

Indiana State Board of Education Citizens' Checklist

Listed below are the approved checklist items for insuring savings and efficiency:

1. Refrain from all salary and benefits increases for all school employees
 1. Administrative wage freeze is in effect for 2010
 2. 0% benefit increase (medical) for FCSC employees
 1. However, PERF (Public Employees Retirement Fund) which is administered by the State, mandated that K-12 increase their annual contribution from 6.0% in December 2008 to 6.75% in January 2010 for an increased cost to FCSC of \$2,814.86
 2. TRF (Teacher Retirement Fund), also administered by the State mandated that K-12 increase their annual contribution from 7.0% to 7.5% for an increased cost to FCSC of \$8,644.95
2. Reduce insurance costs by changing plans, including joining the state health plan
 1. Analysis of the state health plan reflects the following:
 1. The state plan which most closely matches our existing plan would cost \$6,703.32 annually for a single plan, and \$19,140.72 annually for a family plan. The FCSC employer share amounts to \$3,804.00 annually, and \$10,992.00 for a family plan.
 2. To move to the State plan would cost FCSC an additional \$2,899.32 annually for a single plan, and \$8,148.72 for a family plan. Total additional cost to FCSC would be \$2,121,529.92 annually.

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3. Reduced school administration and school board compensation packages
 1. School board members are paid \$2000 per year for their service. They do not have medical benefits through the corporation. In addition, on January 10, 2005 the Board voted to eliminate extra pay for all additional meetings.
 2. All administrators have agreed to a wage freeze for 2010 which is a savings of \$19,598.18 to the corporation. Further, there are no other extraordinary perks such as car allowances, annuities, etc. offered to FCSC administrators.

4. Suspend 403(b), 401(a) and 457(b) matches for all employees
 1. While FCSC does have a program in place which allows for a ½% match of 403(b) dollars for certified staff, it is not in our power to suspend that program without first negotiating that with our teachers association.

5. Institute a corporation hiring freeze
 1. For over a year every single hire has been approved by the Superintendent and/or Director of Business and Operations. We have reduced a number of jobs simply by not rehiring into non-essential positions. It is not reasonable to assume however that every position can go unfilled.

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6. Eliminated memberships in professional associations and reduced travel expenses
 1. For nearly six months all out of state and non-essential travel has been eliminated. The only such approvals have been in situations where the expense was absorbed by an outside organization. Memberships have always been limited to those which are considered essential (i.e., IASBO).

7. Effectively outsourced transportation and custodial services and directed savings to the Rainy Day Fund
 1. While the transportation fund is a consideration, it has nothing to do with our current General Fund issue through the State of Indiana. We will be providing a transportation budget recommendation to the School Board in February as the culmination of a year's worth of work.
 2. Outsourcing custodial or any other function may allow for some economies of scale, however, this also creates massive upheaval and cannot be entered into without the requisite due diligence. For over a year we have conducted a very thorough analysis of our Operations segment (Custodial, Maintenance, Grounds), and have reduced significant numbers already (ex. HS Custodial from 24 to 16.5). This would be a long term approach, if it were an approach at all, and could not be counted on to capture dollars for 2010.

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8. Sold, leased or closed underutilized buildings
 1. The Hopewell building is currently the only such building in the Franklin district. We are requesting permission tonight to gather appraisals for such a move to take place.

9. Reduced or rolled back operational and programmatic budgets to previous year levels
 1. Virtually all of our non-personnel and utility budgets were reduced in 2009. There are no increases in those budgets for 2010. Utility budgets have been increased slightly to reflect rate increases which are out of our control. Personnel budgets will remain at 2009 levels if there are no wage increases awarded. However, the State of Indiana has increased the rate at which we contribute for TRF and PERF. Again, that is out of our control.

10. Reviewed school consolidation options both within the corporation and between corporations
 1. At present the State of Indiana is assessing those districts of less than 1000 students. That would not apply to Franklin, which of course exceeds 5000 students.

Press Release

INDIANAPOLIS (December 28, 2009) – Governor Mitch Daniels said the state will reduce funding to K-12 schools by \$297 million in calendar 2010 beginning with their January payment.

The reduction will be applied evenly to all school corporations using the current funding formula. It represents 2.7 percent of the total \$11 billion schools receive from all sources or 3.5 percent of current state funding.

“We reduced everything else first, and much more deeply, but K-12 education is half the entire budget and it became unavoidable for it to become part of the solution,” said Daniels.

The governor said he acted quickly in response to the education community’s request for a fast, one-time decision on 2010 funding levels.

K-12 spending is half of the state’s budget or about \$6.5 billion annually. Daniels has said repeatedly that education reductions were a last resort and that every other area would be trimmed first.

The governor has already ordered 20 percent spending cuts at state agencies and six percent from higher education. If the new revenue forecast proves accurate, the K-12 reductions, coupled with the previous cuts and use of most, if not all, of the state’s rainy day reserves, will keep Indiana in the black through the 18 months remaining in this budget cycle.

Daniels encouraged Hoosiers to use the State Board of Education “Citizens’ Checklist” if their school corporation suggests teacher layoffs. The checklist includes a host of suggested efficiencies school corporations can make to avoid reducing the number of teachers. The board plans to formally adopt the checklist on January 8.

“Any district can find two or three percent savings without reducing teaching staff,” said Indiana Superintendent of Public Instruction Tony Bennett. “If everyone, including teachers themselves will pitch in, we’ll get through this recession just fine.”

Here is a link to the State Board of Education checklist: http://www.in.gov/gov/files/2009_isbe_checklist.pdf

Source: Office of the Indiana Governor