

The Necessity to Cut Personnel in Reducing Spending

We focus primarily on personnel items because between salaries, wages, and fringe benefits, 82% of our operating budget expenditures are tied to personnel. We have reduced and will continue to look for efficiencies in the other areas of the budget, but due to the size of the reductions we've had to make, we've been forced to reduce positions.

We've reduced or eliminated expenditures in all areas of our budget, some examples are as follows:

- School maintenance projects
- Furniture equipment and replacement funds
- Travel
- Professional development
- Food
- Hourly employees
- Consultants
- Vehicle usage
- Recruiting

As a school system, we are proud our efforts to become more efficient and contain costs, some examples are as follows:

- Utilities
 - Reduced electricity usage by identifying efficiencies
 - Negotiated favorable utility rates
 - Converted from fuel oil to natural gas
 - Utilized fiber network to reduce telephone charges
- Employee Insurances
 - Rebid employee insurance plans to get the most competitive pricing
 - Completed a health insurance dependent audit to reduce costs by eliminating claims paid for ineligible dependents
- Student Transportation
 - Revised school start and end times allowing for the elimination of 40 busses
 - Benchmarked our formula against other LEA's
- Other
 - Saved on paper, toner, and postage by transitioning to a paperless payroll process

Even with all of non-personnel reductions we have made, we've still had to reduce 155 full time equivalent positions over the last 4 years in order to balance our budget.

Please see the next page for a graphic illustrating the breakout of salaries and fringe benefits in the overall operating budget:

Where Your Education Dollar Goes

Fringe Benefits: 22¢

Includes fringe benefits for **all** employees

Busses: 6¢

Bus contractors, student transportation office

Facilities & Infrastructure: 3¢

Maintenance projects, in-kind services, computer maintenance agreements, cleaning supplies & services, technology services, security projects, etc.



Salaries & Wages: 60¢

Includes **all** employees – contracted, subs, hourly, overtime, etc.

Instruction (non-salary): 4¢

Instructional supplies & materials, computers, textbooks, student services, special education, career & technology center, athletics, etc.

Utilities: 3¢

Electricity, natural gas, oil, and water & sewer

Non-Public Placements: 1¢

Non-public placements of selected students

Other: 1¢

School administration, curriculum, legal fees, HR, finance, Board of Education, office of the superintendent, etc.