

Fiscal Management

Cindy Patterson, CETPA CTO Mentor Candidate

Outcomes

FM-07. Demonstrate a working knowledge of budgeting, budget controls and the K12 budgeting calendar.

FM-08. Demonstrate a working knowledge of Management Accounting.

Context

As Manager of Applications Support at the Santa Clara County Office of Education it is my responsibility to align all efforts with the stated goals of SCCOE and the Technology Branch. The group that I manage, Applications Support, usually aligns with the goals of service to districts and operational efficiency. There is also a shadow goal of – no tech just for tech sake. Meaning we must have purpose for the technology we implement and support. That purpose can be cost savings or operational efficiencies. The best investments are those that provide both.

Applications Support supports districts within Santa Clara and San Benito counties and consists of 7 System Analysts and one Technology Trainer totally 8 FTE. The technology we manage for our customers are business related systems. We look for new technology that can complement the systems already in place.

Assignment

Use the attached TCO/ROI as a basis for building your own TCO/ROI. Please be sure to incorporate district budget timelines and marketing aspects into the portion of written deliverables or summary.

Reflection

Class

Business systems are my wheelhouse and I was excited to see a seminar with topics that were more familiar. However the class went far beyond the basic TCO, ROI, the CSAM manual and fiscal items. Peter Skibitski shared many kinds of practical wisdom which have been directly useful for me. I was grateful for the presentation that he gave on the history of California Finance and shared it with my team because many of our transplants and it really puts everything in order. Being from out of State this presentation gave context to many mandates and helped me understand the rules we are living with.

Peter also provided some high level financial concepts in compact form that were useful because he brought examples of these concepts at work in K12. While I was familiar with some of them even those were useful because Peter's presentation helped me how they are seen through the K12 lens and what language is used in K12 to describe these theories.

Peter helped me see that as a CTO you have to have entrepreneurial spirit within your organization. You need to market to them and treat them like external customers to have the best cohesion and provide results. One way to meet customer's needs is to clearly understand what the customer wants. The Strategic and Logical framework was very helpful and I appreciated the blending of the project management approach and the scientific method. This gives us a framework to help the customer dig and find the root goal or problem.

Artifact

My work assignment revolves around large systems that have long life cycles and very little change or new development. For this assignment I took a slightly different approach that demonstrated my knowledge for the CTO program and also brought value to my work assignment. I inherited a Document Management system that is very large however it began as a small project, or at least that is what I have been told. I have always wondered if it was really viable economically or was a system that had just become institutional. Districts are asking for Document Management. Before we proliferate this system it was time to take pause and evaluate the total cost of ownership.

My journey began by pulling all the purchase orders for the last 9 years paid to the provider of the software. This investigation gave me a true history of the implementation and growth of use. The story of it beginning as a small implementation did not hold quite true. Surprisingly, one of the first purchase orders was for 130K. After that first purchase order purchase orders had been processed for adding modules, adding users and yearly maintenance.

I was surprised that over those 9 years we had expended over a million dollars. At first that seemed very large. However when I began breaking down the cost over time it began to seem more reasonable and in the end I was able to demonstrate the system is, and has been, paying for itself. Using similar TCO calculations I was able to demonstrate the disparity of costs between a District creating a standalone installation compared to a county hosted solution. In the end I feel very positive about the effort we are about to expend to provide that support for our districts.

This exercise reiterated to me how important it is to evaluate TCO. It is a welcome feeling to also understand the complete history of the growth and expense of Document Management and be able to speak with knowledge and conviction about ROI. In the future when I inherit a

system with significant history I will take the time to complete this process again and hopefully in the end make better decisions for SCCOE and the districts we serve.

The seminar provided material that I have used now with my group and that I will use in the future as I grow into the role of a CTO. Creating the artifact demonstrated my ability to use financial principles and communicate ideas – key skills for a CTO.