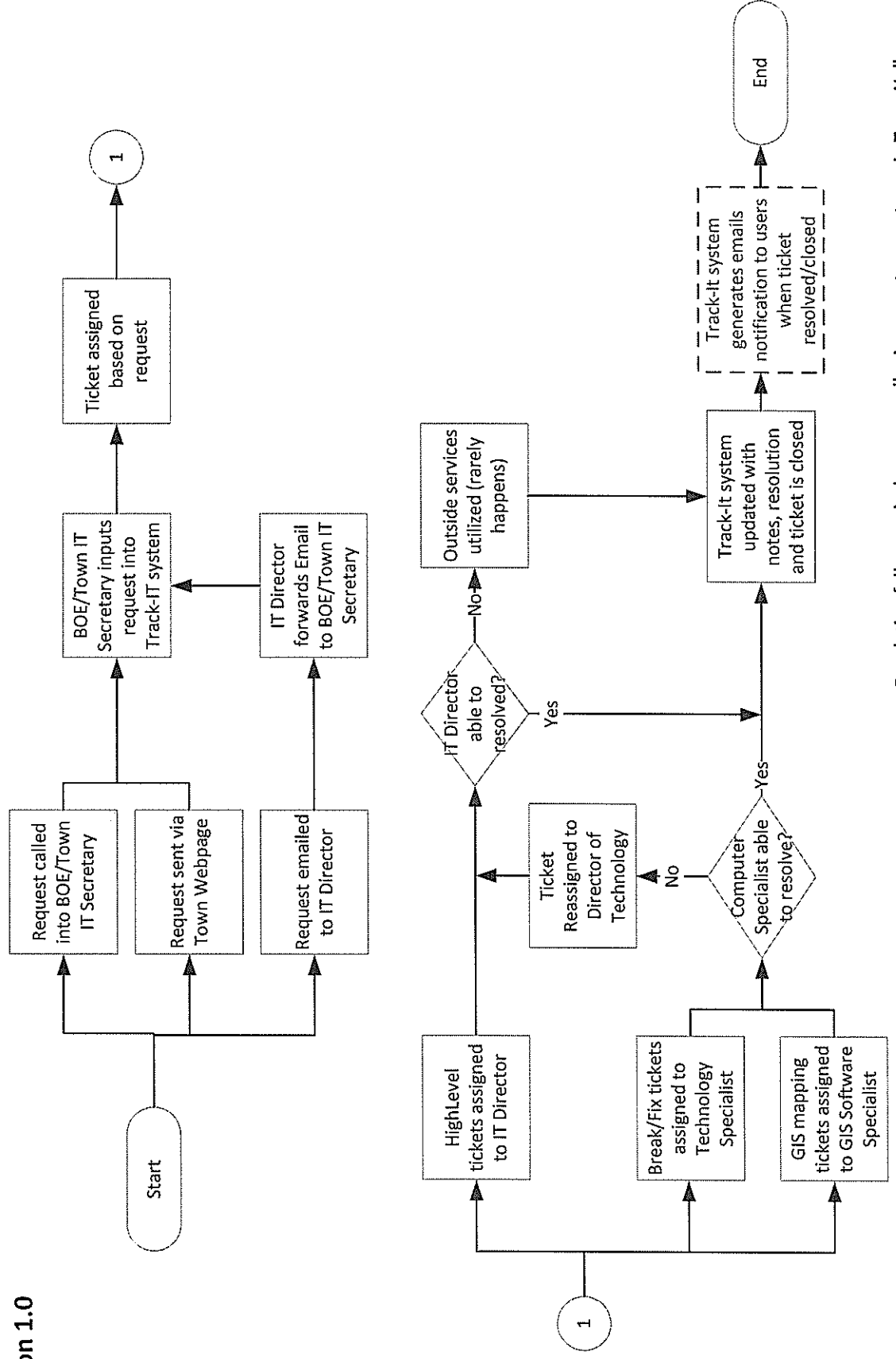


Town of Newtown
 Operations Feasibility Study (Town)
 High-Level Business Process Workflows
 As of October 2011
 Version 1.0

Proposed Workflow
 Payroll



Proposed Workflow Information Technology

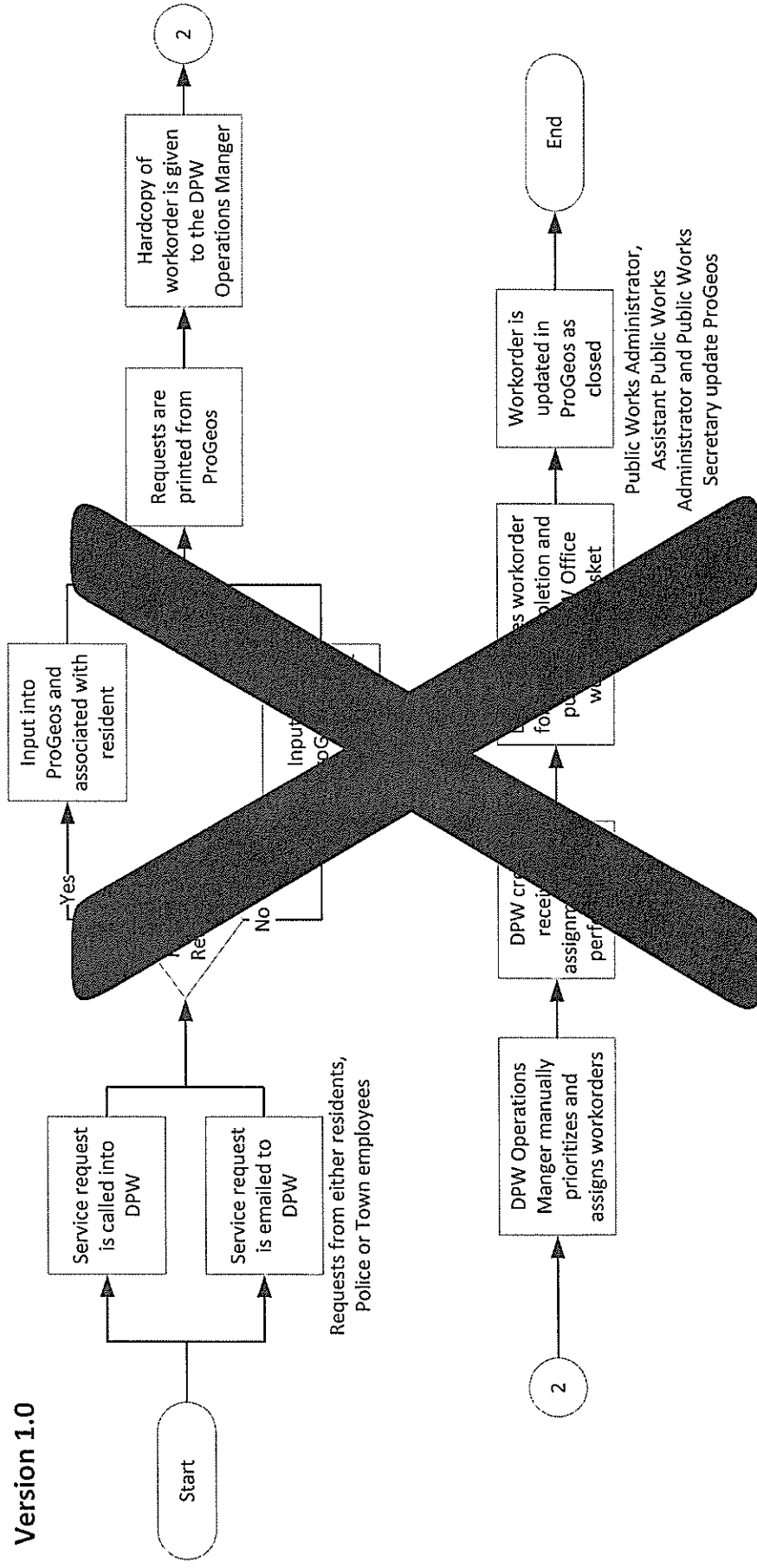


- Resolution follow-up is done manually since most requests are in Town Hall
- Town does not own module allowing tracking at PC level, BOE does own module

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**Proposed Workflow
DPW/Maintenance**

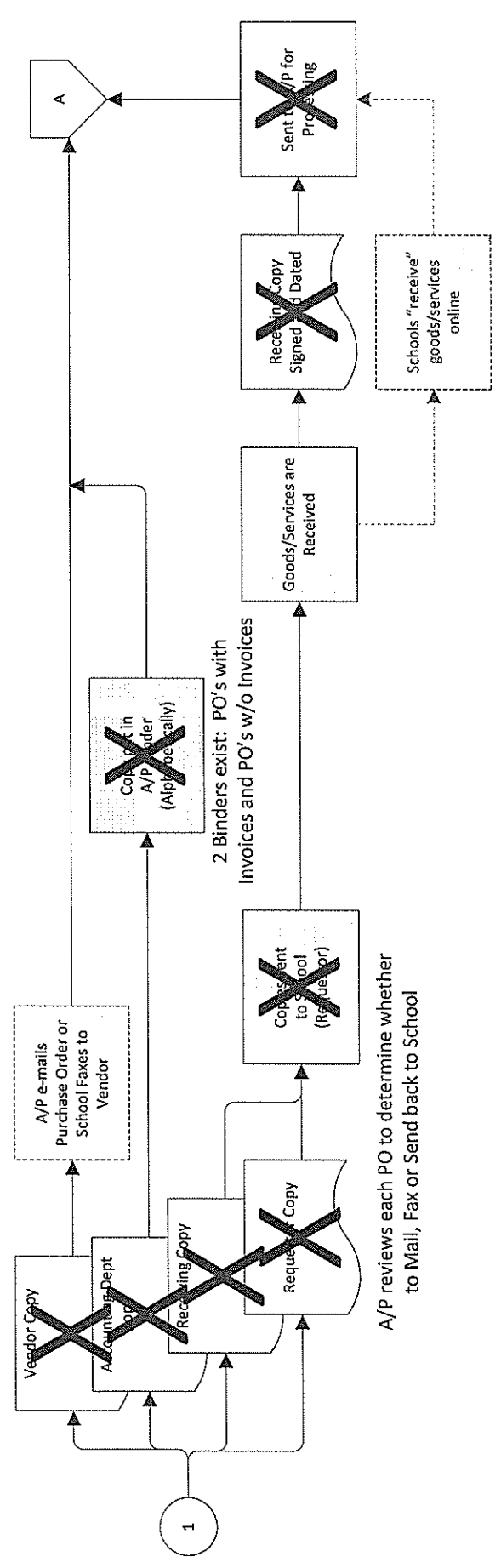
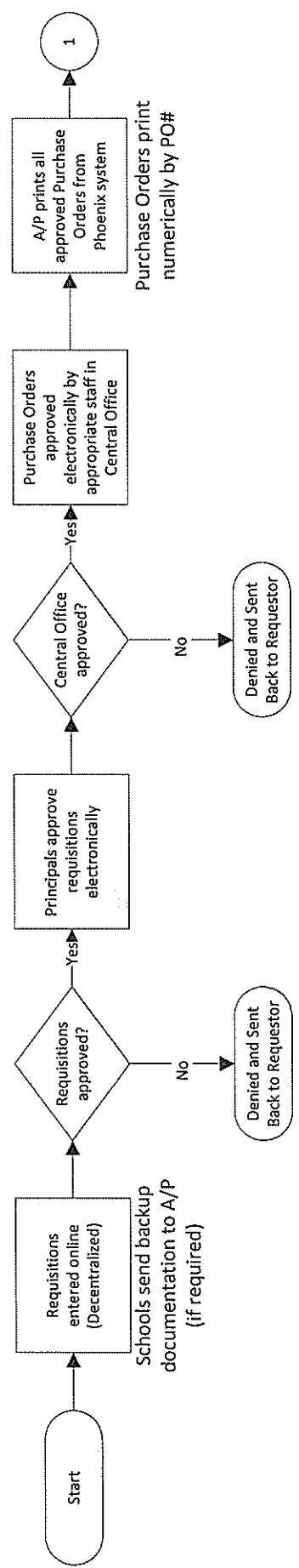
Need New System



- Limited ability to monitor, reports are not available since they reduced services from ProGeos
- No ability to attached documents to workorder request (ex. scan of drawing)
- ProGeos is not compatible with Town's GIS (Esri)
- System response time is too slow, users cannot get timely information from system about resident when they call in a request
- Limited ability to identify duplicate workorder requests

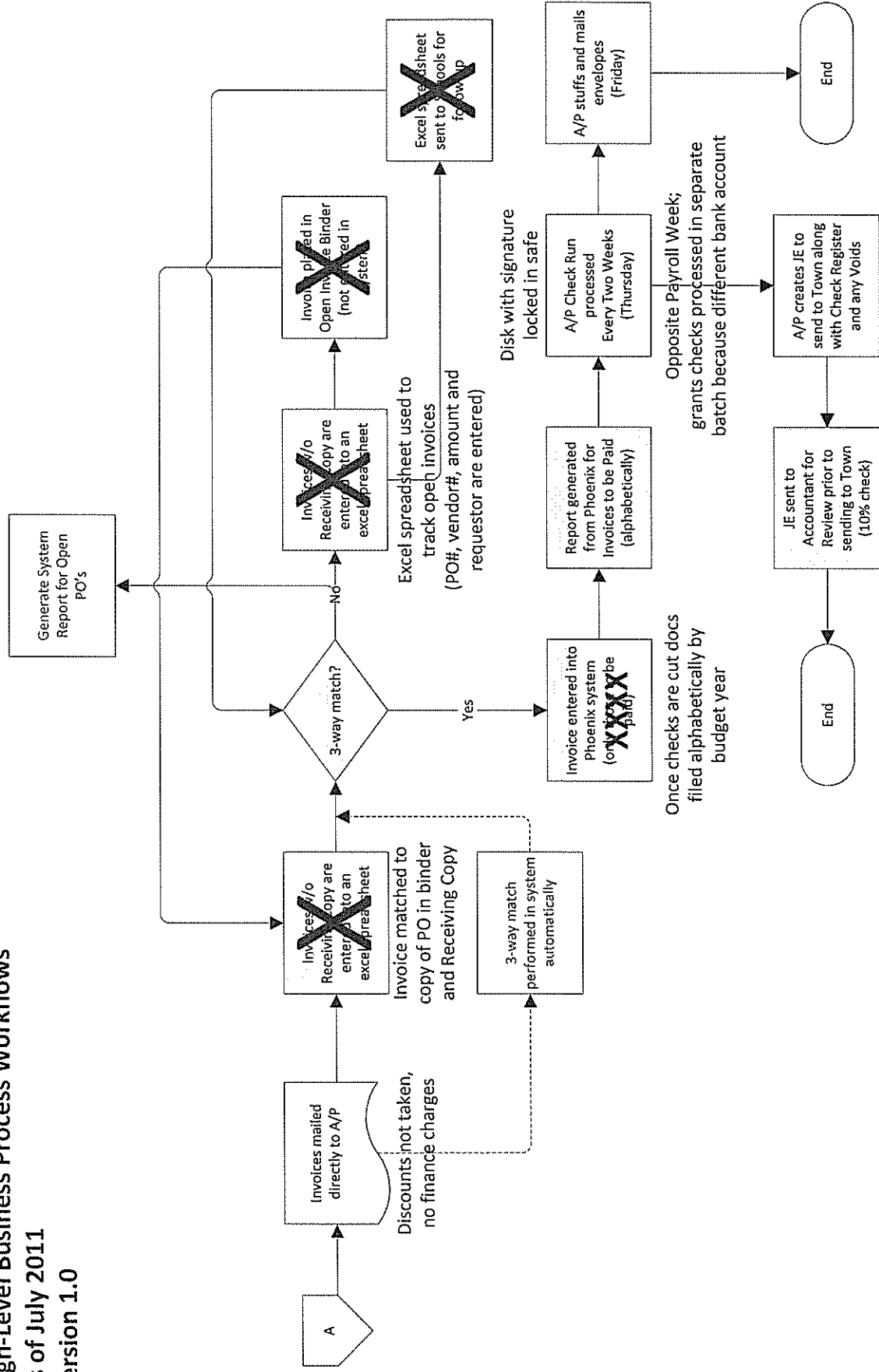
Proposed Workflow Purchasing-A/P

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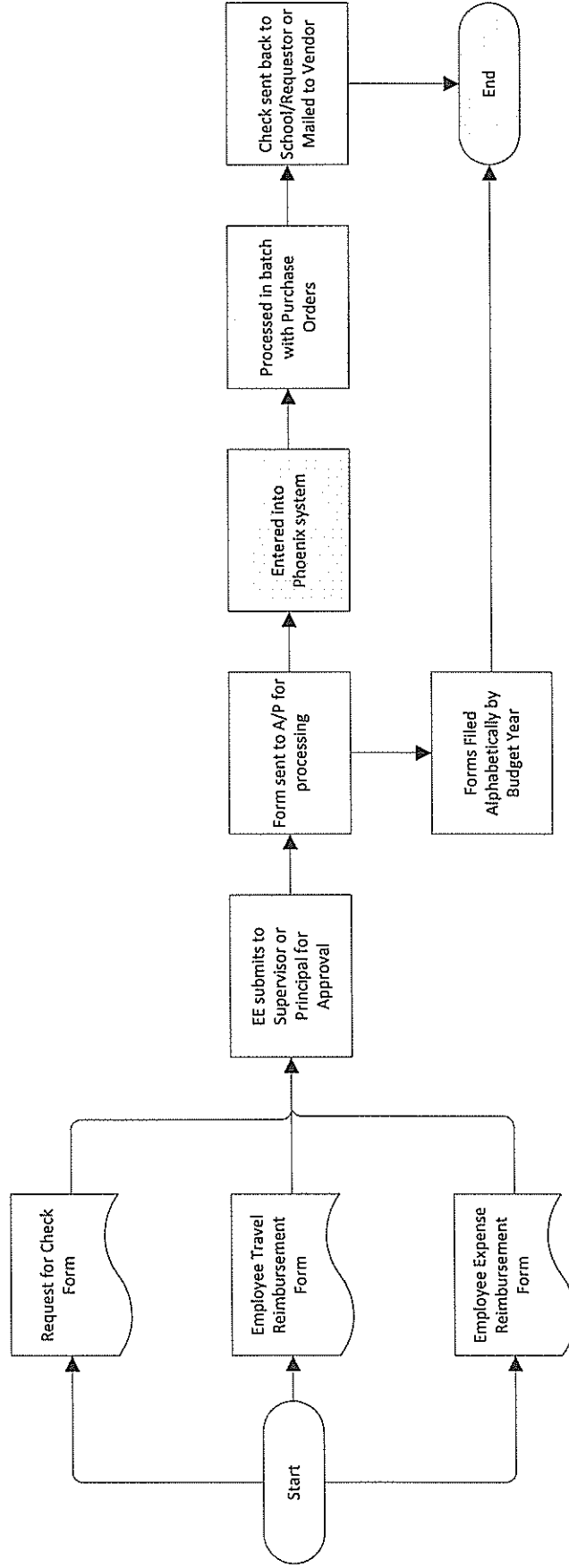
Proposed Workflow Purchasing-A/P

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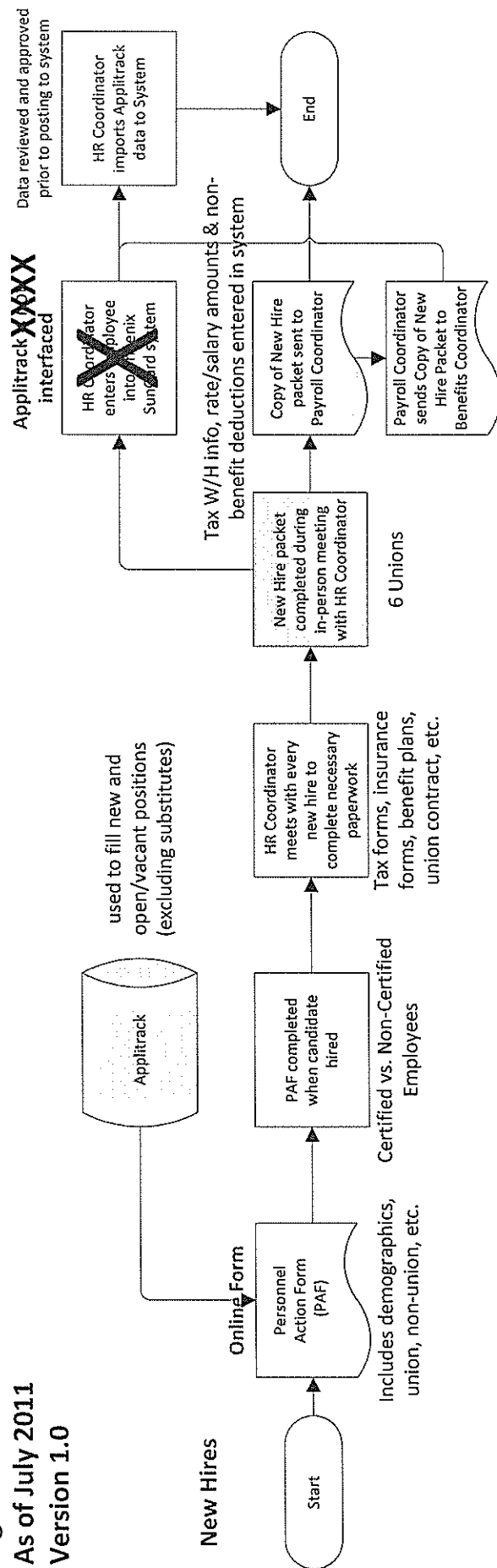
Proposed Workflow A/P-Reimbursements

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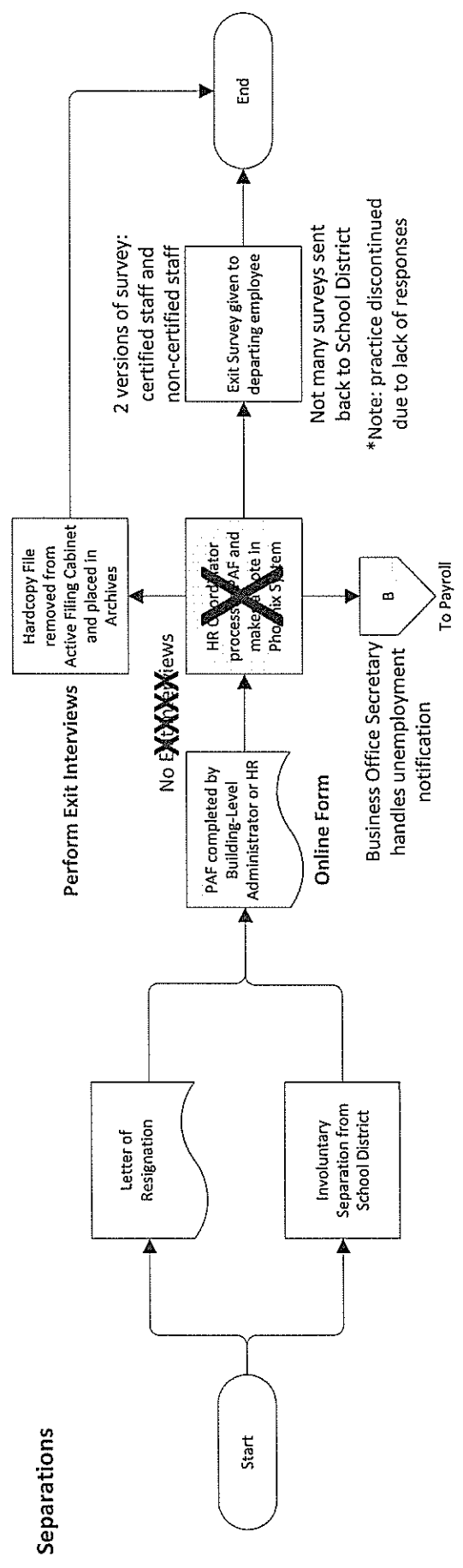


Proposed Workflow Human Resources

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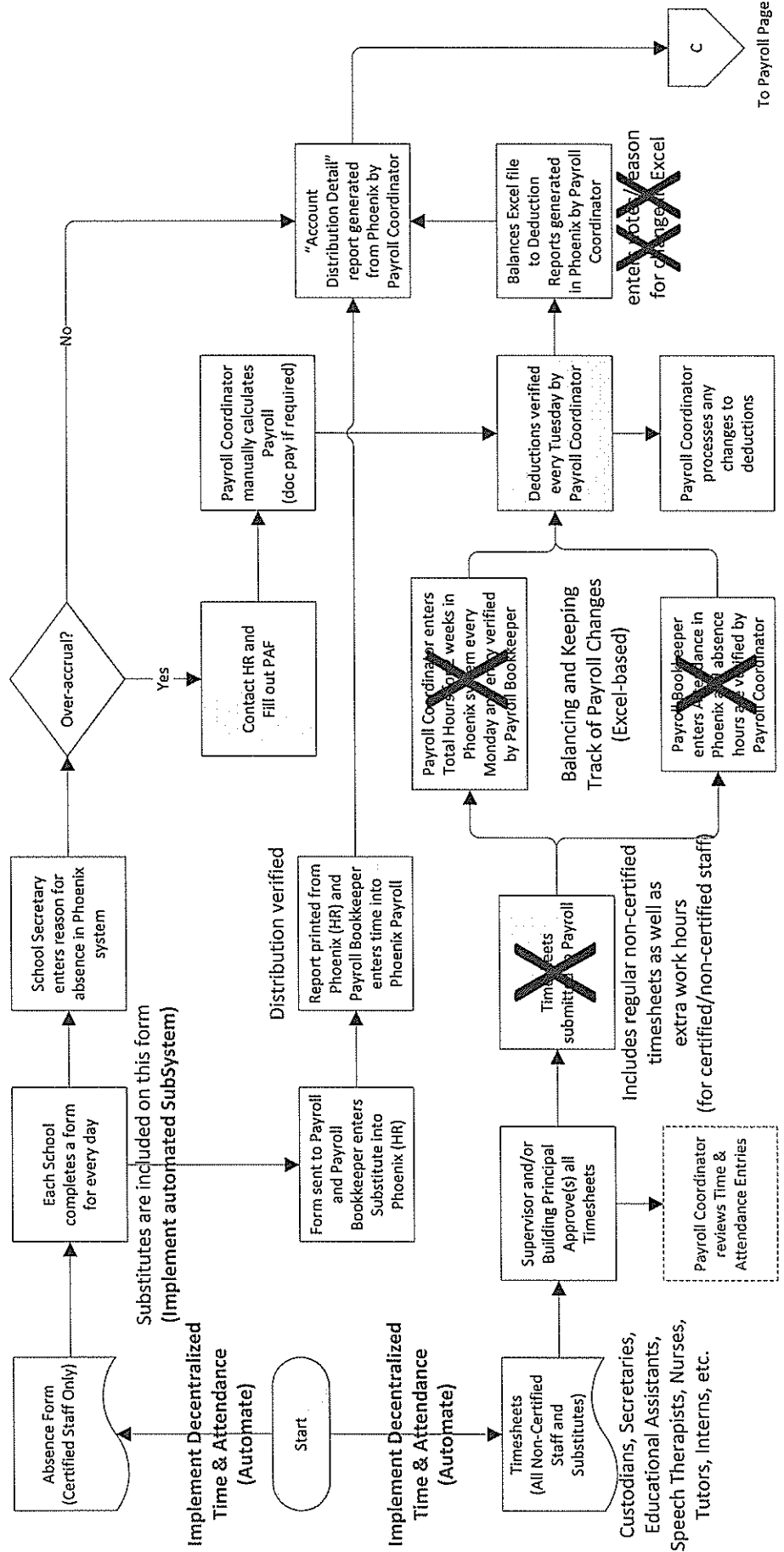
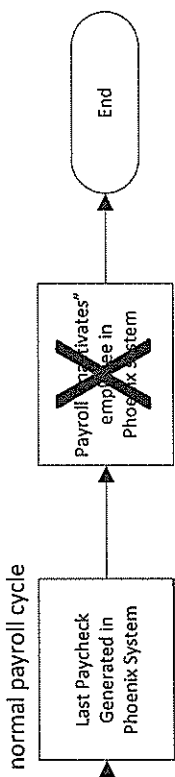
Appropriate benefit deduction information (i.e., insurance, pension, etc.) entered in system



Separations

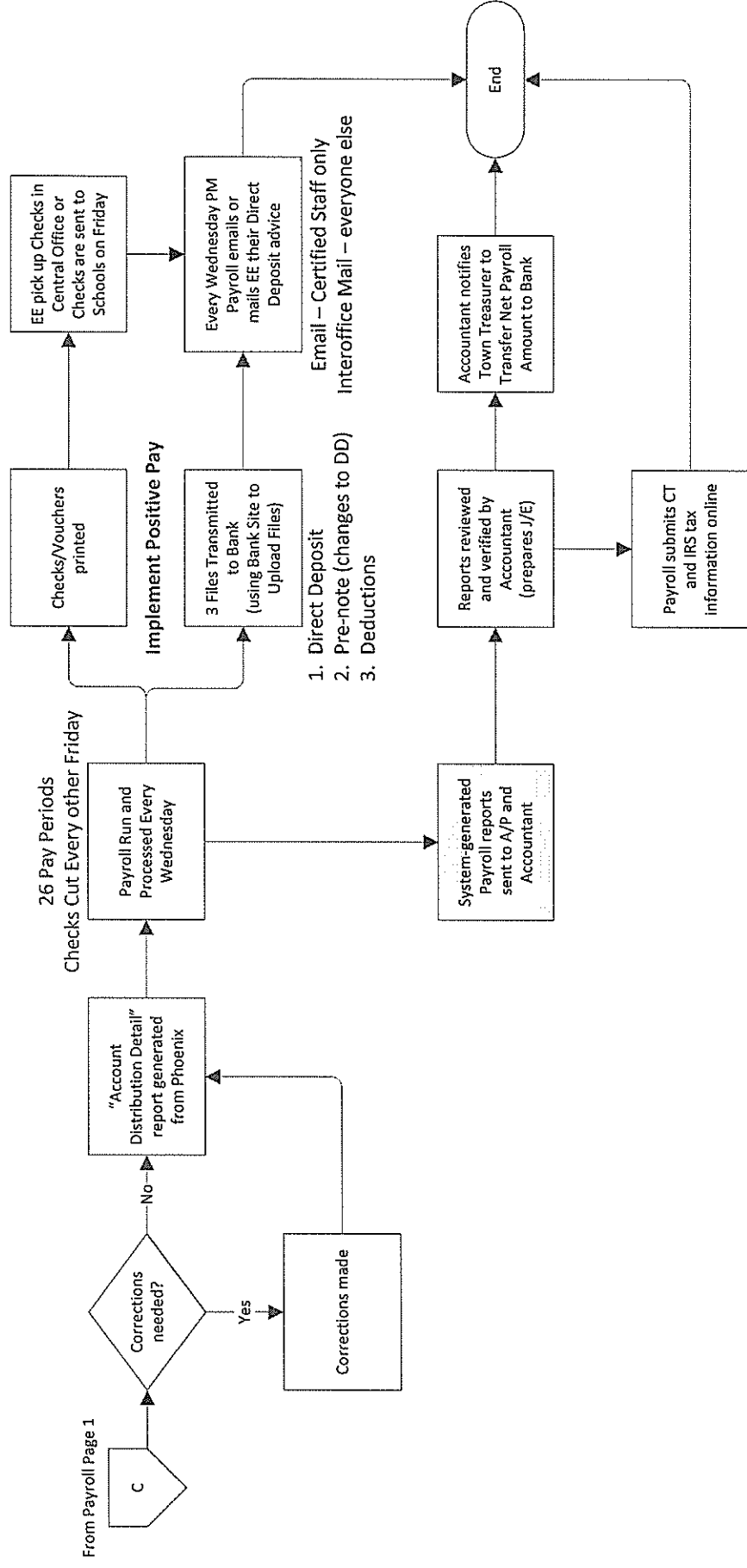
Proposed Workflow Payroll

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Proposed Workflow Payroll

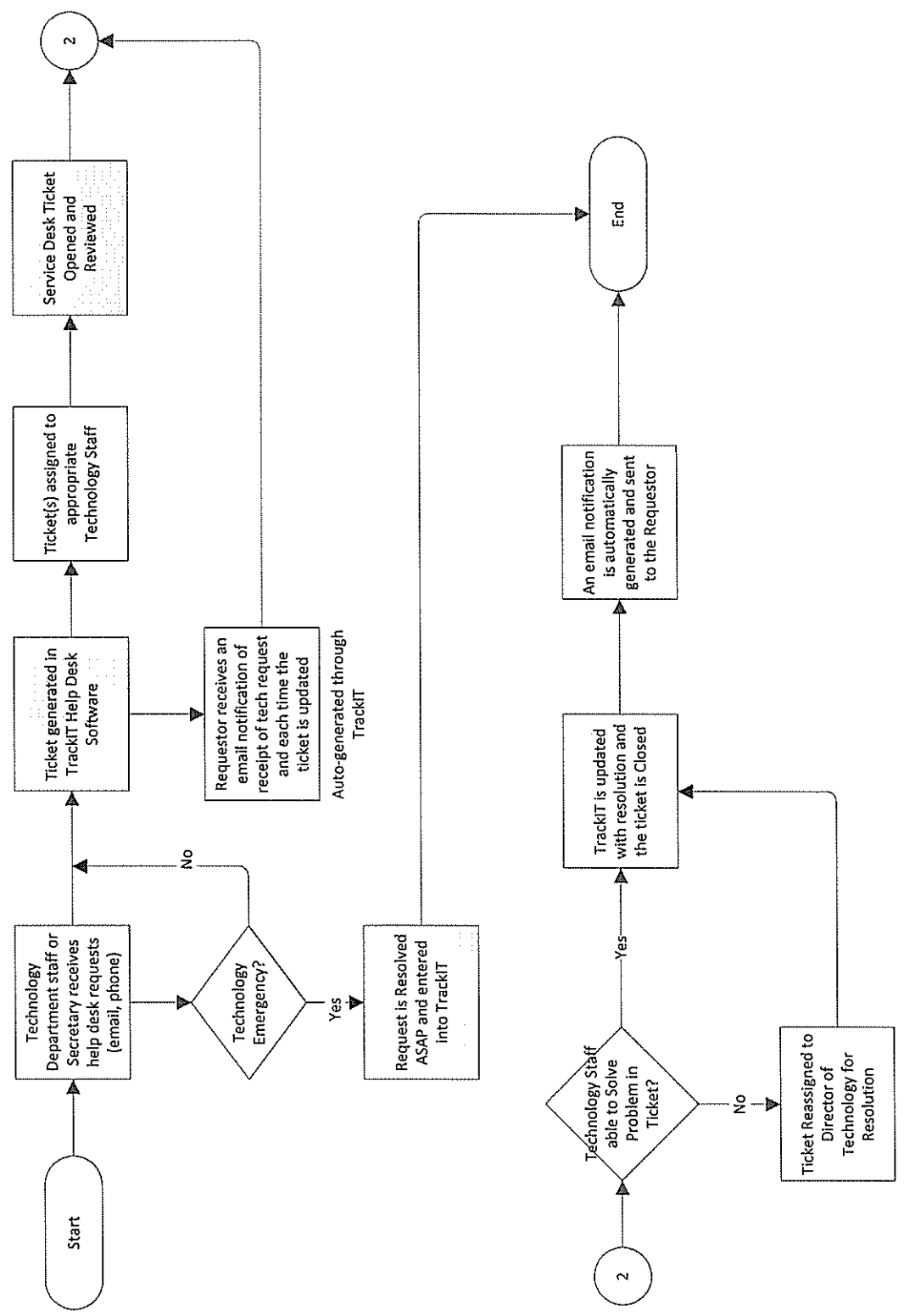
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Quarterly 941's are done quarterly
 W-2's/W-3's are done annually

Proposed Workflow Information Technology

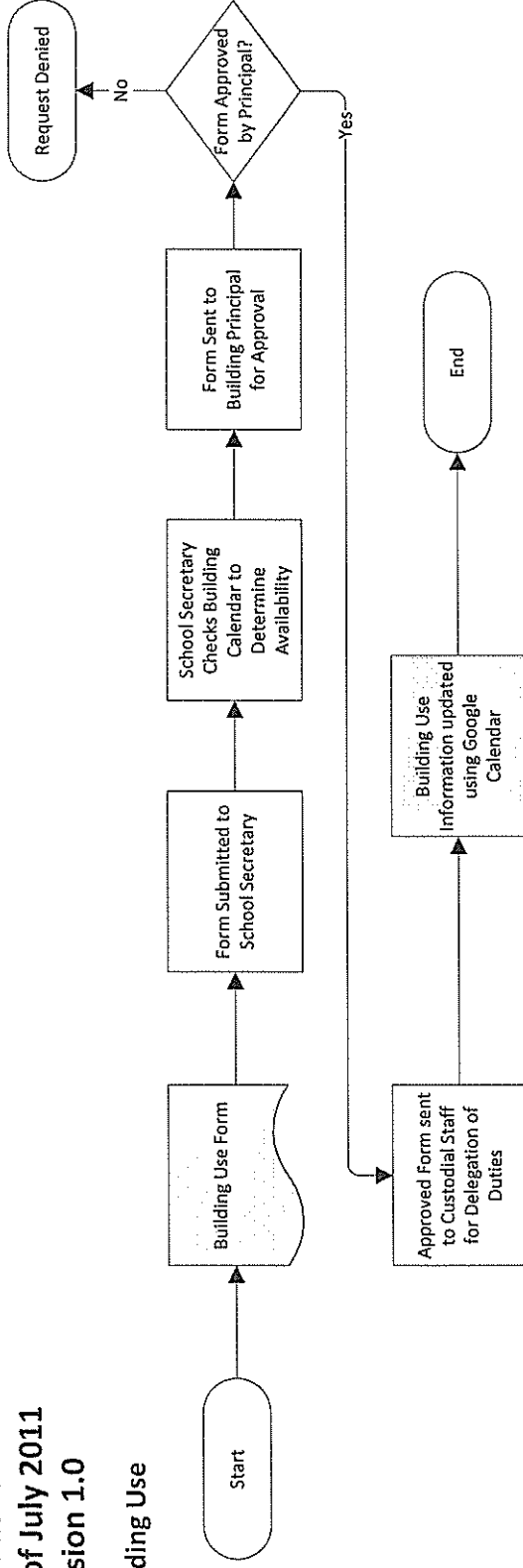
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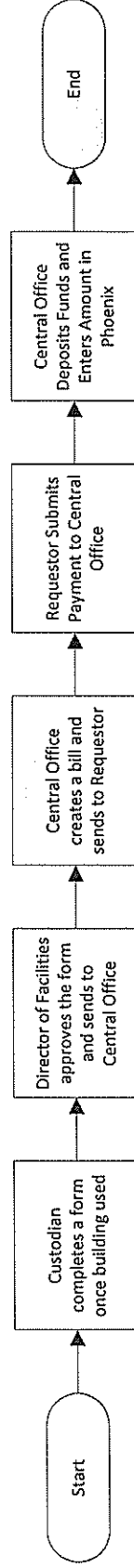
Proposed Workflow Facilities

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Building Use



Word Doc



Work Orders

