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Adjusted Allocation: 0.00

Remaining: -22,500.00
Application

Reynoldsburg City (047001) - Franklin County - 2014 - Straight A Fund - Rev 0 - Straight A Fund - Application Number (460)

Applicants shall respond to the prompts or questions in the areas listed below in a narrative form.

A) APPLICANT INFORMATION - General Information, Experience and Capacity

1. Project Title: Non-Instructional Cost Savings Analysis

2. Executive summary: Provide an executive summary of your project proposal and which goal(s) in question 9 you seek to achieve. Please limit your responses to no more than three sentences.

3. Effort to reduce the non-instructional costs of participating districts and drive more funds into classrooms, the Consortium will participate in a comprehensive audit of its non-instructional expenses. Working with a specialized team of cost-saving experts, each district will identify ways to permanently reduce non-instructional spending in areas including energy consumption, waste management, workers compensation premiums, credit card processing, student transportation, shipping and deliveries, vendor compliance screening, wireless services and utilities. Improved systems, efficiencies and economies of scale are expected to generate an average of 1-3% savings on annual operating costs in participating districts.

4. Lead applicant primary contact: - Provide the following information:
   - First Name, Last Name of contact for lead applicant: Cliff Hetzel
   - Organizational name of lead applicant: Reynoldsburg City Schools
   - Unique Identifier (RN/Fed Tax ID): 047001
   - Address of lead applicant: 7244 E. Main St. Reynoldsburg, OH 43068
   - Phone Number of lead applicant: 614.501.1020
   - Email Address of lead applicant: cliff.hetzel@reyn.org

5. Secondary applicant contact: - Provide the following information, if applicable:
   - First Name, Last Name of contact for secondary applicant: N/A
   - Organizational name of secondary applicant: N/A
   - Unique Identifier (RN/Fed Tax ID): N/A
   - Address of secondary applicant: N/A
   - Phone number of secondary applicant: N/A
   - Email address of secondary applicant: N/A

6. List all other participating entities by name: Provide the following information for each additional participating entity, if applicable: Mention First Name, Last Name, Organizational Name, Unique Identifier (RN/Fed Tax ID), Address, Phone Number, Email Address of Contact for All Secondary Applicants in the box below.

7. Partnership and consortia agreements and letters of support: - (Click on the link below to upload necessary documents).

8. Please provide a brief description of the team or individuals responsible for the implementation of this project including relevant experience in other innovative projects. You should also include descriptions and experiences of partnering entities.

   - In the Expenditure Par/Pupil report issued by the Ohio Department of Education on June 11, 2013, three (3) Consortium districts appeared in the lowest quartile among districts statewide. The lead applicant, Reynoldsburg City Schools, has implemented a variety of large-scale innovative projects, including alternative learning centers, community and college partnerships and shared service opportunities to reduce operating expenses. Reducing non-instructional expenses and driving more resources into the classroom is a mutual priority for all Consortium partners. Participating districts have been recognized for their innovative educational approaches, as well as their commitments to sound fiscal practices. Recent achievements include: The Reynoldsburg City school district was one of 61 national finalists for the U.S. Department of Education’s 2012 Race to the Top funding competition. Lisa Duty, Ph.D., Senior Director of Innovation at Knowledge Works, said of the district: “The combination of technical and social innovations evident in Reynoldsburg’s work offer transformative potential for more effective, personalized learning models for all students. Their proposal is illustrative of how we see the future of education in the U.S. moving forward.” In a report entitled “Benchmarking Ohio’s School Districts: Identifying districts that get more for their money in non-instructional spending” by Ohio Smart Schools, the Marion Schools were cited as a benchmark district for efficient non-instructional spending in the categories of school level administration, transportation and maintenance/operations.

   - The Consortium will engage a team of cost-savings experts from Blue Coast Savings, a national firm that has saved their clients a documented $300 million in operating costs. The team will consist of individuals with expertise in each area targeted for cost reduction. Atlantic Research Partners (Atlantic) is a team of experienced practitioners that partner with schools and school leaders to improve education. Atlantic will facilitate the project, drawing on its expertise in both the educational and business realms to ensure a smooth process for participating districts. Dr. Joseph Wise, co-founder and Chief Educator at Atlantic, is widely recognized as a leader in innovative school practices. An article in the Baltimore Sun, entitled “Schools to hire efficiency expert,” highlighted his work in Maryland’s Anne Arundel school district. Superintendent Eric J. Smith championed the partnership, stating “his [Wise’s] experience will help us a great deal in delivering our goals.” Smith later went on lead Florida’s Department of Education. Superintendents from each participating district will oversee the project from start to finish. Superintendents will appoint one to two point people within district administration, who will liaise with the cost-savings team to provide them with bills, contracts and information on current service providers for review. This work is expected to take less than a day of administrative staff members’ time.

B) PROJECT DESCRIPTION - Overall description of project and alignment with Outcomes

9. Which of the stated Straight A Fund goals does the proposal aim to achieve? - (Check all that apply)
   - Student achievement
   - Spending reductions in the five-year fiscal forecast
   - Utilization of a greater share of resources in the classroom

10. Which of the following best describes the proposed project? - (Select one)
   - New - never before implemented
   - Existing and researched-based - never implemented in your district or community school but proven successful in other educational environments
   - Mixed Concept - incorporates new and existing elements
   - Enhancing/Scale Up - elevating or expanding an effective program that is already implemented in your district, school or consortia partnership

11. Describe the innovative project

   The purpose of this project is to permanently reduce non-instructional costs in participating districts. School districts lack the specific expertise and staff time necessary to maximize cost reduction efforts; this project will provide access to experts who can help take cost reduction efforts to a new level. Target areas include: 1) Energy consumption: Experts will help districts navigate the complex deregulated energy market, exercising greater buying power through optimization-based bidding strategies and auctions. Districts will also determine upgrades that can make to facilities to reduce energy consumption. 2) Waste management: Blue Coast(BC) reports that eight out of ten clients overpay for waste services, and estimates that the same is true for schools. For example, many schools maintain the same waste pickup schedule throughout the year, even on vacation weeks when little refuse is produced. With access to expertise, project participants will identify and eliminate similar wasteful
17. Describe how it will meet the goal(s) selected above.

18. Fill in the appropriate dates and an explanation of the timeline for the successful implementation of this project. In each explanation, be sure to briefly describe the largest barriers that could derail your concept or project.

D) IMPLEMENTATION - Timeline, communication and contingency planning

19. Fill in the appropriate dates and an explanation of the timeline for the successful implementation of this project. In each explanation, be sure to briefly describe the largest barriers that could derail your concept or timeline for implementation and your plan to proactively mitigate such barriers. In addition, the narrative should list the stakeholders that will be engaged during that stage of the project and describe the communication that occurred as the application was developed.

Describe the ongoing communication plan with the stakeholders as the project is implemented. (Stakeholders include parents, community leaders, foundation support and businesses, as well as educational personnel in the affected entities.)
19. Describe the expected changes to the institutional or organizational practices in your institution.

As a result of this project, participating districts will be run more efficiently, and unnecessary spending will be eliminated. For the first time, participating districts will have access to the most cutting-edge efficiencies available. This is not just cost savings, but cost-savings measures and economies of scale used by profitable companies will be applied to those operations that school districts share in common with businesses: shipping and receiving, energy consumption, waste management, etc. Instead of passing on savings to shareholders, this project will pass them on to Ohio's children. The project will demand an increased level of transparency and accountability from the merchants and service providers that serve participating school districts. Individuals with pinpointed expertise in each cost-saving area will closely monitor invoices for hidden fees, taxes and surcharges. Schools will recover thousands of dollars that, until now, have literally been thrown away unknowingly. The burden of monitoring these expenses will fall to school administrators, whose capacity is already pushed to the limit. Instructional practices in each district will be improved and the availability of resources and staff time. No institutional expenses will be cut as a result of this project.

E) SUBSTANTIAL IMPACT AND LASTING VALUE - Impact, evaluation and replication

20. Describe the rationale, research or past success that supports the innovative project and its impact on student achievement, spending reduction in the five-year fiscal forecast or utilization of a greater share of resources in the classroom.

While school districts and businesses are very different entities, there are many things that they share in common. Back-end operations are very similar for both types of organization. Both must contract a host of services, from telecommunications to waste disposal. Both need to provide access to workers compensation for employees. And both must constantly reevaluate operations to identify cost-saving measures in an ever-changing economy. While many businesses benefit from the expertise of specialized cost-saving individuals, school systems rarely have the opportunity to employ efficiency experts on an ongoing basis. In an environment where resources are scarce and badly needed in classrooms, such experts are a luxury most schools cannot afford. This project provides schools with access to the caliber cost-saving experts engaged by Fortune 500 companies to save money. It adapts common cost-saving measures used by profitable businesses to the unique needs and situations of educational systems. Blue Coast has successfully implemented all components of this project with businesses of all sizes and objectives, saving them a total of over $300 million in operating costs.

Focusing on only those operations that businesses and schools have in common, project partners believe that similar savings can be achieved for participating districts. Atlantic Research Partners has successfully completed school efficiency projects in districts across the country, resulting in more resources for hundreds of classrooms. This project will package together a broad spectrum of cost-saving analyses, designed to comprehensively streamline non-instructional operations in each participating district. Schools will incur immediate savings that will carry them through the Five-Year Forecast and beyond.

21. Is this project able to be replicated in other districts in Ohio?

Yes [ ] No [ ]

22. If so, how?

The proven cost-saving measures to be implemented through this project are completely replicable in any school district, because they address only those non-instructional costs that all schools share in common. The only unique aspect of the program is the expertise of the project partners. Atlantic Research Partners and Blue Coast Savings have a track record of working with a wide range of public and private school districts, and have successfully implemented projects throughout the United States. The analyses conducted have been adapted to many business models in the past, and because they will only affect the "business side" of running a school district, they can be broadly applied across the state.

The Consortium hopes to build lasting relationships with cost-saving experts, who can expand the scope of their services to Ohio schools following a successful first year of cost reduction for initial participants. This Consortium will evaluate the project and report back to the larger Ohio educational community, with recommendations as to how other Ohio schools can best take advantage of these groundbreaking practices. Following evaluation and assessment, other Ohio districts will have the opportunity to join the program.

23. Describe the substantial value and lasting impact that the project is expected to achieve.

This project aims to permanently reduce non-instructional spending in participating school districts. Savings incurred will impact the Expenditures Per Pupil for Consortium districts, without compromising classroom resources or instructional services. The bottom line is that school overhead costs will be reduced, freeing up vital funds for use in the classroom. The efficiencies that participating districts will access are cutting-edge. Once applied, they will save money for districts on an ongoing basis. The initial investment in the program, requested from the Straight A Fund, will be recovered and multiplied many times over. The ultimate goal of this project is to direct more resources into Ohio classrooms. As participating schools streamline their operations and cut wasteful spending, they will serve as models for other districts in the state. Consortium partners can then guide other districts through the process of recovering funds they may not have even known they were losing. Partners estimate a savings for every year of reduced spending, the return multiplies. Should savings remain steady, an estimate of $959,622 should be realized, a return on investment of 4.256% by the end of the Five-Year Forecast.

24. What are the specific benchmarks related to the goals identified in question 9 that the project aims to achieve in five years? Include any other anticipated outcomes of the project that you hope to achieve that may not be easily benchmarked.

Spending reductions in the five-year forecast - Districts participating in the grant will experience a $959,622 savings in spending. - Utilization of greater share of resources in the classroom. - Due to the decrease in non-operational spending, districts will increase their share of instructional spending by 1% over the period of grant. One outcome of any savings plan for non-instructional funds will increase the share of funds available for classroom or instructional spending. One outcome of the grant project that is not easily benchmarked is the change in operational systems which will continue to benefit through these changes as a focus is placed on reducing non-operational costs to optimize instructional/classroom spending. The grant will produce an ROI of 4.256%.

25. Describe the plan to evaluate the impact of the project, strategy or approaches used.

* Include the method by which progress toward short- and long-term objectives will be measured. (This section should include the types of data to be collected, the formative outputs and outcomes and the systems in place to track the program's progress).

* Include the method, process and/or procedure by which the program will modify or change the program plan if measured progress is insufficient to meet program objectives.

Measured cost savings. Additional program analysis will be available. The principal indicators of success for this project will be individual budget items in each district. Each cost-savings target will be monitored carefully, and any savings that fall below the expected range will be investigated in the areas where the project has had the greatest impact.

By virtue of applying for the Straight A Fund, all applicants agree to participate in the overall evaluation of the Straight A Fund for the duration of the evaluation timeframe. The Governing Board of the Straight A Fund reserves the right to conduct evaluation of the plan and request additional information in the form of data, surveys, interviews, focus groups, and any other related data to the legislature, governor, and other interested parties for an overall evaluation of the Straight A Fund.

PROGRAM ASSURANCES: I agree, on behalf of this applicant agency and/or all identified partners to abide by all assurances outlined in the Assurance section of the CCIP. In the box below, enter “I Accept” and indicate your name, title, agency/organization and today's date.

Accept Cliff Hetzel, Business Manager Reynoldsburg City Schools