

# **ANALYTICAL COMPASS**

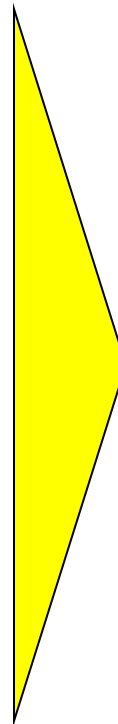
**Navigating School Finance Through Uncertain Times**  
**Winter 2011**

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## Complexity and uncertainty in the school funding model makes it difficult to build a reliable financial plan

### Financial Analysis Can Be ...

- **Challenging** to gather necessary data
- **Time consuming** to make sense of the data and conduct analysis
- **Complicated** to build projections and outcomes are highly uncertain
- **Clumsy** to convert data into presentations

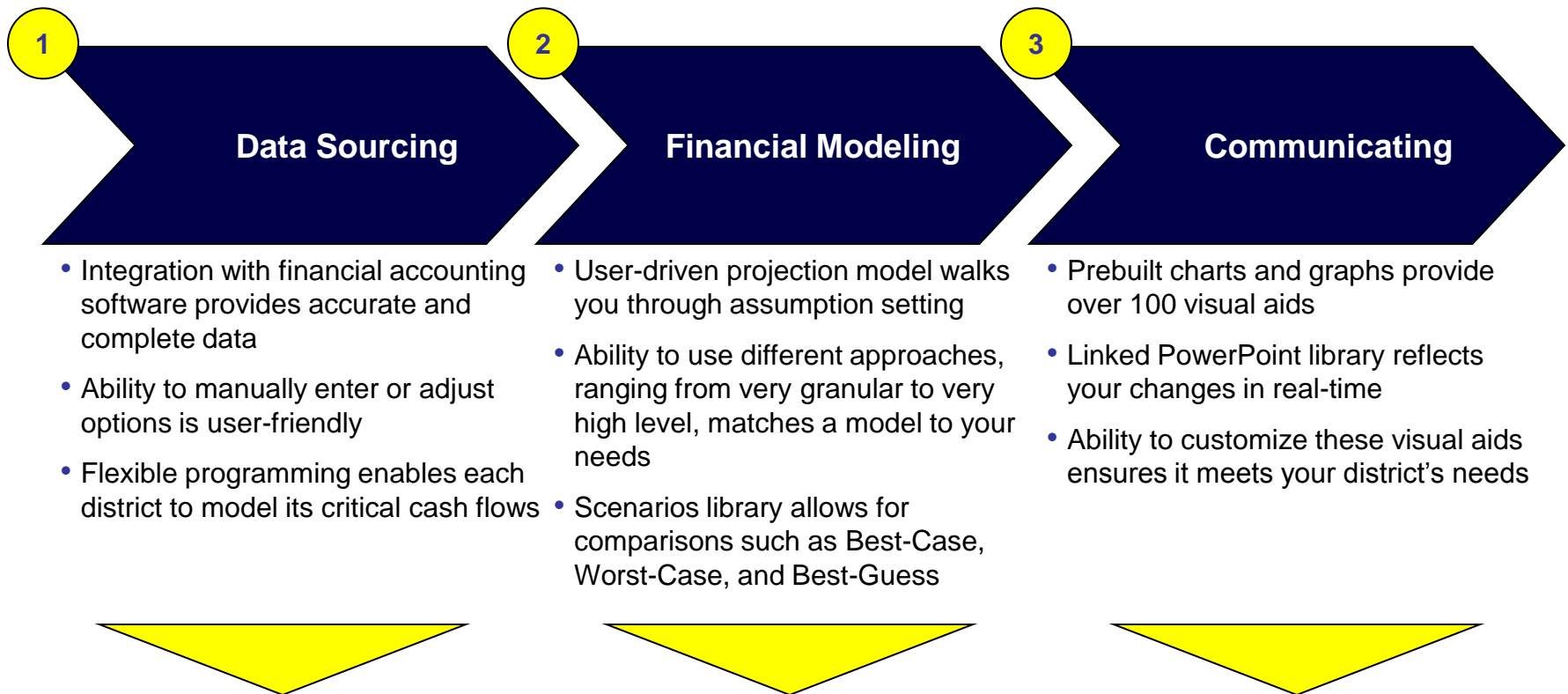


- **Data is passed automatically** from financial accounting systems\*
- **You're in control** of user friendly Excel models that walk you through the process
- **Local and State revenue formulas are built in\*\***
- **Output populates** preset charts and graphs
- **Linked PowerPoint** presentation updates in real time as you work

\*Can be used with any financial accounting system, data import process will vary

\*\*Detailed calculations availability based on State

**Analytical Compass is a complete solution that will save time, improve understanding, and build confidence**



**Rich data sources, robust financial models, and effective visual aids make Analytical Compass a powerful financial planning tool**

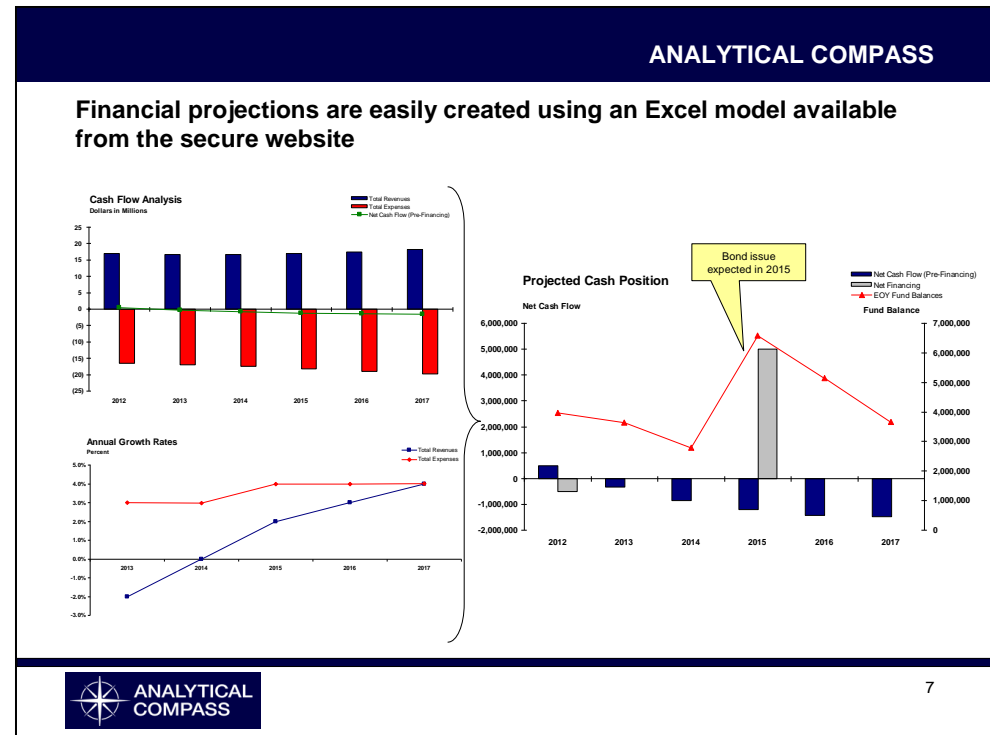
## Analytical Compass Projections enable you to model detailed cash flows and draw insightful conclusions

### Revenues

- Build future **tax levies** based on projected tax base, tax rates, and applicable caps
- Calculate detailed **State Aid** sources (as available), incorporating enrollment, multipliers, cost indexes, etc
- Set annual assumptions for eight other key revenues to your district

### Expenses

- Project current salary schedules using dollar and/or percent changes
- Age your staff, if desired, by allowing them to accrue additional service
- Set assumptions for nine other key expenses to your district



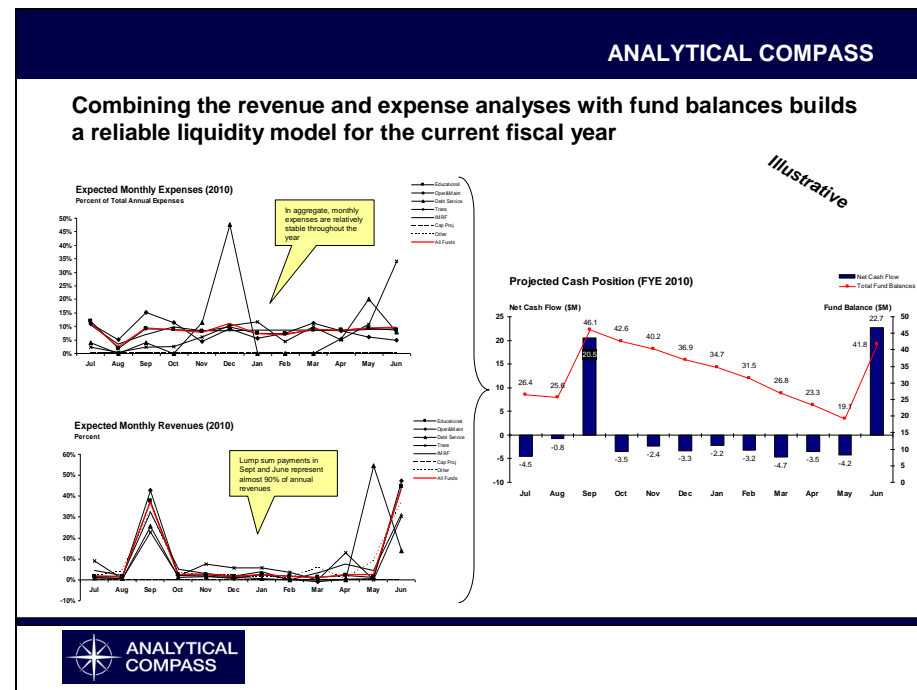
## Analytical Compass Cash Flows provides insightful analysis around your current year experience and expectations

### Monthly Cash Flows

- Analyze year-to-date experience against expectations
- Estimate fund balances by month throughout the year
- Efficiently model changes in current year cash flows to understand implications

### Cash Flow Breakdowns

- Build expectations revenue and expense sources over prior three years
- Analyze cash flows by fund, by month, as well as in aggregate



## Analytical Compass Historical Analysis provides insightful comparisons of revenues, expenses, and economic indicators over past three years

### Revenue and Expense Analysis

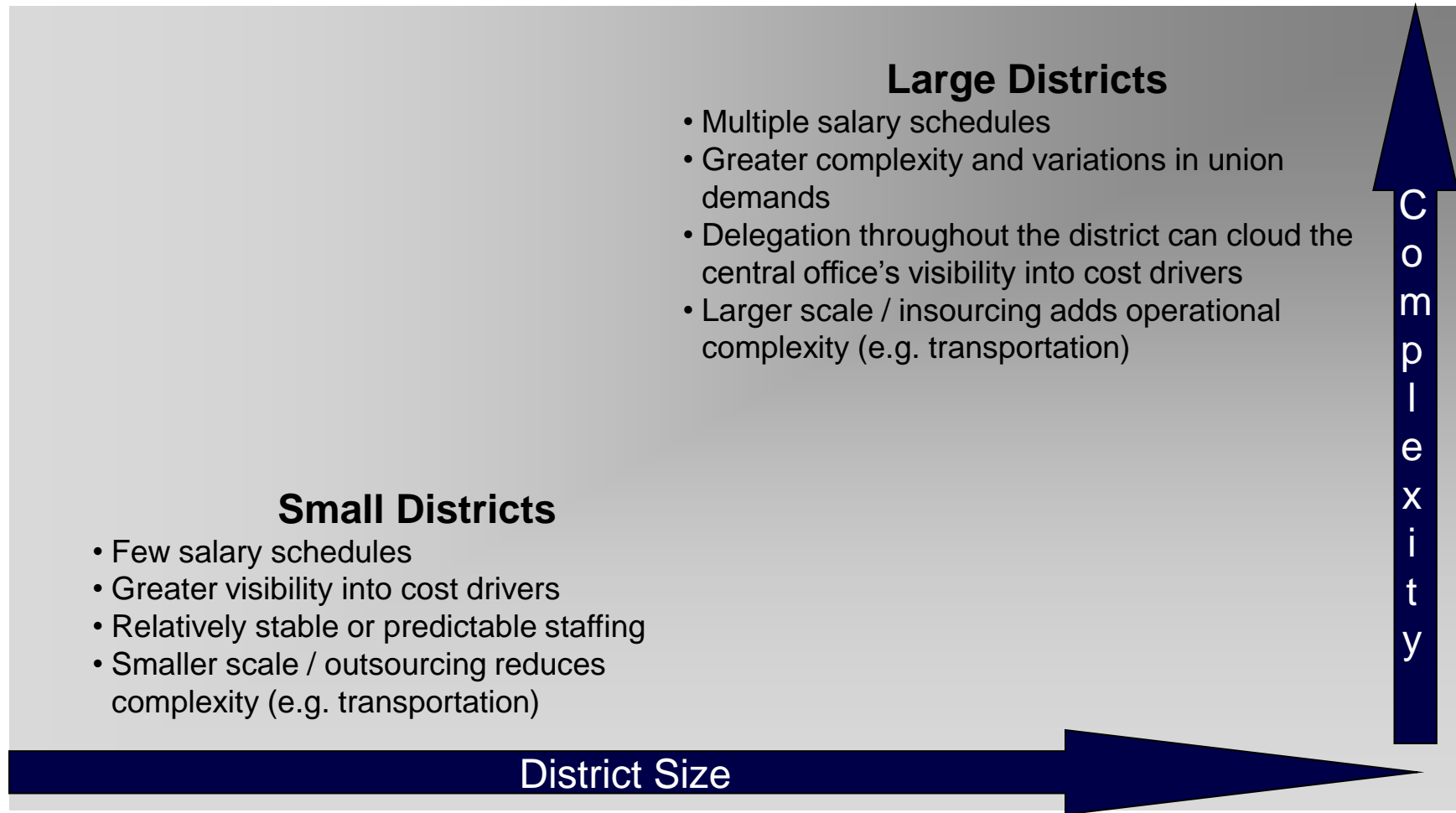
- Rank all revenues and expenses in terms of growth over past 3 years
- Analyze specific revenues and expenses as drivers of net cash flow position
- Compare growth rates on per pupil basis

### Economic Comparisons

- Track five external economic benchmarks
- Compare growth rates of specific revenues and expenses against economic indicator



**Although education finance is complicated for all districts, complexity grows exponentially as districts get large**



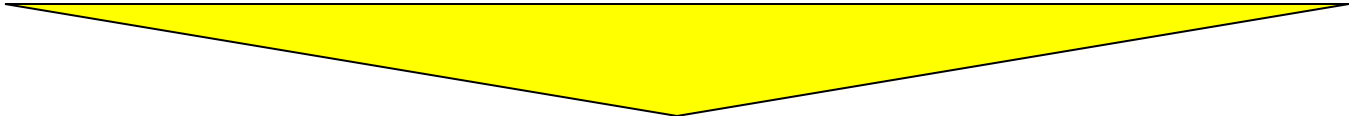
## Analytical Compass Custom Solutions can build a robust set of analysis and projection tools to meet Rockford's specific needs

### Compass Suite

- Build future tax levies based on projected tax base, tax rates, and caps (as applicable)
- Estimate State Aid based on the specific formulas
- Incorporate up to 10 salary schedules with annual pay increases as dollar amounts or percentages
- Allow for employee aging by adding service
- Build monthly liquidity models to estimate cash flow needs and fund balances

### Custom Solutions

- Expand tax levy model(s) to incorporate corporate taxes and other levy-specific considerations
- Build additional revenue or expense models (e.g. transportation, special education, benefits)
- Conduct and integrate detailed employee survival analysis (i.e. career path)
- Create new charts and graphs
- Add new projection options or approaches (e.g. new entrant profiles, salary projection overrides)
- Other customizations to meet your needs



There is a solution for your greatest modeling needs - Analytical Compass - a suite of financial analysis and projection tools built specifically for Schools and customized for your District

AnalyticalCompass.com is the central hub for user activity, providing secure access for updating data and downloading financial models



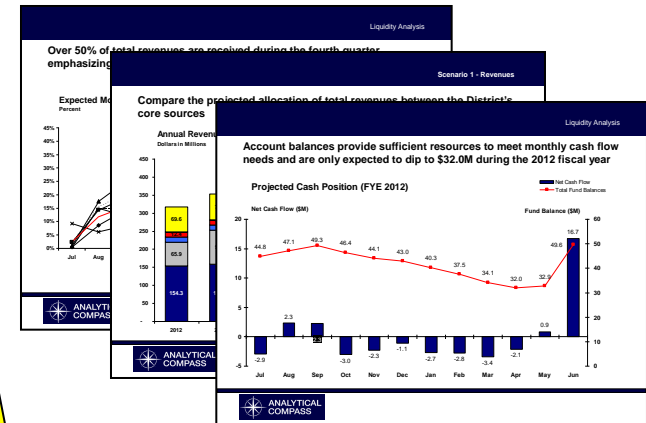
## Accounting System

- Any school can use these tools regardless of financial accounting system
- User can electronically transfer or export records from their system to secure Analytical Compass website
- Alternatively, users can simply enter data elements directly into the secure website



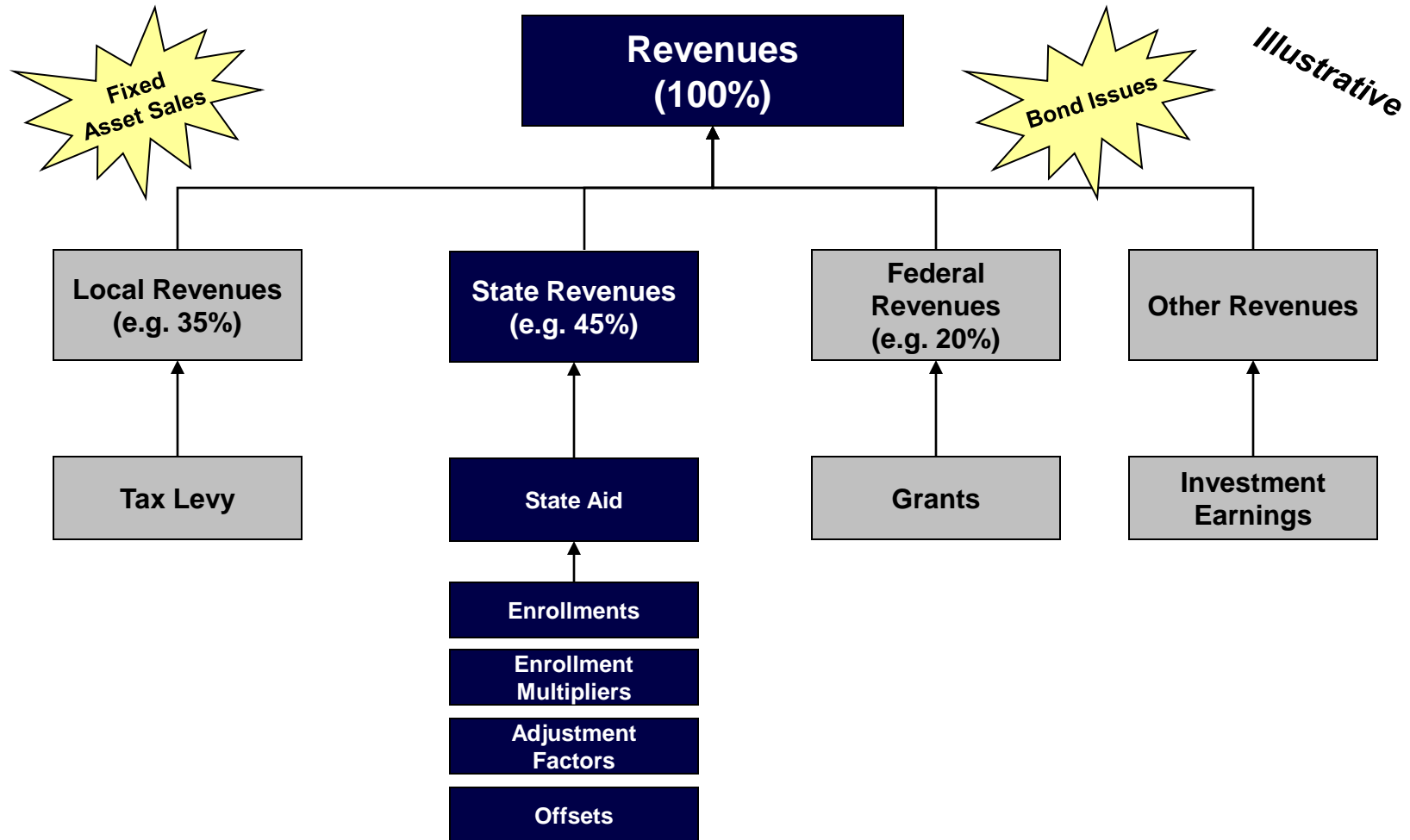
## Analytical Compass

- Secure website imports records and refreshes financial data
- User selects revenues, expenses, and funds most critical to their district
- User securely downloads Excel-based financial models preloaded with their selections

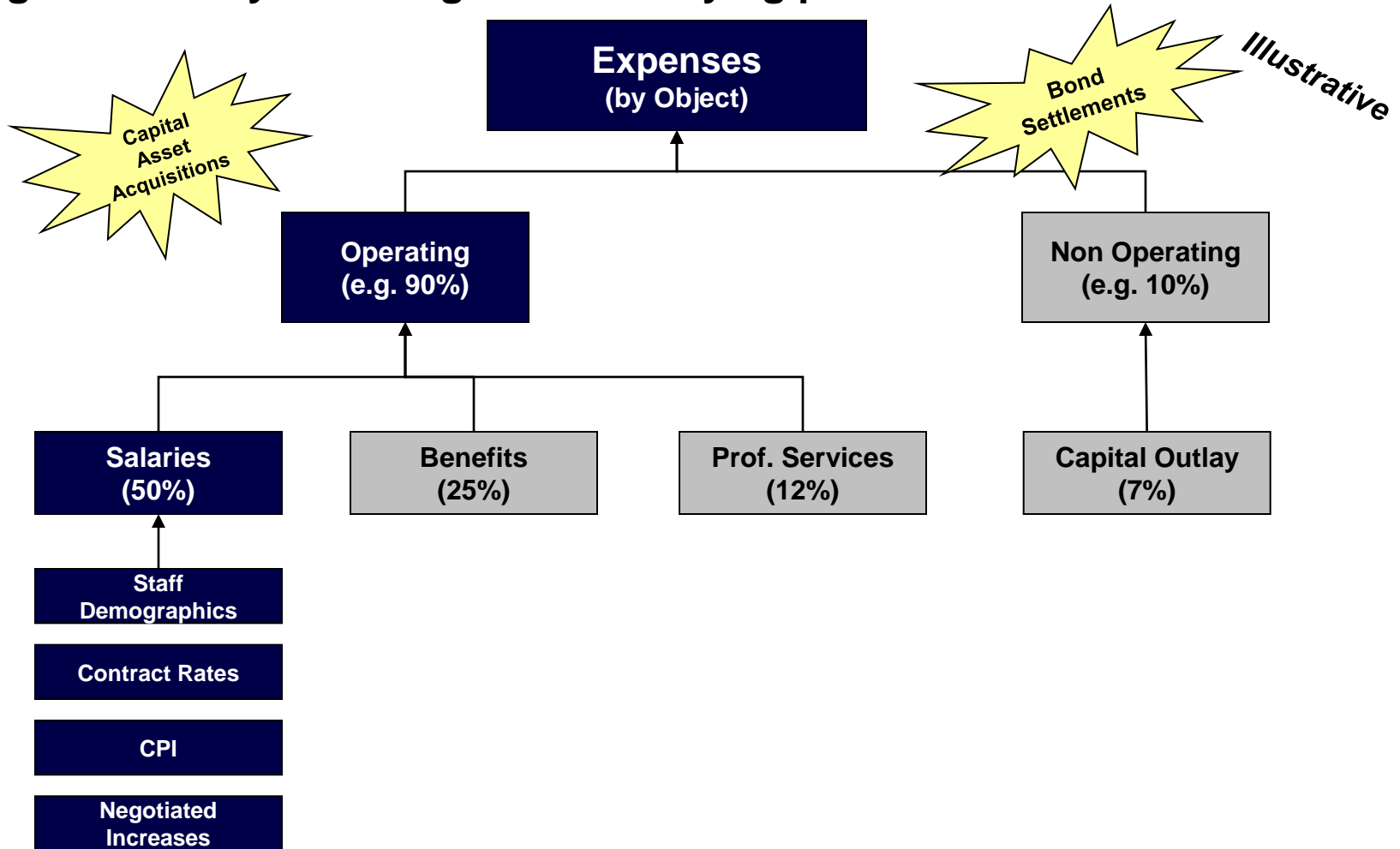


- Linked PowerPoint library updates in real time with modeling
- User can customize formats and PowerPoint settings
- User chooses which of the 150 slide to incorporate into presentation

A rich data history enables us to develop revenue projections at a high level or by modeling their underlying performance drivers



Similarly, our approach enables us to develop expense projections at a high level or by modeling their underlying performance drivers



Crunching historic data can be very time consuming

Estimating future revenues can be complicated

Preparing effective presentations can take a long time

**It can be insightful and efficient, and it is, with**

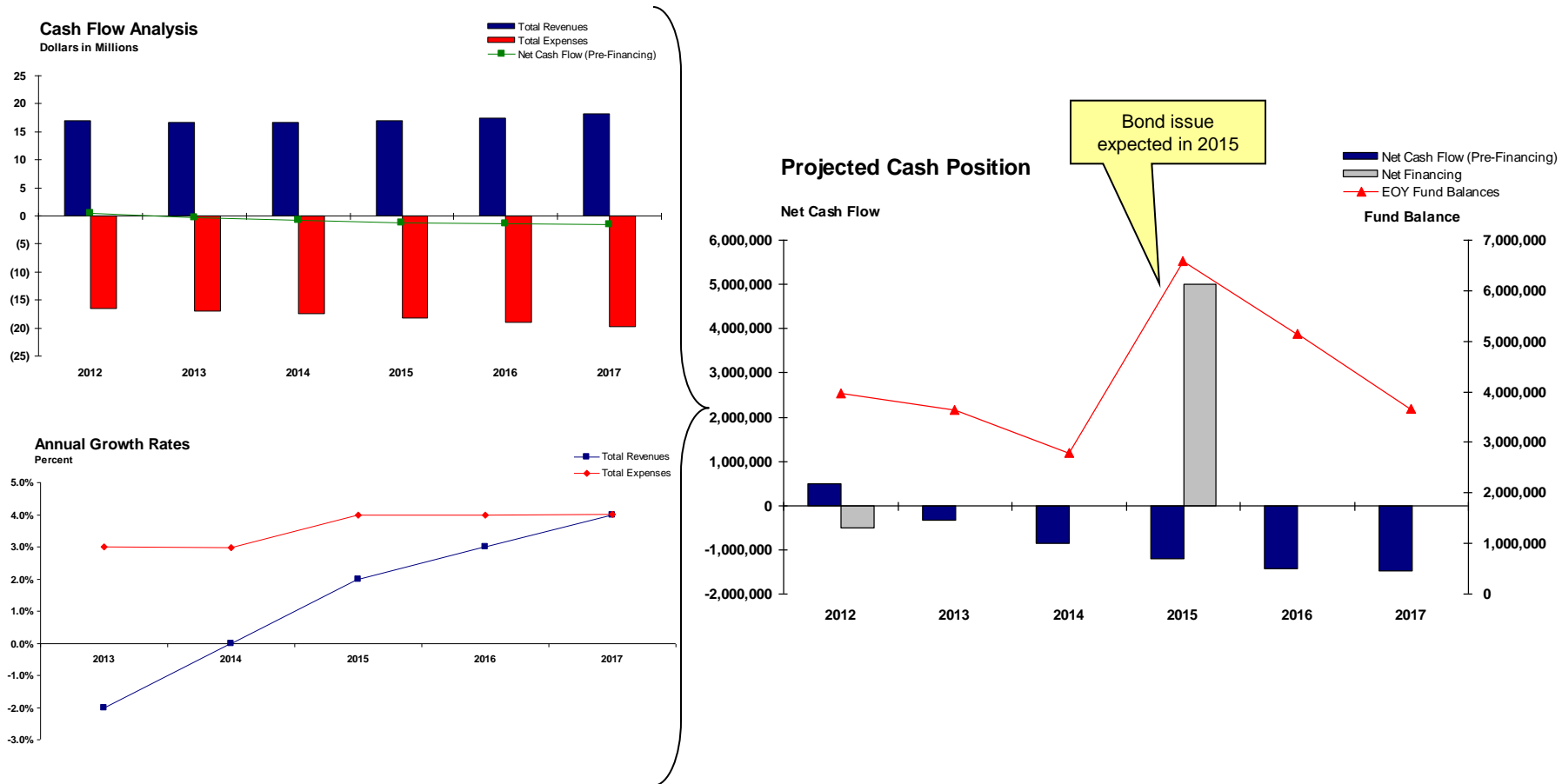
# ***ANALYTICAL COMPASS***

**AnalyticalCompass.com**

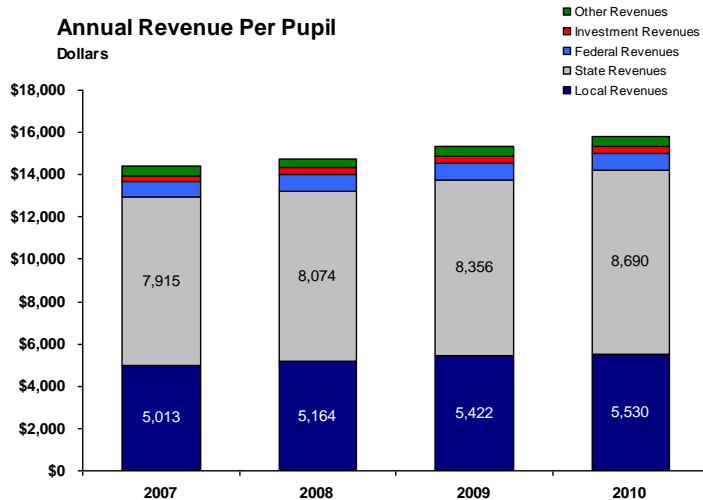
# Appendix

## Analytical Compass Examples

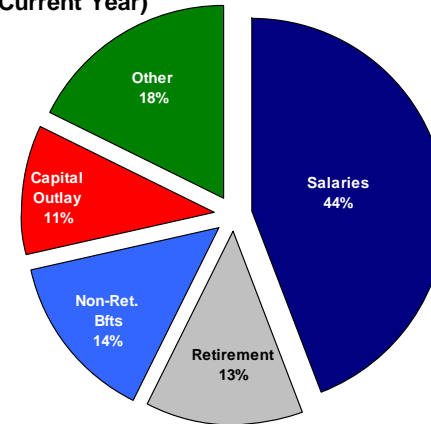
## Using Excel makes it easy to create financial projections and graphical output



## The historical analysis and cash flow programs convert your uploaded data into Excel output with a few clicks of your mouse

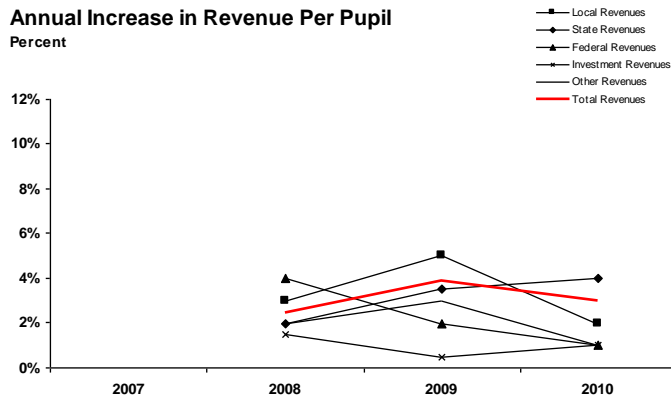


### Expense Breakdown (Current Year)

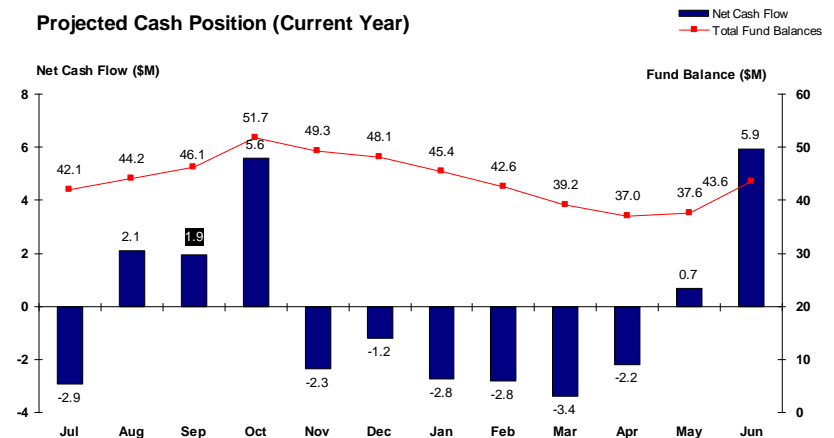


### Annual Increase in Revenue Per Pupil

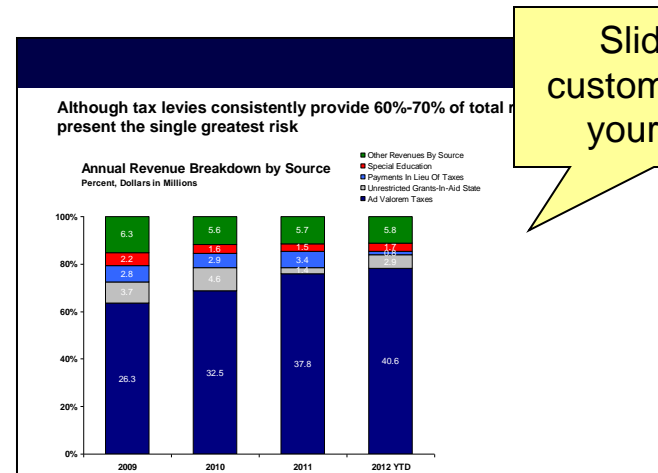
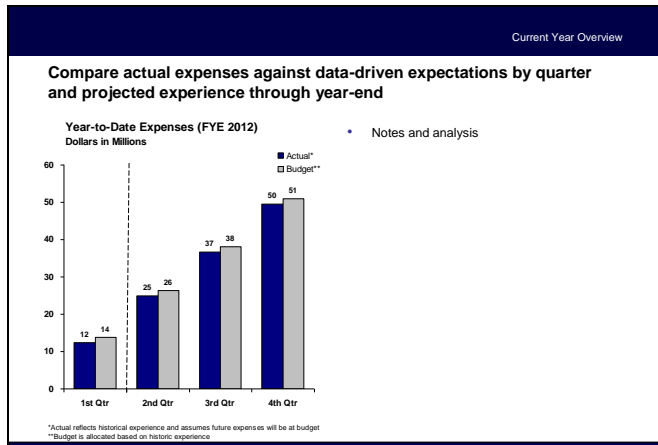
Percent



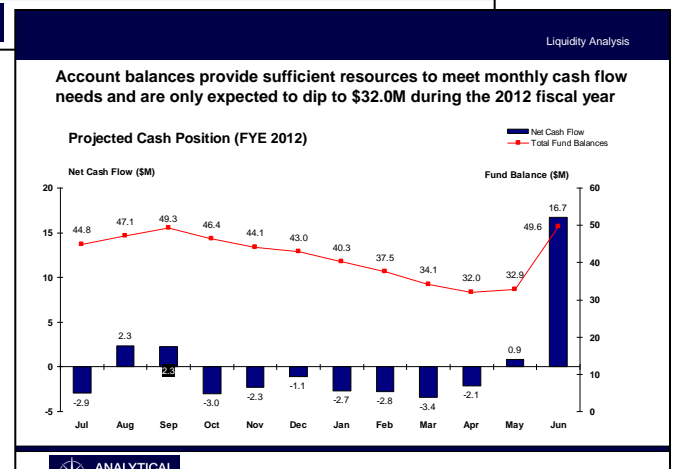
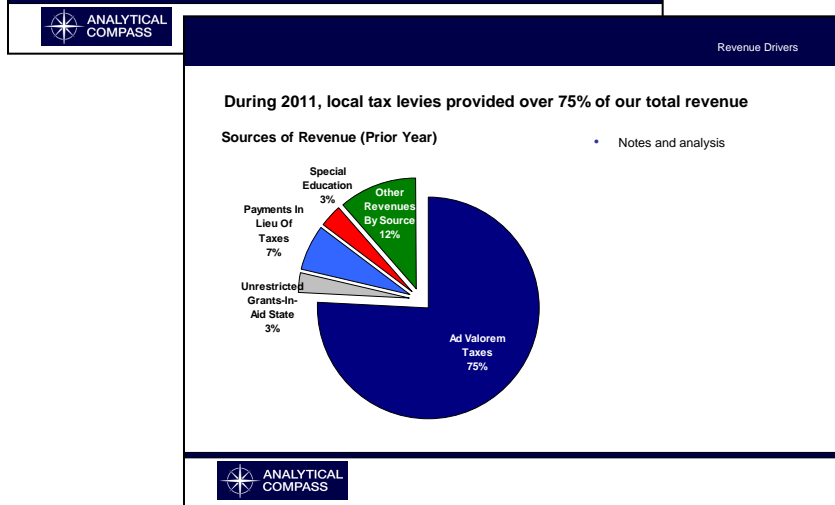
### Projected Cash Position (Current Year)



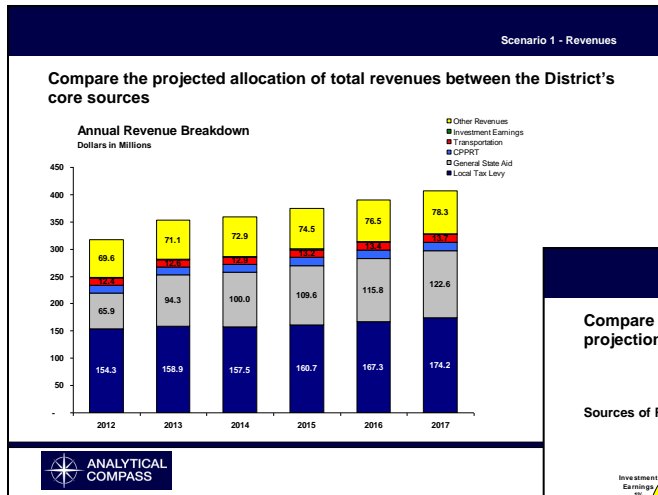
## Samples from PowerPoint library



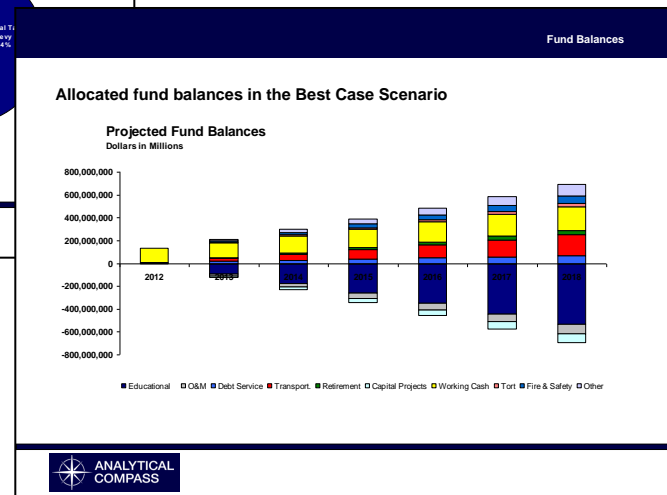
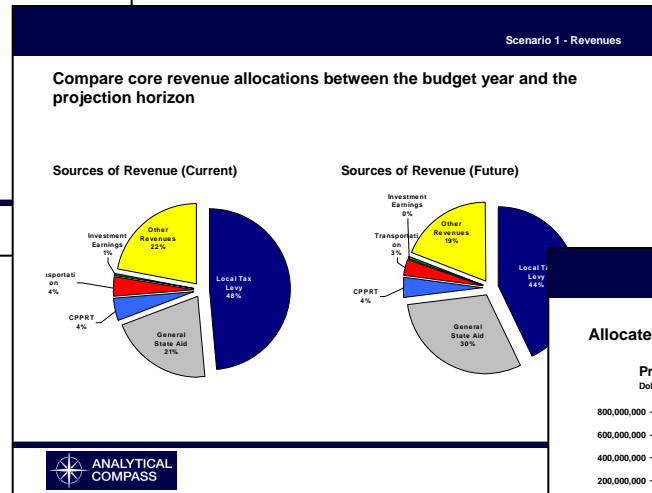
Slides are customizable for your district



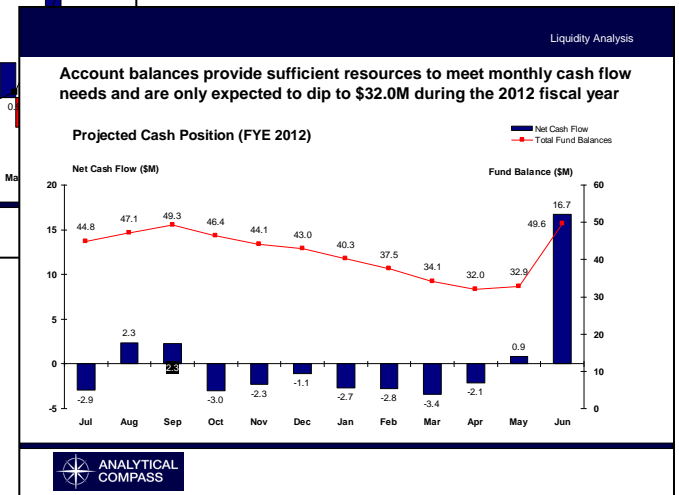
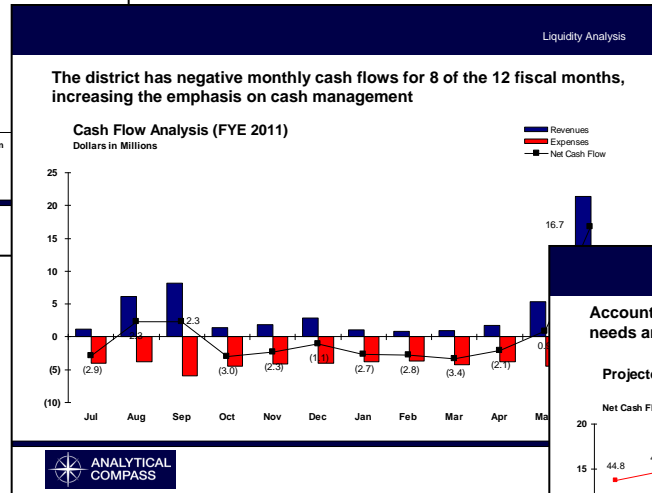
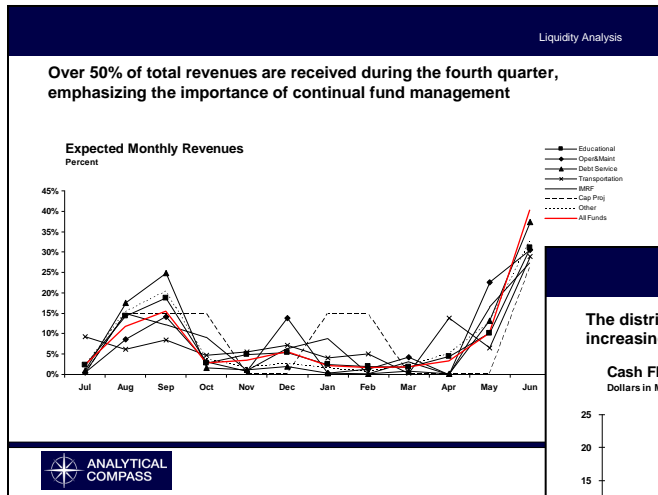
## Samples from PowerPoint library (continued)



Slides are customizable for your district



## Samples from PowerPoint library (continued)



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