



# Private High School Saves Big with New Cost Improvement Program

## Executive Summary:

Archbishop Mitty High School, like most private schools, was faced with the challenge of maintaining or exceeding its quality of education within an annual operational budget supported by tuition and endowments. With a careful eye on rising tuition, Mitty was looking for ways to save money without sacrificing the quality of its programs. Xperience Incorporated offered a program that would find ways to save within an existing budget and save the school \$55 per student per year.

## About Archbishop Mitty High School:

With 1,800 students Archbishop Mitty High School is the Catholic, coeducational, college preparatory school of the Diocese of San Jose. The School embraces the Catholic educational mission of developing community, teaching the message of the Gospels, and promoting service, peace, and justice.



## The Challenges:

In the decades since World War II, a perfect demographic storm has arisen, resulting in dramatic change for parochial and private education. As the 'baby boomers' age, there is now a significant decrease in the population that would traditionally fill school seats, and fewer kids in the population to take the place of graduating students. In fact, government statistics show that there will be a declining number of high school age students in the United States through 2024, by as much as 6 percent from levels seen at present.

Private enrollment in faith-based secondary schools could decline from 1.36 million students to under 1 million within that time frame. And, as in the price of other everyday items, tuition costs – and the expenses of running the schools themselves – have been on the rise.

Archbishop Mitty High School, recognized this challenge and decided to take action on non-salary administrative expenses.



## The Solution:

The High School took steps to see what could be done to save money and improve spend controls at the school. They engaged the services of Xperience Incorporated, a local procurement consulting service specializing in spend control and cost management for private schools, to review and determine what could actually be managed and reduced.

Xperience Incorporated proposed using Thesis™, a program that includes a no-cost analysis of a school's actual historical spending in comparison to pricing from its own supplier network. The analysis might include recommendations, as part of a tailored program for the school, components including a web storefront, P.O. system, travel program or other software and services (visitor management software, invoice processing, document management, etc.) that will have high benefit to the individual school's cost.

Mitty carefully reviewed the analysis and focused on using supplier networks, provided by Xperience, with prenegotiated discounts on expense items being used including furniture, technology, paper, janitorial, classroom supplies and uniforms. They also opted to use an online purchase order system that allows for approval of expenses before purchases are made and see request vs. budget. Overall visibility to spending would be accompanied by accountability and cost control.

## Results:

Within a two week period, Xperience reviewed historical invoice data and produced a cost improvement plan to reduce costs by \$55 per student. With the supplier network provided by Xperience Incorporated, prices are visible and negotiated at lower rates. The purchase order system punches out to a network of approved vendor electronic catalogs, making it easy for users to find what they need. The P.O. system is integrated to Blackbaud General Ledger, creating a single audit trail for the requests, approvals, purchases and payment.

The system went live in August and actual savings as of September 2016 have exceeded 30%.

"We are rolling the system out slowly," said Jorge Helmer, Mitty CFO, "because process change in our environment just takes time. However, early results are validating the savings potential of the Thesis™ program. The support of the Xperience team could not be better and we are beginning to engage them in IT and Janitorial products as well as special buys for our new STEM building that opens next spring."





The web storefront, which can be used to generate revenue and support fund raising has not been implemented as Mitty already has a strong web presence. However, Mitty is considering an Xperience Incorporated travel management service for immersion trips that will save as much as \$500 per student.

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## About Xperience Incorporated:

Xperience Incorporated is a procurement consulting service, specializing in spend control and cost management for private schools. We help schools develop an efficient buy-to-pay process. We provide experienced assessment and recommend best practices strategies as well as the technologies and suppliers to help organizations manage spend, control costs and gain revenue. In partnership with Office Depot schools using our services have been able to achieve savings of up to \$55 per student.

### Services Include:

- A Supplier network designed for education and schools
- 21st Century Classroom design and equipment
- Purchase order request system integrated to financials
- Branded web storefronts for schools
- Travel Management for Educational and Faith-based Immersion trips
- Visitor Management
- Invoice Processing
- Document Management

## How it works:

- No-cost comparison of prices you paid vs. ours
- School savings within 8 weeks

### TYPICAL SAVINGS:

Hard Costs: 10%  
Soft Costs: 15%  
Immersion travel: 30%



# COMING SOON

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- Collaborative Classrooms and STEM
- Technology and Cost Considerations for the 21<sup>st</sup> Century Classroom
- Makerspaces – What are They ?
- Professional Development for Teachers

