

## **Central Service Departments**

At the request of the Budget Committee and community members, leaders from each of our central departments have provided further information and examples should there be additional budget reductions to their departments beyond the \$2 million dollars identified in both budget Scenario #2 and Scenario #3. While each department is distinctly different, they all exist to support our schools and staff.

### **Teaching and Learning**

The impact of reductions to the Teaching and Learning Department beyond the \$2M proposed focus on five areas of need:

#### **•Counseling**

Time eliminated for secondary counselors to complete student schedules in August.

#### **•Textbooks**

Reduce textbook purchases for increased student growth across the District. Reduces our ability to continue purchasing elementary, middle and high school science adoption.

#### **•TAG**

Reduce professional development for classroom teachers.

#### **•Standards**

Reduction of core subject area training for teachers that ensures alignment of instruction to common core state standards and next generation science standards.

#### **•TeacherSource**

Ongoing expansion and development of on-line resources for classroom teachers would be eliminated.

#### **•ESL**

Having lost 33 elementary ESL instructional assistants and 17 certified staff in 2012-2013, the 2013-2014 ESL budget is about \$600,000 less than the previous year due to slightly lower student enrollment, increased cost of staffing, and the 90% funding level. As a result, ESL classes are considerably larger than before. We also anticipate 5% to 7% reduction in Title IC (Migrant Education), Title III (ESL), and Title VII (Indian Education) federal grants in 2013-2014 because of sequestration. The impact will be a loss of 4 staff positions.

The current ESL budget for 2013-2014 includes a total of 8 staff position reductions.

#### •Special Education

At this time the non-salary expenditures for the special education department only account for 4% of the total costs in the department. Non-salary expenses include curricular and supply purchases for specialized programs, motor development services and instruction, outside placement tuition costs, school psychologist assessment material costs, costs for risk assessments, costs for Extended School Year, District Nurse supplies, Audiology services, assistive technology costs, and costs associated with managing special education legal mandates. Given the limited amount of funds available in non-salary, the special education department would be forced to cut salary costs to address the 5% reduction.

It is important to note that the special education department has already had to reduce \$1 million dollars as the result of federal cuts to the IDEA grant and salary roll-up increases. These cuts have already resulted in the reduction of eight certified positions funded by the special education department.

#### **Communications & Community Involvement**

The Communications & Community Involvement (CCI) Dept. has sustained staffing position cuts and non-salary reductions over the last several years. There are five staff assigned to the CCI Dept. including three staff that are shared with other departments, Superintendent's Office and the Teaching & Learning Dept. There are two staff that are not year-round employees including the Coordinator of Volunteer & Business Partnership Services and an assistant secretary position. The CCI Department discretionary budget is approximately \$110,000, down from over \$150,000 in the past few years. This current budget and staffing are not adequate for what a Communications & Community Involvement Dept. needs to accomplish its mission. The CCI Dept. has frozen non-essential spending and returned remaining dept. funds in previous years to the general fund to lessen the reductions to schools and classrooms. A further reduction to the non-salary budget would continue the disinvestment in this critical support area.

#### **Information and Technology**

Reductions over the past few years have drastically reduced or eliminated many services to schools. Yet despite fiscal challenges, we have been able to make progress for teachers and students with regard to technologies supporting student learning. One area in technology where progress has been made is the transition to an enterprise wireless network. Over the past few years, the IT Department has been utilizing eRate funds to replace the aging and insufficient wireless network with a network capable of supporting many more teachers and students and also providing guest access for student-owned devices and community members at our schools. Further cuts would mean that we would need to repurpose these funds for necessary network and maintenance costs,

and would result in stopping the transition from the old wireless network to the enterprise wireless network until monies were able to be allocated for the project. This would increase support costs, as the IT Department would need to provide support to both the old and new networks for a longer period of time. The impact would be that some schools would have support for student-owned devices and for increased internet access and others would not have the same level of capacity.

### **Transportation Services**

We are reimbursed for 70% of all allowable transportation costs and yet in the last five years the Transportation budget has been cut by \$3,000,000. As a result, we have not purchased new buses in the past three years. Due to our ageing fleet of just over 300 buses, we experience breakdowns and mechanical issues on a regular basis. Repair costs are up and we often purchase used parts to further save money. On the other hand, new buses are under warranty and save the District money on repairs. Currently 13% of the fleet is under warranty. Half of those buses will run out of warranty in 4 months. Older buses need more frequent repairs and increasingly consume more shop labor hours for those repairs. Increased costs have had a profound effect on our budget. The cost of parts and tires has risen 40% since 2009 and the cost of diesel fuel has risen 60%.

### **Office of Public Safety**

Ensuring that our students and staff experience a safe learning and working environment is our top priority.

We rely on quality “real time” communication between the Public Safety office, schools and our law enforcement partners. Of critical importance is the availability of radio communication. This accounts for the majority of the Public Safety budget. Each school has multiple VHS radios (\$300 each) for internal communication as well as police/fire capable radios (\$2500 each). Batteries have a relatively short life span and while we have a replacement schedule in place, combined with the need to upgrade radios to meet safety standards, annually we spend tens of thousands of dollars. These expenditures do not include the cost of antennas and repeaters to amplify the radio signal.

The Public Safety Office also has the responsibility for the maintenance and monitoring of our “Intrusion Alarm System” in each of our facilities. The District has over one billion dollars in real property, which does not include the cost of the contents of the buildings. The intrusion alarm system is integrated with the fire alarm system, which require 24 hour a day / 7 day monitoring. The system requires preventive and corrective maintenance on a regular basis. This system is vital for property protection.

With one public safety officer and two office assistants, further reductions to this department's budget will compromise our ability keep our facilities safe.

### **Human Resources and Risk Management**

The HR and Risk Management budgets directly support classroom and employee functions. Many of these are fixed costs and will impact the ending fund balance if the department is unable to cover them. Examples include funding for property and liability insurance premiums, substitutes and the SubFinder system, the online application system, health insurance premiums, legal expenses and tuition reimbursement expenses.

The Risk Management budget provides funding for workers' compensation, ADA accommodations, fidelity bond premiums, settlement expenses, school safety related programs for all staff, physical improvements, maintenance of existing safety-related equipment in schools and hazardous waste removal. The District will continue to incur these costs, even if budgets are reduced.

Previous reductions have had an impact on schools. For example, principals are now required to do more applicant screening due to the loss of two out of three personnel specialists. The loss of these positions and others have impacted our ability to recruit in high needs areas, place student teachers from university programs and effectively staff the District. These reductions have both a short-term and long-term impact on the District's ability to attract high quality staff.

### **Business Office**

The Business Office salary and non-salary budget is primarily built to accommodate compliance issues including, but not limited to the following:

- Advertisements of public notices including bids
- Budget document and legal notices
- Audit engagement and document
- Actuarial studies – Property/Workers Compensation and Pension
- Armored Car Services
- Deferred Compensation Plan Management
- PERS compliance
- Payroll
- Accounts Payable
- Purchasing
- IRS reporting and regulations – both payroll and accounts payable
- Arbitrage reporting
- Internal Controls

Should further reductions occur, the Business Office would not be in compliance with state and federal reporting mandates.

## **Custodial Services**

Custodial Services was redesigned in 2011 in order to increase efficiency, improve service, and reduce costs. Annual labor costs were reduced from \$10.7M to a projected \$9.8M in FY 2012-13, saving \$900,000 per year even as hourly labor rates and benefit costs have increased. The changes implemented included:

- Converting 50, 260-day positions to 185-day positions (school year only positions)
- Reducing cleaning time by 30,000 labor hours per year
- Implementing a new team-cleaning model to increase cleaning efficiency
- Merging some custodial maintenance workers with Maintenance Department staff

The remaining district custodial resources are very lean. Further labor cost savings could only be achieved by staff reductions that would cut into cleaning time in district schools and buildings, degrading sanitation and cleanliness particularly in classrooms, restrooms and cafeterias. For example, a typical elementary school currently has only 1.7 custodial FTEs assigned: one day custodian (1.0 FTE) whose shift overlaps for 15 minutes with one evening custodian (0.7 FTE, since the evening custodian only works during school days). Reducing the hours for the day custodian would leave an elementary school with no custodial support for that part of the school day; reducing the evening custodian would close the building to all community activities and reduce essential cleaning that can only happen when students are not in the building and classes are not in session.

## **Maintenance Services**

Maintenance Services was merged with Custodial Services in 2011 to leverage efficiencies between both departments. This department repairs and maintains 5 million square feet of buildings and 800 acres of property; BSD is the second largest property owner in Washington County. Previous reductions in maintenance staff have left the district with minimal staffing in many areas. For example, we have one locksmith, one plumber, one carpenter, one roofer, one glazer (glass / windows), and one audiovisual technician. Other critical areas such as electricians and HVAC mechanics are also understaffed. The current backlog of repair work orders stands at 1,500 resulting in an already unacceptable turn-around time in performance of repairs in schools. About 50% of the \$1.2M budget for contracted maintenance work funds mandatory annual safety inspections, testing, and repairs to building systems such as: fire alarm systems, fire hydrants, drop-down fire doors, bleachers (gym and exterior), elevators, boilers, water supply backflow preventers, restriping crosswalks and

traffic control markings, and bioswale maintenance (a Clean Water Services permit requirement). Most of the remaining non-labor budget funds repair parts and materials used by maintenance tradespersons while performing their work in school buildings. Reductions of staff would increase the work order backlog and further slow response to schools' needs. A cut in funding for supplies would leave trades staff without the materials to perform their work. Cuts in contracted services would compromise student safety and subject the district to legal ramifications from not complying with codes, regulations, and permits.

### **Energy Utilities Services**

Energy costs are the largest component of BSD's utilities expenses. The electricity and natural gas proposed budget for FY 2013-14 totals about \$4.1M, which is \$386,000 lower than it was in FY 2007/08, before adding 500,000 square feet of new building space during the 2006 construction bond program. These savings resulted from implementation of an effective conservation program coupled with completing dozens of energy reducing facilities projects (high efficiency boilers, energy saving lighting systems, photovoltaic solar energy systems, etc.). In conjunction with this work, BSD attained EPA Energy Star designation for 31 schools (the most for any district in Oregon), and also has 23 certified Oregon Green Schools. These efforts will continue with anticipated incremental additional savings having been incorporated into the proposed budget estimates, but the low-hanging fruit has been harvested. Significant further cost reductions could only be achieved by closure of buildings during non-school hours, eliminating community activity uses.