STANWOOD-CAMANO
SCHOOL DISTRICT

TO: Board of Directors

FROM: Ruth Floyd, Executive Director of Business Services

SUBJECT: NWRDC and WSIPC Rates

DATE: March 7, 2023

TYPE: Information Only

Attached is a letter from Northwest Regional Data Center (NWRDC) outlining the rates for end-user support services as well as rates for Washington School Information Processing Cooperative (WSIPC), which provides our fiscal, human resources, and student information data systems.

The rates for NWRDC for 2023-24 fiscal year will increase 4 percent, and WSIPC rates will increase $0.50. The average increase for full service (fiscal and student) is approximately 3.3 percent, totaling $46.49 per student FTE. NWRDC has increased their rates only once since 2007, while WSIPC has raised rates periodically over that time period.

Please let me know if you have any questions or concerns. The Superintendent will electronically sign the document after the board meeting.

February 15, 2023

Dear District Superintendents,

Subject: NWRDC & WSIPC Rates for 2023-2024

Since 2007, NWRDC has only increased its rates one time, resulting in a 5.4% fee increase over the past 15 years despite inflation of almost 50% during that period of time. Inflation and a decline in student FTE have put significant pressure on WSIPC and NWRDC's financial operations in recent years. As a result, NWRDC's Full Service and Fiscal Only rates for the 2023-24 year will increase 4% and WSIPC rates will increase $.50 in all categories. Both NWRDC and WSIPC are committed to keeping rates as low as possible for districts as reflected by rate increases well below inflationary rates.

The combined impact of the rate changes are as follows:

	2022-2023			2023-2024				
	NWRDC Training & Support	WSIPC Licensing & Hardware	**Total per FTE Rate**	NWRDC Training & Support	WSIPC Licensing & Hardware	**Total per FTE Rate**	Total per FTE Increase	Total % Increase
Full Service	$24.52	$20.49	**$45.01**	$25.50	$20.99	**$46.49**	$1.48	3.3%
Fiscal Only	$13.63	$20.49	**$34.12**	$14.18	$20.99	**$35.17**	$1.05	3.1%
Student Only	$15.56	$13.23	**$28.79**	$15.56	$13.73	**$29.29**	$0.50	1.7%

Please see the attached for more information on NWRDC rates. NWRDC rates are approved by the NWRDC Executive Committee consisting of elected district representatives. WSIPC rates are approved by the WSIPC Board of Directors consisting of the ESD Superintendents.

We look forward to continued service and support of your staff and students as members of NWRDC. Should you have any questions, please contact me at llynch@nwrdc.net or by phone at 425-349-6556.

Best regards,

Lynn Lynch
Director
Northwest Regional Data Center
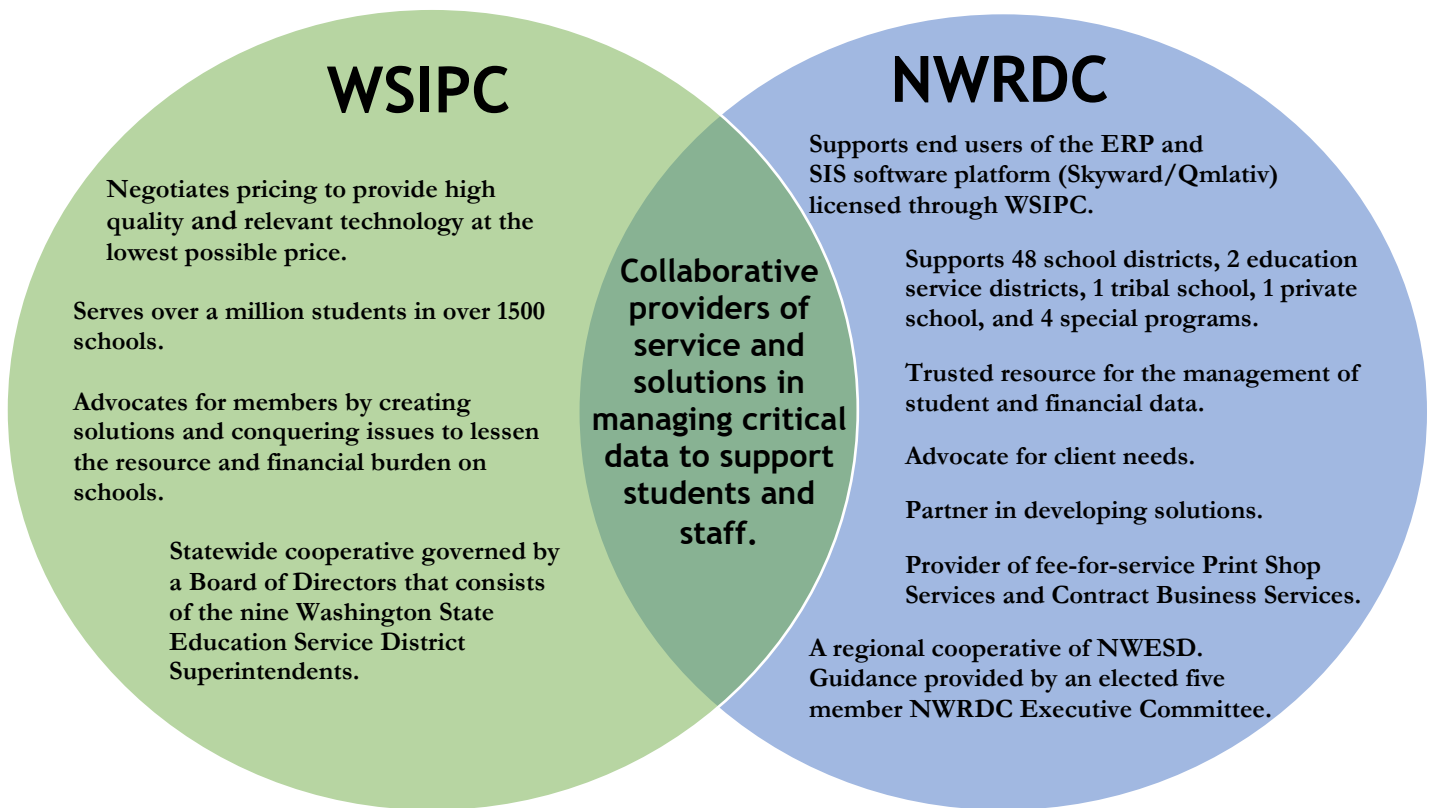
Cc: Business Managers
        Technology Directors
        Student Coordinators

NWRDC Membership Rate Facts

What do membership rates pay for?

Membership rates fund the statewide technology services provided by WSIPC and the regional training and support provided by NWRDC. Both organizations make up a unique nonprofit joint cooperative that provides members access to shared software, hardware and support. This cooperative has been serving the K-12 community since 1967.

WSIPC

Negotiates pricing to provide high quality and relevant technology at the lowest possible price.

Serves over a million students in over 1500 schools.

Advocates for members by creating solutions and conquering issues to lessen the resource and financial burden on schools.

Statewide cooperative governed by a Board of Directors that consists of the nine Washington State Education Service District Superintendents.

Collaborative providers of service and solutions in managing critical data to support students and staff.

NWRDC

Supports end users of the ERP and SIS software platform (Skyward/Qmlativ) licensed through WSIPC.

Supports 48 school districts, 2 education service districts, 1 tribal school, 1 private school, and 4 special programs.

Trusted resource for the management of student and financial data.

Advocate for client needs.

Partner in developing solutions.

Provider of fee-for-service Print Shop Services and Contract Business Services.

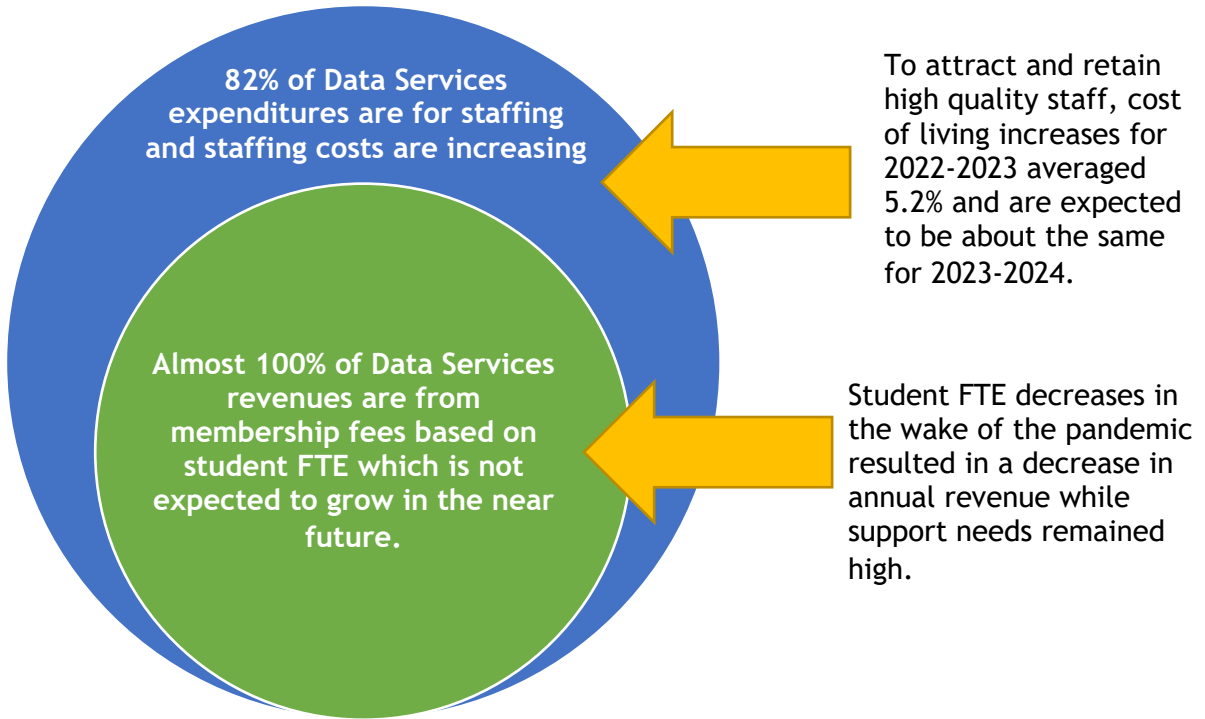A regional cooperative of NWESD. Guidance provided by an elected five member NWRDC Executive Committee.

What considerations were included in the NWRDC FTE rate increase?

NWRDC is currently drawing down cash reserves to minimize fee increases to school districts. The gap between revenues and expenditures in our data services decreased fund balance by $127,397 in 2021-2022 and is projected to be reduced by up to $400,000 in 2022-2023. The 4% rate increase will generate annual revenue of $200,000.
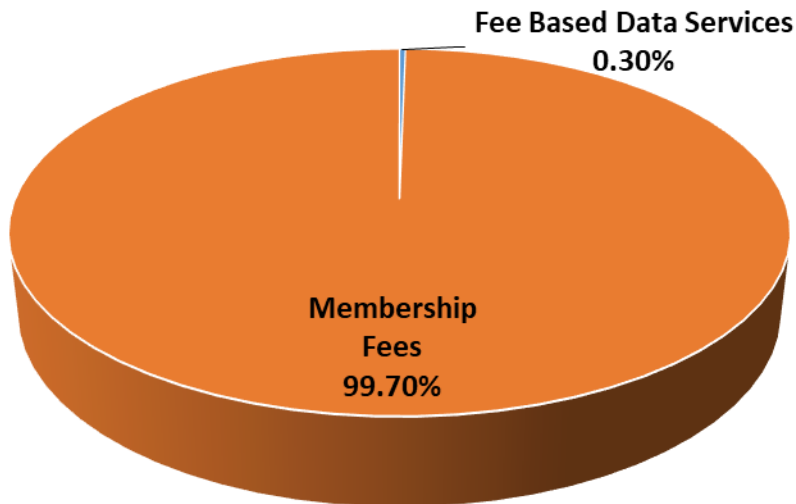
Emphasis continues to be on providing quality services at a time when districts are in need. The NWRDC staff are ready to support you with the Skyward SMS and Qmlativ systems licensed by WSIPC. Services include supporting district migrations from SMS to Qmlativ and supporting districts through staffing changes, in addition to the day-to-day support and training.

Why are NWRDC rates increasing?

Future revenues for support and training (Data Services) from student FTE are expected to remain flat or decline while staffing costs continue to increase.

82% of Data Services expenditures are for staffing and staffing costs are increasing

Almost 100% of Data Services revenues are from membership fees based on student FTE which is not expected to grow in the near future.

To attract and retain high quality staff, cost of living increases for 2022-2023 averaged 5.2% and are expected to be about the same for 2023-2024.

Student FTE decreases in the wake of the pandemic resulted in a decrease in annual revenue while support needs remained high.

Data Services Revenue Sources 2021-2022
$5,367,331

Fee Based Data Services
0.30%

Membership
Fees
99.70%

Data Services Operational Costs 2021-2022
$5,494,728
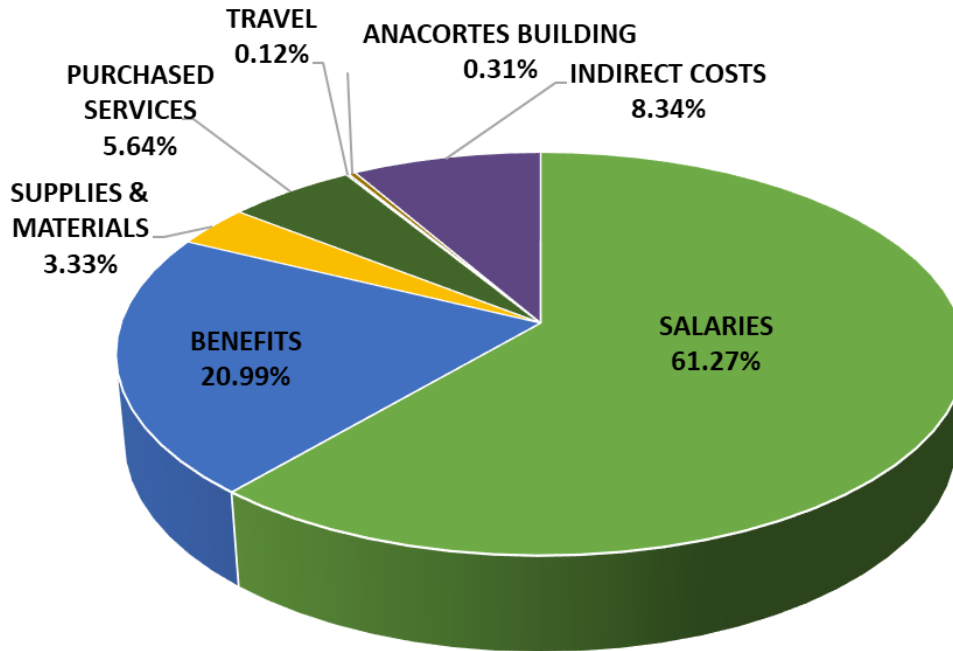
Staffing 82.26%
- NWRDC employs 35.5 full time staff to support data services which includes support, training and operations (ACH, printing & shipping). 31 staff make up the Student and Business Support teams. The remaining 4.5 are the director, admin assistant and 2.5 staff in the operations department.
- NWRDC utilizes an on-call pool of experienced staff for high volume times, vacancies and contracted services.

Purchased Services 5.64%
- 80% of purchased services was for shared staffing and shared building expenses with WSIPC. Staffing includes the receptionist, facilities manager and staff technology support.
- The remaining 20% is for website support, membership fees, software subscriptions, conference registrations, printing services, equipment maintenance and phones.

Supplies & Materials 3.33%
- Includes general supplies, staff technology, operational software licenses and shipping.

Travel .12%:
- Reduced as more staffing resources are allocated to migrations.

Anacortes Building Use .31%:
- Removed from the budget in 2022-2023 with the consolidation of all staff at the NWRDC Everett location.

Indirect Costs 8.34%
- Includes general NWESD operational expenses such as infrastructure and shared services.