



# Greater Clark County Schools Budget Reduction Opportunities

**January 2021**

### What is our Why?

- GCCS has been in deficit spending for the past several years which has depleted the district's cash balances and rainy day fund.
- Due to the serious effect of prior decision making priorities and the uncertainty of adequate state funding resources for education, Greater Clark County Schools have been forced to comply to a cost reduction plan which requires healthy cash balances in the following funds:

- Education
- Operations
- Rainy Day

and to correct a culture of deficit spending.

# Objective and Approach

## *Educational Return on Investment*

- **Objective**

- Create and implement a cost reduction plan that moves the district out of deficit spending and works toward establishing a cash balance of 8% to 10% in each fund. This is required by the DUAB fiscal indicators set forth by the state.

- **Approach**

- The Greater Clark Executive Cabinet Team has worked diligently with the school principals and the school board to identify cost reductions for 20 - 21 at a minimum amount of \$2.5 million in the Operations Fund and \$3.0 million in the Education Fund. These reductions are proposed without sacrificing the level of support for staff and students as well as maintaining optimal educational programming for our students.

# Budget Information

## Educational Return on Investment

**Focus:** *Create a balanced budget, meet and exceed required state financial benchmarks, and obtain sound cash balances. Minimize expenses while maximizing financial opportunities.*

**Results:** *Sound financial stability renders the primary obligation which is to provide optimal learning opportunities for Greater Clark Students!*

### Goals Set to Begin with 2021 Budget

- 1. Obtain & Maintain 8% to 10% cash balances:**

Education Fund:	\$ 5,200,000 to \$ 6,500,000
Operations Fund:	\$ 3,500,000 to \$ 5,000,000 <small>(higher requirement to cover circuit breaker loss)</small>
Rainy Day Fund:	\$12,000,000 to \$16,000,000
- 2. Avoid & Eliminate the need for Tax Anticipation Warrants-Should only be utilized when funding is delayed (such as delayed property tax distributions and state funding payments).**
- 3. Implement aggressive cost reduction plan!**

# Budget Information

## *Educational Return on Investment*

### Reminder

*Other Funds that are being evaluated:*

- *Food Service Funds*
- *Textbook Rental Fund is monitored to obtain sufficient cash to support student curricular material*
- *Self-Insurance Fund-this fund received \$1.2 million from rainy day, and health care costs exceed funds available*
- *Retirement Fund-currently is supported by Education Fund Cash transfers (this fund is responsible for eligible employee retirement benefits)*
- *All Grant Funds are constantly monitored to take advantage of opportunities to relieve pressure on the major funds by supplementing programs and provide maximum opportunities*

# Embedded Beliefs

*Educational Return on Investment*

## **District Mission:**

*Greater Clark County Schools will prepare students for lifelong success.*

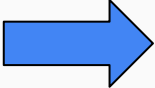
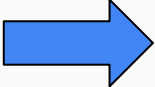
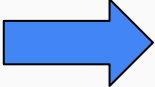
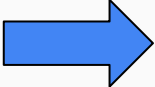


### **GCCS strives to achieve high quality & sustainable community schools that have:**

- *Safe, clean and engaging learning environments*
- *Staff who feel supported and empowered to improve professional practice*
- *Resources available to support the whole child and maximize learning*
- *Ongoing accountability for continuous improvement*

# Necessary Shifts to Achieve our Objectives

## *Educational Return on Investment*

Shift from limited resources spread across too many schools to ...		Fewer schools that receive more resources and are supported by a smaller central office
Shift from high turnover rates at every level of the organization to...		High retention rates, particularly for our certified staff
Shift from having many under-resourced programs and services & sites to...		Fewer and more focused programs and services that get results
Shift from reliance on inadequate funds from the state to...		Seeking new ways to generate revenue for our district and be efficient with current financial resources



# Key Findings - Positive Attributes and Initiatives underway at GCCS

## *Educational Return on Investment*

- **LEADERSHIP**

- Strong, committed instructional leaders
- Open to innovative opportunities - Empowering leaders
- Increased enrollment

- **ACADEMICS**

- Academy Model
- Virtual Learning Options
- Progressive Assessment and Academic Model
- Consistent Professional Development Opportunities across all levels

- **OPERATIONS**

- Transportation streamlining efforts
- Energy efficiency efforts and Building mergers
- Services that support an optimal learning environment

- **TECHNOLOGY & DATA**

- Successful deployment of additional chromebook devices
- Data-driven approach to strategic decisions

# Overall Findings and Takeaways

## *Educational Return on Investment*

### **Our initial observations and findings include:**

- Greater Clark County is a supportive community willing to increase operating and capital funding for GCCS in return for greater transparency and improved outcomes
- There appears to be an openness to strategically partner with third-party stakeholders to achieve high levels of efficiency
- Sustained enrollment increases over the past two years and expected enrollment growth
- Operations and Transportation spending is much higher than educational industry averages
- Corporation spends significant resources and time managing various complex issues that negatively impact finances and overall education and operations outcomes

# Historic Roadblocks

## *Educational Return on Investment*

- **Historic inability to fully implement proposed operational reforms due to:**
  - **Internal resistance to needed changes; and**
  - **Continued attempts to accommodate unique, customized requests from various employment groups within the district**
- **Historic reluctance to partner strategically and a strong preference for self-delivery – missing opportunities to leverage third-party partners and simultaneously enhance local small business usage**
- **As a result, most reform plans do not survive after internal opposition is conveyed to the GCCS governing body**

# Guiding Principles

## *Educational Return on Investment*

### **Guiding Principles behind Budget Reductions:**

- Current account balances
- DUAB fiscal indicators [CURRENT DUAB INDICATORS FOR ALL DISTRICTS](#)
- DUAB state takeover
- Deficit spending practices
- Depleted cash balance (build up cash balances)
- Realize greater financial resources to invest in teacher retention and student programming

# Reduction Targets

## *Educational Return on Investment*

### **Recommended Reduction Targets for 2020 - 2021 school year**

- ***Education Fund - Minimum of 3.0 Million dollar savings***
- ***Operations Fund - Minimum of 2.5 Million dollar savings***

Implementation of these reductions will begin in the fiscal year July 1, 2021

The future of state funding is unknown, additional cuts are possible because of reduced funding from the state during the next legislative session.

# Timeline

## *Educational Return on Investment*

### **January 2021**

- Meetings conducted with employee groups impacted by the plan
- Board Work Session - Thursday, January 14th

### **January 26th Board Meeting**

- Ask Board For Approval

# Educational Fund



### **Bridgepoint Elementary Redistricting/Closing**

- Current enrollment routes will be split and shifted to Franklin Square Elementary and Riverside Elementary
  - Projected numbers would be roughly 200 students to FSES and roughly 110 students to RES.
  - Bus routes would be developed roughly around the Perrin Lane area. Students living on the north side of Perrin Lane will likely be routed to Riverside Elementary. Students living on the south side of Perrin Lane will likely be routed to Franklin Square Elementary. Enrollment numbers could shift that line as further information is received by enrolling Kindergarten students.
  - This comes with the potential of redistricting some of the current routes to Northaven Elementary.



### **Bridgepoint Elementary Redistricting/Closing**

- Current staff will proportionately be shifted to FSES/RES using the same staffing formulas for elementary schools.
  - This will result in the elimination of multiple certified and classified positions including principal, clerical, teachers, paraeducators, custodians, and other support staff.
  - Affected staff members will be reassigned through attrition.
- Potential cost savings of \$800,000 per year.

### **Corden Porter Program Shift**

- Corden Porter Program would be placed at JHS
  - 3 Teachers and 6 Para educators would be reassigned to JHS
  - Current Enrollment - 16 from JHS; 1 from CHS; 1 from NWMHS
  - Current Enrollment - 1 from PVMS; 1 from RVMS (at least 2 students in referral process)
- The MS Alternative Education Program would be placed at PVMS
  - 1 Teacher and 1 Para educator would be reassigned to PVMS
- Part-time Special Education Supervisor position (Federally funded at 50%) to oversee integrity and quality of the programming
- This will result in the elimination of 1 principal, 1 administrative assistant, 2 teacher (1 currently unfilled), 6 paraeducators (4 currently unfilled), 1 counselor, 1 Behavior Intervention Coordinator. Affected staff members will be reassigned through attrition.
- Potential cost savings of \$500,000 per year.

### **Related Arts Model**

#### **Proposed Scenario from December 2019 Board Meeting (Adjusted for BES Closure)**

- New Staffing Formula
  - Enrollment, divided by 26, plus 1 for all schools.
  - Then:
    - 1 Related Arts Specialist added with enrollment under 300
    - 2 Related Arts Specialists added with enrollment over 300
  - 1 Related Arts Specialist for Media Clerk position
- Creates 4 (Art, Music, PE, and Media/Tech) Related Arts Coordinator positions to plan, train, and ensure all ten elementary school students are provided with consistent programming and resources.
- Hire approximately 19 Related Arts Specialists to deliver related arts programming at all ten elementary schools.
- Changes the 10 Media Clerk positions to Related Arts Specialists for Media/Tech programming to include the new computer science standards.
- Leaves 10 certified teachers, one per school building, in related arts allotted positions for flexibility.

### Related Arts Model

**Proposed Scenario from December 2019 Board Meeting (Adjusted for BES Closure)**

**Benefits of this model:**

- Cost savings of conservatively \$630,000 per year in the Education Fund
- Frees up Education Fund money to specifically provide an annual budget for equipment, instruments, tools, resources, etc.
- Cost reduction includes the cost of stipends for special events per year, per school building increasing performing arts opportunities.
- Cost reduction includes the cost of coordinators provide to consistency across ten buildings.
- Principals have flexibility in still providing specific building needs with the +1 certified teacher position.
- Continues consistency in training and programming into the Media/Technology classes.
- Brings Media Clerks up to the Specialist level, therefore providing more job sustainability.
- Creates an additional classified staff career path, therefore providing more job sustainability.

### Related Arts Model

#### Proposed Scenario from December 2019 Board Meeting (Adjusted for BES Closure)

#### Typical Related Arts Coordinator Schedule-Six Day Rotation Example

- During Coordination Planning time, the coordinators will be lesson planning for six grade levels, helping with coordination for special events, helping with inventory and purchase needs of their department, and will be available to serve any buildings with additional time within the two week period. The additional service time will be helpful for onboarding new specialists, or coaching a specialist who may need extra support.
- During site visits, the coordinators will meet with the specialists on their planning time for instructional coaching. They will also plan to teach 1-2 classes for modeling/observing classroom management and pedagogy with the specialists. Time may also be spent working on equipment/resource coordination needs.

Monday	Tuesday	Wednesday	Thursday	Friday
AM-Coordination PM-NWES	AM-PRES PM-JJES	AM-WES PM-TJES	AM-PES PM-FSES	AM-NES PM-UES
AM-RES PM-Coordination	AM-Coordination PM-NWES	AM-PRES PM-JJES	AM-WES PM-TJES	AM-PES PM-FSES

- **Para adjustment for cost savings**
  - \$300,000.00
  - Reduction in number of Para Positions in the district
  - Potential Hybrid Approach, some paras full time, some 29 hours per week (part-time) Saves on benefits
  - Currently have approximately 15 to 20 unfilled Para positions

- **5.5 Certified Positions through Attrition**
  - \$347,000.00
  - District Wide
  - Administration and Teaching positions

# Other Education Opportunity

## *Educational Return on Investment*

- Reduce 5 Classified positions
  - \$174,000
- Reduce ECA positions
  - \$140,000
- Administrative Reductions in contracts
  - \$62,000
- Optimize grant spending to offset educational fund
  - \$30,000
- Certified Attrition
  - \$150,000

Total Other Education Opportunities: \$556,000



# Operations Fund



# Operations Fund

*Educational Return on Investment*

## TRANSPORTATION



# Transportation

## *Educational Return on Investment*

- **Reduce 12 bus routes with 2 - tier system while making adjustments to some special education routes in compliance with IC guidelines for Special Purpose Buses**
  - Will require adjusting bus drop off & pick-up times
  - Impact on Jeffersonville Secondary Students
    - Some students in Jeff area will ride for additional 10-15 mins.
    - Seating charts that separates middle school from high school
  - Aligns feeder elementary schools to PVMS and RVMS
  - Will allow us to TRANSPORT MORE STUDENTS by shrinking NTZ's.
  - Purchasing through bus replacement plan four SPV yellow buses
    - These buses can be driven by certified school bus chauffeurs

**\$495,000 in annual savings**

# Transportation

## *Educational Return on Investment*

- **Reduce/realign 2 full-time permanent subs to full-time bus drivers through attrition and 1 full-time permanent sub as an administrative office asst.**

**\$135,000 in annual savings**

- **Eliminate 2 contracted routes in NW area through the contractor route bidding process**
  - **Likely to affect 30 kids in NW area by placing them on another bus with roughly a 10 minute longer ride**

**○ \$91,000 in annual savings**

# Operations Fund

*Educational Return on Investment*

## Facilities



- **Guarantee RFP for Outsourcing all Maintenance and Custodial (Currently 210% over industry avg.)**
  - **Savings of \$800,000** sought in a guaranteed RFP
    - Savings could be substantially higher (GCCS has \$3.6M in annual salary+benefits)
    - Metrics for cleanliness in all buildings
    - Metrics for proactive & reactive maintenance
    - District will seek to keep all maintenance vehicles
      - Sell/risk manage salt equipment, mowers, landscaping tools to outsourcing partner

- **ESG - Guaranteed Energy Savings Contract**

- Guaranteed annual energy and operational savings minimum of \$523,833
  - In future years this savings will grow to \$750,000 in guaranteed savings.
    - ESG contract Sec. 4.0 Table A - Guaranteed Savings (page 38/94)
- Future Energy Savings Contracts over the next few years could take the savings to \$1.3 million a year in the Operations Fund
- Also improves indoor learning environment for students and staff with improvements in lighting and air quality.
  - High-Level of oversight will be required by GCCS and Outsource Partner to maintain ESG assumptions/requirements for savings

# Facilities

## *Educational Return on Investment*

- **Service Contracts**

- Harshaw Trane

- 40% reduction in cost by end of 2020

- Continue to reduce by \$100,000 through end of contractual obligations: September 2021.

- **\$335,000 in annual savings**

- Outsource/Reduce services contracts by 50% (elevators, AHERA, inspections, water testing)

- **\$50,000 in annual savings**



# Other Facilities Opportunity

## *Educational Return on Investment*

- Move ALL bus drivers away from CBA and to a 2-day emergency leave only
  - Higher wages for drivers and monitors resulting in less attrition. (TSA eliminated)
  - Savings of \$236,000
- Purchasing Adjustments in upcoming years
  - Savings of \$133,000
- Utility Cost Savings from closures of BES & CP
  - Savings of \$100,000
- River Valley Pool (*future JHS pool renovation*)
  - Savings of \$90,000
- Reduce maintenance position through attrition
  - Savings of \$50,000

● **Potential \$609,000 in annual savings**



# Overview And Summary

## ***Educational Return on Investment***

### Total Savings

- Education - \$ 3.133 Million
- Operations - \$3.039 Million
- All decisions were made with the attempt to keep cost reductions as far away from the classrooms as possible.

# Thank You

*Educational Return on Investment*

On behalf of the Executive Cabinet Team, we appreciate your time and considerations to these difficult decisions for Greater Clark County Schools.

