



Indian Prairie Community Unit
School District No. 204

Austerity Planning Fiscal Year 2011

Regular Board Meeting

Monday, March 22, 2010



Presentation Overview

- Our numbers tell the story
- Governor's Budget
- Review planning process
- Administrative recommendations
- Life in District 204 after reductions
- What's next



Our Numbers Tell The Story

- Pupil to Administrator ratio
 - District 204 368.3 to 1
 - *Best in DuPage*
 - DuPage County 189.5 to 1
 - State 201.8 to 1
- Operation Expenditures Per Pupil OEPP FY08
 - District 204 \$ 9,698
 - *Lowest of 6 unit districts in DuPage*
 - *21% lower than county unit district average*
 - DuPage County unit district average 12,325
 - State 10,417
- State Profile Score of “Recognition” (highest designation) – four of last five years
- ASBO Certificate of Excellence in Financial Reporting – last 3 years



Governor's Budget

- General State Aid foundation level set at \$5,669 (\$450/student less than current year)
- Reductions in categoricals
 - Mandated special education services
 - Transportation
 - Breakfast and lunch
 - Bilingual education
 - Early Childhood
 - Reading Improvement
- Reductions may need to be more or less dependent on:
 - Final state budget
 - Outcome of union negotiations



Review Planning Process

- Administrative cabinet and building administrators asked to identify potential reductions
 - Working on since last October – Phase II
 - Goal – minimize impact to academic program
 - E-News Superintendent request for ideas
 - Citizens Financial Advisory Committee reach out to community
 - 200 ideas generated
- Preliminary estimate of potential savings
- Goal: Eliminate projected FY 2011 deficit of \$12.2M (above & beyond Phase II \$9.2M)
- Cabinet selected a combination of reductions that minimize the impact to the academic program
- Board discussion
- Tonight – formal presentation to Board



Recent Cost Savings to District

- Custodial contract: \$350,000 savings
- Banking services bid: \$140,000 savings
- Healthcare provider: \$3 million savings
- Restructured bonded debt
 - Annual savings to ave. tax payer \$110
- Financial software joint purchase w/D203
 - \$900,000 saved between the 2 districts
- Rerouting of bus routes \$1 million savings
- Student busing contract: \$1 million savings



Phase I - Austerity Plan FY10 = \$6.5M

First estimate after 0.1% CPI released	(6,500,000)
ARRA Stimulus Funds	1,800,000
New Contractual Relationships	1,100,000
National School Lunch Program	
Direct purchase of diesel fuel	
Locked in energy rates	
Increase use of U.S. Commodities Contracts	
Labor Efficiencies (Reallocation of Resources)	1,340,000
Custodial and maintenance Staff	
Redeployment of classified staff	
Student transportation route efficiencies	
Negotiated reductions	
Non-staff Across-the-Board Reductions / Deferrals	1,360,000
Departmental reductions	
O&M and Technology Capital Outlay Deferrals	
Total Austerity Changes	5,600,000
Remainder from Fund Balance	(900,000)



Phase II – Austerity Plan FY11 = \$9.2M

Phase II		
	Delay expenditures	\$ 2,420,000
	Operational efficiencies	1,180,850
	Staffing efficiencies	2,645,219
	Health benefit efficiencies	1,650,000
	Program efficiencies	671,400
	Revenue enhancements	650,000
	Reduction in deficit	<u>\$ 9,217,469</u>



Administrative Recommendation

- \$27.9M over 2 years Phase I, II & III
 - Additional \$12.2M; Overall \$21.4M for FY 2011
- **Phase III** – FY 2011 Six categories
 - Delay expenditures
 - Operational efficiencies
 - Staffing efficiencies
 - Staffing/program reductions under consideration
 - Program efficiencies
 - Revenue enhancements



Delay Expenditures

- Reduce Operations & Maintenance capital outlay by additional \$1,000,000
 - Phase II - \$600,000
 - Example: roof replacement
- Additional slow down technology replacement program \$500,000
 - Total Phase I, II & III = \$1.5M
 - Example: delay classroom computer replacement additional 1 to 2 years



Operational Efficiencies

- Reduce central office dept. budgets 8% (10% total)
- Replace Reprographics center w/ more cost effective solution
- Renegotiate software licenses
- Eliminate building & grounds summer help
- Discontinue watering grounds
- Eliminate towel service – secondary PE
- Use technology to automate tasks (online registration FY2012)
- Reduce energy usage with ten hour/four day work week where possible during summer
- Reduce capital outlay 50% (beyond O&M & Tech) Ex: furniture
- Limit conference travel 20%
- Restructure contracts for Special Education evaluations



Staffing Efficiencies

- Administrative salary freeze
- Eliminate overtime for hourly employees
- Reduce substitute teacher daily rate of pay (\$90 to \$85)
- Classified staff reductions to be determined
- Austere approach to negotiations



Staff/Program Reductions Under Consideration (Phase II and Phase III)

- Central Office staff 13.5 FTE (14.4%)

- Administrators 5.5 FTE (6.0%)

- Classified staff
 - March 22 release of grant funded & enrollment driven reading, Title I & enrollment assistants
 - May 30 releases for reductions in Phase III

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Staff/Program Reductions Under Consideration (Phase II and Phase III)

- Certified staff 145.0 FTE (6.7%)
 - Elementary 55 FTE
 - Increase class maximum from 29-31 Grades 2-5
 - Reduce Interventionists to .5 in the four highest achieving schools
 - Secondary 65 FTE
 - Increase class maximum by 2
 - Eliminate courses w/less than 60% enrollment
 - Eliminate Middle School music technique
 - Reduced LMC Directors, Dept. Chairs, Dean Position
 - Special Education / Preschool 25 FTE
 - Reduce the size of the Preschool program
 - Increase specialized staff to student ratio K-12

- Program Reductions
 - Reduce athletic and activity stipends by \$300,000 for extra-curricular sponsors, coaches, etc.
 - Require Field Trips to be self-supporting
 - Reduce HS Athletic Team Schedules by 2-3 Contests



Program Efficiencies

- Eliminate additional Explore and PLAN testing / continue Explore 8 and Plan 10
- Transition ACT Quality Core to achievement series end of course assessments only
- Postpone introduction of additional foreign languages at middle school level
- Reduce Online Learning budget



Administrative Recommendation

Fiscal Year 2009-2010		
Phase I	Reduction in deficit	\$ 6,500,000
Fiscal Year 2010-2011		
Phase II	Reduction in deficit	9,200,000
Phase III Fiscal Year 2010-2011		
	Revenue enhancements	814,000
	Delay expenditures	1,500,000
	Operational efficiencies	1,639,050
	Staffing efficiencies	285,500
	Staffing reductions under consideration	7,428,450
	Program efficiencies	533,000
	Reduction in deficit	12,200,000
Total Phase II & III reduction in deficit FY 2010-2011		\$ 21,400,000
Total Phase I, II and III - over two years		\$ 27,900,000



What's Next

- E-News communication to community tonight
- Community input online
- Community Budget meeting April 5, 6-9PM
- Board consideration and direction
- Monitor State financial situation
- Employee group (IPEA / IPCA) negotiations
- Implementation of Austerity Plan by Cabinet, building administrators, and staff
- Fiscal Year 2011 budget development



Student Life In District 204 After Proposed Reductions

- Students will still be challenged by rigorous academics
- Students will still have opportunities to participate in music, athletic, and extra-curricular activities – **NO PROGRAMS HAVE BEEN ELIMINATED**
- Students will still be taught by highly qualified staff members with high expectations and a commitment to excellence
- Students who are gifted/talented as well as those who struggle will still receive additional support
- Students will still be supported by involved and committed families and community
- Students will still succeed in the "new normal" for education in our district