

## South Dakota Department of Education

### Shared Services Projects

January 2017

#### **Overview of Purpose:**

Senate Bill 133 from the 2016 legislative session included an on-going appropriation to the South Dakota Department of Education to provide two types of shared services: (1) those involving state-purchased goods and services provided to districts and (2) those involving districts sharing employees. The Department is exploring options to provide a service or product to school districts to alleviate cost or provide a service/product which may not otherwise be within the budget, meets the needs of the district, and enhances education in South Dakota.

Contained within this document are four potential services or products for which the funding could be used. The four options were chosen after the Department gathered input from a statewide survey in the spring of 2016 and a stakeholders group comprised of representatives from the following organizations: elementary principals, secondary principals, superintendents, business managers, Associated School Boards, School Administrators of SD, Department of Education, and SD legislators. The four potential services or products include (1) the development of a statewide food service purchasing group, (2) benchmark assessments with limited instructional coaching, (3) learning management system, and (4) the development of a whole child service. A descriptive overview, benefits, concerns, estimated potential cost, and feedback from districts for each project is contained here. The following information provides an overview of the potential service or product, but does not include all the details or exact costs to implement.

#### **Potential Service/Product #1 – Development of a Statewide Food Service Purchasing Group:**

##### **Overview:**

The development of a statewide food service purchasing group would be a new program within the state aimed to increase buying power to negotiate and secure improved product pricing. Due to the nature of our state, splitting into two regions, East River and West River, would potentially make implementation more feasible. This is a service which all districts within the state could benefit, would directly alleviate the work load of the local food service director, and would reduce food service costs.

This service would include the contracting of two individuals who would handle and oversee the food service product procurement at the state level. These individuals would be responsible for the procurement process, negotiations, and securing the contracts on the items selected to be offered through the purchasing group. The service would also include a 12-15 member selection panel made up of district representatives from across the state. This panel would work to layout the commonly purchased items and the specification requirements for those items. These specifications would be product criteria not brand selection. This is important for not eliminating competition within the open market. An additional member of this service's team would be a nutritionist. His/her role would be to

provide nutritional guidance through the selection process, but also be available to districts if they had questions in menu planning at the local level.

School districts would not lose their autonomy through this process. Menu planning would still occur at the local level. This service would simply provide them with another avenue in product purchasing. The district would have access to the pricing secured by the state through the statewide procurement if the food item to be ordered is contained within the secured pricing list. However, once committed to participation within the buying group, the district must remain committed for a minimum of one year and the projected product quantity numbers from participating districts need to be accurate. This is due to the effect that over estimation product usage projections would have a negative impact on the following year's pricing.

### **Benefits:**

The creation of a statewide buying group would lighten the burden currently placed on the food service directors within districts. USDA has moved towards stricter enforcement of the procurement regulations, and these regulations make the process very technical and cumbersome. Frequently, many food service directors do not have the background or training in this area to efficiently and effectively navigate these now enforced regulations, therefore, increasing their workload or time spent in this area. The creation of a statewide buying group would remove some of this administrative burden from them as the procurement and negotiation of some goods would be handled at the state level. The contracted individual(s) serving in the procurement role for this service would better ensure all regulations for procurement are met.

According to a 2013 publication from the Public Health Law Center based in St. Paul, Minnesota, "Collective purchasing can help save money on both food and delivery costs...While smaller and more rural SFAs [School Food Authorities] may gain the most from collective purchasing, the smallest SFAs (<1000 students) are least likely to engage in this practice."<sup>1</sup>

Buying groups also come with the added benefit of increased collaboration. Food service directors would have access to experts who could assist them in procurement questions and nutrition.

The bottom line of benefits for this service comes down to saved dollars. The creation of a statewide buying group allows for increased purchasing power and better negotiation of pricing. Large buying groups have the ability to frequently by-pass the distributor's pricing and negotiate directly with manufactures thus lowering the cost of product purchases.

North Carolina currently has a statewide buying group in place with 92 participating districts. In 2011, the participating districts saw a savings of 5-21% depending on the size of the district. This figures to be \$62,078-\$108,227 savings per district. As a group, the state saw a savings of approximately \$8.1 million.<sup>2</sup> While North Carolina is a larger population center, the theory and savings can be seen within South Dakota.

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<sup>1</sup> Collective Purchasing of Food for Federal School Nutrition Programs. (2013, January). Retrieved January 1, 2017, from [www.publichealthlawcenter.org](http://www.publichealthlawcenter.org)

<sup>2</sup> The NC Child Nutrition Procurement Alliance. (n.d.). Retrieved January 1, 2017, from [childnutrition.ncpublicschools.gov/procurement-alliance/whoweare.pdf](http://childnutrition.ncpublicschools.gov/procurement-alliance/whoweare.pdf)

Presently in eastern South Dakota, there is a small buying group of four districts. This small buying group saw a savings of 5-10 cents per meal the first year of implementation five years ago. For the one district on the lower end of the savings (5 cents) this equated to a 3% savings in product cost. The districts who participate in this buying group have also had the added benefit of not seeing the product cost increases at the same rate as others around the state.

The Minnesota School Food Buying Group (MSFBG), who has over 130 participating districts, is another example of buying group potential. MSFBG is paying \$15.95 per 96 count case for General Mills cereal packs.<sup>3</sup> This is an example of only one item the MSFBG procures. Keep this example in mind when viewing Table 1.

The tables below outline the current food pricing in South Dakota:

Table 1:

<b>Kellogg's 96 Count Bowl Pack Cereals</b>		
<b>District</b>	<b>Price</b>	<b>District Size &amp; Region</b>
District 1 (Part of SD Buying Group)	\$24.53	Large & East
District 2	\$30.63	Large & West
District 3	\$40.65	Medium & Central
District 4	\$27.46	Large & East
District 5	\$26.96	Small & Central
District 6	\$32.90	Small & Central

Table 2:

<b>10# Case of Mini Corn Dogs</b>		
<b>District</b>	<b>Price</b>	<b>District Size &amp; Region</b>
District 1 (Part of SD Buying Group)	\$21.69	Large & East
District 2	\$21.14	Large & West
District 3	\$38.70	Medium & Central
District 4	\$21.42	Large & East
District 5	\$26.40	Small & Central
District 6	\$24.00	Small & Central

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<sup>3</sup> 2016B- MSFBG Food and Non-Food Items. (2016, March 7). Retrieved January 1, 2017, from <http://www.ahschools.us/cms/lib08/MN01909485/Centricity/Domain/6644/16016B%20School%20Board%202016-2017%20MSFBG%20Award-1.pdf>

Table 3:

30# Case of Chicken Nuggets		
District	Price	District Size & Region
District 1 (Part of SD Buying Group)	\$57.00	Large & East
District 2	\$89.52	Large & West
District 3	\$68.74	Medium & Central
District 4	\$68.61	Large & East
District 5	\$57.45	Small & Central
District 6	\$81.98	Small & Central

If District 3 was able to secure even a \$13 decrease in the pricing of cereal as outlined in Table 1, this could potentially lead to a savings of \$234 for the year in the cost of cereal. If the same district was able to secure a \$12 decrease in the pricing of mini corn dogs (Table 2), this could potentially lead to a savings of \$1,080 for the year with mini corn dogs on the menu once per month. For these two products alone a total potential savings of \$1,349 could be experienced for this district.

It should be noted that District 1 in Table 3 procures a higher quality all white meat, no filler chicken nugget at that pricing. They are not sacrificing quality in return for cost savings.

With these widely-varied food pricing examples in mind, pricing for many districts could be improved. Consider the following hypothetical scenario. There are 132,520 students enrolled in K-12 public schools in South Dakota, but knowing not every child eats lunch every day, remove 30% of those students. This leaves 92,764 students eating lunch for an average 165 days. A conservative statewide savings of 5 cents on each of those meals equals a potential savings of \$765,303. This is a conservative hypothetical as some districts would very likely see a higher than 5 cents per meal savings and some districts have more than 165 days in which lunch is served. Saving 10 cents per meal would increase those potential statewide savings to \$1,530,606.

**Concerns:**

As noted previously, the creation of the selection panel will set the criteria for product procurement. A district may be concerned that the statewide buying group will eliminate local choices. However, a district can still maintain autonomy as long as it does not interfere with the buying group’s pricing. For example, there is a wide variety of chicken nuggets. The selection panel could outline the criteria for the chicken nuggets to be all white meat with no fillers, in other words a higher quality food product, or they could choose to have a lower set of standards for the product if they are willing to compromise on the quality. If the panel selected the lower quality product and a district was unwilling to use this product, they would still maintain their local authority and be able to procure their own chicken nugget of choice as long as the district had not previously committed a quantity projection for this product.

The large rural nature of our state also brings forth the challenge of distribution. Even though there are distributors who serve all of South Dakota, some of the distributors may only serve specific regions of the state. Pricing of the product distribution comes down to transportation cost, product volume to a location, and commitment level of a location. For example, Reinhart brings all of its product from Marshall, MN, to South Dakota. They have two transfer centers, Sioux Falls and Rapid City. From those transfer centers product is sent to the various locations. Further investigation of the distribution of

product and drop locations will play a factor in the need for potentially two separate buying group regions. If two buying groups are determined to be needed, it must be noted pricing between the two groups could be varied.

Food service has its own fund within school district budgets, so how would districts see a savings to their bottom dollar under this service? Many districts within South Dakota do not run a standalone, self-sustaining food service program. The shortfalls in the food service fund have to be supplemented by other district dollars; hence, taking away dollars away from other district needs including instruction. An analysis of district budgets for 2015-2016 found fifty districts within South Dakota were subsidizing the food service program with dollars from the general fund or impact aid. The total amount transferred from these other funding sources to food service equaled \$1,659,293.03.<sup>4</sup>

District transfers from General Fund to Food Service:

Number of Districts Transferring Funds	Range of Funds Transferred from the General Fund
4	\$.01 - \$5,000
9	\$5,001 - \$10,000
7	\$10,001 - \$15,000
6	\$15,001 - \$20,000
2	\$20,001 - \$25,000
4	\$25,001 - \$30,000
3*	\$30,000 +

\*The largest general fund transfer recorded was \$70,000.

District transfers from Impact Aid to Food Service:

Number of Districts Transferring Funds	Range of Funds Transferred from Impact Aid
3	\$10,000 - \$20,000
1	\$20,001 - \$30,000
0	\$30,001 - \$40,000
3	\$40,001 - \$50,000
2	\$50,001 - \$60,000
0	\$60,001 - \$70,000
1	\$70,001 - \$80,000
2	\$80,001 - \$90,000
3*	\$90,000+

\*The largest impact aid transfer recorded was \$270,000.

A statewide purchasing group will require a contracted individual(s) to coordinate the services and oversee the process. This would be a new process within South Dakota. Guidance in how to run such a statewide program could be sought from established programs in North Carolina, Alabama, and Minnesota. Where there is significant potential cost savings to districts, the initial start-up costs will lower the overall cost savings in year one; however, after the program is established the ongoing costs are expected to be lower.

<sup>4</sup> Data was gathered from SD DOE's Office of State Aid & School Finance review of districts' 2015-2016 financial data submissions.

**Cost:**

A statewide food service purchasing group will require one to two contracted individuals whose responsibilities would include RFP’s, negotiations, developing contracts to secure the food pricing, and working with districts. It is estimated either one full time contracted position or two half time contracted positions are needed in year one of implementing this service. After the statewide purchasing group is established, it is estimated less contracted time will be needed.

A nutritionist would be beneficial, but not required, to ensure dietary requirements are met during the selection process but also be available to advise local food service directors from the district level in menu planning. This person would at a minimum attend selection panel meetings. Additional days may be included depending upon available funding and the demand or need to assist districts at the local level. For example, the contracted position would be for a total of 15 days for year one and 10 days for year two. A rate of \$66 per hour would include travel expenses and contracted services.

The purchasing group selection panel of 12-15 members workload in the first year will be more intensive than years to follow. The selection panel members would be comprised of food service directors from participating districts across the state. The cost for this panel includes 15 people for 10 days at a rate of \$66.00 an hour in year one and 5 days for year two. The rate includes all travel expenses and contracted services.

Total potential Cost:

<b>Cost Description</b>	<b>Cost: Year One</b>	<b>Cost: Year Two &amp; Beyond</b>
Procurement Position(s)	\$137,808	\$137,808*
Nutritionist (Optional)	\$9,240	\$6,534
15 Member Selection Panel	\$99,000	\$49,500
<b>TOTAL Cost:</b>	<b>\$246,048</b>	<b>\$193,842</b>

\*This cost has the potential to decrease in year two and beyond; however, until an analysis of year one is complete, the decrease is unknown.

The cost savings to participating districts is difficult to predict. Those savings will vary by district and will be determined by the pricing the food service purchasing group is able to secure compared to the pricing the district was previously paying.

### Feedback from Districts:

In the survey response data collected, this service received the following rankings among the 96 districts who participated in the survey.

Ranking	Number of Districts	Percentage of Districts
1	37	38.54%
2	15	15.63%
3	12	12.50%
4	27	28.13%
N/A	5	5.21%

If this service were to be implemented, the following states who is currently handling the procurement role at the local district level. Information which may be needed for planning purposes.

Question: Who in your district is responsible for the procurement of food service goods?

Answer Choices	Responses
Food Service Director	81.25% 78
Business Manager	18.75% 18
<b>Total</b>	<b>96</b>

In addition to the data received from districts, there were additional comments made by respondents in regards to this potential service.

- “After listening to the webinar, the food service purchasing seemed to be the best possible application.” District ranked Statewide Food Purchasing Group as a one in their response.
- “Don’t see us ever utilizing Food Purchasing Group.” District ranked Statewide Food Purchasing Group as a four in their response.
- “Our district would benefit in several ways. Since we are so rural our cost associated with shipping would decrease and thus save the district money. More importantly, I believe, our food services director would order a better quality of food.” District ranked Statewide Food Purchasing Group as a one in their response.

### **Potential Service/Product #2 – Benchmark Assessments with Limited Instructional Coaching:**

#### **Overview:**

This product and service combination would entail the Department offering a benchmarking assessment paired with limited instructional coaching to districts who opted to participate. The Department would procure pricing of a standard benchmark assessment to be offered to various grade spans within districts (potentially: K-2, 3-5, 3-8, or 6-8). This assessment tool would be paired with limited instructional coaching to improve data usage and instruction.

While the benchmark assessment would be available to all districts within the grade span selected, the instructional coaching would be limited to a select number of districts. Guidelines would be set for

districts who would be eligible for the coaching. Potential guidelines for eligible school participation would be schools within the selected grade span of the assessment having an SPI score below 40 and are not designated as a focus or priority school. Schools meeting this requirement would potentially receive six instructional coaching visits per teacher within the given grade span along with three data dig days. The total number of days per school will vary depending on the school size.

This assessment would be available to all 150 public school districts who wished to participate and the coaching would be available to schools meeting the predetermined guidelines including those who currently have an assessment tool and/or instructional coaching services within their district.

### **Benefits:**

Benchmark testing over the course of a school year allows a district to have data to identify not only those students in need of intervention but those students who are on track and can be pushed to excel at the next level. The analysis of this data gives school staff a systematic approach in building student groups and the ability to identify specific needs within skill development. The use of a common assessment tool and time to have data digs builds a collaborative process within a school. Teachers are able to use a common language and collaborate on classroom learning, interventions, and the growth of students. Benchmark assessments also provide consistent data to develop a SLO growth goal for educator effectiveness along with measuring student progress.

The role of instructional coaches in the process is to assist districts through data navigation or data digs and aid teachers in improving classroom instruction. The value of instructional coaches within the educational setting has been well documented. "...[A] study in Dallas, Texas that found, five years after the literacy coaches work in low-achieving schools, every school involved had been removed from the state's low-performing list, and their students' reading performance had improved dramatically."<sup>5</sup>

The successful implementation of these paired services has been seen within the Department's own Instructional Literacy Coaching Program over the past two years. This program was limited in the number of schools who could participate and to grades K-3. Nine of the fifteen participating schools saw gains in 3<sup>rd</sup> grade reading comprehension proficiency from 2015 to 2016 on the state assessment. Feedback from participating teachers included: "The data digs have helped me to dig deeper in my understanding of where my students are at and where they need to be. Using data to create small groups and goals for each student has been very effective."<sup>6</sup>

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<sup>5</sup> Lynch, J. & Alsop, S. (2007, June). The Effectiveness of Literacy Coaches. Retrieved January 1, 2017, from [www.edu.gov.on.ca/eng/literacynumeracy/inspire/research/coaches.pdf](http://www.edu.gov.on.ca/eng/literacynumeracy/inspire/research/coaches.pdf)

<sup>6</sup> Information collected from SD DOE's Instructional Literacy Coaching Program: Progress Report July 2016.



Current cost examples for a school by product:

Vendor	School Size: Total	Current Cost to a District		
	K-8 Enrollment	Grades K-5	Grades 3-8	Grades 6-8
NWEA	3,257	\$29,808	\$29,430	\$14,161.50
	296	\$2,713.50	\$2,659.50	\$1,282.50
DIBELS	3,257	\$2,208	X	X
	296	\$201	X	X
AIMSweb	3,257	\$14,352	\$14,170	\$6,818.50
	296	\$1,306.50	\$1,280.50	\$617.50

Note: The cost at the district level is based on specific enrollments within the given grade spans. The school size totals within this table provide a reference point to compare current costs at different size districts.

While DIBELS has its benefits, districts have expressed concerns with using this product beyond 2<sup>nd</sup> grade for all students, thus pricing was not included in the above table for grades 3+. This will be further discussed within the concerns below.

**Concerns:**

The Department would only be able to select one vendor to provide benchmark assessments. There are currently three primary vendors used by districts. This lack of choice will be something individual districts will need to consider. Districts will be allowed to make a decision based on the needs of their districts.

Based on conversations with various curriculum directors the following considerations came forward regarding the different vendors.

- NWEA provides, at this time, the most comprehensive ELA and math benchmarking assessment for grades 3 and above. However, this vendor does not yet have a strong reading fluency or accuracy element which is essential in grades K-2. This will be an element to consider when determining the grade span of this project.
- DIBELS is strong in grades K-2 reading assessment and assessing foundational reading skills, but loses its effectiveness after grade 3 as the sole reading assessment unless it is being used to target the foundational reading skills of tier 2 and 3 students. The math piece of this vendor is not a strong component in comparison to other vendors and does not provide enough accurate data.
- AIMSweb Plus Complete contains ELA, reading, and math testing. The customer service and support from this vendor has been questionable for some who have had interactions or attempted interactions with them.

The availability of instructional coaches within the state needs to be taken into consideration on this project as well. Even under the potential selection guidelines, there would be a need for ten instructional coaches to fulfill this service. If a school district already has an instructional coach on staff, the district would potentially need to keep this position at their own cost. This would aid in reducing the needed number of coaches across the state.

**Cost:**

The cost savings for the state will depend upon how many districts will use the chosen assessment and how many instructional coaches are ultimately needed.

The cost of this project ultimately will come down to selection of vendor. Product cost projections do include the cost of the professional development specific to the product.

Vendors contacted were unable to discuss potential bulk purchasing prices. However, some vendors would say there is a potential for improved pricing. The pricing given below is based on the vendors' standard rates.

Product cost if purchased for every student within the state:

Grade Span Options	Cost Range
K-5	\$71,300 - \$912,800
3-8	\$545,000 - \$879,300
6-8	\$271,300 - \$444,600

\* The DIBELS product and professional development accounts for the low end of the K-5 cost range. DIBELS is only included in the K-5 option as the estimate is based on implementing with K-2 students and students needing tier 2 or 3 interventions for reading in grades 3 and beyond.

Instructional coaching cost:

Estimated Schools Served	Estimated Cost
33	\$501,590

\*Cost figured on a flat \$66 per hour contract rate. This figure is an estimate and will vary depending on the size of the schools who meet the predetermined criteria for instructional coaching.

Total potential costs of project:

Grade Span Options	TOTAL Cost
K-5	\$572,890 - \$1,414,390
3-8	\$1,046,590 - \$1,380,890
6-8	\$772,890 - \$946,190

\*Cost is based on if every individual school within the given grade span participates and those eligible for coaching also participate. There is a range due to differences in potential vendor pricing.

**Feedback from Districts:**

In the survey response data collected, this product and service combination received the following rankings among the 96 districts who participated in the survey.

Ranking	Number of Districts	Percentage of Districts
1	30	31.25%
2	29	30.21%
3	21	21.88%
4	9	9.38%
N/A	7	7.29%

If an assessment product were to be chosen, the following data denotes at which grade levels districts are currently administering a benchmark assessment. Information which may aid in the decision-making process.

Question: At which grade levels does your district offer a purchased benchmark assessment that is administered at least twice a year? (check all that apply)

Answer Choices	Responses
A purchased benchmark assessment is NOT administered	16.67% 16
K-2	76.04% 73
3-5	77.08% 74
6-8	54.17% 52
<b>Total Respondents: 96</b>	

In addition to the data received from districts, there were additional comments made by respondents in regards to this potential product and service.

- “I truly believe if our main mission is to prepare our youth for their future we should focus on strategies that will truly impact student learning/achievement. Every school district in the state could benefit from a math and reading coach who is well-trained in best practices and methodologies and has the people skills necessary so they can coach and impact teachers and help them implement best practices that will have a significant impact in student achievement and learning ability.” District ranked this option second behind the need of Whole Child Services.
- “Combination of cost savings, educational goals and consistency for state reporting.” District ranked Benchmark Assessments with Limited Instructional Coaching as a one in their response.
- “Provides an additional assessment tool other than the Smarter Balanced and if done statewide would provide cost savings for the districts involved.” District ranked Benchmark Assessments with Limited Instructional Coaching as a one in their response.
- “We provide purchased benchmark assessments to grades 9-10, which was not an option on the survey. I believe the legislature should give us this money directly so we can determine which is the best fit for our district, instead of hoping we can all agree as a state which area to invest. Creates winners and losers. The best decisions are made at the local level.” District ranked Benchmark Assessments with Limited Instructional Coaching as a one in their response.
- “I feel that purchasing benchmark assessment technology could be considered without the limited instructional coaching for certain districts.” District ranked Benchmark Assessments with Limited Instructional Coaching as a two in their response behind Statewide Food Purchasing Group.
- “Amazing cost savings and goals if NWEA.” District ranked Benchmark Assessments with Limited Instructional Coaching as a one in their response.

**Potential Service/Product #3 – Learning Management System:**

**Overview:**

The Department would select a learning management system (LMS) vendor through a RFP process and it would then be offered to high schools (grades 9-12) within the state with the potential opportunity to expand to other grade levels as well. The LMS purchased would include professional development in the usage of the system.

The following are a few vendors that offer a learning management system:

- Schoology
- Canvas
- EMPOWER
- Edmodo
- Moodle
- Grovo
- MasteryConnect
- D2L Brightspace
- Infinite Campus

The LMS would be available to all high schools regardless of the individual school’s progress or plans to implement a complete customized learning approach to education within their buildings. Following the determination of the number of interested high schools, the potential to offer the LMS to other grade spans would be considered.

**Benefits:**

The direct benefit of this project would be the elimination of the product cost to districts. This would not only benefit the current 9-12 schools who are using a learning management system, but it would remove the cost barrier for districts who may have been considering the usage. Currently, there are sixteen districts who are implementing some form of a customized learning approach and using a LMS to support that approach. The grade levels vary between districts; however, high schools are the dominate level throughout.

For districts who are not looking to implement a schoolwide customized learning approach there are still benefits to LMS usage. A LMS has the ability to support a blended learning environment and online course opportunities. A LMS would provide a platform for a teacher or multiple teachers within a school to offer these types of learning opportunities.

Cost saving examples for product only between two commonly used vendors, does not include product training:

<b>Example 9-12 Schools</b>	<b>Vendor A</b>	<b>Vendor B</b>
Cost for school with enrollment of 1,275*	\$8,925.00	\$11,475.00
State cost for enrollment of 1,275	\$7,012.50	\$5,342.25
Cost savings	\$1,912.50	\$6,132.75
Cost for school with enrollment of 139*	\$973.00	\$5,000
State cost for enrollment of 139	\$764.50	\$582.41
Cost savings	\$208.50	\$4,417.59
<b>TOTAL Cost Savings</b>	<b>\$2,121.00</b>	<b>\$10,550.31</b>

<b>Example of Cost Savings for 75 Schools</b>	<b>Vendor A</b>	<b>Vendor B</b>
Cost for 25 large schools*	\$223,125.00	\$286,875.00
Statewide costs for 25 large schools	\$175,312.50	\$133,556.25
Cost Savings	\$47,812.50	\$153,318.75
Cost for 50 small schools*	\$48,650.00	\$250,000.00
Statewide costs for 50 small schools	\$38,225.00	\$29,120.50
Cost Savings	\$10,425.00	\$220,879.50
<b>TOTAL Cost Savings</b>	<b>\$58,237.50</b>	<b>\$374,198.25</b>

\*Total costs at the local level when purchased without the benefit of bulk pricing.

The indirect benefit of this product comes in the form of the potential advancement of additional schools moving towards a customized learning environment. It is possible for a school to offer a customized learning experience without a LMS; however, the LMS improves the teacher’s ability to efficiently manage the learning. Customized learning breaks down the “weight bearing walls” of the traditional form of education. Those walls include, but are not limited to, traditional grade levels, bell schedules, assignments to a course, and traditional school calendars. Customized learning in its truest form meets students at their individual readiness level and varies the path, pace, time, and space of the educational experience.

Some unforeseen benefits schools have found as they have transitioned to a customized learning environment include fewer behavior issues, less need for hiring substitutes, potential elimination of the quarterly report cards, and snow days became a non-factor.

**Concerns:**

The Department would only be able to select one LMS vendor. Schools currently using a LMS would need to consider if they are willing to switch vendors if the vendor they are currently using is not selected. If the school determines it is in their best interest to remain with a different vendor, the district would continue to cover the cost.

Blackboard Learn is currently offered to districts through the Department. While this product is not an all-encompassing LMS, it does have some similar features. The future of this product continuing to be offered to districts would need to be considered. The current funding expended for Blackboard Learn could be used to support a different LMS system. However, the costs of a new system are higher than the current costs for Blackboard Learn. A new LMS system would also require additional costs such training and additional K-12 data staff time to learn a new system.

The product development of learning management systems is in many cases still that- a development. There is not currently a LMS on the market featuring all the ideal components. There are a few vendors who are working and building their product who are getting close and also have the potential to reach that point; it simply is just not there yet.

In speaking to those currently using and investigating the various vendors of LMS within our state, they share that the ideal product would contain the features below.

- Ability to enter learning targets for students
- Ability for teachers to easily provide feedback and grading
- One user ID
- Ability for “teacher sharing”
- Ability for teachers to easily enter assignments
- Parent communication and access with visual tools
- Student friendly
- Scheduler

The “readiness” of the districts across South Dakota also needs to be taken into consideration. While the use of a LMS does not require a complete switch to customized learning, a customized learning environment is where a LMS is utilized at its full potential.

Districts also need to consider how the LMS system fits within or integrates with the State Student Information System, Infinite Campus. If another vendor besides Infinite Campus was chosen through the bidding process, districts would have two systems to work with and a need to determine how the two systems could work together. Infinite Campus has designed a LMS. More information can be found on the following website: <https://www.infinitecampus.com/products/district-edition/lms-features>. This feature of Infinite Campus is new and is not included in the state purchased district edition. The few districts who listened to a presentation by Infinite Campus during the Customized Learning Summit in July of 2016 indicated that this system was not as dynamic and does not meet all the needs districts were looking for in a LMS.

**Cost:**

The cost of this project will ultimately come down to selection of vendor. Product cost projections do include the cost the professional development specific to the product. The cost does not include training and assistance with the development or transition to a customized learning environment.

Total Potential Cost Range: \$507,861 - \$955,425

This range was based on potential pricing received from two primary vendors, MasteryConnect and Schoology. This total potential cost range is the total for three years, not individual year pricing. The potential pricing given by these two vendors was based on a three-year commitment by 166 school sites (number of 9-12 schools) and a student enrollment usage of 37,300 (statewide 9-12 enrollment).

**Feedback from Districts:**

In the survey response data collected, this product received the following rankings among the 96 districts who participated in the survey.

Ranking	Number of Districts	Percentage of Districts
1	11	11.46%
2	17	17.71%
3	32	33.33%
4	25	26.04%
N/A	11	11.46%

The following data demonstrates how districts would potentially implement a LMS if this option was selected to move forward.

Answer Choices	Responses
The district would NOT use an LMS	30.21% 29
The district may potentially use an LMS to transition to customized learning	30.21% 29
The district will move towards customized learning within the next three years	8.33% 8
The district is currently implementing customized learning and would use an LMS	11.46% 11
It is very likely that teachers within the district would use an LMS to offer blended or fully online learning opportunities.	19.79% 19
<b>Total</b>	<b>96</b>

There were no individual district comments regarding this potential product recorded within the survey.

**Potential Service/Product #4 – Whole Child Services:**

**Overview:**

Whole child services are a non-existent program within the state at this time in the manner which this project proposes. Districts are seeing an increase of children with social-emotional, behavioral issues. These issues create classroom disruption, monopolize the time of staff and administrators, are early indicators of future personal and justice system issues, and ultimately affect the learning environment as a whole. This project would create a “bank” of professionals to be at the service of districts to assist with the needs of these children, including general education and SPED students, and potentially provide training to school staff in appropriate interventions. This coordination of services will make treatment more accessible to schools to provide the services to all children within a district.

Personnel needed in the established bank of experts (These three positions were determined to be the most valuable based on conversations with various schools, agencies, and programs.):

- Behavioral Specialist
- Psychologist
- Social Worker

Personnel who would be beneficial additions to the bank of experts:

- Medical Professional
- Justice System Liaison
- Native American Connection Liaison

Whole child services could potentially take two forms: (1) a virtual model or (2) a co-op model. The virtual model would connect districts to this professional bank via technology. The bank of professionals would be essentially on-call to provide districts with outside perspectives, expertise, and approaches. The virtual model would be just that - virtual with limited ability for on-site assistance outside of usage

and technology training. The video on the following website showcasing Avera E-Care system will provide a better understanding of what a virtual model could look like. <http://www.averaecare.org/ecare/who-we-are/about-avera-ecare/>

The co-op model would divide the state into regions and have this bank of professionals for each region. This model would still contain an on-call type availability but would have additional benefits as well. There would be increased opportunity for on-site assistance, staff training, along with their added expertise in developing plans to address children's needs.

The services provided within this project would be open to all districts to access. There would not be a requirement of implementation of a schoolwide program, such as PBIS, Well Managed School, or other such models. However, the services within this project would enhance the abilities of these programs.

### **Benefits:**

Providing support to schools and families in creating a comprehensive plan with a team of experts to not only improve a child's behavior but well-being would be an expected outcome. Adverse childhood experiences take a toll on children and these experiences are numerous.

"It's become clear that the damaging effects of trauma are not saved until adulthood. It starts early and it effects students and teachers: in fact, kindergartners who have had tough experiences score below-average in reading and math, even when other factors like household income and parental education are considered, a study published this year found. Those traumatized 5-year-olds also are three times more likely to have problems with paying attention, and two times more likely to show aggression."<sup>7</sup>

Unfortunately, training and experts within districts are lacking, and many districts are not in a position to appropriately handle many of the issues they are seeing. "Traumatized students often present significant behavioral challenges for educators. Teachers are often forced to spend precious time and effort merely containing a student's social, emotional, behavioral, and academic issues without having the opportunity to adequately address student needs."<sup>8</sup> Teachers and administrators go through their "bag of tricks" but then are left at a dead end, or they are able to find a "band-aid" without truly addressing the underlying issues. This is where this service would enhance the educational process. This is about providing a service to schools to improve the quality of life for a child and appropriately address the needs of the child so he/she may be successful in life. It is not just about fixing a behavior problem.

Studies in adverse childhood experiences have identified 15 areas of common experiences which can "harm children's developing brains...that then can lead to chronic disease, mental illness, and are at the root of most violence."<sup>9</sup> The graphic below demonstrates the scope of adverse childhood experiences.<sup>10</sup>

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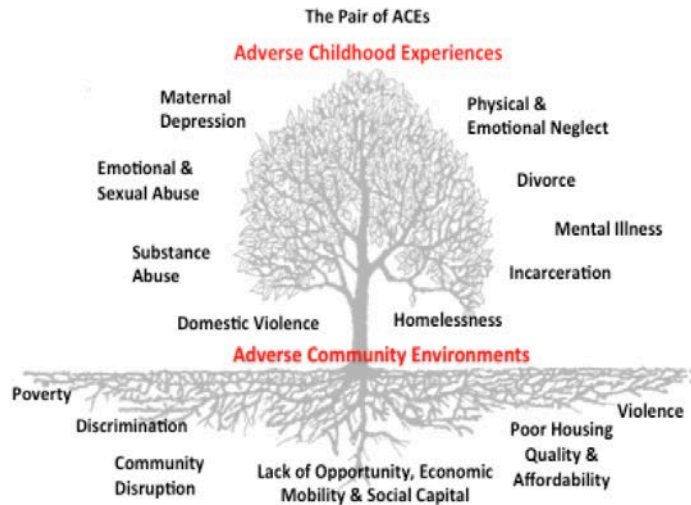
<sup>7</sup> Flannery, M. E. (2016, May 17). How Trauma is Changing Children's Brains. Retrieved January 1, 2017, from [neatoday.org/2016/05/17/trauma-and-children/](http://neatoday.org/2016/05/17/trauma-and-children/)

<sup>8</sup> Cevasco, M., Rossen, E., & Hull, R. (n.d.). Best practices for supporting and education students who have experienced domestic violence or sexual victimization. Retrieved January 1, 2017, from [nea.org/home/62845.htm](http://nea.org/home/62845.htm)

<sup>9</sup> ACEs Science 101. (n.d.). Retrieved January 1, 2017, from [acestoohigh.com/aces-101/](http://acestoohigh.com/aces-101/)

<sup>10</sup> Prewitt, E. (2016, December 5). Congressional briefing addresses public policy to improve response to ACEs. Retrieved January 1, 2017, from [acestoohigh.com/2016/12/05/congressional-briefing-addresses-public-policy-to-improve-response-to-aces/](http://acestoohigh.com/2016/12/05/congressional-briefing-addresses-public-policy-to-improve-response-to-aces/)





The current rate of hiring a behavioral specialist to work with a district on a contract basis ranges from \$500 to \$750 per day plus mileage at \$.42 per mile. Other districts have hired their own behavioral specialist to be on staff. When hired on staff, the standard response from districts is this position follows the certified staff salary schedule.

Based on information from two districts who currently contract the service, this project could potentially offer a wide range of savings.

Current contracting cost examples:

- District 1: \$2,000 plus mileage (5 half day visits)
- District 2: \$18,000 (1 day per week for the year)

The benefits of these services go beyond the dollars a district could potentially save. Access to this training and expertise can have many benefits as one district representative shared, “The role [behavior specialist] allows the district to reduce SPED referrals with early intervention when possible. The role allows less time loss on instruction for the student as well as peers.”

**Concerns:**

This is a new approach in pooling the resources we have within the state, and that in-itself is a challenge. While there are plenty of models out there to follow for on-site district level programs, there is not that same luxury when looking at an all virtual or co-op type model. However, simply because it does not exist at this time does not mean that it does not have the capacity to improve the quality of education and futures of the children within this state.

The biggest obstacle to this project will come in the area of qualified professionals. Finding an adequate number of professionals with the skills to complete the “bank” of experts will be challenging. The virtual model will decrease the number of those needed, but the co-op model will require more. However, part of the plan could potentially include incentive or training for those in similar fields of study to work in this area. For example, a counselor could receive additional training or course work to move beyond

just counseling and into the realm of behavioral expert. A counselor’s background training would only enhance his/her expertise in assisting at the behavioral specialist role.

Under the virtual model, technology capabilities will need to be taken into consideration. Districts will have to be equipped to have portable virtual communication. There will also be a need to create the virtual hub where the bank of experts will be located.

An important consideration under this project is the SPED factor. Currently, students within SPED who are in need of these services receive them through funding provided by SPED. The students who do not qualify for SPED do not have access this same funding; however, many students are still in need of the service but districts do not necessarily have the funding to support it. There is potential of working together with SPED and using a shared funding approach to improve the quality and access to training and services making them more attainable for all students. An important element would be keeping a balance so the time and resources are not monopolized by the needs within one sector or the other.

**Cost:**

Co-op Model Cost:

This project would need to follow a phase in approach beginning with a pilot program in one to two regions of the state and then expanding to all regions from there. Cost below give a two-region pilot and then full implementation cost for thirteen regions.

Pilot Year: 2 Regions

Personnel Needed:

Position	Cost
Behavior Specialist (2)	\$178,000
Psychologist (2)	\$183,000
Social Worker (2)	\$166,000
<b>TOTAL Cost</b>	<b>\$527,000</b>

\*The Department would potentially contract with established co-ops to hire these personnel to service their region.

Full Implementation: 13 regions, on-going yearly cost

Personnel Needed:

Position	Cost
Behavior Specialist (13)	\$1,157,000
Psychologist (13)	\$1,189,500
Clinical Social Worker (13)	\$1,079,000
<b>TOTAL Cost</b>	<b>\$3,425,500</b>

Virtual Model Cost:

Costs of a virtual model encompasses personnel expenses, travel, technology equipment and maintenance, and supplies.

Description	Estimated Cost
Implementation Year	\$2,401,811.00
Year 2 and Beyond	\$1,657,661.00
<b>TOTAL Cost for 2 Years</b>	
	\$4,059,472.00

\*Following the implementation year, costs would reduce due to equipment and technology being in place.

**Feedback from Districts:**

In the survey response data collected, this service received the following rankings among the 96 districts who participated in the survey.

Ranking	Number of Districts	Percentage of Districts
1	16	16.67%
2	29	30.21%
3	22	22.92%
4	22	22.92%
N/A	7	7.29%

If this service were to be implemented, the following demonstrates the projected number of students needing to be served within districts.

Question: Approximately how many students within your district do you foresee directly benefiting from Whole Child Services?

Answer Choices	Responses
None	15.63% 15
1-10 students	31.25% 30
11-20 students	21.88% 21
21-30 students	11.46% 11
31-40 students	5.21% 5
41-50 students	1.04% 1
50+ students	13.54% 13
<b>Total</b>	<b>96</b>

In addition to the data received from districts, there were a few additional comments made by respondents in regards to this potential service.

- “The reason I have ranked the benchmarking and coaching second is that I have to address the students social/emotional/mental stability before I can even think about getting them to learn. We have seen a rise in the number of students come to us with some significant mental/emotional issues, and we are not equipped to handle them.” District ranked Whole Child Services as a one in their response.
- “We are in desperate need of a behavioral specialist.” District ranked Whole Child Services as a one in their response.
- “Whole Child Services would also benefit the district greatly. With the many issues that our students face from trauma in their lives having these specialists available would be wonderful. If these professionals were willing to sit in on our TAT meetings and/or parent/student meetings when dealing with behaviors and a plan to help them succeed, it would be great.” District ranked Whole Child Services as a two in their response with Statewide Food Purchasing Group number one.
- “Don’t envision a daily or weekly need for Whole Child Services.” District ranked Whole Child Services as a three in their response.
  - It should be noted that the intention of this service under the potential plan would not foresee this being a daily or weekly service need to every district, but a service to which a district could turn when in-district options have been exhausted.

**Overview of District Feedback Regarding All Four Services/Products:**

Between January 5-17, 2017, South Dakota school districts were given the opportunity to participate in an informational webinar and survey ranking and providing feedback regarding the four potential services/products outlined within this research. Of the 150 districts in South Dakota, 96 districts returned survey responses (64% participation rate).

**Overview of rankings:**

Question: Please rank the following state-purchased goods or services based on the priority need for your district.

	1	2	3	4	N/A	Total	Score
Statewide Food Purchasing Group	38.54% 37	15.63% 15	12.50% 12	28.13% 27	5.21% 5	96	2.68
Benchmark Assessments with limited instructional coaching	31.25% 30	30.21% 29	21.88% 21	9.38% 9	7.29% 7	96	2.90
Learning Management System	11.46% 11	17.71% 17	33.33% 32	26.04% 25	11.46% 11	96	2.16
Whole Child Services	16.67% 16	30.21% 29	22.92% 22	22.92% 22	7.29% 7	96	2.44

When considering the score average for each item, benchmark assessments with limited instructional coaching ranks first with statewide food service purchasing group second.

**Reason for selection responses:**

Question: Select the option that best describes the most significant determining factor in your top-ranked choice from the previous question.

<b>Answer Choices</b>	<b>Responses</b>	
Cost savings for the district	<b>36.46%</b>	35
Allows the district to offer a service not currently within our budget	<b>9.38%</b>	9
Advances the district's educational goals	<b>30.21%</b>	29
Improves the school environment	<b>6.25%</b>	6
Decreases the workload burden on the district	<b>8.33%</b>	8
Other (please specify)	<b>9.38%</b>	9
<b>Total</b>		<b>96</b>

Sixty-four districts selected their top-priority based on the service/product being a cost savings for the district or it advances the district’s educational goals. All relevant comments given within the “other” category were stated within the individual potential product/service district feedback sections.

Given below are District comments relevant to the overall consideration of any option.

- “Many of these have potential and I wish you the best on building consensus.”
- “Whatever we can do to save dollars for individual school districts will allow them to make decisions locally to best address their needs.”