

**SCHOOL BOARD
FINANCE SUMMARY FORM**

The purpose of the document is to present the Providence School Board and Finance Committee with the necessary information to make data-informed decisions about the district's spending as it pertains to contracts.

Instructions:

1. Please complete this form as fully and accurately as possible according to the guidance provided in each section.
 - a. The form must be completed if:
 - i. the total of the purchase or contract exceeds \$200,000
 - ii. the contract is for a term of more than one year
 - iii. the purchase or contract was NOT the result of formal competitive bidding or cooperative purchasing (i.e. it is a sole source purchase)
2. Once this form has been completed, send a copy to the Director of Purchasing and the Board Services Team. They will notify you of the next Finance Committee meeting and host a contract presentation review prior. Finance Committee typically meets the second Wednesday of the month. Only purchases/contracts that have already been reviewed and approved by the Superintendent will be scheduled before the Finance Committee.

Vendor Name: Ernst & Young (EY)

Amount: \$475,000

Source of Funds and Fiscal Year: District-Based School-Based

Check box for fiscal year: FY22 FY23 FY24

Purchase or Contract: Purchase Contract

Length of Contract (list start date and end date): June 15, 2022 to February 28, 2023

PPSD Contact Name: Zachary Scott, Christopher Petisce

Contract Type: New Renewal Extension Amendment

Staff Recommendation:

It is recommended that the Providence School Board approve a contract/purchase with Ernst & Young (EY) (vendor name) for financial analysis and forecasting (type of services) amounting in \$475,000 (total amount in dollars) for the district operations departments (school name(s)). If approved, the contract will begin 6/15/2022 (date) and end 2/28/2023 (date), approximately.

Justification of Spending:

Provide 5-7 points that support the recommendation as to why funds should be spent this way.

Use the prompts to help guide your response.

- a. *How is this connected to the Turnaround Action Plan/ aligned to the district's vision?*
- b. *Why does the district need this purchase?*
- c. *Why is the dollar amount requested the necessary amount?*
- d. *What are the implications of not spending this money?*

The district recommends for approval a contract with Ernst & Young for short and long term operational forecasting in a total amount not to exceed \$475,000.

EY will assist the district by updating short term & long term expenditure, revenue projections and modeling as well as recommended strategies for addressing key cost drivers. While the district has seen a significant influx of one-time stimulus dollars, declines in enrollment and the COVID-19 pandemic have also caused uncertainty around Federal and State revenue streams longer term. The three workstreams can be found on page 4 of this document. The main focus will be on identifying short and long-term changes that can be made to support district financial sustainability.

Justification of Vendor Selection

Provide 3-5 bullet points that support the recommendation as to how this vendor was selected. You may attach any documents with additional data on their performance (please note below that this information is attached).

Use the below prompts to help guide your response.

- a. *Provide a 3-5 sentence summary of the vendor (can cut and paste contract Executive Summary) about who they are and what they do.*
- b. *What was the procurement process for selecting the vendor?*
 - i. *Which PPSD staff members were involved in that procurement process?*
- c. *If this is a returning vendor:*
 - i. *Share a summary of our experience with this vendor.*

Ernst & Young (EY) has a deep understanding of the Providence Public School District and extensive prior experience collaborating directly with the PPSD team, including a detailed perspective of PPSD's budget and financial position. EY has significant experience in supporting state and local education agencies on topics of resource allocation and financial sustainability.

A request for proposals was issued through the State of Rhode Island Master Price Agreement (MPA) 589 OE for PK-12 School Redesign and Strategic Support Services. There are nine (9) approved vendors on that MPA. All nine vendors were invited to submit proposals. Two proposals were received. Following a review, it was determined that Ernest & Young is both the lowest cost and most qualified bidder to perform the work on behalf of the district.

Accountability Measures

*In 3-5 bullet points, describe the accountability measures that will ensure that the vendor meets all requirements set forth in the contract and that the district is able to maintain a record of the quality of the services. These need to be performance-based in nature. Every contract should include explicit language requiring vendor accountability, i.e. required program evaluation or the submission of a final report summarizing progress against each itemized deliverable. **Note: if this contract is a purchase agreement, you can skip this section.***

Use the below questions to guide your response.

- a. *Which PPSD staff member will serve as the lead for tracking accountability and performance metrics?*
- b. *What accountability measures have you agreed upon in your contract (can copy and paste from draft contract)?*
- c. *How is this purchase tied to overall student achievement (refer to TAP specific goals if possible)?*

Zachary Scott, Deputy Superintendent for Operations, and Christopher Petisce, Executive Director of Finance, will jointly oversee and manage this contract to ensure services are rendered in a quality and timely fashion.

Spending Breakdown

In the table below, list the deliverables of the purchase or contract and their associated cost to justify the total cost of the purchase. If easier, please attach an excel file or other document.

Proposed Budget	Dollar Amount
Workstreams 1-3 (see following page)	\$475,000
Total	\$475,000

Week	Workstream 1: Enrollment Analysis	Workstream 2: Scenario Building	Workstream 3: Cost Savings
Phase 0:	Data collection and introductory meetings with key stakeholders as needed (e.g. PPSD leadership, finance team, special education team, etc.)		
Weeks 1-2	Refresh prior enrollment analysis with updated SY2021-22 enrollment figures, charter seats, and assumptions to develop refined view of district-level enrollment	Develop preliminary budget position for FY23 and cost / revenue assumptions for long-term analysis	Discuss prioritized areas for cost savings and refine approach
Weeks 3 – 4/5	Refine enrollment analysis at grade, school, and student subgroup level	Leverage enrollment analysis to develop long-term view of revenues and costs	Conduct background meetings / interviews, collect data, and refresh high-level analysis from prior work as starting point
Weeks 5/6 – 8	Assess implications of enrollment analysis for school-level staffing and capacity needs	Develop and assess financial scenarios, including any new initiatives, salary changes, or budget growth beyond historicals	Conduct deep-dive into prioritized cost savings areas
Weeks 8-10	Develop implications of enrollment analysis on district budget, including detailed view of potential school closures, consolidations, or other resource needs	Refine budget position and scenarios to include any variable cost reductions associated with enrollment fluctuations, including personnel support	