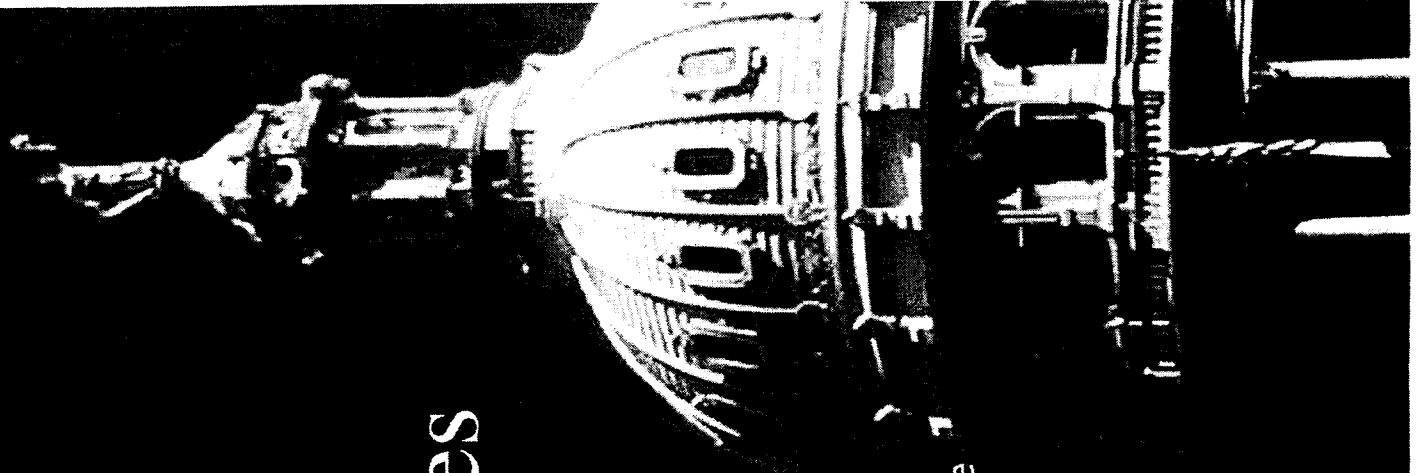


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Transforming K-12 in Texas Opportunities for Shared Services

Senate Select Committee on Education Reform and Public School Finance
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Audit • Tax • Consulting • Financial Advisory.





Presentation Overview

- Introduction
- The Existing Challenges for Public Education
- Opportunities For Sharing Services
- Benefits of Shared Services
- The Barriers
- Fundamentals for Success

The Existing Challenges for Public Education

- Regardless of the school finance reforms that are implemented in response to the West Orange Cove case, budget pressures and demands for fiscal accountability will remain
- Solving the conundrum of driving more dollars into the classroom when fiscal resources are limited is a challenge in Texas and nationwide
- An equal challenge is maintaining the quality of instructional and noninstructional services when resources are limited and stakeholders seek excellence in service delivery
- There are no easy answers but creative alternatives and challenging existing service delivery models must be initiated

Opportunities For Sharing Services

- Due to the operational nature of Texas Public Schools, there are numerous opportunities for providing services through inter-local agreements with other districts, inter-local agreements with other governmental agencies, utilization of the regional service center network, or community organizations
- Candidates for shared services arrangements include:
 - Procurement
 - Finance and Payroll
 - Human Resources
 - Technology Services
 - Transportation
 - Curriculum Development
 - Staff Development
 - Facility Management
 - Media Service
 - Security Services

Benefits of Shared Services

- The driver for participation in a shared services arrangement has to be the benefit(s) derived
- Economies of scale
- Cost savings
- Process improvement
- Balancing workloads
- Retention of local control
- Student achievement focus
- Benefits should be measurable and reviewed systematically

The Barriers

- "Not invented here" syndrome
- "We are unique and nobody does it like us" mentality
- Fear of loss of control or service level deterioration
- Absence of shared services initiatives or incentives
- Challenges of staff reductions
- Local political arena

Fundamentals for Success

- Conduct an assessment that develops a business case, business model, baseline costs and projected savings
- Design requirements that are specific and can be incorporated into a contract or other legal document
- Develop Service Level Agreements (SLA's) that are specific and enforceable
- Achieve the right balance between accountability and flexibility
- Achieve equity in the business arrangement between the service provider and their "client"

Fundamentals for Success (Continued)

- Ensure that statutory and/or policy barriers are addressed
- Provide incentives or inducements for study and start-up of shared services agreements
- Consider managed competition
- Provide a repository of success stories and best practices and a listing of existing shared services providers/participants
- Provide resources at TEA and ESC's that understand transformation and can "push the envelope" to champion shared services

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