



March 1, 2012

Local Government Innovation Council
77 South High Street, P.O. Box 1001
Columbus, Ohio 43216-1001

Dear Local Government Innovation Council Members:

Thank you for the opportunity to submit our proposal for consideration of funding from the Local Government Innovation Fund. We look forward to the opportunity to further discuss our proposal.

Sincerely,

John W. Mitchell

John W. Mitchell
Executive Director

Tab 1

Lead Partner Contact Information

Applicant: **North Coast Council**
Address: 5700 West Canal Road
Valley View, Ohio 44125
Phone/Fax: (216) 520-6900 (phone) / (216) 520-6969 (fax)
Email: John.Mitchell@NCCOhio.org

Contact Information (Name/Title/Phone/Email):
John W. Mitchell, Executive Director
(216) 520-6900, Extension 229 (phone)
John.Mitchell@NCCOhio.org

County: Cuyahoga, Lake, Lorain, Medina, Summit

Population Data: 2,525,632

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on K-12 timekeeping components
- Identify needs/gaps for K-12 timekeeping
- Identify potential barriers to the proposed shared service models

Tab 2

Collaborative Partners

Collaborative Partner: **Cleveland Municipal School District**

Address: 1380 E 6th Street
Cleveland, Ohio 44114

Phone/Fax Numbers: (216) 574-8668 (phone) / (216) 574-8120

Email: Joseph.Podach@cmsdnet.net

Population Data: 396,815

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on CMSD timekeeping components
- Identify needs/gaps for CMSD timekeeping
- Identify potential barriers to the proposed shared service models

Collaborative Partner: **Cuyahoga County**

Address: 1219 Ontario Street, 4th Floor
Cleveland, Ohio 44113

Phone/Fax Numbers: (216) 443-7178

Email: jmowry@cuyahogacounty.us

Population Data: 1,280,122

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on county timekeeping components
- Identify needs/gaps for county timekeeping
- Identify potential barriers to the proposed shared service models

Collaborative Partners

Collaborative Partner: Educational Service Center of Cuyahoga County

Address: 5811 Canal Road
Valley View, Ohio 44125

Phone/Fax: 216-524-3000 (phone) / 216-524-3683 (fax)

Email: Bob.Mengerink@esc-cc.org

County: Cuyahoga

Population Data: 1,280,122

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on K-12 timekeeping components
- Identify needs/gaps for K-12 timekeeping
- Identify potential barriers to the proposed shared service models

Collaborative Partner: OneCommunity

Address: 800 W. St. Clair Avenue, 2nd Floor
Cleveland, Ohio 44113

Phone/Fax Numbers: (216) 923-2374 (phone) / (216) 923-2375

Email: Tom.Miller@OneCommunity.org

Population Data:

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on OneCommunity Anchor Institutions timekeeping components
- Identify needs/gaps for OneCommunity Anchor Institutions timekeeping
- Identify potential barriers to the proposed shared service models

Tab 3

Project Information

Type of Award: Grant

Targeted Approach: Shared Service

Project Name: Shared Timekeeping and Reporting Study

Problem Statement:

Based on the Ohio Department of Education expenditure data, school districts in Cuyahoga and Lorain County spend over \$300 million, or 12% of total expenditures on administrative costs.¹ These administrative costs include central office costs incurred for the Board of Education, Superintendent's Office, Fiscal Services, Business Manager, and Support Services. These costs do not deal directly with the education of the students and encompass planning, research, information services, staff services, and data processing expenditures. Within these offices falls the responsibility of the multiple components of personnel and payroll processing.

According to the National Center for Education Statistics, traditional public schools and community schools staff almost 15,000 full time teachers and administrators.² This number does not even take into consideration the district classified staff, part-time employees and substitutes that the human resource and finance departments process in different ways, with different employment regulations, different levels of benefits and different time-keeping measures. It also should be recognized that even the full time teachers and administrators are employed in a range of contract days, requiring different calculations for payroll processing.

Personnel are the single largest cost for school districts, making up about 80% of their operational budget. In addition to the time required for processing personnel, research has also documented that a majority of education institutions often exceed their operating budgets for labor because of difficulties in tracking time and attendance.³ Managing the mix of full-time, part-time and temporary employment is a major challenge and costs associated with nonproductive time, such as unscheduled absences, vacation time, family medical leave, late arrivals and early departures, can account for between 15% and 36% of an organization's total payroll expense.

Broward County Public Schools is a countywide education system serving 260,000 students, which is slightly more than the 230,000 students served within Cuyahoga and Lorain Counties.⁴ Broward County Schools is one educational system that addressed these common needs through the use of the Kronos Workforce Management Solutions. Key benefits identified by Broward County included reduced overpayments, improved administrator productivity and eliminated paper costs.⁵ Other reduced costs

¹Ohio Department of Education: Expenditure and Revenue Data

<http://www.ode.state.oh.us/GD/Templates/Pages/ODE/ODEDetail.aspx?page=3&TopicRelationID=1214&ContentID=708&Content=105426> <http://quickfacts.census.gov/qfd/states/39/39035.html>

² National Center for Education Statistics (2008-2009). Elementary and Secondary Education System

<http://nces.ed.gov/ccd/elsi/expressables.aspx?bridge=quickFacts&tableid=10&level=District&focusValue=OH&year=2009-10>

³ Rubel, T. (2010). *Controlling costs in education with workforce management systems*. IDC Government Insights.

<http://www.kronos.com/showAbstract.aspx?id=11827&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

⁴ National Center for Education Statistics (2008-2009). Elementary and Secondary Education System

<http://nces.ed.gov/ccd/elsi/expressTables.aspx>

⁵ Nucleus Research (2008). *ROI Case Study: Kronos, Broward County Public Schools*.

<http://www.kronos.com/showAbstract.aspx?id=1265&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

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and increased efficiencies for Washington County Public Schools included^{6 7} streamlined payroll processing, accurate labor tracking and compensation, increased employee satisfaction, and a reduction of compliance issues.

Locally, Cleveland Metropolitan School District, as well as other governmental agencies, have realized costs savings and increased efficiencies in implementing the Kronos Workforce Solutions within specific subgroups of their labor force. It is the purpose of this feasibility study to determine what common personnel processing needs exist in school districts, as well as government entities, in Cuyahoga County and Lorain County. In addition, the study will investigate the additional cost savings and increased efficiencies in expanding this solution within other labor sectors within the current Kronos clients, or to other school districts and government entities within Cuyahoga and Lorain Counties. Finally, the study will review the feasibility and capacity of implementing partial or full components of the Kronos Management Workforce Solutions with the support of the North Coast Council regional informational technology center.

⁶ Kronos (2010). *Kronos Solution Improves Washington County Schools' Workforce Productivity and Payroll Accuracy* <http://www.kronos.com/case-study/washington-county-public-schools.aspx>

⁷ Kronos (2010). *Washington County School District Uses Kronos to Improve Efficiencies and Compliance While Reducing Costs.* <http://www.kronos.com/case-study/washington-county-school-district.aspx>

Project Information

Project Description:

Our partners in completing this feasibility include Cleveland Municipal School District, Cuyahoga County, Educational Service Center of Cuyahoga County, North Coast Council and OneCommunity. The combined resources, expertise, and influence of our partnership provide for a formidable team to successfully complete this feasibility study.

The Shared Timekeeping and Reporting Study will follow the process used by the North Coast Shared Service Alliance for developing shared service models. These processes are modeled after planning and implementation processes presented by the Washington State Shared Services Model⁸, the Office of the New York State Comptroller⁹ and PricewaterhouseCoopers¹⁰ and as such include best practices across education, government and business. **The recommended phases of the process also strategically support the recommendations from Ohio Educational Service Center Association (OESCA) that the success of shared service models and action plans depend upon¹¹:**

- *Establishing a baseline of information relative to existing shared services and identify areas of opportunity;*
- *Identify desired outcomes beyond improved efficiencies and cost savings to include improved student outcomes;*
- *Recognize the existing infrastructure; and*
- *Define performance metrics or accountability systems to determine success.*

The intent of the North Coast Council is to conduct the shared automated personnel solution feasibility study prior to the December 2012 LGIF fourth round of awards. The intent is to use the information learned from this study to develop a loan application proposal for a shared service delivery model of automated personnel solutions. The feasibility study period will then run from July 1, 2012 through December 1, 2012. The feasibility study only address the first two of the four processes for the development of a shared service delivery model. The anticipated dates for each of these steps are included below. The last two steps listed below are for informational purposes, but would be included within the subsequent loan application.

Needs Assessment and Benchmarking (July 2012-September 2012):

During this phase, the study team will conduct needs assessments across systems regarding common and unique needs, opportunities and cost analysis for shared service projects, develop Memorandum of Agreements for partners participating in the identified shared service project and set performance targets.

Shared Service Project Design (September 2012-October 2012):

The study team, in collaboration with NCSSA, will review and design more detailed business models for the identified shared service project, create an implementation timeline and define service levels for the

⁸ Washington State (2009). *Washington State Shared Services Model*.

⁹ Office of the New York State Comptroller, Division of Local Government and School Accountability (2009). *Intermunicipal Cooperation and Consolidation: Exploring Opportunities for Savings and Improved Service Delivery*.

¹⁰ PricewaterhouseCoopers (2011). *Global Best Practices: Shared Service Center*

¹¹ Burford, C. (2011). *Educational Service Centers: Reducing Costs and Improving Outcomes through Instructional and Operational Shared Services*. Ohio Educational Service Center Association. (OESCA May 2011 PRESENTATION)

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shared service project. These service levels will identify whether the service is a “joint service” (developed mutually by all partners) or a “shared service” (with one partner extending their service to others).

Building of Shared Service Projects (Future Loan Application Component):

The building of the identified shared service projects will require North Coast Council to develop, enhance or integrate any functions, procedures or policies necessary to implement the initial shared service projects. In addition, NCSSA will use multiple communication mechanisms to present and offer the shared service to additional partners.

Implementation, Operation and Monitoring (Future Loan Application Component):

During this last phase North Coast Council, the NCSSA and other partners will work closely to implement the initial shared service projects, monitor the performance against service level agreements, and review and adjust progress and support. In addition, the NCSSA will analyze feedback from the User Feedback Committee and develop processes to enhance the services or include additional partners.

Summary Timeline

July 2, 2012	Project Initiated
September 17, 2012	Needs Assessment and Benchmarking Completed
October 22, 2012	Shared Services Project Design Completed / Loan Application Process Initiated
November 16, 2012	Loan Planning Study Submitted to Ohio Department of Development
December 3, 2012	Loan Application Submitted to Ohio Department of Development

Project Information

Response to Current Substantial Changes in Economic Demand for Local/Regional Government Services: The Ohio Legislative Service Commission highlighted the following economic trends in district operating expenses, which include the labor costs of certified and classified staff, as well as administrative costs in overseeing the multi-layered personnel processes¹²:

- During the ten-year period from FY 1999 to FY 2008, Ohio's per pupil operating expenditures increased by \$3,601 (54.8%).
- In FY 2008, Ohio's per pupil operating expenditures of \$10,173 ranked 18th among the 50 states. Ohio's per pupil expenditures were higher than four out of five neighboring states.

Most recently and drastically, in the recent biennial budget bill HB 153, school districts were impacted as the budget repealed the school funding formula used in FY 2010 and FY 2011 and provided, in temporary law, a **method of allocating a reduced total amount of funding to public schools in FY 2012 and FY 2013**. This reduction was made more drastic by the previous federal stimulus funding that is no longer provided as of FY 2012.¹³

As the budget crisis hit a critical peak in 2011, education leaders are at crossroads as they search for ways to do more with less. As the research indicates, the trend in education shows a growing need for increased services with the reality of decreased financial resources. One of the quickest ways to improve efficiency for these organizations is to control labor costs, typically their largest controllable expense, comprising as much as 80 percent of all operating expenses.

This Shared Timekeeping and Reporting Study proposal responds to the critical need to find mechanisms for creating economies of scale, reducing costs and improving efficiencies, while addressing the specific economic demand on schools of the burdensome labor costs.

Anticipated Return on Investment:

As a feasibility study, it is difficult to identify an anticipated return on investment. In addition, the potential for cost savings is varied, depending on the specific shared Kronos management solutions implemented, size of district and labor sectors involved. Typically, the shared service component of the work is most beneficial to smaller school districts and entities that do not have a large enough base to establish an economy of scale to drive down costs for hardware purchases or technical assistance training and support. Conversely, for a workforce management solution, such as Kronos, larger districts have the potential to save more and increase efficiencies by mitigating challenges with a larger and more diverse workforce.

More specifically, many countywide or regional school systems across the country have demonstrated significant returns on investments by implementing Kronos automated workforce solutions. Most important, the implementation of Kronos allows for shared services for personnel processing that are created with customized inputs and outputs from the school districts and organizations regarding contract and union requirements, benefit levels, and multiple layers of personnel. **These documented returns on investment across education, government and business systems indicate the potential for significant savings through a shared service approach to Kronos implementation, some of which are comparable in size to Cuyahoga County and Lorain County.**

¹² Ohio Legislative Service Commission (2010). *Ohio Facts 2010*.

<http://www.lsc.state.oh.us/fiscal/ohiofacts/sep2010/2010ohiofacts.pdf>

¹³ Ohio Legislative Service Commission (2011). *LSC Greenbook: Department of Education*

<http://www.lsc.state.oh.us/fiscal/greenbooks129/edu.pdf>

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- Broward County Public Schools of 34,000 employees documented a 52% return on investment in less than two years.¹⁴
 - Payroll costs for substitute teachers were reduced by 4% by eliminating overpayments with inaccurate attendance data.
 - The time administrative assistants needed to dedicate to substitute processing was reduced by 66%.
 - One FTE was freed up from the need for daily configuration of the previous solution for substitute tracking across different schools.
 - Paper costs were eliminated.
- Washington County School District in Utah employs 2,220 salaried positions and 700 hourly positions.¹⁵ By implementing Kronos for 50 schools and auxiliary locations, the district had the following returns on investment:
 - Reduced payroll processing time from a few weeks to 1-2 days, eliminating .5 FTE position.
 - Self-service for benefits cut the open enrollment process from 8 weeks to 1 week.
 - The automated paperless solution eliminated 90% of paper costs totaling \$9000 a year.
- In 2010, Cleveland State University implemented to Kronos system to address, among other things, fluctuations in total employed, mostly with increases in the employment of students, who may hold as many as twelve different jobs. By implementing Kronos, time and attendance data entry was reduced from 3 days to 5 minutes. In addition, employees who were dedicated to data entry are being utilized more effectively for higher level functions.¹⁶
- In 2011, the Cleveland Clinic was one of several major health organizations to implement a Kronos system of workforce management. By using Kronos data to identify root causes of increased labor costs, the Cleveland Clinic reduced expenses by more than \$5 million.¹⁷
- The City of Strongsville, Ohio implemented Kronos Workforce Central suite to better control labor and overtime costs resulting in a 75% reduction in payroll processing time for 300 full time employees and 200 seasonal employees.¹⁸

Research has also documented many other less quantifiable, economic benefits with the implementation of the Kronos workforce management system components. **The feasibility study will seek to maximize these initial benefits by also reducing the cost of investments and more streamlined technical support through the shared service mechanisms across the school districts, government and business entities.** Other documented benefits of the Kronos system include: simplified tracking, managing, and compliance with labor regulations; reduction of errors and time for corrections; increased employee morale with self-service and reduced errors; personnel with multiple duties can

¹⁴ ¹⁴ Nucleus Research (2008). *ROI Case Study: Kronos, Broward County Public Schools.*

<http://www.kronos.com/showAbstract.aspx?id=1265&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

¹⁵ Kronos (2010). *Washington County School District Uses Kronos to Improve Efficiencies and Compliance While Reducing Costs.* <http://www.kronos.com/case-study/washington-county-school-district.aspx>

¹⁶ Kronos (2010). *Cleveland State University Uses Kronos® to Control Labor Costs.* Press Release. <http://www.kronos.com/pr/cleveland-state-university-uses-kronos-to-control-labor-costs.aspx>

¹⁷ Kronos (2011). *Kronos is Clear Choice for Fast Payback and Innovation in Healthcare Workforce Management* Press Release. http://www.kronos.com/App_Pages/Templates/pr-detail.aspx?id=14492&terms=cleveland

¹⁸ Kronos (2010). *Kronos Solution and Managed Services Help City of Strongsville Control Labor Costs and Improve Compliance.* Case Study http://www.kronos.com/App_Pages/Templates/customer-story.aspx?id=9806&terms=cleveland

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dedicate more time to other duties; increased information control; streamlined reporting needs; real-time data collection; administrators can make timely decisions to avoid additional budget cuts; improved capacity to view staffing trends, make projections and sound budget decisions and funding proposals.^{19 20 21}

Finally, the region's economic and workforce development could also be enhanced as real-time, automated data collection through Kronos would allow administrators to make timely decisions to avoid additional budget cuts. In addition, the school district or organization would increase the capacity to view staffing trends, make projections and develop sound budget decisions, as well as provide support documentation for other funding mechanisms, such as grants.²²

Probability of Proposal Success

Multiple factors increase the probability of success for the Shared Automated Personnel Solution feasibility study. These factors, already described through this proposal indicate that this project has merit and significant potential for success—and scalability, as described below.

First, the partners within this proposal have already invested time and resources to supporting components of this feasibility study. Several of the partners have already implemented the Kronos solution in a smaller labor sector within their organization. By building on the cost saving findings of this initial implementation, participating districts can begin to look more in-depth at shared models for automated personnel solutions. In addition, the North Coast Council is working closely with the ESC of Cuyahoga County and the Cuyahoga County Office of Regional Collaboration as a part of broader shared service initiatives, specifically North Coast Shared Service Alliance and the Western Reserve Plan. This feasibility study will be integrated into this broader work ensuring sustainability and expansion.

Second, a shared approach to automated personnel solutions meets a research-based economic need when the high labor costs are compared to the current financial cuts faced by school districts and other entities. Research has also documented significant quantitative and qualitative returns on investments through shared automated personnel solutions components. This provides a guarantee that investments within this feasibility study and future implementation could address this identified need in multiple ways.

Finally, the true success will come in the implementation phase of what is research and developed through the feasibility study. The North Coast Council has already identified the potential next steps for project implementation after the conclusion of the study. This planning highlights the importance of shared solutions to personnel needs within Cuyahoga County and indicates the intent and commitment to continue the investments after the initial study. Most important, as described in detail in the next section, replication and scalability of this study and eventual shared service delivery model will occur through the regional service provider capacity of the North Coast Council, ESC of Cuyahoga County, the

¹⁹ Nucleus Research (2008). *ROI Case Study: Kronos, Broward County Public Schools*.

<http://www.kronos.com/showAbstract.aspx?id=1265&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

²⁰ Kronos (2010). *Washington County School District Uses Kronos to Improve Efficiencies and Compliance While Reducing Costs*. <http://www.kronos.com/case-study/washington-county-school-district.aspx>

²¹ Kronos (2010). *Kronos Solution Improves Washington County Schools' Workforce Productivity and Payroll Accuracy* <http://www.kronos.com/case-study/washington-county-public-schools.aspx>

²² Kronos (2011). *Kronos Helps Educational Institutions Go Back to School with Big Savings*. Press Release. http://www.kronos.com/App_Pages/Templates/pr-detail.aspx?id=14754&terms=cleveland

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broader North Coast Shared Service Alliance infrastructure, and the strategic relationships with other key partners, such as the Cleveland Municipal School District, Cuyahoga County and OneCommunity.

Identification of Past Success on Shared Service

North Coast Council

As an initial step towards increased capacity to offer shared technology services, Lakeshore Northeast Ohio Computer Association (LNOCA) and Lake Erie Educational Computer Association (LEECA) have announced a merger, which took effect on August 1, 2011 to form the North Coast Council (NCC). This merger represents a pooling of the resources and expertise of two major information technology centers (ITCs) supporting over 200,000 students, teachers, and staff in K-12 schools, making it the largest ITC in Ohio. Through this merger and shared services, LEECA and LNOCA are creating a stronger organization that is more financially efficient, with increased capacity, additional product offerings, and an expanded customer base. The Educational Service Center of Cuyahoga County and the Lorain County Educational Service Center were instrumental in the early merger discussions, providing support to allow the merger to move forward. The current projection for fiscal year 2011-12 is that the merger will save approximately \$310,000. We anticipate that the merger will save an additional \$175,000 in fiscal year 2012-13.

ESC of Cuyahoga County

The ESC of Cuyahoga County serves as the fiscal entity for North Coast Council. As such, North Coast Council has a strong working relationship with the ESC and can build on the shared service capacity of the ESC of Cuyahoga County to replicate and scale efforts in shared technology services. As a regional service provider, the development of shared services to create economies of scale, increase purchasing power and reduce costs for school districts is a long-standing core function of the ESC of Cuyahoga in partnership with other ESCs, school districts and county government and agencies to meet the needs of all students and families. Professional development, human resources and information technology services are two of the most accessed functions of the ESC of Cuyahoga County for shared service opportunities to school districts.

Human Resources Shared Services

The information below provides an example of savings to a local school district through contracted human resources with the ESC of Cuyahoga County.

- Richmond Heights Local Schools contract for forty (40) school personnel
- Educational Service Center of Cuyahoga County handles payroll and manages fringe benefits for forty employees at **no cost** to the district
- Educational Service Center of Cuyahoga County provides payroll for forty employees on a quarterly basis (October, January, March and June) **prior to invoicing** Richmond Heights Schools: approximately \$271,000 quarterly

Annual Savings on District Personnel Provided by the Educational Service Center of Cuyahoga County based on Unit Funding

1. Preschool Teacher: \$38,000
2. Preschool Teacher: \$37,230
3. School Psychologist: \$5,489
4. Speech Pathologist: \$8,269
5. Gifted Teacher: \$31,727
6. Total annual savings: \$120,715

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Annual Savings on District Personnel Provided at No Cost by the Educational Service Center of Cuyahoga County based on one (1) day per week administrator

1. Gifted Supervisor: \$10,725
2. Special Education Supervisor: \$10,980
3. Attendance Officer: \$7,116
4. Total annual savings: \$28,821

North Coast Shared Service Alliance

In fall 2011, recognizing the increased economic need and advantages of shared services, the ESC of Cuyahoga County, North Coast Council and other partners initiated a regional infrastructure for the research and expansion of additional shared service opportunities through the recent development of the Northcoast Shared Service Alliance (NCSSA). Through the NCSSA, the ESC of Cuyahoga County, North Coast Council, ESC of Lorain County, Medina County ESC and other regional partners in education and government will assess, develop and monitor shared service projects as a response to the need to further reduce duplication of services, standardize processes and reduce costs where feasible.

The NCSSA was developed through international research and best practices for shared services in education, government and business^{23 24 25 26}. The NCSSA provides a structured process to facilitate communication regarding service needs, existing resources, and feasibility and development of shared service projects across three educational service centers, partner school districts, three county governments with multiple county agencies, the North Coast Council Information Technology Center, Ohio Schools Council, and the Greater Cleveland School Superintendents' Association. The structure includes multiple levels of operation with defined purposes and expectations for effective communication across multiple systems, such as education, community, business, government and social agencies. These levels include an Executive Board, three Steering Committees and seven Service Area Divisions. Each level includes cross-representation from these multiple systems as key to expanding resources and identifies shared service projects that have the potential to meet the needs of multiple systems. **This Local Government Innovation Fund proposal provides an opportunity to study the needs and feasibility of shared technology as one project within the Information Technology Division of the NCSSA.**

The priorities of NCSSA are to reduce costs and increase efficiencies to partners and stakeholders by achieving competitive economies of scale, standardizing processes, optimizing available resources and enduring fluctuations in service demand. Recognizing the necessity and opportunity for innovative, regional collaborations to improve services to schools and communities, partners have committed time, resources and expertise to the NCSSA. For the NCSSA and this proposal, a shared service is defined as "any joint service that can be delivered in a way that creates economies of scale, increases purchasing power, reduces costs and duplication and/or improves efficiencies." **In addition, the NCSSA will serve as one mechanism for connecting to the broader Western Reserve Plan of Cuyahoga County that will use similar processes to identify and develop additional shared service opportunities to be accessed by over 50 municipalities throughout Cuyahoga County.**

²³ Withycombe, Scotten & Associates. (2011). *Shared Services Cooperative, Interim Report to Stakeholders*.

²⁴ Hanover Research. (2011). *Regional Serving Sharing: Benchmarks and Examples*.

²⁵ New York State Comptroller. (2009). *Local Government Management Guide: Shared Services in Local Government*.

²⁶ Deloitte. (2005). *Driving More Money into the Classroom: The Promise of Shared Services*.

Project InformationIdentification of Larger Consolidation EffortNorth Coast Council

North Coast Council is the result of the merger of the Lakeshore Northeast Ohio Computer Association (LNOCA) and the Lake Erie Educational Computer Association (LEECA). North Coast Council provides technology and shared services to schools supporting approximately 200,000 K-12 students in a five county area including Cuyahoga County. Merger discussions were initiated in February of 2011 with an agreement reached between the two governing boards in June 2011. The two sites began operating as one site on August 1, 2011 under one management team. The merger is on schedule to be completed on June 30, 2012, with consolidation of all staff and services under the North Coast Council name. Member school districts will realize an average cost savings of 6.8% during fiscal year 2012-13 as a result of efficiencies realized in the merger.

North Coast Shared Service Alliance

The Shared Automated Personnel Solutions Study serves as one component of two larger shared service efforts within the region. The first initiative, the North Coast Shared Service Alliance (NCSSA), is a regional infrastructure for the development of shared service projects across education, government, business and social agencies across three counties in Northeast Ohio. Initiated by the ESC of Cuyahoga County, the ESC of Lorain County and Medina County ESC, the NCSSA reaches across systems by including the County Executive or County Commissioners within the three counties. North Coast Council is a key partner in the NCSSA alongside Ohio Schools Council and the Greater Cleveland School Superintendents' Association. The leaders within each of these entities are committed to combining their regional capacity, resources and audiences to increase an awareness of the broad system implications and advantages of regional shared services.

Three Steering Committees of NCSSA are the policy and implementation groups that report to the Executive Board. The Steering Committees make recommendations to the Executive Board based on identified needs, service/system gaps, potential outcomes for shared services and barriers based on needs assessments and feasibility studies conducted by each Service Divisions within the Steering Committee.

As the Steering Committee translates the recommendations in policies, the respective Service Divisions are responsible for identifying a shared service need and project outcomes, and creating the timeline, design, and service delivery and business models. In addition, the Service Divisions inform the Steering Committees of any necessary policy/procedure changes or additional functions to implement the specific shared service project. The function of each service division is presented below. **In addressing payroll and administrative solutions through integrated technology, this proposed Shared Timekeeping and Reporting Study hence becomes a combined function of the *Business and Operations* and *Information and Technology* Steering Committees under the North Coast Shared Service Alliance.** It is the intent of all partners in the NCSAA to share data, service models, successes and challenges to support the potential replication and scaling up of the shared personnel solutions study.

Project Information***Western Reserve Plan***

While the NCSSA is a broad initiative across three counties to address seven areas of shared services, the Western Reserve Plan is a strategic plan through the new Executive Office of Cuyahoga County. For nearly a century, Cuyahoga County has explored ways to consolidate and improve service delivery among our many different communities. Since 1917, civic reform groups have envisioned a County where consolidation could improve services, lower taxes and increase efficiency. Today, tight budgets are an additional incentive for collaboration while maintaining municipal authority and quality service delivery. The purpose of this plan is to develop alignment, consolidation and shared services across twelve key areas to offer these services to over fifty municipalities that make up Cuyahoga County. **North Coast Council is working closely with Cuyahoga County and the Office of Regional Collaboration as key partners in the NCSSA and this shared timekeeping and reporting study proposal. Through this proposal and many other projects, the North Coast Council, ESC of Cuyahoga County and the NCSSA will assist in the development of shared service models, across many of the key areas of the Western Reserve Plan.**

The Western Reserve Plan will focus on these 12 key areas:

1. Implementing a practical strategy for creating a functioning, county-wide metropolitan government.
2. Establishing Greater Cleveland as a center of entrepreneurship and job growth.
3. Designing a place-based development strategy which recognizes the centrality of downtown Cleveland to the region as a whole.
4. Aligning and coordinating both public and private resources around our most pressing human service needs.
5. Identifying education, from early childhood forward, as the central factor in individual and community success.
6. Embracing a health and wellness culture which mirrors the excellence of our major medical institutions.
7. Incorporating economic inclusion as a guiding principle in our economic development strategy.
8. Branding our metropolitan area as an international city which harnesses the energy of our younger generations.
9. Adopting a collaborative approach to the foreclosure crisis- from prevention to restoration.
10. Honoring the service of our veterans by giving them priority in hiring, training and education.
11. Protecting our county by leading a county-wide public safety initiative.
12. Creating a culture within county government which implements nationally recognized good government practices and innovations.

Replicable and Scalable

Through the merger of LNOCA and LEECA the North Coast Council seeks to leverage existing resources and provide support and services beyond the traditional Information Technology Center (ITC) K-12 environment. The merger of the two sites has demonstrated that there is a better way to increase capacity and reduce costs. NCC has discussed the possibility of further increasing capacity and efficiency by merging with other area ITC Sites.

Project Information

By incorporating the shared automated personnel study within the three-county shared service infrastructure, North Coast Shared Service Alliance, the outcomes of the study and eventual project implementation can be integrated into the infrastructure, operation, and planning processes of NCSSA. While the projects through NCSSA can be replicated in any of the diverse regions across Ohio, flexibility also exists to meet the diverse needs within that region. By the same progression, the NCSSA and projects, such as the Shared Automated Personnel Solutions, can be expanded across a broader region, simply by including representation from additional counties within the existing structure.

The elevated capacity to scale up services, such as shared personnel solutions, hinges on the reality that many of the partners of NCSSA have the ability to expand the work across their own audiences. A core function of each participating ESC, for example, is leveraging resources for both instructional and non-instructional shared services for all member school districts. With over 150 school districts and agencies as members, the primary purpose of the Ohio Schools Council is increasing purchasing power for member school districts. The membership of the Greater Cleveland School Superintendents' Association includes nearly 100 school districts and 30 business, agencies and higher education partners, providing a mechanism for collaboration and feedback across varied client pools. Finally, the three countywide governments are key to serving as change agents to expand the current education-based shared service concepts to new services that include municipalities and county agencies. In addition, as mentioned, **it is the intent of all three county ESCs to share data, service models, and successes and challenges to support the potential replication and scaling up of the shared service projects, such as automated personnel solutions.**

Finally, as the Cuyahoga County Executive Office and Office of Regional Collaboration are key partners in this feasibility study, research, needs and capacity can also be identified for other types of information technology needs or payroll needs that are key to many aspects of government and business infrastructure. This will further support the broad education and human services work through Cuyahoga County's Western Reserve Plan.

Intent to Implement Recommendations of Performance or Other Audit:

This feasibility study is not the result of an Auditor of State Performance Audit, but of a desire to reduce operating costs and increase efficiency on a regional level.

Explanation of How the Project Facilitates Improved Business or Community Attraction:

Improved services for personnel processing will improve the local business or community attraction in multiple ways. Currently, many school districts, higher education institutions and government organizations are responding to current budget deficits by cutting workforces, reducing hours, instituting hiring freezes and other program cuts that may, in fact, increase costs in many ways.²⁷ Implementing automated Kronos solutions give districts and organizations real-time data allowing them to manage labor costs strategically and invest resources back into students and education. This information is critical to viewing trends and projections, making timely and sound financial decisions to avoid additional budget cuts.

In addition to improved financial planning for multiple entities, savings and efficiencies will be realized through economies of scale, reduced errors and lower labor costs (both in a reduction of processing time and more accurate tracking of attendance) will allow districts and other organizations to redirect attention, funding and resources back to classroom instructional expenses, or other priorities of

²⁷ Rubel, T. (2010). *Controlling costs in education with workforce management systems*. IDC Government Insights. <http://www.kronos.com/showAbstract.aspx?id=11827&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

Project Information

businesses and government entities. Specifically for school districts, decreased operational costs and increased instructional costs will not only provide more resources directly to student achievement, but the district's ranking through the Ohio Department of Education will improve per the new state ranking guidelines.

In addition, as districts demonstrate a commitment to sound financial planning, implement innovative cost-cutting measures, increase instructional expenditures and improve in state rankings, districts are then better positioned for community support during levy campaigns. This support can, in turn, continue to increase funding to schools, as operational and labor expenditures continue to decline, directing even more dollars into classroom expenditures. This cycle of operational and labor reductions, increased classroom expenditures, parental support, and increased funding has the potential to improve the school community, as well as the surrounding local neighborhood making the community more inviting to new families. As the school climate improves and families are retained or attracted to the community, the local business sector will also see improvements and increased engagement.

Tab 4

Financial Documentation

Fiscal Year 2008-2009							
Month	Beginning Balance	Revenue	Expenditures	Ending Balance	Encumbrances	Unencumbered Cash	Accounts Receivable
Jul	\$ 42,767	\$ 406,625	\$ 174,698	\$ 274,693	\$ 207,740	\$ 66,953	\$ 650,147
Aug	274,693	415,232	258,570	430,941	215,986	214,955	333,780
Sep	430,941	347,541	152,616	625,865	286,453	339,412	157,649
Oct	625,865	209,161	190,948	644,494	203,975	440,519	167,824
Nov	644,494	97,579	211,513	530,560	209,409	321,150	104,064
Dec	530,560	109,362	178,607	461,333	183,499	277,833	59,979
Jan	461,333	588,857	210,973	839,199	170,683	668,516	179,639
Feb	839,199	100,933	237,630	702,502	234,104	468,398	69,172
Mar	702,502	491,206	463,627	730,082	109,195	620,887	305,103
Apr	730,082	239,546	157,146	812,481	104,829	707,652	331,550
May	812,481	103,528	166,371	749,638	127,310	622,328	270,757
Jun	\$ 749,638	\$ 322,335	\$ 278,256	\$ 793,718	\$ 61,649	\$ 732,069	\$ 71,381

Fiscal Year 2009-2010							
Month	Beginning Balance	Revenue	Expenditures	Ending Balance	Encumbrances	Unencumbered Cash	Accounts Receivable
Jul	\$ 793,718	\$ 502,923	\$ 239,244	\$ 1,057,397	\$ 29,762	\$ 1,027,634	\$ 372,816
Aug	1,057,397	275,904	266,251	1,067,049	14,221	1,052,828	260,965
Sep	1,067,049	279,012	192,578	1,153,484	12,558	1,140,926	334,569
Oct	1,153,484	338,335	254,268	1,237,551	99,520	1,138,031	149,797
Nov	1,237,551	176,905	329,089	1,085,366	67,823	1,017,543	49,800
Dec	1,085,366	31,419	202,880	913,906	69,447	844,459	34,579
Jan	913,906	601,246	239,304	1,275,848	59,763	1,216,085	210,954
Feb	1,275,848	133,956	240,216	1,169,588	19,193	1,150,395	92,153
Mar	1,169,588	159,458	181,771	1,147,275	16,961	1,130,314	42,993
Apr	1,147,275	242,367	223,933	1,165,708	18,630	1,147,079	181,988
May	1,165,708	64,613	180,488	1,049,833	167,871	881,962	210,428
Jun	\$ 1,049,833	\$ 346,295	\$ 313,103	\$ 1,083,026	\$ 115,960	\$ 967,066	\$ 59,227

Fiscal Year 2010-2011							
Month	Beginning Balance	Revenue	Expenditures	Ending Balance	Encumbrances	Unencumbered Cash	Accounts Receivable
Jul	\$ 1,083,026	\$ 500,645	\$ 284,383	\$ 1,299,287	\$ 121,877	\$ 1,177,411	\$ 384,859
Aug	1,299,287	262,793	222,997	1,339,083	192,587	1,146,496	274,443
Sep	1,339,083	412,858	284,706	1,467,235	104,126	1,363,109	109,621
Oct	1,467,235	251,849	210,798	1,508,287	211,140	1,297,146	137,567
Nov	1,508,287	152,025	306,079	1,354,232	80,443	1,273,789	56,089
Dec	1,354,232	94,143	195,209	1,253,167	75,955	1,177,211	51,462
Jan	1,253,167	500,402	218,400	1,535,168	88,157	1,447,011	188,757
Feb	1,535,168	116,679	255,988	1,395,859	72,289	1,323,570	83,827
Mar	1,395,859	55,082	179,163	1,271,778	83,585	1,188,193	57,966
Apr	1,271,778	227,496	203,151	1,296,123	86,546	1,209,577	58,817
May	1,296,123	72,484	190,863	1,177,744	76,578	1,101,166	62,376
Jun	\$ 1,177,744	\$ 143,143	\$ 223,522	\$ 1,097,365	\$ 118,956	\$ 978,409	\$ 32,996

Financial Documentation

Fiscal Year 2011-2012							
Month	Beginning Balance	Revenue	Expenditures	Ending Balance	Encumbrances	Unencumbered Cash	Accounts Receivable
Jul	\$ 1,097,365	\$ 456,891	\$ 270,197	\$ 1,284,059	\$ 240,778	\$ 1,043,281	\$ 485,224
Aug	1,284,059	757,477	561,482	1,293,360	148,946	1,144,414	191,550
Sep	1,293,360	870,853	760,991	1,207,227	129,452	1,077,775	485,224
Oct	1,207,227	1,366,667	1,026,616	1,437,416	134,452	1,302,964	255,449
Nov	1,437,416	1,563,442	1,207,300	1,453,507	170,728	1,282,779	71,622
Dec	1,097,365	1,641,199	1,441,008	1,297,556	184,785	1,112,771	39,088
Jan	1,297,556	2,180,637	1,660,564	1,617,438	212,217	1,405,222	174,879
Feb							
Mar							
Apr							
May							
Jun							

Financial Documentation

Anticipated Project Costs

Description	Total Cost
NCC Staff Costs	\$88,600.00
Consultant Costs	\$7,500.00
Research and Data Printing Costs	\$2,200.00
Communication Materials	\$1,700.00
<hr/>	
Total Anticipated Project Costs:	\$100,000.00

In-Kind Project Costs

Description	Total Cost
NCC Leadership Team	\$47,500.00
NCC Fiscal Management	\$4,500.00
NCC Administrative Support	\$6,500.00
Study Meeting Rooms	\$3,600.00
Partner Personnel Time	\$9,250.00
<hr/>	
Total In-Kind Project Costs:	\$71,350.00
 Percent Project Costs Match:	 71.35%

Financial Documentation

Anticipated Savings

Description

Total Savings

Total Anticipated Savings:

Tab 5

Automated Timekeeping Feasibility Study Grant Proposal

Sherman Micsak Moved and Cynthia Walker
Seconded the motion that the following resolution be adopted:

WHEREAS, the North Coast Council desires to complete a feasibility study of a shared Automated Time and Reporting Solution with other entities in northeast Ohio; and

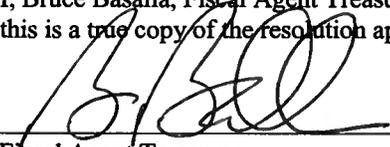
WHEREAS, the study would evaluate the feasibility of a single shared implementation of a Automated Time and Reporting Solution that interfaces with multiple, locally hosted payroll solutions; and

WHEREAS, the North Coast Council will initiate a proposal to the Local Government Innovation Fund as a lead agency; and

RESOLVED, that the Board of Education hereby authorizes and directs the Executive Director to take the appropriate action to implement this Resolution.

16-12 Yeas: Nancy Wingenbach, Robert Mengerink, Sherman Micsak, Allen Sluka, Cynthia Walker
Nays: None

I, Bruce Basalla, Fiscal Agent Treasurer of the North Coast Council, Cuyahoga County, Ohio, do certify that this is a true copy of the resolution approved by the North Coast Council Board of Directors.



Fiscal Agent Treasurer
North Coast Council
Cuyahoga County

Resolution #2012-02-07.2 - Approval of Grant Proposals

Be It Resolved that the Governing Board of the ESC approves the ESC of Cuyahoga County to submit a \$100,000 grant proposal to the Ohio Department of Development for the Local Government Innovation Fund to conduct a feasibility study on pupil transportation in Cuyahoga County. This study will build on the work already done with five school districts and EduLog in reviewing potential cost savings through the use of transportation software. Other components the LGIF study may review include shared services in maintenance, driver training and employment, transportation purchasing or other recommendations developed by the study group, and;

Be It Resolved that the Governing Board of the ESC approves the North Coast Council to submit a \$100,000 grant proposal to the Ohio Department of Development for the Local Government Innovation Fund. The purpose of this proposal is to study the cost savings implementation of Kronos, a single time clock solution that interfaces with individual district or organization payroll systems. While organizations partnering in this proposal may already use Kronos in small proportions, the intent is to look at cost savings of district – wide implementation.

Motion by Anthony Miceli seconded by Carol Fortlage

Ayes: Anthony Miceli, Carol Fortlage, Anton Hocesvar, Frank Mahnic, Christine Krol

This is an accurate account of resolution #2012-02-07.2 from the February 16, 2012, Regular Meeting of the Governing Board of the Educational Service Center of Cuyahoga County.



Bruce Basalla, Treasurer

2/27/2012

Date



Dear Mr. Mitchell,

Thank you for inviting OneCommunity to be part of the Cuyahoga County Education Service Center's Time and Reporting Feasibility Study application for the State of Ohio Local Government Innovation Fund.

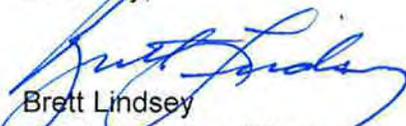
We support the efforts of the North Coast Council to complete a regional feasibility study to determine the benefits of a centrally supported timekeeping and reporting solution. This single shared solution would provide an automated timekeeping solution that would support existing payroll systems.

OneCommunity is a non-profit broadband provider in Northeast Ohio with a long and trusted relationship with several of the other key partners in this feasibility study, most specifically the Cleveland Metropolitan School District and the Cuyahoga County Information Service Center. We strongly support this study knowing that solutions will be quickly instituted due to the high functioning broadband connectivity that these institutions already employ.

Also, as a Northeast Ohio broadband provider, OneCommunity continuously advocates for broadband-powered regional shared services strategies and will support this feasibility study by providing network engineering and technical expertise as well as advocacy for the resulting solution with our other public partners.

We look forward to participating in the feasibility study.

Sincerely,



Brett Lindsey
Chief Operating Officer

**Cuyahoga County
Shared Automated Timekeeping Feasibility Study
Partnership Agreement**

The North Coast Council (NCC) is submitting a grant proposal to the Ohio Department of Development for the Local Government Innovation Fund (LGIF) to conduct a feasibility study on a shared automated timekeeping solution in Cuyahoga County. It is the purpose of this feasibility study to determine the agency needs, the potential cost savings, the increased efficiencies, and the capacity and feasibility of a shared service model for an automated timekeeping solution. This study will build on the work already done with the members of North Coast Council, the Cleveland Municipal School District and Cuyahoga County.

The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for Cuyahoga County.

The purpose and primary roles of the project partners are listed below:

North Coast Council

- Serve as project coordinator and fiscal manager
- Identify capacity of project partners to deliver a shared services solution
- Identify and approach additional partners as indicated by study group
- Formalize delivery model(s) for proposed shared services models
- Scale model for additional Cuyahoga County school districts and other agencies
- Prepare proposal for LGIF loan application in future funding cycles

Cuyahoga County

- Provide efficiency and cost data on county timekeeping components
- Identify needs/gaps for county timekeeping
- Identify potential barriers to the proposed shared service models

Educational Service Center of Cuyahoga County

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

Cleveland Municipal School District

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

OneCommunity

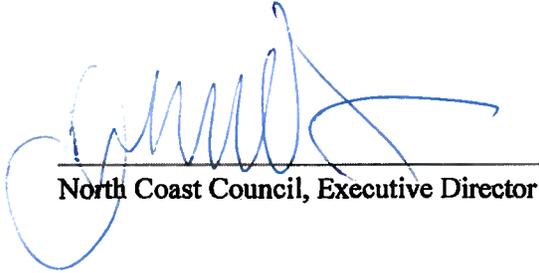
- Provide network engineering and design analysis
- Provide business analysis and supports as needed
- Provide opportunities to scale project to other public sector partners

Other Participating School Districts

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

SIGNATORIES

We, the collaborative partners on the Shared Automated Timekeeping Feasibility Study, agree to work together in accordance with this Partnership Agreement:



North Coast Council, Executive Director

2-29-12

Date

Cuyahoga County, Executive

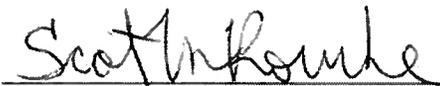
Date

Cleveland Municipal School District, Chief Executive Officer

Date

ESC of Cuyahoga County, Superintendent

Date



2/29/12

OneCommunity, President

Date

**Cuyahoga County
Shared Automated Timekeeping Feasibility Study
Partnership Agreement**

The North Coast Council (NCC) is submitting a grant proposal to the Ohio Department of Development for the Local Government Innovation Fund (LGIF) to conduct a feasibility study on a shared automated timekeeping solution in Cuyahoga County. It is the purpose of this feasibility study to determine the agency needs, the potential cost savings, the increased efficiencies, and the capacity and feasibility of a shared service model for an automated timekeeping solution. This study will build on the work already done with the members of North Coast Council, the Cleveland Municipal School District and Cuyahoga County.

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- Identify potential barriers to the proposed shared service models

Cleveland Municipal School District

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

Other Participating School Districts

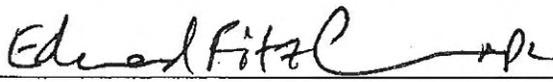
- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

SIGNATORIES

We, the collaborative partners on the Shared Automated Timekeeping Feasibility Study, agree to work together in accordance with this Partnership Agreement:

North Coast Council, Executive Director

Date



2-28-12

Cuyahoga County, Executive

Date

Cleveland Municipal School District, Chief Executive Officer

Date



2/29/12

ESC of Cuyahoga County, Superintendent

Date

Local Government Innovation Fund Program

Application Score £ £

Lead Applicant	
Project Name	

	Grant Application
--	--------------------------

or

	Loan Application
--	-------------------------

The Local Government Innovation Fund Council
77 South High Street
P.O. Box 1001
Columbus, Ohio 43216-1001
(614) 995-2292

Local Government Innovation Fund Project Scoring Sheet

Section 1: Financing Measures

Financing Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Financial Information	<i>Applicant includes financial information (i.e., service related operating budgets) for the most recent three years and the three year period following the project. The financial information must be directly related to the scope of the project and will be used as the cost basis for determining any savings resulting from the project.</i>	Applicant provides a thorough, detailed and complete financial information	5		
		Applicant provided more than minimum requirements but did not provide additional justification or support	3		
		Applicant provided minimal financial information	1		
		Points			
Repayment Structure (Loan Only)	<i>Applicant demonstrates a viable repayment source to support loan award. Secondary source can be in the form of a debt reserve, bank participation, a guarantee from a local entity, or other collateral (i.e., emergency rainy day, or contingency fund, etc.).</i>	Applicant clearly demonstrates a secondary repayment source.	5		
		Applicant does not have a secondary repayment source.	0		
		Points			
Local Match	<i>Percentage of local matching funds being contributed to the project. This may include in-kind contributions.</i>	70% or greater	5		
		40-69.99%	3		
		10-39.99%	1		
		Points			
Total Section Points					

Section 2: Collaborative Measures

Collaborative Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Population	<i>Applicant's population (or the population of the area(s) served) falls within one of the listed categories as determined by the U.S. Census Bureau. Population scoring will be determined by the smallest population listed in the application. Applications from (or collaborating with) small communities are preferred.</i>	Applicant (or collaborative partner) is not a county and has a population of less than 20,000 residents	5		
		Applicant (or collaborative partner) is a county but has less than 235,000	5		
		Applicant (or collaborative partner) is not a county but has a population 20,001 or greater.	3		
		Applicant (or collaborative partner) is a county with a population of 235,001 residents or more	3		
		Points			
Participating Entities	<i>Applicant has executed partnership agreements outlining all collaborative partners and participation agreements and has resolutions of support. (Note: Sole applicants only need to provide a resolution of support from its governing entity.)</i>	More than one applicant	5		
		Single applicant	1		
		Points			
Total Section Points					

Local Government Innovation Fund Project Scoring Sheet

Section 3: Success Measures

Success Measures	Description	Criteria	Points	Applicant Self Score	Validated Score
Expected Return	<i>Applicant demonstrates as a percentage of savings (i.e., actual savings, increased revenue, or cost avoidance) an expected return. The return must be derived from the applicant's cost basis. The expected return is ranked in one of the following percentage categories:</i>	75% or greater	30		
		25.01% to 74.99%	20		
		Less than 25%	10		
			Points		
Past Success	<i>Applicant has successfully implemented, or is following project guidance from a shared services model, for an efficiency, shared service, coproduction or merger project in the past.</i>	Yes	5		
		No	0		
			Points		
Scalable/Replicable Proposal	<i>Applicant's proposal can be replicated by other local governments or scaled for the inclusion of other local governments.</i>	The project is both scalable and replicable	10		
		The project is either scalable or replicable	5		
		Does not apply	0		
			Points		
Probability of Success	<i>Applicant provides a documented need for the project and clearly outlines the likelihood of the need being met.</i>	Provided	5		
		Not Provided	0		
			Points		
Total Section Points					

Section 4: Significance Measures

Significance Measures	Description	Criteria	Points Assigned	Applicant Self Score	Validated Score
Performance Audit Implementation /Cost Benchmarking	<i>The project implements a single recommendation from a performance audit provided by the Auditor of State under Chapter 117 of the Ohio Revised Code or is informed by cost benchmarking.</i>	Project implements a recommendation from an audit or is informed by benchmarking	5		
		Project does not implement a recommendation from an audit and is not informed by benchmarking	0		
			Points		
Economic Impact	<i>Applicant demonstrates the project will a promote business environment (i.e., demonstrates a business relationship resulting from the project) and will provide for community attraction (i.e., cost avoidance with respect to taxes)</i>	Applicant clearly demonstrates economic impact	5		
		Applicant mentions but does not prove economic impact	3		
		Applicant does not demonstrate an economic impact	0		
			Points		
Response to Economic Demand	<i>The project responds to current substantial changes in economic demand for local or regional government services.</i>	Yes	5		
		No	0		
			Points		
Total Section Points					

Section 5: Council Measures			
Council Measures	Description	Criteria	Points Assigned
Council Preference	Council Ranking for Competitive Rounds	The Applicant Does Not Fill Out This Section; This is for the Local Government Innovation Fund Council only. The points for this section is based on the applicant demonstrating innovation or inventiveness with the project	
Total Section Points (10max)			

Scoring Summary		
	Applicant Self Score	Validated Score
Section 1: Financing Measures		
Section 2: Collaborative Measures		
Section 3: Success Measures		
Section 4: Significance Measures		
Total Base Points:		

Reviewer Comments

Lead Partner Contact Information

Tab 1

Lead Partner Contact Information

Applicant: **North Coast Council**
Address: 5700 West Canal Road
Valley View, Ohio 44125
Phone/Fax: (216) 520-6900 (phone) / (216) 520-6969 (fax)
Email: John.Mitchell@NCCOhio.org

Contact Information (Name/Title/Phone/Email):
John W. Mitchell, Executive Director
(216) 520-6900, Extension 229 (phone)
John.Mitchell@NCCOhio.org

County: Cuyahoga, Lake, Lorain, Medina, Summit

Population Data: 2,525,632

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on K-12 timekeeping components
- Identify needs/gaps for K-12 timekeeping
- Identify potential barriers to the proposed shared service models

Tab 2

Collaborative Partners

Collaborative Partner: **Cleveland Municipal School District**

Address: 1380 E 6th Street
Cleveland, Ohio 44114

Phone/Fax Numbers: (216) 574-8668 (phone) / (216) 574-8120

Email: Joseph.Podach@cmsdnet.net

Population Data: 396,815

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on CMSD timekeeping components
- Identify needs/gaps for CMSD timekeeping
- Identify potential barriers to the proposed shared service models

Collaborative Partner: **Cuyahoga County**

Address: 1219 Ontario Street, 4th Floor
Cleveland, Ohio 44113

Phone/Fax Numbers: (216) 443-7178

Email: jmowry@cuyahogacounty.us

Population Data: 1,280,122

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on county timekeeping components
- Identify needs/gaps for county timekeeping
- Identify potential barriers to the proposed shared service models

Collaborative Partners

Collaborative Partner: Educational Service Center of Cuyahoga County

Address: 5811 Canal Road
Valley View, Ohio 44125

Phone/Fax: 216-524-3000 (phone) / 216-524-3683 (fax)

Email: Bob.Mengerink@esc-cc.org

County: Cuyahoga

Population Data: 1,280,122

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on K-12 timekeeping components
- Identify needs/gaps for K-12 timekeeping
- Identify potential barriers to the proposed shared service models

Collaborative Partner: OneCommunity

Address: 800 W. St. Clair Avenue, 2nd Floor
Cleveland, Ohio 44113

Phone/Fax Numbers: (216) 923-2374 (phone) / (216) 923-2375

Email: Tom.Miller@OneCommunity.org

Population Data:

Nature of Partnership: The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for participating partners.

How will the main applicant and partner(s) work together on the project?

- Provide efficiency and cost data on OneCommunity Anchor Institutions timekeeping components
- Identify needs/gaps for OneCommunity Anchor Institutions timekeeping
- Identify potential barriers to the proposed shared service models

Project Information

Tab 3

Project Information

Type of Award: Grant

Targeted Approach: Shared Service

Project Name: Shared Timekeeping and Reporting Study

Problem Statement:

Based on the Ohio Department of Education expenditure data, school districts in Cuyahoga and Lorain County spend over \$300 million, or 12% of total expenditures on administrative costs.¹ These administrative costs include central office costs incurred for the Board of Education, Superintendent's Office, Fiscal Services, Business Manager, and Support Services. These costs do not deal directly with the education of the students and encompass planning, research, information services, staff services, and data processing expenditures. Within these offices falls the responsibility of the multiple components of personnel and payroll processing.

According to the National Center for Education Statistics, traditional public schools and community schools staff almost 15,000 full time teachers and administrators.² This number does not even take into consideration the district classified staff, part-time employees and substitutes that the human resource and finance departments process in different ways, with different employment regulations, different levels of benefits and different time-keeping measures. It also should be recognized that even the full time teachers and administrators are employed in a range of contract days, requiring different calculations for payroll processing.

Personnel are the single largest cost for school districts, making up about 80% of their operational budget. In addition to the time required for processing personnel, research has also documented that a majority of education institutions often exceed their operating budgets for labor because of difficulties in tracking time and attendance.³ Managing the mix of full-time, part-time and temporary employment is a major challenge and costs associated with nonproductive time, such as unscheduled absences, vacation time, family medical leave, late arrivals and early departures, can account for between 15% and 36% of an organization's total payroll expense.

Broward County Public Schools is a countywide education system serving 260,000 students, which is slightly more than the 230,000 students served within Cuyahoga and Lorain Counties.⁴ Broward County Schools is one educational system that addressed these common needs through the use of the Kronos Workforce Management Solutions. Key benefits identified by Broward County included reduced overpayments, improved administrator productivity and eliminated paper costs.⁵ Other reduced costs

¹Ohio Department of Education: Expenditure and Revenue Data

<http://www.ode.state.oh.us/GD/Templates/Pages/ODE/ODEDetail.aspx?page=3&TopicRelationID=1214&ContentID=708&Content=105426> <http://quickfacts.census.gov/qfd/states/39/39035.html>

² National Center for Education Statistics (2008-2009). Elementary and Secondary Education System

<http://nces.ed.gov/ccd/elsi/expressables.aspx?bridge=quickFacts&tableid=10&level=District&focusValue=OH&year=2009-10>

³ Rubel, T. (2010). *Controlling costs in education with workforce management systems*. IDC Government Insights.

<http://www.kronos.com/showAbstract.aspx?id=11827&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

⁴ National Center for Education Statistics (2008-2009). Elementary and Secondary Education System

<http://nces.ed.gov/ccd/elsi/expressTables.aspx>

⁵ Nucleus Research (2008). *ROI Case Study: Kronos, Broward County Public Schools*.

<http://www.kronos.com/showAbstract.aspx?id=1265&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

Project Information

and increased efficiencies for Washington County Public Schools included^{6 7} streamlined payroll processing, accurate labor tracking and compensation, increased employee satisfaction, and a reduction of compliance issues.

Locally, Cleveland Metropolitan School District, as well as other governmental agencies, have realized costs savings and increased efficiencies in implementing the Kronos Workforce Solutions within specific subgroups of their labor force. It is the purpose of this feasibility study to determine what common personnel processing needs exist in school districts, as well as government entities, in Cuyahoga County and Lorain County. In addition, the study will investigate the additional cost savings and increased efficiencies in expanding this solution within other labor sectors within the current Kronos clients, or to other school districts and government entities within Cuyahoga and Lorain Counties. Finally, the study will review the feasibility and capacity of implementing partial or full components of the Kronos Management Workforce Solutions with the support of the North Coast Council regional informational technology center.

⁶ Kronos (2010). *Kronos Solution Improves Washington County Schools' Workforce Productivity and Payroll Accuracy* <http://www.kronos.com/case-study/washington-county-public-schools.aspx>

⁷ Kronos (2010). *Washington County School District Uses Kronos to Improve Efficiencies and Compliance While Reducing Costs.* <http://www.kronos.com/case-study/washington-county-school-district.aspx>

Project Information

Project Description:

Our partners in completing this feasibility include Cleveland Municipal School District, Cuyahoga County, Educational Service Center of Cuyahoga County, North Coast Council and OneCommunity. The combined resources, expertise, and influence of our partnership provide for a formidable team to successfully complete this feasibility study.

The Shared Timekeeping and Reporting Study will follow the process used by the North Coast Shared Service Alliance for developing shared service models. These processes are modeled after planning and implementation processes presented by the Washington State Shared Services Model⁸, the Office of the New York State Comptroller⁹ and PricewaterhouseCoopers¹⁰ and as such include best practices across education, government and business. **The recommended phases of the process also strategically support the recommendations from Ohio Educational Service Center Association (OESCA) that the success of shared service models and action plans depend upon¹¹:**

- *Establishing a baseline of information relative to existing shared services and identify areas of opportunity;*
- *Identify desired outcomes beyond improved efficiencies and cost savings to include improved student outcomes;*
- *Recognize the existing infrastructure; and*
- *Define performance metrics or accountability systems to determine success.*

The intent of the North Coast Council is to conduct the shared automated personnel solution feasibility study prior to the December 2012 LGIF fourth round of awards. The intent is to use the information learned from this study to develop a loan application proposal for a shared service delivery model of automated personnel solutions. The feasibility study period will then run from July 1, 2012 through December 1, 2012. The feasibility study only address the first two of the four processes for the development of a shared service delivery model. The anticipated dates for each of these steps are included below. The last two steps listed below are for informational purposes, but would be included within the subsequent loan application.

Needs Assessment and Benchmarking (July 2012-September 2012):

During this phase, the study team will conduct needs assessments across systems regarding common and unique needs, opportunities and cost analysis for shared service projects, develop Memorandum of Agreements for partners participating in the identified shared service project and set performance targets.

Shared Service Project Design (September 2012-October 2012):

The study team, in collaboration with NCSSA, will review and design more detailed business models for the identified shared service project, create an implementation timeline and define service levels for the

⁸ Washington State (2009). *Washington State Shared Services Model*.

⁹ Office of the New York State Comptroller, Division of Local Government and School Accountability (2009). *Intermunicipal Cooperation and Consolidation: Exploring Opportunities for Savings and Improved Service Delivery*.

¹⁰ PricewaterhouseCoopers (2011). *Global Best Practices: Shared Service Center*

¹¹ Burford, C. (2011). *Educational Service Centers: Reducing Costs and Improving Outcomes through Instructional and Operational Shared Services*. Ohio Educational Service Center Association. (OESCA May 2011 PRESENTATION)

Project Information

shared service project. These service levels will identify whether the service is a “joint service” (developed mutually by all partners) or a “shared service” (with one partner extending their service to others).

Building of Shared Service Projects (Future Loan Application Component):

The building of the identified shared service projects will require North Coast Council to develop, enhance or integrate any functions, procedures or policies necessary to implement the initial shared service projects. In addition, NCCSA will use multiple communication mechanisms to present and offer the shared service to additional partners.

Implementation, Operation and Monitoring (Future Loan Application Component):

During this last phase North Coast Council, the NCCSA and other partners will work closely to implement the initial shared service projects, monitor the performance against service level agreements, and review and adjust progress and support. In addition, the NCCSA will analyze feedback from the User Feedback Committee and develop processes to enhance the services or include additional partners.

Summary Timeline

July 2, 2012	Project Initiated
September 17, 2012	Needs Assessment and Benchmarking Completed
October 22, 2012	Shared Services Project Design Completed / Loan Application Process Initiated
November 16, 2012	Loan Planning Study Submitted to Ohio Department of Development
December 3, 2012	Loan Application Submitted to Ohio Department of Development

Project Information

Response to Current Substantial Changes in Economic Demand for Local/Regional Government Services: The Ohio Legislative Service Commission highlighted the following economic trends in district operating expenses, which include the labor costs of certified and classified staff, as well as administrative costs in overseeing the multi-layered personnel processes¹²:

- During the ten-year period from FY 1999 to FY 2008, Ohio's per pupil operating expenditures increased by \$3,601 (54.8%).
- In FY 2008, Ohio's per pupil operating expenditures of \$10,173 ranked 18th among the 50 states. Ohio's per pupil expenditures were higher than four out of five neighboring states.

Most recently and drastically, in the recent biennial budget bill HB 153, school districts were impacted as the budget repealed the school funding formula used in FY 2010 and FY 2011 and provided, in temporary law, a **method of allocating a reduced total amount of funding to public schools in FY 2012 and FY 2013**. This reduction was made more drastic by the previous federal stimulus funding that is no longer provided as of FY 2012.¹³

As the budget crisis hit a critical peak in 2011, education leaders are at crossroads as they search for ways to do more with less. As the research indicates, the trend in education shows a growing need for increased services with the reality of decreased financial resources. One of the quickest ways to improve efficiency for these organizations is to control labor costs, typically their largest controllable expense, comprising as much as 80 percent of all operating expenses.

This Shared Timekeeping and Reporting Study proposal responds to the critical need to find mechanisms for creating economies of scale, reducing costs and improving efficiencies, while addressing the specific economic demand on schools of the burdensome labor costs.

Anticipated Return on Investment:

As a feasibility study, it is difficult to identify an anticipated return on investment. In addition, the potential for cost savings is varied, depending on the specific shared Kronos management solutions implemented, size of district and labor sectors involved. Typically, the shared service component of the work is most beneficial to smaller school districts and entities that do not have a large enough base to establish an economy of scale to drive down costs for hardware purchases or technical assistance training and support. Conversely, for a workforce management solution, such as Kronos, larger districts have the potential to save more and increase efficiencies by mitigating challenges with a larger and more diverse workforce.

More specifically, many countywide or regional school systems across the country have demonstrated significant returns on investments by implementing Kronos automated workforce solutions. Most important, the implementation of Kronos allows for shared services for personnel processing that are created with customized inputs and outputs from the school districts and organizations regarding contract and union requirements, benefit levels, and multiple layers of personnel. **These documented returns on investment across education, government and business systems indicate the potential for significant savings through a shared service approach to Kronos implementation, some of which are comparable in size to Cuyahoga County and Lorain County.**

¹² Ohio Legislative Service Commission (2010). *Ohio Facts 2010*.

<http://www.lsc.state.oh.us/fiscal/ohiofacts/sep2010/2010ohiofacts.pdf>

¹³ Ohio Legislative Service Commission (2011). *LSC Greenbook: Department of Education*

<http://www.lsc.state.oh.us/fiscal/greenbooks129/edu.pdf>

Project Information

- Broward County Public Schools of 34,000 employees documented a 52% return on investment in less than two years.¹⁴
 - Payroll costs for substitute teachers were reduced by 4% by eliminating overpayments with inaccurate attendance data.
 - The time administrative assistants needed to dedicate to substitute processing was reduced by 66%.
 - One FTE was freed up from the need for daily configuration of the previous solution for substitute tracking across different schools.
 - Paper costs were eliminated.
- Washington County School District in Utah employs 2,220 salaried positions and 700 hourly positions.¹⁵ By implementing Kronos for 50 schools and auxiliary locations, the district had the following returns on investment:
 - Reduced payroll processing time from a few weeks to 1-2 days, eliminating .5 FTE position.
 - Self-service for benefits cut the open enrollment process from 8 weeks to 1 week.
 - The automated paperless solution eliminated 90% of paper costs totaling \$9000 a year.
- In 2010, Cleveland State University implemented to Kronos system to address, among other things, fluctuations in total employed, mostly with increases in the employment of students, who may hold as many as twelve different jobs. By implementing Kronos, time and attendance data entry was reduced from 3 days to 5 minutes. In addition, employees who were dedicated to data entry are being utilized more effectively for higher level functions.¹⁶
- In 2011, the Cleveland Clinic was one of several major health organizations to implement a Kronos system of workforce management. By using Kronos data to identify root causes of increased labor costs, the Cleveland Clinic reduced expenses by more than \$5 million.¹⁷
- The City of Strongsville, Ohio implemented Kronos Workforce Central suite to better control labor and overtime costs resulting in a 75% reduction in payroll processing time for 300 full time employees and 200 seasonal employees.¹⁸

Research has also documented many other less quantifiable, economic benefits with the implementation of the Kronos workforce management system components. **The feasibility study will seek to maximize these initial benefits by also reducing the cost of investments and more streamlined technical support through the shared service mechanisms across the school districts, government and business entities.** Other documented benefits of the Kronos system include: simplified tracking, managing, and compliance with labor regulations; reduction of errors and time for corrections; increased employee morale with self-service and reduced errors; personnel with multiple duties can

¹⁴ ¹⁴ Nucleus Research (2008). *ROI Case Study: Kronos, Broward County Public Schools.*

<http://www.kronos.com/showAbstract.aspx?id=1265&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

¹⁵ Kronos (2010). *Washington County School District Uses Kronos to Improve Efficiencies and Compliance While Reducing Costs.* <http://www.kronos.com/case-study/washington-county-school-district.aspx>

¹⁶ Kronos (2010). *Cleveland State University Uses Kronos® to Control Labor Costs.* Press Release. <http://www.kronos.com/pr/cleveland-state-university-uses-kronos-to-control-labor-costs.aspx>

¹⁷ Kronos (2011). *Kronos is Clear Choice for Fast Payback and Innovation in Healthcare Workforce Management* Press Release. http://www.kronos.com/App_Pages/Templates/pr-detail.aspx?id=14492&terms=cleveland

¹⁸ Kronos (2010). *Kronos Solution and Managed Services Help City of Strongsville Control Labor Costs and Improve Compliance.* Case Study http://www.kronos.com/App_Pages/Templates/customer-story.aspx?id=9806&terms=cleveland

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dedicate more time to other duties; increased information control; streamlined reporting needs; real-time data collection; administrators can make timely decisions to avoid additional budget cuts; improved capacity to view staffing trends, make projections and sound budget decisions and funding proposals.^{19 20 21}

Finally, the region's economic and workforce development could also be enhanced as real-time, automated data collection through Kronos would allow administrators to make timely decisions to avoid additional budget cuts. In addition, the school district or organization would increase the capacity to view staffing trends, make projections and develop sound budget decisions, as well as provide support documentation for other funding mechanisms, such as grants.²²

Probability of Proposal Success

Multiple factors increase the probability of success for the Shared Automated Personnel Solution feasibility study. These factors, already described through this proposal indicate that this project has merit and significant potential for success—and scalability, as described below.

First, the partners within this proposal have already invested time and resources to supporting components of this feasibility study. Several of the partners have already implemented the Kronos solution in a smaller labor sector within their organization. By building on the cost saving findings of this initial implementation, participating districts can begin to look more in-depth at shared models for automated personnel solutions. In addition, the North Coast Council is working closely with the ESC of Cuyahoga County and the Cuyahoga County Office of Regional Collaboration as a part of broader shared service initiatives, specifically North Coast Shared Service Alliance and the Western Reserve Plan. This feasibility study will be integrated into this broader work ensuring sustainability and expansion.

Second, a shared approach to automated personnel solutions meets a research-based economic need when the high labor costs are compared to the current financial cuts faced by school districts and other entities. Research has also documented significant quantitative and qualitative returns on investments through shared automated personnel solutions components. This provides a guarantee that investments within this feasibility study and future implementation could address this identified need in multiple ways.

Finally, the true success will come in the implementation phase of what is research and developed through the feasibility study. The North Coast Council has already identified the potential next steps for project implementation after the conclusion of the study. This planning highlights the importance of shared solutions to personnel needs within Cuyahoga County and indicates the intent and commitment to continue the investments after the initial study. Most important, as described in detail in the next section, replication and scalability of this study and eventual shared service delivery model will occur through the regional service provider capacity of the North Coast Council, ESC of Cuyahoga County, the

¹⁹ Nucleus Research (2008). *ROI Case Study: Kronos, Broward County Public Schools*.

<http://www.kronos.com/showAbstract.aspx?id=1265&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

²⁰ Kronos (2010). *Washington County School District Uses Kronos to Improve Efficiencies and Compliance While Reducing Costs*. <http://www.kronos.com/case-study/washington-county-school-district.aspx>

²¹ Kronos (2010). *Kronos Solution Improves Washington County Schools' Workforce Productivity and Payroll Accuracy* <http://www.kronos.com/case-study/washington-county-public-schools.aspx>

²² Kronos (2011). *Kronos Helps Educational Institutions Go Back to School with Big Savings*. Press Release. http://www.kronos.com/App_Pages/Templates/pr-detail.aspx?id=14754&terms=cleveland

Project Information

broader North Coast Shared Service Alliance infrastructure, and the strategic relationships with other key partners, such as the Cleveland Municipal School District, Cuyahoga County and OneCommunity.

Identification of Past Success on Shared Service

North Coast Council

As an initial step towards increased capacity to offer shared technology services, Lakeshore Northeast Ohio Computer Association (LNOCA) and Lake Erie Educational Computer Association (LEECA) have announced a merger, which took effect on August 1, 2011 to form the North Coast Council (NCC). This merger represents a pooling of the resources and expertise of two major information technology centers (ITCs) supporting over 200,000 students, teachers, and staff in K-12 schools, making it the largest ITC in Ohio. Through this merger and shared services, LEECA and LNOCA are creating a stronger organization that is more financially efficient, with increased capacity, additional product offerings, and an expanded customer base. The Educational Service Center of Cuyahoga County and the Lorain County Educational Service Center were instrumental in the early merger discussions, providing support to allow the merger to move forward. The current projection for fiscal year 2011-12 is that the merger will save approximately \$310,000. We anticipate that the merger will save an additional \$175,000 in fiscal year 2012-13.

ESC of Cuyahoga County

The ESC of Cuyahoga County serves as the fiscal entity for North Coast Council. As such, North Coast Council has a strong working relationship with the ESC and can build on the shared service capacity of the ESC of Cuyahoga County to replicate and scale efforts in shared technology services. As a regional service provider, the development of shared services to create economies of scale, increase purchasing power and reduce costs for school districts is a long-standing core function of the ESC of Cuyahoga in partnership with other ESCs, school districts and county government and agencies to meet the needs of all students and families. Professional development, human resources and information technology services are two of the most accessed functions of the ESC of Cuyahoga County for shared service opportunities to school districts.

Human Resources Shared Services

The information below provides an example of savings to a local school district through contracted human resources with the ESC of Cuyahoga County.

- Richmond Heights Local Schools contract for forty (40) school personnel
- Educational Service Center of Cuyahoga County handles payroll and manages fringe benefits for forty employees at **no cost** to the district
- Educational Service Center of Cuyahoga County provides payroll for forty employees on a quarterly basis (October, January, March and June) **prior to invoicing** Richmond Heights Schools: approximately \$271,000 quarterly

Annual Savings on District Personnel Provided by the Educational Service Center of Cuyahoga County based on Unit Funding

1. Preschool Teacher: \$38,000
2. Preschool Teacher: \$37,230
3. School Psychologist: \$5,489
4. Speech Pathologist: \$8,269
5. Gifted Teacher: \$31,727
6. Total annual savings: \$120,715

Project Information

Annual Savings on District Personnel Provided at No Cost by the Educational Service Center of Cuyahoga County based on one (1) day per week administrator

1. Gifted Supervisor: \$10,725
2. Special Education Supervisor: \$10,980
3. Attendance Officer: \$7,116
4. Total annual savings: \$28,821

North Coast Shared Service Alliance

In fall 2011, recognizing the increased economic need and advantages of shared services, the ESC of Cuyahoga County, North Coast Council and other partners initiated a regional infrastructure for the research and expansion of additional shared service opportunities through the recent development of the Northcoast Shared Service Alliance (NCSSA). Through the NCSSA, the ESC of Cuyahoga County, North Coast Council, ESC of Lorain County, Medina County ESC and other regional partners in education and government will assess, develop and monitor shared service projects as a response to the need to further reduce duplication of services, standardize processes and reduce costs where feasible.

The NCSSA was developed through international research and best practices for shared services in education, government and business^{23 24 25 26}. The NCSSA provides a structured process to facilitate communication regarding service needs, existing resources, and feasibility and development of shared service projects across three educational service centers, partner school districts, three county governments with multiple county agencies, the North Coast Council Information Technology Center, Ohio Schools Council, and the Greater Cleveland School Superintendents' Association. The structure includes multiple levels of operation with defined purposes and expectations for effective communication across multiple systems, such as education, community, business, government and social agencies. These levels include an Executive Board, three Steering Committees and seven Service Area Divisions. Each level includes cross-representation from these multiple systems as key to expanding resources and identifies shared service projects that have the potential to meet the needs of multiple systems. **This Local Government Innovation Fund proposal provides an opportunity to study the needs and feasibility of shared technology as one project within the Information Technology Division of the NCSSA.**

The priorities of NCSSA are to reduce costs and increase efficiencies to partners and stakeholders by achieving competitive economies of scale, standardizing processes, optimizing available resources and enduring fluctuations in service demand. Recognizing the necessity and opportunity for innovative, regional collaborations to improve services to schools and communities, partners have committed time, resources and expertise to the NCSSA. For the NCSSA and this proposal, a shared service is defined as "any joint service that can be delivered in a way that creates economies of scale, increases purchasing power, reduces costs and duplication and/or improves efficiencies." **In addition, the NCSSA will serve as one mechanism for connecting to the broader Western Reserve Plan of Cuyahoga County that will use similar processes to identify and develop additional shared service opportunities to be accessed by over 50 municipalities throughout Cuyahoga County.**

²³ Withycombe, Scotten & Associates. (2011). *Shared Services Cooperative, Interim Report to Stakeholders*.

²⁴ Hanover Research. (2011). *Regional Serving Sharing: Benchmarks and Examples*.

²⁵ New York State Comptroller. (2009). *Local Government Management Guide: Shared Services in Local Government*.

²⁶ Deloitte. (2005). *Driving More Money into the Classroom: The Promise of Shared Services*.

Project InformationIdentification of Larger Consolidation EffortNorth Coast Council

North Coast Council is the result of the merger of the Lakeshore Northeast Ohio Computer Association (LNOCA) and the Lake Erie Educational Computer Association (LEECA). North Coast Council provides technology and shared services to schools supporting approximately 200,000 K-12 students in a five county area including Cuyahoga County. Merger discussions were initiated in February of 2011 with an agreement reached between the two governing boards in June 2011. The two sites began operating as one site on August 1, 2011 under one management team. The merger is on schedule to be completed on June 30, 2012, with consolidation of all staff and services under the North Coast Council name. Member school districts will realize an average cost savings of 6.8% during fiscal year 2012-13 as a result of efficiencies realized in the merger.

North Coast Shared Service Alliance

The Shared Automated Personnel Solutions Study serves as one component of two larger shared service efforts within the region. The first initiative, the North Coast Shared Service Alliance (NCSSA), is a regional infrastructure for the development of shared service projects across education, government, business and social agencies across three counties in Northeast Ohio. Initiated by the ESC of Cuyahoga County, the ESC of Lorain County and Medina County ESC, the NCSSA reaches across systems by including the County Executive or County Commissioners within the three counties. North Coast Council is a key partner in the NCSSA alongside Ohio Schools Council and the Greater Cleveland School Superintendents' Association. The leaders within each of these entities are committed to combining their regional capacity, resources and audiences to increase an awareness of the broad system implications and advantages of regional shared services.

Three Steering Committees of NCSSA are the policy and implementation groups that report to the Executive Board. The Steering Committees make recommendations to the Executive Board based on identified needs, service/system gaps, potential outcomes for shared services and barriers based on needs assessments and feasibility studies conducted by each Service Divisions within the Steering Committee.

As the Steering Committee translates the recommendations in policies, the respective Service Divisions are responsible for identifying a shared service need and project outcomes, and creating the timeline, design, and service delivery and business models. In addition, the Service Divisions inform the Steering Committees of any necessary policy/procedure changes or additional functions to implement the specific shared service project. The function of each service division is presented below. **In addressing payroll and administrative solutions through integrated technology, this proposed Shared Timekeeping and Reporting Study hence becomes a combined function of the *Business and Operations* and *Information and Technology* Steering Committees under the North Coast Shared Service Alliance.** It is the intent of all partners in the NCSAA to share data, service models, successes and challenges to support the potential replication and scaling up of the shared personnel solutions study.

Project Information***Western Reserve Plan***

While the NCSSA is a broad initiative across three counties to address seven areas of shared services, the Western Reserve Plan is a strategic plan through the new Executive Office of Cuyahoga County. For nearly a century, Cuyahoga County has explored ways to consolidate and improve service delivery among our many different communities. Since 1917, civic reform groups have envisioned a County where consolidation could improve services, lower taxes and increase efficiency. Today, tight budgets are an additional incentive for collaboration while maintaining municipal authority and quality service delivery. The purpose of this plan is to develop alignment, consolidation and shared services across twelve key areas to offer these services to over fifty municipalities that make up Cuyahoga County. **North Coast Council is working closely with Cuyahoga County and the Office of Regional Collaboration as key partners in the NCSSA and this shared timekeeping and reporting study proposal. Through this proposal and many other projects, the North Coast Council, ESC of Cuyahoga County and the NCSSA will assist in the development of shared service models, across many of the key areas of the Western Reserve Plan.**

The Western Reserve Plan will focus on these 12 key areas:

1. Implementing a practical strategy for creating a functioning, county-wide metropolitan government.
2. Establishing Greater Cleveland as a center of entrepreneurship and job growth.
3. Designing a place-based development strategy which recognizes the centrality of downtown Cleveland to the region as a whole.
4. Aligning and coordinating both public and private resources around our most pressing human service needs.
5. Identifying education, from early childhood forward, as the central factor in individual and community success.
6. Embracing a health and wellness culture which mirrors the excellence of our major medical institutions.
7. Incorporating economic inclusion as a guiding principle in our economic development strategy.
8. Branding our metropolitan area as an international city which harnesses the energy of our younger generations.
9. Adopting a collaborative approach to the foreclosure crisis- from prevention to restoration.
10. Honoring the service of our veterans by giving them priority in hiring, training and education.
11. Protecting our county by leading a county-wide public safety initiative.
12. Creating a culture within county government which implements nationally recognized good government practices and innovations.

Replicable and Scalable

Through the merger of LNOCA and LEECA the North Coast Council seeks to leverage existing resources and provide support and services beyond the traditional Information Technology Center (ITC) K-12 environment. The merger of the two sites has demonstrated that there is a better way to increase capacity and reduce costs. NCC has discussed the possibility of further increasing capacity and efficiency by merging with other area ITC Sites.

Project Information

By incorporating the shared automated personnel study within the three-county shared service infrastructure, North Coast Shared Service Alliance, the outcomes of the study and eventual project implementation can be integrated into the infrastructure, operation, and planning processes of NCSSA. While the projects through NCSSA can be replicated in any of the diverse regions across Ohio, flexibility also exists to meet the diverse needs within that region. By the same progression, the NCSSA and projects, such as the Shared Automated Personnel Solutions, can be expanded across a broader region, simply by including representation from additional counties within the existing structure. **The elevated capacity to scale up services, such as shared personnel solutions, hinges on the reality that many of the partners of NCSSA have the ability to expand the work across their own audiences.** A core function of each participating ESC, for example, is leveraging resources for both instructional and non-instructional shared services for all member school districts. With over 150 school districts and agencies as members, the primary purpose of the Ohio Schools Council is increasing purchasing power for member school districts. The membership of the Greater Cleveland School Superintendents' Association includes nearly 100 school districts and 30 business, agencies and higher education partners, providing a mechanism for collaboration and feedback across varied client pools. Finally, the three countywide governments are key to serving as change agents to expand the current education-based shared service concepts to new services that include municipalities and county agencies. In addition, as mentioned, **it is the intent of all three county ESCs to share data, service models, and successes and challenges to support the potential replication and scaling up of the shared service projects, such as automated personnel solutions.**

Finally, as the Cuyahoga County Executive Office and Office of Regional Collaboration are key partners in this feasibility study, research, needs and capacity can also be identified for other types of information technology needs or payroll needs that are key to many aspects of government and business infrastructure. This will further support the broad education and human services work through Cuyahoga County's Western Reserve Plan.

Intent to Implement Recommendations of Performance or Other Audit:

This feasibility study is not the result of an Auditor of State Performance Audit, but of a desire to reduce operating costs and increase efficiency on a regional level.

Explanation of How the Project Facilitates Improved Business or Community Attraction:

Improved services for personnel processing will improve the local business or community attraction in multiple ways. Currently, many school districts, higher education institutions and government organizations are responding to current budget deficits by cutting workforces, reducing hours, instituting hiring freezes and other program cuts that may, in fact, increase costs in many ways.²⁷ Implementing automated Kronos solutions give districts and organizations real-time data allowing them to manage labor costs strategically and invest resources back into students and education. This information is critical to viewing trends and projections, making timely and sound financial decisions to avoid additional budget cuts.

In addition to improved financial planning for multiple entities, savings and efficiencies will be realized through economies of scale, reduced errors and lower labor costs (both in a reduction of processing time and more accurate tracking of attendance) will allow districts and other organizations to redirect attention, funding and resources back to classroom instructional expenses, or other priorities of

²⁷ Rubel, T. (2010). *Controlling costs in education with workforce management systems*. IDC Government Insights. <http://www.kronos.com/showAbstract.aspx?id=11827&rr=1&sp=y&LangType=1033&ecid=ABEA-56V1K5>

Project Information

businesses and government entities. Specifically for school districts, decreased operational costs and increased instructional costs will not only provide more resources directly to student achievement, but the district's ranking through the Ohio Department of Education will improve per the new state ranking guidelines.

In addition, as districts demonstrate a commitment to sound financial planning, implement innovative cost-cutting measures, increase instructional expenditures and improve in state rankings, districts are then better positioned for community support during levy campaigns. This support can, in turn, continue to increase funding to schools, as operational and labor expenditures continue to decline, directing even more dollars into classroom expenditures. This cycle of operational and labor reductions, increased classroom expenditures, parental support, and increased funding has the potential to improve the school community, as well as the surrounding local neighborhood making the community more inviting to new families. As the school climate improves and families are retained or attracted to the community, the local business sector will also see improvements and increased engagement.

Supporting Documentation

Tab 4

**Cuyahoga County
Shared Automated Timekeeping Feasibility Study
Partnership Agreement**

The North Coast Council (NCC) is submitting a grant proposal to the Ohio Department of Development for the Local Government Innovation Fund (LGIF) to conduct a feasibility study on a shared automated timekeeping solution in Cuyahoga County. It is the purpose of this feasibility study to determine the agency needs, the potential cost savings, the increased efficiencies, and the capacity and feasibility of a shared service model for an automated timekeeping solution. This study will build on the work already done with the members of North Coast Council, the Cleveland Municipal School District and Cuyahoga County.

The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for Cuyahoga County.

The purpose and primary roles of the project partners are listed below:

North Coast Council

- Serve as project coordinator and fiscal manager
- Identify capacity of project partners to deliver a shared services solution
- Identify and approach additional partners as indicated by study group
- Formalize delivery model(s) for proposed shared services models
- Scale model for additional Cuyahoga County school districts and other agencies
- Prepare proposal for LGIF loan application in future funding cycles

Cuyahoga County

- Provide efficiency and cost data on county timekeeping components
- Identify needs/gaps for county timekeeping
- Identify potential barriers to the proposed shared service models

Educational Service Center of Cuyahoga County

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

Cleveland Municipal School District

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

OneCommunity

- Provide network engineering and design analysis
- Provide business analysis and supports as needed
- Provide opportunities to scale project to other public sector partners

Other Participating School Districts

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

SIGNATORIES

We, the collaborative partners on the Shared Automated Timekeeping Feasibility Study, agree to work together in accordance with this Partnership Agreement:

North Coast Council, Executive Director Date

Cuyahoga County, Executive Date

Cleveland Municipal School District, Chief Executive Officer Date

ESC of Cuyahoga County, Superintendent Date

Scott Inhouse *2/29/12*

OneCommunity, President Date

Resolution #2012-02-07.2 - Approval of Grant Proposals

Be It Resolved that the Governing Board of the ESC approves the ESC of Cuyahoga County to submit a \$100,000 grant proposal to the Ohio Department of Development for the Local Government Innovation Fund to conduct a feasibility study on pupil transportation in Cuyahoga County. This study will build on the work already done with five school districts and EduLog in reviewing potential cost savings through the use of transportation software. Other components the LGIF study may review include shared services in maintenance, driver training and employment, transportation purchasing or other recommendations developed by the study group, and;

Be It Resolved that the Governing Board of the ESC approves the North Coast Council to submit a \$100,000 grant proposal to the Ohio Department of Development for the Local Government Innovation Fund. The purpose of this proposal is to study the cost savings implementation of Kronos, a single time clock solution that interfaces with individual district or organization payroll systems. While organizations partnering in this proposal may already use Kronos in small proportions, the intent is to look at cost savings of district – wide implementation.

Motion by Anthony Miceli seconded by Carol Fortlage

Ayes: Anthony Miceli, Carol Fortlage, Anton Hocesvar, Frank Mahnic, Christine Krol

This is an accurate account of resolution #2012-02-07.2 from the February 16, 2012, Regular Meeting of the Governing Board of the Educational Service Center of Cuyahoga County.



Bruce Basalla, Treasurer

2/27/2012

Date

Supporting Documentation

Tab 5



April 2, 2012

John Mitchell
North Coast Council
5700 West Canal Road
Valley View, Ohio 44125

RE: Application Cure Letter

Dear John Mitchell:

The Ohio Department of Development (Development) has received and is currently reviewing your application for Round 1 of Local Government Innovation Fund program. During this review Development has determined that additional information is needed for your application. The identified item(s) requiring your attention are listed on the attached page(s). Please respond only to the issues raised. Failure to fully address all the identified items could lead to a competitive score reduction or ineligibility for Round 1 of the Local Government Innovation Fund program. **A written response from the applicant to this completeness review is due to Development no later than 5:00 p.m. on April 30, 2012.** Please send the response in a single email to lgif@development.ohio.gov and include "Cure—Project Name" in the subject line.

While this cure letter represents the additional information needed for Development review, the Local Government Innovation Council continues to reserve the right to request additional information about your application.

Thank you once again for your participation in Local Government Innovation program. Please contact the Office of Redevelopment at lgif@development.ohio.gov or 614-995-2292 if you have further questions regarding your application or the information requested in this letter.

Sincerely,

Thea J. Walsh, AICP
Deputy Chief, Office of Redevelopment
Ohio Department of Development

Local Government Innovation Fund Completeness Review

Applicant: North Coast Council
Project Name: Shared Timekeeping and Reporting Study
Request Type: Grant

Issues for Response

1. Budget

Please provide a line item budget that includes at minimum: 1) the sources of all funds being contributed to the project include **all** sources—cash, in-kind, etc.; 2) the uses of all funds (provide a line item for each use); 3) the total project costs (including the funding request **and** the local match. Please be sure that all uses of funds are eligible expenses as set forth in the program guidelines.

Example:

Collaboration Village's Project Budget

Sources of Funds

LGIF Request	\$100,000
Match Contribution (11%)	\$ 11,111
Total	\$111,111

Uses of Funds

Consultant Fees for Study	\$111,111
Total	\$111,111

Total Project Cost: \$111,111

2. Match

A minimum of 10% match is required for all projects. Matching funds must be 10% of the **total project cost** (not 10% of the funding request). Please document your 10% match and provide evidence of the contribution.

For **in-kind contributions**, please provide documentation as outlined in section 2.06 of the Local Government Innovation Fund program policies. Certification of in-kind contributions may only be made for past investments. Anticipated in-kind contributions must be certified **after** the contribution is made.

3. Financial Documentation (Projections)

Please provide financial projections for your funding request. For grant requests, applicants must at minimum, estimate the anticipated savings they are expecting to realize as a result of the study. For loan projects, please provide projections for at least three years to help demonstrate the savings achieved and the repayment source for the loan.

4. Population Information and Documentation

Please provide documentation supporting population information provided using the 2010 U.S. Census. To access census information, you may visit the following website <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml>.

5. Resolutions of Support

Resolutions of support must be provided by the governing body of the main applicant and each collaborative partner. If the collaborative partner is a private entity with no governing body, a letter of support **for the project** is required.

6. Partnership Agreements

Partnership agreements must be signed by all parties listed as collaborative partners. Please provide a partnership agreement that at minimum: 1) lists all collaborative partners; 2) lists the nature of the partnership; and 3) is signed by all parties. Please note, partnership agreements must be specific to the project for which funding is requested.

Shared Timekeeping and Reporting Study Budget

Sources of Funds

LGIF Grant Funding Request		\$100,000.00
Match Contribution (71.35%)		\$71,350.00
NCC Match Contribution:	\$62,100.00	
Partner Match Contribution:	\$9,250.00	
Total:		\$171,350.00

Uses of Funds

NCC Staff Costs		\$150,700.00
Partner Staff Costs		\$9,250.00
Consultant Costs		\$7,500.00
Research and Data Printing Costs		\$2,200.00
Communication Materials		\$1,700.00
Total Anticipated Project Costs:		\$171,350.00

Shared Timekeeping and Reporting Study Anticipated Savings

<u>Organization</u>	<u>Annual Payroll</u>	<u>Anticipated Savings</u>
Cleveland Municipal School District Payroll	450,000,000	1,350,000
Cuyahoga County Government Payroll	371,000,000	1,113,000

** Anticipated savings assumes 0.3% payroll processing errors.*

Assuming that payroll processing errors result in an overpayment of a very conservative 0.3%. The anticipated savings generated by error reduction alone would generate \$2,463,000 between Cuyahoga County Government and the Cleveland Municipal School District. Additional savings would result by adoption with the members of North Coast Council in a regional shared model.

Additional savings would be realized due to reduced paper costs, reduction in staff time for processing payrolls, and cost savings due to group purchase of hardware and software to support timekeeping and reporting.

Total Anticipated Savings:

\$2,463,000.00



PCT1

TOTAL POPULATION
Universe: Total population
2010 Census Summary File 2

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf2.pdf>. Summary File 2 has a population threshold of 100. Data are available only for the population groups having a population of 100 or more of that specific group within a particular geographic area.

POPGROUP: Total population

	Cuyahoga County, Ohio	Lake County, Ohio	Lorain County, Ohio	Medina County, Ohio	Summit County, Ohio
Total	1,280,122	230,041	301,356	172,332	541,781

Source: U.S. Census Bureau, 2010 Census.



PCT1

TOTAL POPULATION
Universe: Total population
2010 Census Summary File 2

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf2.pdf>. Summary File 2 has a population threshold of 100. Data are available only for the population groups having a population of 100 or more of that specific group within a particular geographic area.

POPGROUP: Total population

	Cleveland city, Cuyahoga County, Ohio
Total	396,815

Source: U.S. Census Bureau, 2010 Census.



PCT1

TOTAL POPULATION
Universe: Total population
2010 Census Summary File 2

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf2.pdf>. Summary File 2 has a population threshold of 100. Data are available only for the population groups having a population of 100 or more of that specific group within a particular geographic area.

POPGROUP: Total population

	Cuyahoga County, Ohio
Total	1,280,122

Source: U.S. Census Bureau, 2010 Census.



P1

TOTAL POPULATION
Universe: Total population
2010 Census Summary File 1

NOTE: For information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/doc/sf1.pdf>.

	Cuyahoga County, Ohio	Erie County, Ohio	Lorain County, Ohio	Mahoning County, Ohio	Medina County, Ohio	Stark County, Ohio
Total	1,280,122	77,079	301,356	238,823	172,332	375,586

	Summit County, Ohio	Trumbull County, Ohio
Total	541,781	210,312

Source: U.S. Census Bureau, 2010 Census.

Automated Timekeeping Feasibility Study Grant Proposal

Sherman Micsak Moved and Cynthia Walker
Seconded the motion that the following resolution be adopted:

WHEREAS, the North Coast Council desires to complete a feasibility study of a shared Automated Time and Reporting Solution with other entities in northeast Ohio; and

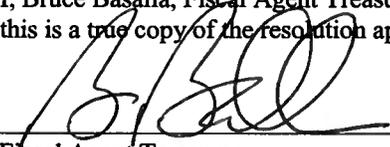
WHEREAS, the study would evaluate the feasibility of a single shared implementation of a Automated Time and Reporting Solution that interfaces with multiple, locally hosted payroll solutions; and

WHEREAS, the North Coast Council will initiate a proposal to the Local Government Innovation Fund as a lead agency; and

RESOLVED, that the Board of Education hereby authorizes and directs the Executive Director to take the appropriate action to implement this Resolution.

16-12 Yeas: Nancy Wingenbach, Robert Mengerink, Sherman Micsak, Allen Sluka, Cynthia Walker
Nays: None

I, Bruce Basalla, Fiscal Agent Treasurer of the North Coast Council, Cuyahoga County, Ohio, do certify that this is a true copy of the resolution approved by the North Coast Council Board of Directors.



Fiscal Agent Treasurer
North Coast Council
Cuyahoga County

State of Ohio Local Innovation Grant Fund
Ohio Department of Development
77 S. High St. 26th Floor
Columbus, OH 43215-6130

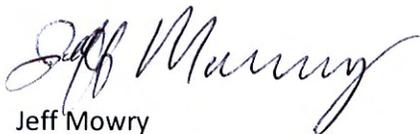
March 1, 2012

This first year under new executive leadership has been a hallmark in Cuyahoga County government. While the County has ushered in a new era of transparency and affected the way government is conducted, the County strives to do more to move the region in terms of the economic development, educational achievement, and the health and well being of our residents. In County Executive Ed FitzGerald's State of the County speech on February 1, 2012, a plan was outlined for the County to develop and offer a set of shared services that could be used across municipalities. The goal of these shared services is to reduce redundancy, create efficiencies and finally achieve the prospect of becoming a cohesive metropolitan area that many have discussed for so long.

To that end, one of the first initiatives we undertake is within the scope of Information Technology. The specific technology and services the County Information Technology (IT) department will examine is the creation of an Enterprise Geographic Information Services (GIS)/Shared Service program. We choose GIS because local governments, both counties and cities are location-focused. The location of land, infrastructure and people and how they relate to each other is critical in most every program and process of local government. We understand that GIS, as a support tool and basic building-block for information systems, can be a great resource not only to local governments, but also in our collective effort to increase communication and data-sharing across municipal boundaries to better understand the region. Creating an Enterprise GIS/Shared Service program allows the County to provide a high quality, non-core and essential set of technology services to the municipalities and agencies that realizes cost savings and a higher quality of services and products they may have otherwise obtained.

The State of Ohio's Local Government Innovation Grant provides an excellent opportunity for the County to continue to work together with various municipalities to develop an Enterprise GIS/Shared Services Feasibility Plan to design this shared service. The County and its partners look forward to working together to bring this plan to fruition and begin a new era of collaboration.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Mowry". The signature is fluid and cursive, written over a light blue horizontal line.

Jeff Mowry
Chief Information Officer
Cuyahoga County

Title: AUTHORIZING THE CLEVELAND MUNICIPAL SCHOOL DISTRICT TO PARTICIPATE IN THE STATE OF OHIO LOCAL GOVERNMENT INNOVATION FUND

The Chief Executive Officer of the Cleveland Municipal School District presents the following resolution for adoption:

WHEREAS, the State of Ohio has established the Local Government Innovation Fund to provide financial assistance to Ohio political subdivisions for planning and implementing projects that are projected to create more efficient and effective service delivery within a specific discipline of government services; and

WHEREAS, projects are also expected to facilitate improved business environments and promote community attraction; and

WHEREAS, the LGIF program will award up to \$100,000 in grant funds per feasibility study, up to \$100,000 in loan assistance per entity for demonstration projects, and up to \$500,000 in loan assistance for collaborative demonstration projects; and

WHEREAS, as a participant in the LGIF process, the Cleveland Municipal School District does not commit to enter into a contract or to participate in any resulting shared service; now, therefore be it

RESOLVED, that the Cleveland Municipal School District will participate in the Local Government Innovation Fund grant request participating as an eligible partner; and be it further

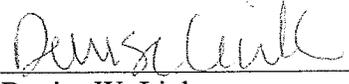
RESOLVED, that the Cleveland Municipal School District will participate in the evaluation process to determine the feasibility of shared implementation of systems and services; and, be it further

RESOLVED, that the Board of Education hereby authorizes and directs the Chief Executive Officer and/or his designee to take appropriate action to implement this resolution.

CLEVELAND MUNICIPAL SCHOOL DISTRICT BOARD OF EDUCATION

By:


Eric S. Gordon
Chief Executive Officer


Denise W. Link
Board of Education Chair


John W. Scanlan
Chief Financial & Administrative Officer

Date: 4-17-12

Resolution #2012-02-07.2 - Approval of Grant Proposals

Be It Resolved that the Governing Board of the ESC approves the ESC of Cuyahoga County to submit a \$100,000 grant proposal to the Ohio Department of Development for the Local Government Innovation Fund to conduct a feasibility study on pupil transportation in Cuyahoga County. This study will build on the work already done with five school districts and EduLog in reviewing potential cost savings through the use of transportation software. Other components the LGIF study may review include shared services in maintenance, driver training and employment, transportation purchasing or other recommendations developed by the study group, and;

Be It Resolved that the Governing Board of the ESC approves the North Coast Council to submit a \$100,000 grant proposal to the Ohio Department of Development for the Local Government Innovation Fund. The purpose of this proposal is to study the cost savings implementation of Kronos, a single time clock solution that interfaces with individual district or organization payroll systems. While organizations partnering in this proposal may already use Kronos in small proportions, the intent is to look at cost savings of district – wide implementation.

Motion by Anthony Miceli seconded by Carol Fortlage

Ayes: Anthony Miceli, Carol Fortlage, Anton Hocesvar, Frank Mahnic, Christine Krol

This is an accurate account of resolution #2012-02-07.2 from the February 16, 2012, Regular Meeting of the Governing Board of the Educational Service Center of Cuyahoga County.



Bruce Basalla, Treasurer

2/27/2012

Date



Dear Mr. Mitchell,

Thank you for inviting OneCommunity to be part of the Cuyahoga County Education Service Center's Time and Reporting Feasibility Study application for the State of Ohio Local Government Innovation Fund.

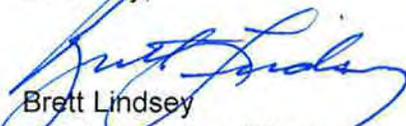
We support the efforts of the North Coast Council to complete a regional feasibility study to determine the benefits of a centrally supported timekeeping and reporting solution. This single shared solution would provide an automated timekeeping solution that would support existing payroll systems.

OneCommunity is a non-profit broadband provider in Northeast Ohio with a long and trusted relationship with several of the other key partners in this feasibility study, most specifically the Cleveland Metropolitan School District and the Cuyahoga County Information Service Center. We strongly support this study knowing that solutions will be quickly instituted due to the high functioning broadband connectivity that these institutions already employ.

Also, as a Northeast Ohio broadband provider, OneCommunity continuously advocates for broadband-powered regional shared services strategies and will support this feasibility study by providing network engineering and technical expertise as well as advocacy for the resulting solution with our other public partners.

We look forward to participating in the feasibility study.

Sincerely,



Brett Lindsey
Chief Operating Officer

**Cuyahoga County
Shared Automated Timekeeping Feasibility Study
Partnership Agreement**

The North Coast Council (NCC) is submitting a grant proposal to the Ohio Department of Development for the Local Government Innovation Fund (LGIF) to conduct a feasibility study on a shared automated timekeeping solution in Cuyahoga County. It is the purpose of this feasibility study to determine the agency needs, the potential cost savings, the increased efficiencies, and the capacity and feasibility of a shared service model for an automated timekeeping solution. This study will build on the work already done with the members of North Coast Council, the Cleveland Municipal School District and Cuyahoga County.

The initial partners in this study will review previous studies, data and effective models in place today as well as industry specific recommendations regarding automated timekeeping solutions. This information will be used to determine potential costs savings or increased efficiencies in a shared solution for school districts and other agencies in Cuyahoga County. From this analysis, the Cuyahoga County feasibility study workgroup will propose one or more shared model(s), with anticipated returns on investment for Cuyahoga County.

The purpose and primary roles of the project partners are listed below:

North Coast Council

- Serve as project coordinator and fiscal manager
- Identify capacity of project partners to deliver a shared services solution
- Identify and approach additional partners as indicated by study group
- Formalize delivery model(s) for proposed shared services models
- Scale model for additional Cuyahoga County school districts and other agencies
- Prepare proposal for LGIF loan application in future funding cycles

Cuyahoga County

- Provide efficiency and cost data on county timekeeping components
- Identify needs/gaps for county timekeeping
- Identify potential barriers to the proposed shared service models

Educational Service Center of Cuyahoga County

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

Cleveland Municipal School District

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

OneCommunity

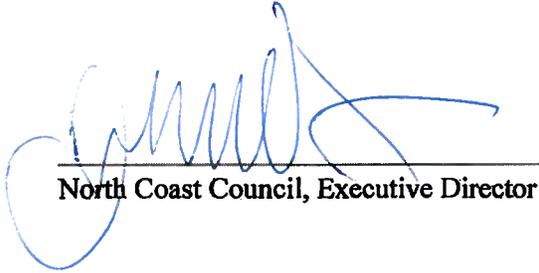
- Provide network engineering and design analysis
- Provide business analysis and supports as needed
- Provide opportunities to scale project to other public sector partners

Other Participating School Districts

- Provide efficiency and cost data on district timekeeping components
- Identify needs/gaps for district timekeeping
- Identify potential barriers to the proposed shared service models

SIGNATORIES

We, the collaborative partners on the Shared Automated Timekeeping Feasibility Study, agree to work together in accordance with this Partnership Agreement:



North Coast Council, Executive Director

2-29-12

Date

Cuyahoga County, Executive

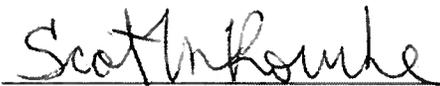
Date

Cleveland Municipal School District, Chief Executive Officer

Date

ESC of Cuyahoga County, Superintendent

Date



OneCommunity, President

2/29/12

Date

SIGNATORIES

We, the collaborative partners on the Shared Automated Timekeeping Feasibility Study, agree to work together in accordance with this Partnership Agreement:

North Coast Council, Executive Director

Date

Edward FitzC

2-28-12

Cuyahoga County, Executive

Date

Cleveland Municipal School District, Chief Executive Officer

Date

Ross

2/29/12

ESC of Cuyahoga County, Superintendent

Date

SIGNATORIES

We, the collaborative partners on the Shared Automated Timekeeping Feasibility Study, agree to work together in accordance with this Partnership Agreement:

North Coast Council, Executive Director Date

Cuyahoga County, Executive Date

 4/27/12
Cleveland Municipal School District, Chief Executive Officer Date

ESC of Cuyahoga County, Superintendent Date



April 30, 2012

Ms. Thea Walsh
Deputy Chief, Office of Redevelopment
Ohio Department of Development
77 South High Street
Columbus, Ohio 43216

RE: Cure-Shared Timekeeping and Reporting Study

Dear Ms. Walsh:

The Ohio Department of Development requested that North Coast Council address six items for cure in the Shared Timekeeping and Reporting Study Local Government Innovation Fund application. The cure items and their respective responses are below.

1. Budget

The application cure letter requested that North Coast Council provide a line item budget that includes at minimum the sources of all funds being contributed, the uses of all funds, and the total project costs and match. Using the provided example in the application cure letter a revised budget for the Shared Timekeeping and Reporting Study is included with the cure response.

2. Match

The application cure letter requested that North Coast Council document the 10% match of the total project cost and provide evidence of the contribution. While North Coast Council and the other participating partners have made past investments that will contribute to the success of this study, all of the in-kind contributions documented in our proposal are anticipated contributions. All contributions will be certified after the contribution is made as required by the Local Government Innovation Fund Program Policies. Please note in-kind dollars are based on a minimum estimated hours for this work to be provided by the North Coast Council staff and the staff from partner organizations.

5700 West Canal Road | Valley View, Ohio 44125 | 216.520.6900 | Fax 216.520.6969

1885 Lake Avenue | Elyria, Ohio 44035 | 440.324.3185 | Fax 440.324.6140

nccohio.org

3. Financial Documentation (Projections)

The application cure letter requested that North Coast Council provide financial projections for the funding request. Stating that grant application requests must at a minimum estimate the anticipated savings they are expecting to realize as a result of the study. Our projection assumes that payroll processing errors result in an overpayment of a conservative 0.3% of the total payroll. **The anticipated savings generated by error reduction alone would generate \$2,463,000** between the Cuyahoga County Government and the Cleveland Municipal School District. Further savings would result by adoption of the shared service by the members of North Coast Council in a regional shared model, reduced paper costs, reduction in staff time for processing payrolls, and cost savings due to group purchase of hardware and software to support timekeeping and reporting. We anticipate that the results of this study will create a compelling argument to local governments for implementation of a Shared Timekeeping and Reporting Solution. The requested anticipated savings information has been included as requested as part of the cure response.

4. Population Information and Documentation

The application cure letter requested that North Coast Council provide documentation supporting population information provided using the 2010 U.S. Census. The documentation, taken directly from the 2010 U.S. Census information has been included as requested as part of the cure response. In addition, population information on page 1 of our original proposal is incorrect. The population data for North Coast Council should have been 1,245,510. Also, the population information on page 3 for OneCommunity was omitted and should be 1,375,488.

5. Resolutions of Support

The application cure letter requested that North Coast Council provide resolutions of support (letter of support for private entities) from each collaborative partner. Copies of the resolutions of support, or letter of support as appropriate, have been included as requested as part of the cure response.

6. Partnership Agreements

The application cure letter requested that North Coast Council provide partnership agreements signed by all parties listed as collaborative partners. Copies of the partnership agreements signed by all parties have been included as requested as part of the cure response.

This letter and its attachments respond to the items for cure requested by Ohio Department of Development. Should there be any additional questions or items for cure in the Shared Timekeeping and Reporting Study Local Government Innovation Fund application, North Coast Council will be happy to respond to those requests.

Sincerely,

A handwritten signature in black ink, appearing to read 'John W. Mitchell', with a long horizontal flourish extending to the right.

John W. Mitchell
Executive Director
North Coast Council