Shared services is a collaborative strategy for optimizing staff, equipment and facilities and other public resources across jurisdictions to improve operational efficiencies and service delivery.
The number of types of local government entities has almost doubled over the past 40 years.
The Effects of Fragmentation

how much paper would it take to send each of these agencies a letter?

over 13 reams

| 49 types | 6,550 agencies | 20,230 elected officials | 506,000 employees |
How the Money Flows

The 49 types of Local Agencies each have multiple revenue sources, often with many streams from each source - estimated to total over $50 billion this next year.

State support, just one of these sources, is less than half as large as local agencies’ own revenue sources and only 26 percent of the total revenue.

*Other Local Revenue includes: Water & Sewer, Parking, Trash, other fees

Sources: US Census Bureau, Ohio Office of Budget and Management, Ohio Department of Taxation
The fiscal gap is an estimate of the action needed today and maintained each year to achieve fiscal balance over the next 50 years.
Our world is changing...

When the speed of change outside the organization exceeds the speed of change within ... The end is in sight!

-Jack Welch, C.E.O., General Electric
Our world is changing...
Why Shared Services Now?

• New Fiscal Reality
• Technology
• Awareness & Culture
• Demographics
“Regionalism” (Fear Factor)
“Shared Services” (The Vision)
9.482...

“a political subdivision may enter into an agreement with another political subdivision whereby a contracting political subdivision agrees to exercise any power, perform any function, or render any service for another contracting recipient political subdivision that the contracting recipient political subdivision is otherwise legally authorized to exercise, perform, or render.”
Tool Kit To Implement Shared Services

This section details Promising Practices and successful examples of collaboration that have been identified during the course of developing "Beyond Boundaries". They are organized by each of the nine Shared Services categories that were included in the survey and evaluated by the deliverables team. This is not an exhaustive or complete compilation of what is happening in the state of Ohio, but it is the most comprehensive to date. The nine categories are: technology, administration, economic development, health and human services, educational instructional support, public works, public safety/911 systems, fleet management and operations, and facilities.

Promising practices are an explanation of an approach or a program within a shared services category. It may also detail findings about optimum economies of scale or reveal centers of excellence or leading providers in that shared services category. The examples are more often local projects that exemplify a successful collaborative arrangement. Where possible, contact information is provided so a reader can find out more about a promising practice, to participate in an existing program, or to find out more about starting a similar collaborative effort in their community. The designation of what type of information the contact can provide are noted through these icons.

Key for Section's Contact Information:

- **info**: To find out more about this promising practice
- **join**: To find out more about joining their program
- **start**: To find out more about starting a similar collaborative effort in your community
Shared Services Categories

- Technology
- Administration
- Public Works
- Public Safety
- Education – Instructional Support
- Economic Development
- Health and Human Services
- Fleet Management and Operations
- Facilities
Local Government Innovation Fund: Grants Rounds 1-5

Grant Amount Awarded by Shared Services Category

- Technology: $1,573,572
- Public Works: $869,213
- Public Safety: $1,034,352
- Health and Human Services: $933,875
- Fleet/Management: $543,930
- Facilities: $383,550
- Educational Instructional Support: $704,438
- Economic Development: $527,600
- Administration: $933,020
- Total: $8,154,971

Approximately 50% of project matches are cash, 50% are in-kind services.
Local Government Innovation Fund: Grants Rounds 1-5

80% of grants have partners different from the lead applicant type.

69 counties are represented by the Local Government Innovation Fund.

- Average # of Partners per Grant: 4.3
- Average # of Different Partner Types per Grant: 2.27
Practicing What We Preach at the State Level

- In FY2012 the State of Ohio spent $830 Million on Information Technology-Cabinet, Boards and Commissions
  - Target: FY2017- $680 Million ($150 Million in Annual savings)

- More than 5,000 servers running at 6-8% capacity in more than 30 data centers.
  - Target: 60% Capacity

- 19 Separate Email Systems
  - Target: One by the end of this calendar year

- 2,500 Full Time IT professionals
- 1,600 applications 20% >10 yrs. old, 54% >5 yrs.
  - (10 to 20 yr. old 2x costs to operate)
- 14 Separate networks- annual telecom contracts $53 Million
- Eleven Agencies operate over 17 help desks
Shared Services and Technology

Schools and Local Government and Ohio own 20,000 to 25,000 Servers

The Management Council of the Ohio Education Computer Network estimates that Regional coordination of shared technology services along with development of regional data centers and shared “cloud services,” could yield at least $91 million in savings, with a potential for savings of more than $150 million annually.

**Promising Practice:** The K-12 cloud can provide mutual opportunities for co-location, disaster recovery and inter-connected services such as voice-over IP among entities, helping to further reduce costs.

**Promising Practice:** School and government IT acquisition costs can be reduced through collaborative development and adoption of technology standards for commodity IT purchases and through sharing end-use device management.

**Promising Practice:** Software and web development management costs can be reduced through joint ownership and collaborative design.

www.beyondboundaries.ohio.gov
Be Aggressive and Connect the dots... “Budget Bingo”
Shared Services Success-

- **City of Green** (popn. 25,000) and **Green City Schools** (enrollment 4,000)
  - Shared administration building, pooled health care, county building, county health, Sheriff provides police services, dispatch
  - **Results:** 7% to 8% savings in $24.6 million annual budget

- **City of Tallmadge** (popn. 17,537) (GRF $13.2 Million, all funds $28.7 Million)
  - Shared dispatch, county building, regional income tax, JEDD, IT consolidation and upgrade, shared heavy equipment (with 12 communities)
  - **Results:** 2008 General fund balance $2.2 million July 2013 balance $5.1 Million with NO tax increases, NO layoffs.

- **Harrison Hills Schools** (enrollment 2,031, budget $15 Million)
  - Over a Dozen Shared Service projects with other schools, local governments and county agencies
  - **Results:** Turnaround from Fiscal Caution to $717,900 “Taxpayer Savings”

- **Summit County and it’s townships, cities and villages** (543,000 popn)
  - Akron, Barberton, County combined Health District
  - 25 Communities have combined building departments
  - **Results:** American City and County Award, reduced fees, increased services

www.beyondboundaries.ohio.gov
Be Creative
Job-A-Bego
Autism program grabs state's attention
Nine counties share therapy program

COLDWATER - A blonde-haired boy happily bounced on playground equipment in the park as his therapist told his story.

Before the child's parents were introduced to the Play and Language for Autistic Youngsters Project, the 3-year-old frequently buried his head in the carpet, kept to himself and would not talk, Colleen Zunk said. Weeks
“Our business model has changed permanently. In order for us to maximize our service to students and our impact on the community, we need great partners.

If shared services with like-minded partners enables us to do something better, faster, and cheaper, we’re compelled to consider it. My guess is in some cases we’ll be buyers, in other cases we’ll be sellers.”

– David T. Harrison - President, Columbus State Community College.
Questions? Contact me

Randy.Cole@obm.state.oh.us
614-949-1182
@crandycole (Twitter)

www.beyondboundaries.ohio.gov