



ALVAREZ & MARSAL

Public Sector Solutions Case Studies

*Producing Results.
Implementing Change.*



ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) when conventional approaches are not enough to activate change and achieve results.

Privately-held since 1983, A&M is a leading global professional services firm that delivers performance improvement, turnaround management and business advisory services to organizations seeking to transform operations, catapult growth and accelerate results through decisive action. Our senior professionals are experienced operators, world-class consultants and industry veterans who draw upon the firm's restructuring heritage to help leaders turn change into a strategic business asset, manage risk and unlock value at every stage.

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A&M leverages its operations experience to uncover opportunities for governmental and corporate organizations. We go beyond developing recommendations; we design reforms and work side by side with our clients to implement them.

GOVERNMENT-WIDE EFFICIENCY REVIEW

A&M was retained for a significant efficiency initiative covering multiple state agencies. We built consensus for recommendations and an implementation plan which will realize more than \$500 million a year in cost savings and non-tax revenue enhancements.

SCHOOL DISTRICT FUNDING AND EFFICIENCY REVIEWS

A&M has served as financial advisor to medium and large urban districts to address general fund deficits and operating shortfalls. A&M helped a large urban school district address a \$300 million general fund deficit through the development of a deficit elimination plan, cost restructuring and a new school-based budget resource allocation model. We also assisted an urban school district with 37,000 students with redesigning its budget, benchmarking peer analysis and developing a long-term financial forecast to improve budgeting processes. A&M provided recommendations to a county school district on the redesign of its student funding formula to drive increased equitability and investment in achievement.

REVENUE ENHANCEMENT AND RECOVERY ANALYSIS

A&M was engaged by a large southwestern city to address its general government permitting processes. This project included an analysis of revenue leakage through improved permit compliance identification techniques, coupled with the application of lean initiatives, to increase the permitting capacity within the current cost structure. By applying lean techniques across multiple departments and developing Supplier Relationship Management (SRM) with third party collection agencies, the city's collections / revenue have increased by over \$20 million annually.

INTERNAL CONTROL RISK ASSESSMENT AND FINANCE DEPARTMENT REORGANIZATION

A&M assisted a town with a population of 4,000 and a county with a population of 25,000 in the review of internal controls and an enterprise risk assessment related to cash processing and financial planning process. We developed new financial and management policies and procedures, established critical action plans to address internal control inefficiencies, validated budget projections and developed new financial organizational structures.



About OMNIA Partners

OMNIA Partners, Public Sector is the nation's largest and most experienced cooperative purchasing organization dedicated to public sector procurement. We have brought together the nation's two leading cooperative purchasing organizations – National IPA and U.S. Communities – under one roof to form OMNIA Partners, Public Sector. Our immense purchasing power and world-class suppliers have produced a comprehensive portfolio of cooperative contracts and partnerships, making OMNIA Partners the most valued and trusted resource for organizations nationwide.

Through the economies of scale created by OMNIA Partners, our participants now have access to an extensive portfolio of competitively solicited and publicly awarded agreements. The lead agency contracting process continues to be the foundation on which we are founded. OMNIA Partners is proud to offer more value and resources to state and local government, higher education, K-12 education and non-profits.

HIGHER EDUCATION FISCAL AND REAL ESTATE ADVISORY SUPPORT

A&M has worked with several colleges and universities as an advisor to support public / private partnerships for external investment in housing, wellness facilities and parking structures. Additionally, A&M has provided financial leadership to universities, closing revenue gaps and driving cost savings, including providing interim CFO support.

PUBLIC / PRIVATE PARTNERSHIP ASSESSMENTS

A&M validated the financial information provided by a county's master developer in an Adaptive Reuse Area located in a former historic prison. A&M provided the county with a financial roadmap outlining the strengths and potential weaknesses of the development's financial plan. The reuse project is currently underway and has been noted as a prime example of adapting a site while preserving its historical integrity.

FINANCIAL AND ORGANIZATIONAL ASSESSMENT OF MUNICIPAL PUBLIC UTILITY

A&M completed a financial and organizational assessment of how the municipal electric and water service operations could achieve optimal efficiency while maintaining effective internal controls. We examined key business practices and benchmarked them to national standards to ensure the application of best in class practices and policies. Through the assessment, A&M identified more than 70 operational improvement recommendations and implementation strategies including an improved budgeting and financial reporting process.

FINANCIAL AND INTERNAL CONTROLS REVIEW OF HOTEL OCCUPANCY TAX PROGRAM

A&M completed a financial and internal controls review of the use of hotel occupancy tax receipts to ensure compliance with local policies and procedures and state statute. Our work included a best practice review of similar governments on how hotel taxes were being used and locally administered. The final report identified various policy and internal controls improvements.

REVENUE ANALYSIS AND MARKET PROJECTIONS FOR ECONOMIC DEVELOPMENT INITIATIVES

A&M is experienced in completing revenue analyses and market projections of major retail development projects and forecasting estimated local sales tax revenues related to existing and proposed new urban retail shopping centers. We have assisted local governments in the review of development incentive agreements and validation of project assumptions and financial projections of major development projects. Our work has included sales tax revenues, tax increment finance, community improvement district and other special revenue financings.