



CASE STUDY

Developing New Revenue Streams for Public Schools



THE SCHOOL DISTRICT OF
PHILADELPHIA

"The thorough analyses of the CSS program provided us with critical information on how we can best extend learning and career opportunities for our City's students in a cost effective manner."

- Bi Vuong, Director of the Strategy Delivery Unit

Client Profile

The School District of Philadelphia (SDP), established in 1818, operates over 200 schools with a \$2.5B annual budget and serves over 130,000 K-12 students in the City of Philadelphia.

The Project

SDP's Strategy Delivery Unit engaged the Fox Management Consulting (Fox MC) Practice at Temple University's Fox School of Business to leverage existing assets to develop new sources of revenue. The Fox-MC consulting team researched the Capital Management, Utility Consortium and Urban Technology Project (UTP) Computer Support Specialist (CSS) programs and determined that the CSS program would provide SDP with the best opportunity to generate revenue and sustain the District's mission.

Recommendations

The Fox MC team suggested that SDP utilize the CSS apprentices to sell IT services to local schools, nonprofits and small businesses. SDP and the Fox MC team came to an agreement to focus on a strategy that would create positive cash flow for the UTP program. Analyzing UTP's financial statements allowed the Fox MC team to determine that CSS senior apprentices (those that remain in the program longer than the designated three years) cost roughly 50% more than non-senior apprentices.

Based on these findings, the Fox MC team recommended that UTP transition senior apprentices out of the program over a two-year period to lower UTP's costs. In addition, UTP could expand its customer base to other educational institutions, local corporations and the City of Philadelphia to create a positive cash flow.

The strategic recommendations from the Fox MC team create positive cash flow for UTP in 2016. They also set-up the program to increase opportunities for Philadelphia youth, enhancing UTP and the School District of Philadelphia's core missions.

The Fox MC team also evaluated the District's current Career & Technical Education (CTE) programs and provided a recommendation to replicate the UTP apprentice model in the hospitality CTE program.