

MEMORANDUM

January 13, 2011

To: Dr. Bill Long
Assistant Superintendent, Center Grove Community School Corporation
Dr. Paul Gabriel
CFO, Center Grove Community School Corporation

From: David E. Statler
Director of School Facilities, Operations and Maintenance

Dear Sirs:

RE: Outsourcing Custodial Services

I am proposing that outsourcing of custodial services be piloted at two elementary schools, Center Grove Elementary and North Grove Elementary beginning February 21, 2011. Additionally, the custodian that currently cares for the Education Service Center, the CARE program and the Clinic has announced her retirement. Following her departure, I am proposing that we outsource the cleaning of these buildings as well. As we look to conserve money in the General Fund, a savings of nearly \$90,000 a year is possible by utilizing outsourcing at the proposed locations. And while we cannot adequately calculate the amount, we feel additional savings will be realized through lower worker's compensation claims for the District.

We have both current and near-term openings in our custodial staff that can absorb the custodians that will be displaced from each building. By proceeding in this manner, we will maintain employment for all existing custodians, and will not incur extra costs for unemployment compensation that would negate the projected savings.

One of the common roadblocks to outsourcing custodial services in the school environment is the non-custodial duties that our crews perform. We are addressing those needs by patterning our program after a similar one being piloted successfully at Beech Grove Schools. We will maintain Center Grove employed custodians in the buildings during the hours that classes are in session and during the after-school program while our students are in the buildings. We are proposing to also cover all school-sponsored functions and building rentals with our own people. Our custodians can continue to perform during their scheduled hours the minor maintenance duties, keeping restrooms stocked during the school day, lunch room trash removal and minor clean-up, lawn care, snow removal, and site traffic control that is being done currently. The custodial needs of the school office area will continue under our daily care in order to hold down the outsourcing costs. The cleaning company will arrive approximately

Stratus Comparison

North Grove Elementary School

Current manning--Custodians, Sub-custodians and Supplies	\$ 137,842.41
Stratus and CG Partnership	
Stratus	\$ 42,720.00
CG Custodians, Subs and Supplies	\$ 51,960.53
Total	\$ 94,680.53

Cost Difference/Annual Savings **\$ 43,161.88**

Center Grove Elementary School

Current manning--Custodians, Sub-custodians and Supplies	\$ 134,106.23
Stratus and CG Partnership	
Stratus	\$ 46,740.00
CG Custodians, Subs and Supplies	\$ 55,731.68
Total	\$ 102,471.68

Cost Difference/Annual Savings **\$ 31,634.55**

ESC, CARE, Clinic

Current Manning	\$ 37,962.74
Stratus	\$ 23,580.00

Cost Difference/Annual Savings **\$ 14,382.74**

Total Annual Savings -- 3 Locations **\$ 89,179.17**

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6:00 pm every evening to perform their work. The outsource firm will be also be responsible for floor care and summer cleaning of the full building.

We are recommending Stratus Building Solutions be the firm to whom we contract in order to provide the best chance at success. They have shown a willingness to work with us as a partner in our buildings, not a sole source as many national firms propose. They will provide the manpower, their own cleaning equipment, cleaning chemicals and floor care products. Their employees will undergo background checks, be issued identification badges, and wear uniforms. Center Grove will continue to provide to the buildings paper towels, toilet tissue, soap and trash can liners as is done currently.

I have attached for your review the cost summary showing the calculated savings to the District by outsourcing custodial services to Stratus as compared with our current in-house costs.

Sincerely,
David E. Statler
Director of Facilities, Operations and Maintenance