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New Fairfield Public Schools (NFPS) Shared Services Assessment

June 2025

Project Overview

1. Evaluated the strengths and weaknesses of the current Shared Services financial operations
 - a. Assessed key areas such as Purchasing, Accounts Payable (AP), Accounts Receivable (AR), and Payroll
2. Assessed the cost-sharing model and shared services framework/Memorandum of Understanding (MOU)
3. Interviewed key stakeholders and confirmed personnel roles and responsibilities
4. Reviewed existing policies, procedures, job descriptions, and shared services agreement



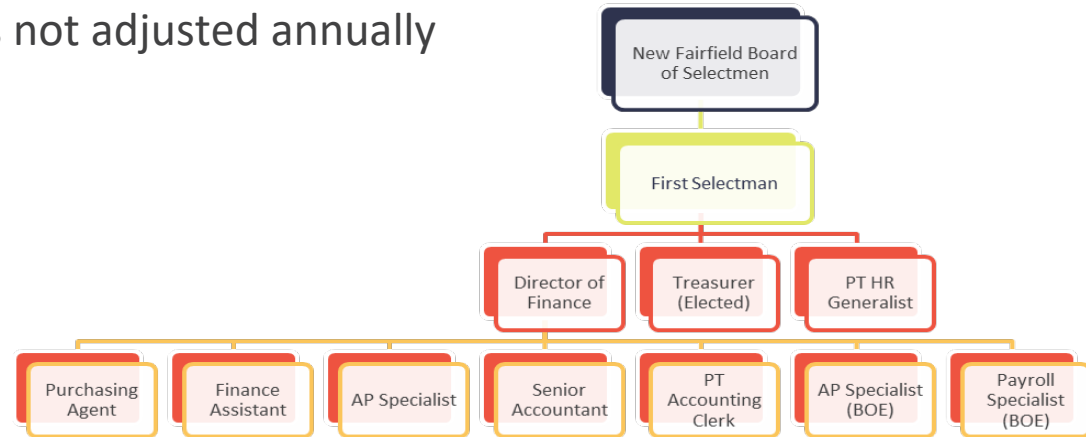
Shared Service Overview

1. NFPS and the Town have operated under a shared services agreement dating back to July 2006. The agreement included the following:
 - a. The Director of Finance position reporting directly to the First Selectman with additional reporting to the Superintendent of Schools, Board of Finance, and Treasurer
 - b. Three (3) combined Finance Office positions including an Accounting Manager, Purchasing Agent/Contracts Administrator, and Payroll Specialist reporting directly to either the Director of Finance or Accounting Manager
 - c. Four (4) Accounting Clerks responsible mainly for Town and Board of Education (BOE) accounts payable, general cashiering/revenue, general ledger/account reconciliation
2. Per the agreement, allocations of salaries between Town and BOE were to be determined annually in a process by the Director of Finance



Shared Service Overview

1. All eight (8) positions, including the Director of Finance and his/her direct reports within the Finance Office, are funded jointly, 50/50 by the Town and BOE
 - a. Only two (2) of these positions, the Payroll Specialist and AP Specialist, spend most of their work/time allocated to supporting NFPS operations
 - b. There is no annual review of Finance Office employee workload (time and effort) and the distribution of work for Town and District operations. The 50/50 cost split is not adjusted annually



Current State Assessment

1. The shared model does not adequately meet the operational needs of the NFPS
 - a. The existing agreement between the entities is insufficient and has limited safeguards built within it
 - b. Although the financial model is classified as “shared,” there are only two (2) positions (Payroll Specialist, AP Specialist) who focus most of their time on District financial work
 - c. Neither the Superintendent, nor the Director of Business and Operations, have formal authority/supervision over the Director of Finance position or shared services employees
 - d. Turnover in leadership and financial management positions can cause instability in supporting the shared financial team
 - i. There is no designated backup position for the Director of Finance



Current State Assessment

1. The NFPS pay (50%) for positions that do not directly support (or minimally support) the District's financial task and business operations
 - a. This equates to approximately \$300,000 annually (*based on the 2024-2025 budget book data*)
 - b. The 2025-2026 fiscal year budget includes: a newly added part-time Accounting Clerk position as well as salary increases for all Finance Office positions, totaling approximately \$340,000
 - c. Outside of the two (2) Specialist positions and some additional tasks handled by the Finance Assistant and Purchasing Agent, all others in the shared model perform financial work almost exclusively for the Town



Future State Recommendations *(2 Models)*

1. Maintain Shared Services Arrangement with Significant Remodeling/Restructuring
 - a. Restructure and update the Memorandum of Understanding (MOU)
 - i. Confirm which financial functions are in scope
 - ii. Establish agreement between the Town and Board of Education (BOE) to jointly recruit and select/hire the Finance Director position
 - iii. Defined reporting relationships, including the Finance Director being accountable to both the First Selectman and the Superintendent
 - iv. Cost arrangements clearly establishing the ratios or cost-sharing model between the Town and NFPS and for which positions, systems, etc.
 - v. The Director of Business and Operations should be given reporting authority over those that support BOE functions within the shared structure
 - vi. Monthly meetings should be held to confirm shared financial operations meet the needs of both the Town and District

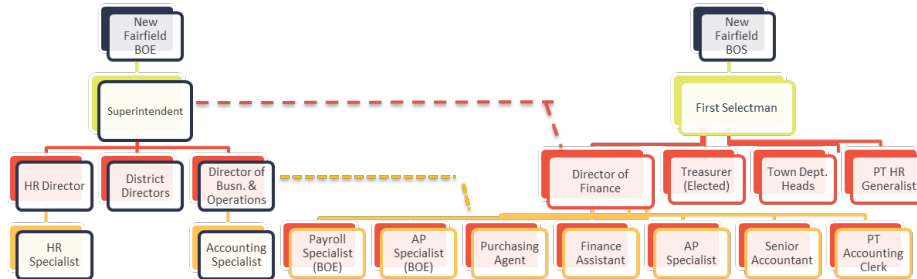


Future State Recommendations- Model 1A & 1B

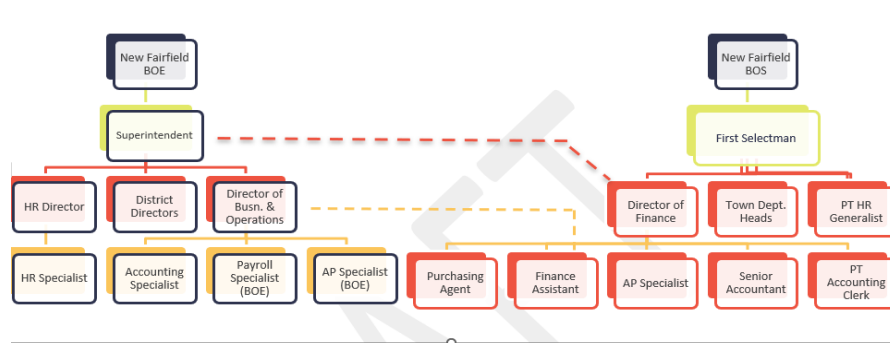
1. Implement an updated Shared Services Model

- Model 1B is identical to proposed Model 1A with addition of a direct reporting line for the Payroll Specialist and AP Specialist (who focus on BOE work) to the Director of Business and Operations

Model 1A



Model 1B

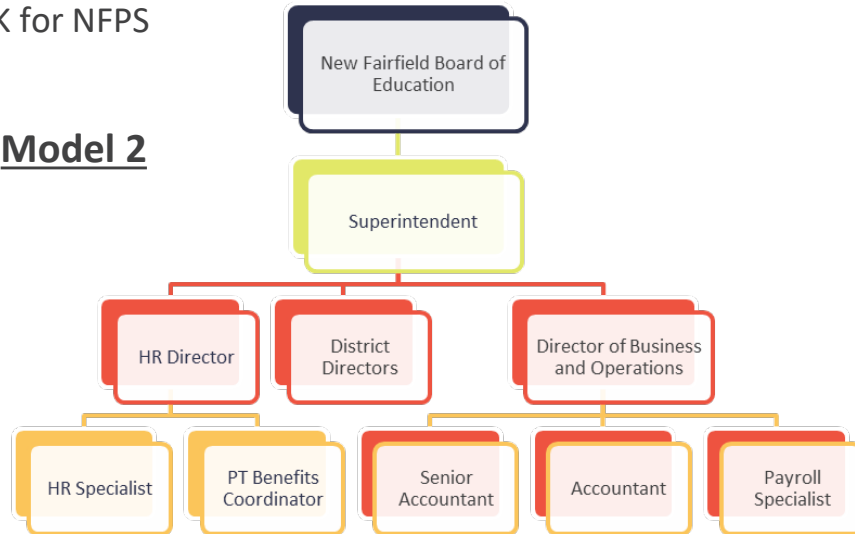


Future State Recommendations- Model 2

1. Establish an Independent NFPS Financial Office

- a. Eliminate the Shared Services model between the Town and NFPS
- b. Establish a completely independent, separate finance operation within NFPS
- c. Hire additional resources to build the NFPS Finance Office, transition all BOE financial tasks from the shared office to NFPS; eliminate cost-sharing for any financial positions
 - i. Approximate cost of \$245K for NFPS

Model 2





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