



SCHOOL DISTRICT PERFORMANCE AUDIT REPORT

**K-12 Education: Efficiency Audit of the
Winfield School District**

**A Report to the Legislative Post Audit Committee
By the Legislative Division of Post Audit
State of Kansas
April 2010**

Legislative Post Audit Committee

Legislative Division of Post Audit

THE LEGISLATIVE POST Audit Committee and its audit agency, the Legislative Division of Post Audit, are the audit arm of Kansas government. The programs and activities of State government now cost about \$13 billion a year. As legislators and administrators try increasingly to allocate tax dollars effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by Legislative Post Audit helps provide that information.

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DO YOU HAVE AN IDEA FOR IMPROVED GOVERNMENT EFFICIENCY OR COST SAVINGS?

The Legislative Post Audit Committee and the Legislative Division of Post Audit have launched an initiative to identify ways to help make State government more efficient. If you have an idea to share with us, send it to ideas@lpa.ks.gov, or write to us at the address above.

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April 21, 2010

To: Members, Legislative Post Audit Committee

Senator Terry Bruce, Chair
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Senator Derek Schmidt
Senator Chris Steineger
Senator Dwayne Umbarger

Representative John Grange, Vice Chair
Representative Tom Burroughs
Representative Ann Mah
Representative Peggy Mast
Representative Virgil Peck Jr.,

This report contains the findings, conclusions, and recommendations from our completed performance audit, *K-12 Education: Efficiency Audit of the Winfield School District*.

The report also contains appendices showing detailed information for non-instructional operating costs for the Winfield school district and its 15 peer district and best practices for school district efficiencies.

The report includes several recommendations for the Winfield school district. We would be happy to discuss these recommendations or any other items in the report with any legislative committees, individual legislators, or other State officials.

A large, stylized handwritten signature in black ink that reads "Barbara J. Hinton".

Barbara J. Hinton
Legislative Post Auditor

READER'S GUIDE

<i>The Big Picture</i>		<i>The Details</i>	
Audit Highlights	The highlights sheet, inserted in each report, provides an overview of the audit's key findings	"At-a-Glance Box"	Used to describe key aspects of the audited agency; generally appears in the first few pages of the main report
Conclusions and Recommendations	Located at the end of the audit questions, or at the end of the report	Side Headings	Point out key issues and findings
Agency Response	Included as the last Appendix in the report	Charts, Tables, and Graphs	Visually help tell the story of what we found
Table of Contents, and lists of figures and appendices	Lets the reader quickly locate key parts of the report	Narrative Text Boxes	Highlight interesting information or provide detailed examples

This audit was conducted by Laurel Murdie, Alex Gard, and Lindsay Rousseau. Scott Frank was the audit manager. If you need any additional information about the audit's findings, please contact Laurel Murdie at the Division's offices.

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K-12 Education: Efficiency Audit of the Winfield School District

In July 2009, our office released a school district performance audit examining the efficiency of school districts' operations. As originally directed by the 2010 Commission, that audit would have consisted of two phases. The first phase called for analyzing district staffing and expenditure data to identify areas where spending for districts appeared to be out-of-line compared with their peers. The second phase called for following up on a sample of districts to evaluate their processes in the areas that appeared to be out-of-line to determine if there were ways they could reduce costs without affecting their ability to provide high-quality education to their students.

In April 2009, the Commission directed us to suspend the follow-up part of the audit to alleviate concerns some superintendents had expressed about having an efficiency audit conducted while they were trying to address funding cuts from the State. However, in May 2009 the Commission discussed the fact that some districts may want to take advantage of the external review an efficiency audit could provide in helping them look for opportunities to operate more efficiently.. The Commission subsequently directed us to contact school districts to see if any of them would like to volunteer for an external efficiency audit.

Officials from the Winfield school district contacted us and requested an efficiency audit. This school district performance audit answers the following question:

Could the Winfield school district achieve cost savings by improving the management of its non-instructional personnel, facilities, or other resources?

Because district officials asked us to look at all spending areas—including instruction—we modified the original question to include all types of district expenditures.

To help answer this question, we identified peer districts that are demographically similar to the Winfield school district and compared them on various measures of efficiency. That allowed us to identify areas where the spending or resources used by the Winfield school district appeared to be out of line. We also conducted site visits to

interview district officials and staff, observe various administrative and operational processes, and tour a number of the district's facilities.

A copy of the scope statement for this audit approved by the 2010 Commission is included in *Appendix A*.

We conducted this performance audit in accordance with generally accepted government auditing standards, except that we didn't fully assess the reliability of certain data provided by the Winfield school district, including high school class rosters, property insurance costs, detailed personnel data, and maximum building capacities. As a standard part of our preliminary testing of those data, we reviewed the data for reasonableness, duplication, and inconsistencies. That preliminary testing didn't disclose any systematic problems that would suggest the data were grossly inaccurate.

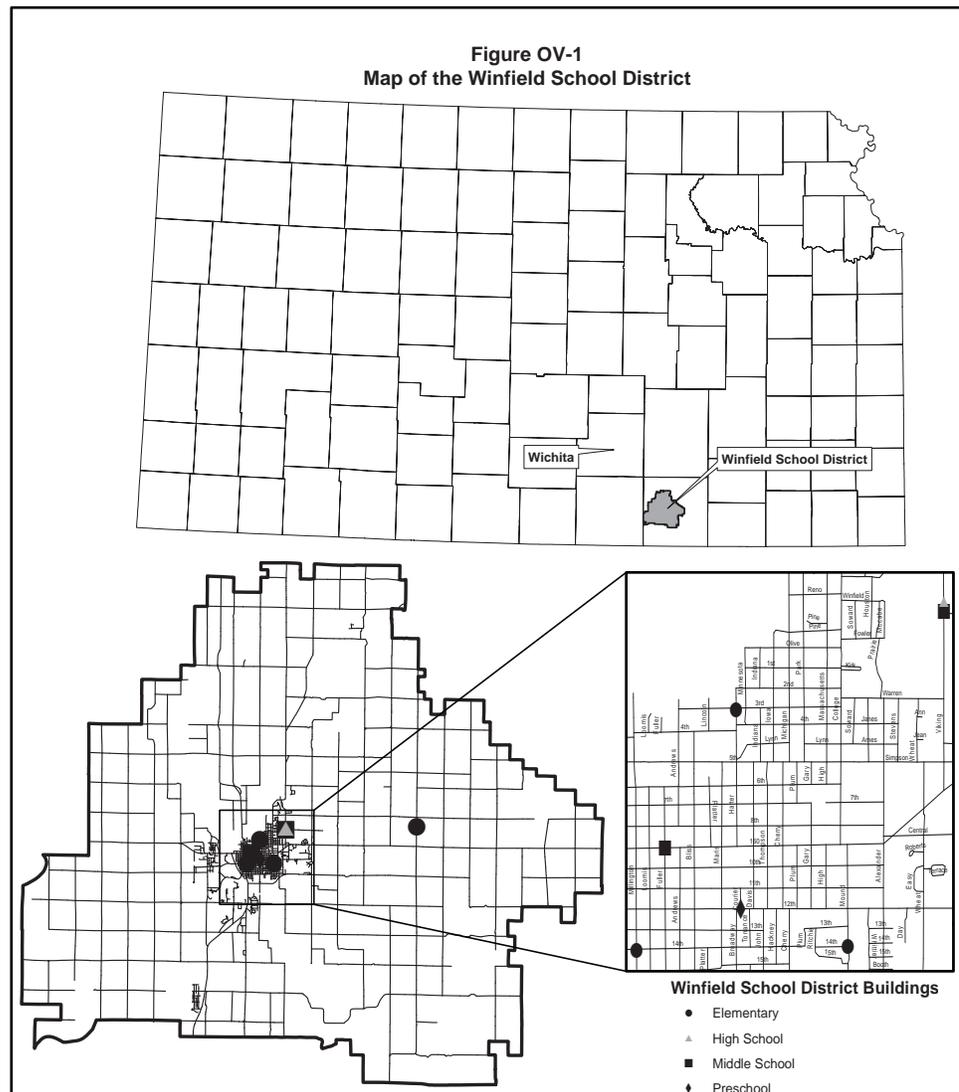
The standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our findings begin on page 5, following a brief overview of the Winfield school district.

Overview of the Winfield School District

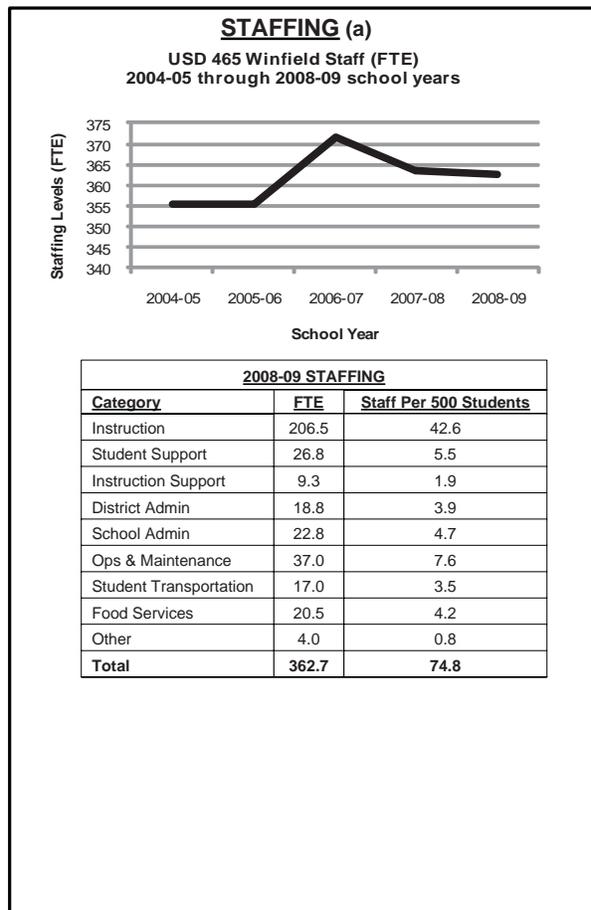
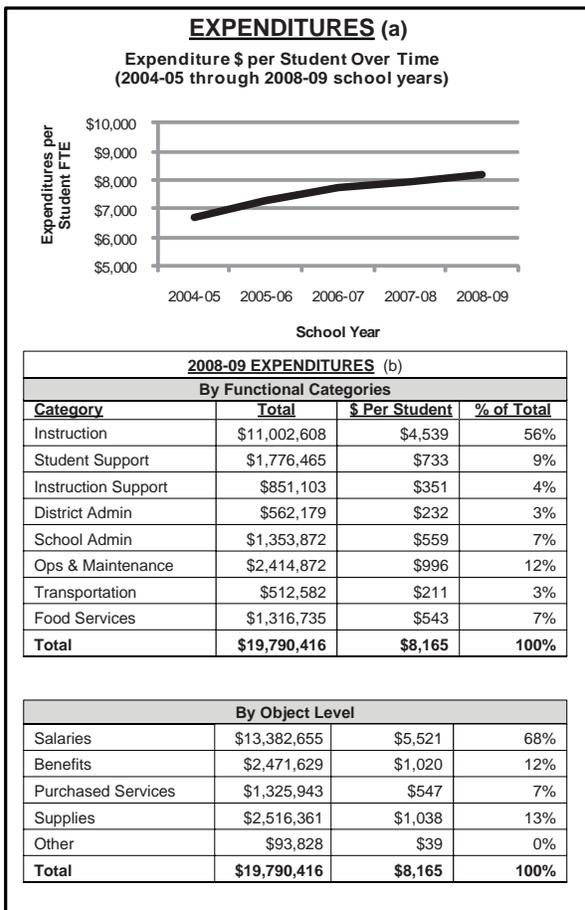
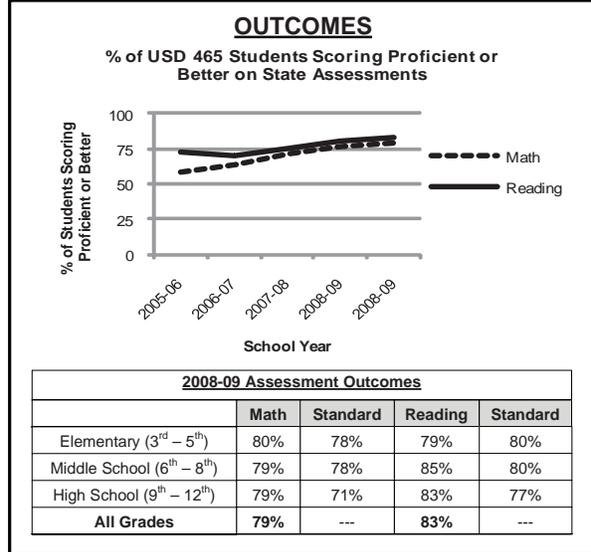
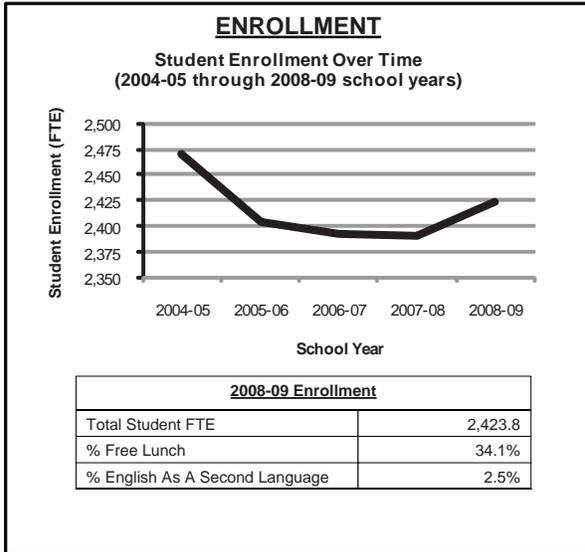
The Winfield school district is located in south-central Kansas in Cowley County. The school district has 2,360 full-time-equivalent students for the 2009-10 school year, and employs about 443 staff, including 223 full-time-equivalent certified teachers.

Figure OV-1 provides a map of the district, and **Figure OV-2** summarizes the district's enrollment, outcomes, expenditures, and staffing levels for the past five years.

Because of the many cooperative arrangements for special education services that exist between some districts, including special education expenditures or staff would create distortions in the efficiency measures used throughout this report. Therefore, we've excluded them from all our analyses, including **Figure OV-2**.



**Figure OV-2
Selected Information for the Winfield School District**



(a) Excludes costs and staff associated with special education.
 (b) Expenditures include the following funds: general fund, federal revenues, supplemental general fund, four-year-old at-risk, K-12 at-risk, bilingual education, virtual education, capital outlay, driver training, food service, professional development, summer school, vocational education, gifts and grants, contingency reserve, textbook rent and student revolving, and the extraordinary school program. Costs associated with transfers or property and equipment expenditures are not included.

Source: LPA analysis of Kansas State Department of Education assessment scores and staffing data, and school district expenditure and staffing data.

Could the Winfield School District Achieve Cost Savings By Improving the Management of Its Personnel, Facilities, or Other Resources?

Answer in Brief:

The Winfield school district has taken some positive steps to become more efficient and control costs, but like other districts we've reviewed; it lacks a systematic approach for evaluating and managing efficiency. Overall, the district's non-instructional spending per student is higher than its peers, and its student support staffing levels are higher. We identified a number of opportunities for the district to operate more efficiently and reduce its costs. Although the school board and community would have to work through a significant number of issues if they chose to close two schools and reduce space in its central office, doing so potentially could save more than \$1.4 million a year by closing two schools.

In addition, if the district chose to move its high school from a block schedule to a traditional schedule and fill high school classes to capacity, it could save at least \$280,000 each year. Another \$156,000 in savings is possible if the district could bring its student support staffing levels more in line with its peers. Next, if the district took steps to make its food service program more efficient it could realize about \$110,000 in savings. Finally, although not true savings—until the economy recovers, the district could defer about \$50,000 a year in payments on a lease agreement with Southwestern College. These and other findings are described in more detail in the sections that follow.

School Districts Should Have a Systematic Process for Managing Efficiency

Although most evaluations of school districts tend to focus on how well the districts educate students, oversight bodies and citizens increasingly are becoming more interested in how efficiently districts are operating—particularly in light of the budget shortfalls that are facing governments at all levels. School efficiency audits focus on ways in which districts can change the way they currently operate to *essentially provide the same quality of educational services using fewer resources, or to allow their existing resources to become more productive*. If fewer resources are needed, districts can use the savings either to reduce costs or to redirect those resources to other more important activities.

Measures of efficiency are calculated ratios that capture the relationship between inputs (the resources used) and outputs (the things accomplished or produced). For educational entities, the primary measures of efficiency are things like expenditures per student, staff per student, and number of activities per employee (e.g., classes taught per teacher or meals served per food service worker).

One important aspect of assessing efficiency is comparing these measures to those of peers with similar characteristics, to standard benchmarks, and to the district itself over time. This allows a district to see how it compares, and to explore reasons why it may spend more in certain areas. A district also can make adjustments to its policies, procedures, and practices to ensure it not only provides the best education for its students, but also the best value for taxpayers. In addition, as districts move towards greater computerization, it's important for them to look at how streamlined and automated their processes are.

A model for a good efficiency management process is summarized at right in *Figure 1-1*.

While the Winfield school district has taken a number of positive steps to become more efficient and control costs, it lacks a systematic approach for evaluating and managing efficiency.

According to district officials, the district has taken the following steps over the past several years to improve its efficiency:

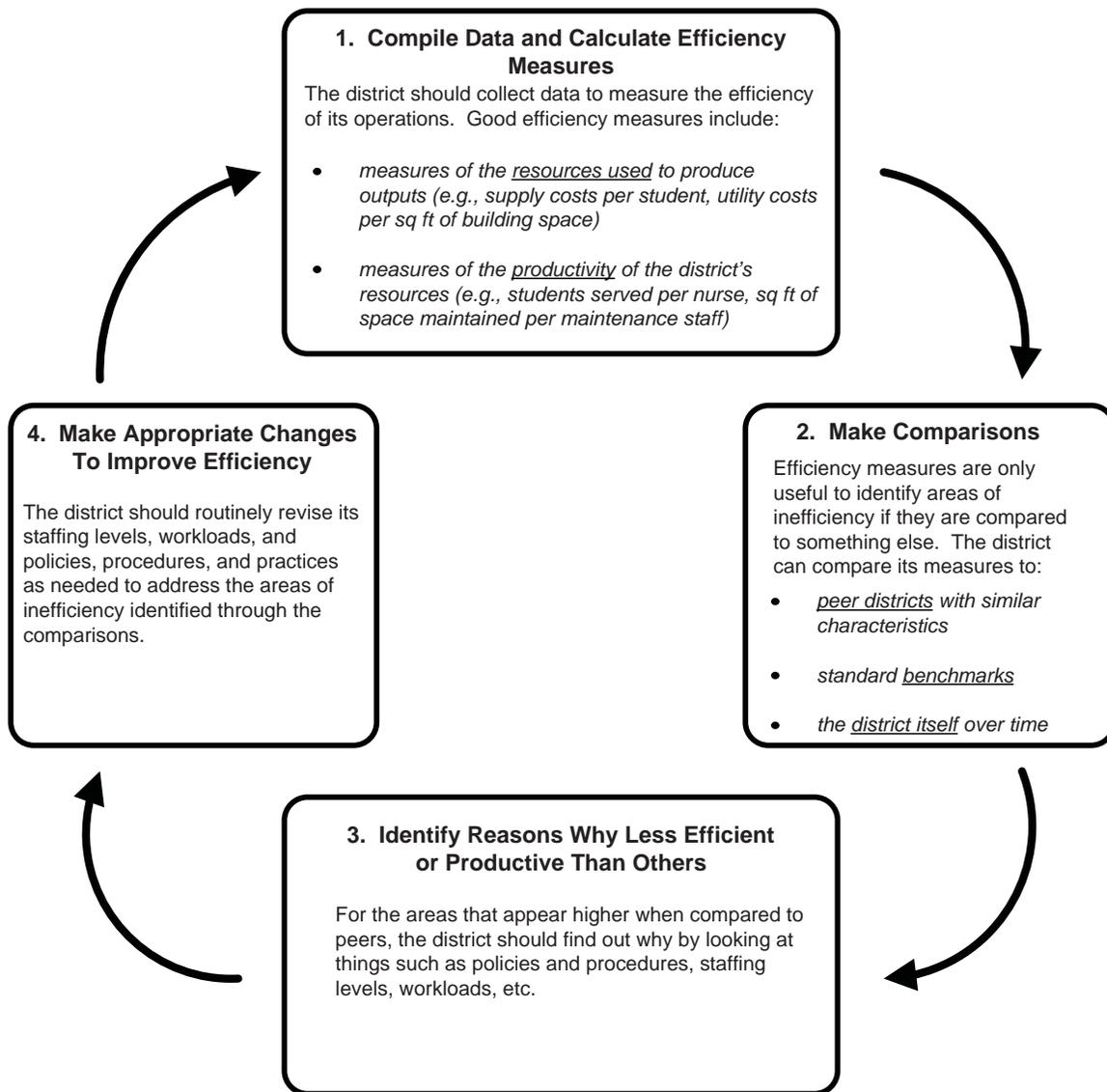
- **Energy Savings**—District officials told us that in the past few years they contracted for an energy audit, installed thermostat controls in several of its buildings, and hired a new maintenance director. As a result, the district's electrical consumption decreased, but the savings were offset by increased electricity prices.
- **Joint or Competitive Purchasing**—District officials told us they shop around for competitive prices for information technology-related items. In addition, starting with the 2009-10 school year, the district began purchasing food supplies jointly with surrounding districts. Finally, copy paper and classroom supplies are purchased through the Southeast Kansas Education Service Center, which purchases supplies competitively for a number of school districts.
- **Cut Administration Staffing positions**—for the 2009-10 school year, the district cut one assistant superintendent position and cut two clerical staff positions, including one at the middle school and one at the high school.
- **Use Voice-Over-Internet Phone Service** – District officials told us they have used Internet-based phone service for about 20 lines over the last 7 years. They think it has saved them about \$8,900 per year.

Despite these efforts, we noted that Winfield school district doesn't have the kind of systematic process for reviewing and trying to management the efficiency of its operations as illustrated in *Figure 1-1*. Specifically:

**Figure 1-1
Model Efficiency Management Process**

A good efficiency management system allows districts to:

- Identify the functional areas within the district (e.g., administration, operations and maintenance, transportation, and food) where spending may be out-of-line.
- Identify the types of spending (e.g., salaries, benefits, and purchased services) that account for significant differences.
- Use the data as a starting point in understanding why costs might be different.



Source: LPA model based on a review of best practices and literature.

- **While the district looks at spending data at a high level, it doesn't calculate measures of efficiency**—District officials told us they sometimes compare the whole budget on a widespread scale, and they also compare staffing data at a building level, but that they don't calculate measures. However, officials don't calculate how much they spend on a per-student basis for administration, operations and maintenance, transportation, and food service. While the data compiled by the district may be useful, those data don't really measure how efficiently the district uses its resources.
- **Makes limited comparisons**—District officials said they compare spending data they compile to the district's spending in previous years, but don't compare themselves against peer districts or benchmarks. While not readily compiled on a per-student basis, spending data for all Kansas school districts is available through the *Comparative Performance and Fiscal System*, located on the State Department of Education's website (<http://cpfs.ksde.org/cpfs/>). Information on district enrollment levels can be used to calculate and make meaningful comparisons of specific types of spending with respect to enrollment size.
- **The district doesn't have a systematic process to routinely revise its policies, procedures, and practices as needed to address areas of efficiency**—District officials told us that while they don't have this kind of process in place, they do give strong consideration to suggestions from entities such as the Kansas Association of School Boards.

The Winfield School District's Non-Instructional Per-Student Spending and Staffing Levels Are Higher Than Its Peers In Most Areas

To compare the district's efficiency measures to other districts, we selected 15 peers whose demographics were similar in terms of size, property values, and concentration of poverty and students with limited English proficiency. **Appendix B** provides a list of the peer districts, a demographic comparison of the Winfield school district to its peers, and a more detailed description of how we selected the peers.

Using enrollment, staffing, and expenditure data for the 2008-09 school year (the most recent year for which complete data were available for our audit fieldwork), we calculated a variety of efficiency measures for the Winfield school district and its peers in the following areas: instruction, district- and school-level administration, instruction and student support, operations and maintenance, student transportation, and food service. We excluded expenditures related to special education because cooperative arrangements between some districts can create distortions in the efficiency measures. In addition, we excluded property and equipment purchases because they can be very uneven from year to year.

Figure 1-2 summarizes our findings for these comparisons. Detailed efficiency measures for each district can be found in **Appendix B**.

**Figure 1-2
Winfield School District Efficiency Measures as Compared to Its Peers for the 2008-09 School Year**

Spending Area		Winfield	Peer Average (a)	Compared to Peers
Instructional Spending				
Instruction	Spending per Student (b)	\$4,539	\$4,549	Overall, the Winfield district's <u>instruction</u> expenditures per student were <u>in line with</u> its peers, while its staffing levels were <u>higher</u> than its peers.
	Staff per 500 Students	42.6	38.0	
Non-Instructional Spending				
Student Support	Spending per Student (b)	\$733	\$296	The Winfield district's student support expenditures per student were <u>much higher</u> than its peers, and its staffing levels were <u>higher</u> than the average of its peers.
	Staff per 500 Students	5.5	4.4	
Instructional Support	Spending per Student (b)	\$351	\$335	The Winfield district's instructional support expenditures per student were <u>slightly higher</u> than its peers, while its staffing levels were <u>slightly lower</u> than its peers.
	Staff per 500 Students	1.9	2.1	
District-Level Administration	Spending per Student (b)	\$232	\$253	The Winfield district's district-level administration expenditures per student were <u>lower</u> than its peers, while its staffing levels were <u>slightly higher</u> than its peers.
	Staff per 500 Students	3.9	3.6	
School-Level Administration	Spending per Student (b)	\$559	\$552	The Winfield district's school-level administration expenditures per student and staffing levels were <u>in line with</u> its peers.
	Staff per 500 Students	4.7	4.5	
Operations and Maintenance	Spending per Student (b)	\$996	\$972	The Winfield district's operations and maintenance expenditures per student and staffing levels were <u>slightly higher</u> than the average of its peers.
	Staff per 500 Students	7.6	6.2	
Student Transportation (c)	Spending per Student (b)	\$211	\$232	The Winfield district's transportation expenditures were <u>lower</u> than its peers, while its staffing levels were <u>slightly higher</u> than its peers.
	Staff per 500 Students	3.5	3.1	
Food Services	Spending per Student (b)	\$543	\$483	The Winfield district's food services expenditures were <u>higher</u> than its peers, and its staffing levels were <u>slightly higher</u> than the average of its peers.
	Staff per 500 Students	4.2	3.9	
Total Non-Instructional Spending	Spending per Student (b)	\$3,625	\$3,123	Overall, the Winfield school district's non-instructional expenditures per student and staffing levels were <u>higher</u> than the average of its peers.
	Staff per 500 Students	31.3	27.8	
TOTALS	Spending per Student (b)	\$8,164	\$7,672	Overall, the Winfield school district's expenditures per student and staffing levels were <u>much higher</u> than its peers.
	Staff per 500 Students	73.9	65.8	

(a) Peer average does not include Winfield.
 (b) Expenditures do not include any costs associated with special education or properties and equipment.
 (c) Student transportation is shown here to make the total spending complete. However, the factors we used to identify the peer districts (enrollment, poverty, prevalence of English language learners) aren't relevant for transportation costs. Therefore, the peer comparison isn't valid.

Sources: LPA analysis of data provided by the Kansas Department of Education and the Winfield school district.

As the figure shows, total spending per student for the district was higher than the average of Winfield's peers, and Winfield's non-instructional spending per student was more than \$500 higher than its peers. That's mostly because Winfield's spending per student for student support and for food services was higher than its peers. Here's why:

- Spending for student support was much higher because the district has at least part-time nurses and social workers assigned to each building. Peer comparisons also showed that Winfield's staffing levels for these types of positions were higher. As discussed later in this report, although the district has made a conscious effort to make sure that it has these staff available to address student needs, this is an area where it could reduce costs and the district has several options for cost savings in this area.
- Spending for food was higher because the district's food service program isn't self-supporting. For the 2008-09 school year, the district transferred \$110,000 from its local option budget to supplement the program. Later in the report, we discuss ways the district could make its food service program more self-sufficient.

***We Identified a
Number of Opportunities
For the Winfield School
District to Operate
More Efficiently and
Reduce Costs***

According to district officials, the Winfield school district needs to cut about \$1 million from its 2010-11 budget because of the current fiscal crisis. To help the district identify savings opportunities, we reviewed the efficiency measures described in the previous section, interviewed district officials and staff, and conducted site visits to observe various processes and tour a number of the district's facilities. We also reviewed audits and research conducted in other states to compile a list of best practices for improving efficiency, which are summarized in *Appendix C*.

Based on this work, we identified a number of opportunities for savings, which are summarized in *Figure 1-3*. Many of these options would result in cutting teaching positions, which clearly can affect the ways in which instruction is provided. However, given the State's dire economic condition, many districts already are facing cuts for existing staff. Identifying ways in which they can operate more efficiently may allow them to make more targeted cuts, which could lessen the impact on their ability to provide high-quality instruction. Some of the more significant opportunities are described in more detail in the following sections.

**Figure 1-3
Summary of Areas Identified for Improved Efficiencies
and Estimate of Savings**

Potential Area for Achieving Cost Savings and Improving Efficiency	Estimated Annual Savings
Student Instruction	
Changing to a Traditional Schedule at Winfield High School Potentially Could Save At Least \$154,000 - <i>If the district changed to a traditional schedule, it would need 2.5 fewer teachers. The remaining teachers would each teach an additional class (seven instead of six). The classes, number of class sections, and students per class wouldn't change. See pages 18-21 for more details.</i>	\$154,000
Switching to a Traditional Class Schedule at Winfield High School <u>and</u> Reducing the Number of Class Sections Offered Potentially Could Save At Least an Additional \$129,000 - <i>If, in addition to moving to a traditional schedule, the district also filled its classes closer to the capacities it sets for the classes and eliminated some classes with very low enrollments, the district potentially could realize these savings. See pages 22-23 for more details.</i>	\$129,000
Facilities	
Closing Country View Elementary School Potentially Could Save About \$870,000 - <i>The district appears to have enough physical space in its other elementary buildings to close Country View Elementary and move those students to the other three elementary schools. See pages 13-16 for more details.</i>	\$867,000
Closing Winfield Intermediate School Potentially Could Save About \$580,000 - <i>The district appears to have enough physical space in its elementary buildings and at its middle school to close Winfield Intermediate, and move the fifth grade classes back into the elementary buildings, while moving the sixth grade classes up into the middle school. See pages 15-17 for more details.</i>	\$580,000
Taking Steps to Reduce or Defray Utility Costs for Its Central Office Potentially Could Save Money – <i>The district's central office is housed in a building that is much larger than what is needed. The district shares some of the space with a special education cooperative (but doesn't charge it), while the rest of the space is vacant. The building's utility costs averaged \$52,000 a year for the last two years, all of which the district paid. By taking steps to defray the costs of this building, such as closing off unused space, charging the cooperative rent, or relocating to a more suitable space, the district could save money. See pages 17-18 for more details.</i>	(a)
Invoking a Hardship Clause in a Contract With Southwestern College Would Defer \$50,000 a Year in Lease Payments - <i>The district has a long-term lease with Southwestern College to use its football facility. This arrangement costs the district \$100,000 per year; however, the district may be able to reduce its lease payments to \$50,000 in the short term in cases of financial difficulty, which is about the equivalent of one teaching position. The district would have to repay any deferred payments within three years of the end of the lease agreement. See page 27 for more details.</i>	\$50,000
Personnel	
The District Has Significantly More Student Support Staff Than Its Peers - <i>Winfield has more than double the number of student support staff of its peer districts, including four nurses and six social workers. District officials told us this was to provide support to students who might not have access to such services at home. Although this is a policy issue and not an efficiency issue, if the district took reasonable steps to reduce the overall number of support staff, it potentially could save money. See page 24 for more details.</i>	\$180,000
Toughening Its Health Insurance Eligibility Requirements Potentially Could Save the District Almost \$84,000 - <i>The district could reduce health insurance costs by either pro-rating the amount it pays for part-time staff based on the number of hours they work, or by increasing the minimum number of hours employees must work per week to be eligible for benefits. District officials estimated that if they increased the threshold to 30 hours per week (it's currently 17.5 hours), 20-25 employees would no longer qualify for coverage, which would save the district money.</i>	\$84,000

**Figure 1-3
Summary of Areas Identified for Improved Efficiencies
and Estimate of Savings**

Potential Area for Achieving Cost Savings and Improving Efficiency	Estimated Annual Savings
Personnel Continued	
Reducing Vehicle Allowances Potentially Could Save About \$7,200 - For each of the past two years, the district paid out an average of \$14,500 in vehicle allowances to the district administrators. Other districts pay their administrators vehicle allowances, though their allowances are generally not as large as those received by Winfield. Although this is a policy issue and not an efficiency issue, if these were reduced to the amount that some other districts pay, Winfield would spend up to \$7,200 less per year.	\$7,200
Implementing Better Controls for District Vehicles Potentially Could Save Money - Several district vehicles are assigned to staff, including maintenance staff who are allowed to take the vehicle home. Currently, the district has no or very little controls in place to ensure that the vehicles are used for district purposes.	(a)
Reducing Cell Phone Stipends Potentially Could Save \$5,000 - Winfield spends about \$10,000 per year on cell phone stipends for various administrative staff. Because this isn't critical to the educational mission, the district could reduce these costs by eliminating the stipends altogether, giving them to a few select staff, or reducing overall stipend amounts. If the district reduced all the current stipends by 50%, it could save about \$5,000 per year.	\$5,000
Business Processes	
Automating Paper-Driven Processes Potentially Could Save Money - The district relies heavily on paper for many of its administrative functions, including purchasing, payroll, and student records. If it relied less on paper and used electronic processes such as scanning and e-mail, it could save staff time, paper, postage, and storage space.	(a)
Offering A Parental Opt-Out Program For District Mailings Potentially Could Save More Than \$1,000 - On average for each of the past two years, the district spent \$39,000 per year on postage. In addition, it's likely that the district could save even more money if it starting paying some of its bills online instead of with a paper check sent through the mail.	\$1,000
Competitively Purchasing Property and Liability Insurance Potentially Could Save Money - The district spent about \$240,000 per year on property, liability, and workers' compensation insurance in the past two years. The district might be able to get a better price for its insurance by soliciting bids or competitively shopping for another insurance agent.	(a)
Maximizing the Use of Business Procurement Cards Potentially Could Save \$1,000 - The district uses procurement cards, and receives a cash-back rebate, but prefers to use existing lines of credit for its purchases. We estimated the district could have received at least \$1,000 in cash-back rebates in each of the past two years if it used its procurement cards for purchases from vendors that accept them.	\$1,000
Modifying Its Existing Purchasing Practices Potentially Could Save Money - District staff appear to have great latitude when purchasing items. Staff are reimbursed without having to show that they checked prices for a competitive rate. The district might be able to achieve savings if it required staff to competitively shop for items before purchasing them. In addition, the district could achieve savings if it arranged or took part in joint purchasing arrangements with area entities.	(a)
Developing and Using an Inventory System for Equipment, Supplies, and Assets Potentially Could Save Money - The district doesn't keep an up-to-date inventory of equipment and supplies. In addition, the district owns several valuable paintings, but doesn't have a good tracking system to ensure that the paintings aren't lost or stolen.	(a)
Transportation Services	
Purchasing Vehicle Fuel Competitively Potentially Could Save Money - The district spent an average of \$120,000 on vehicle fuel over the past two years. The district used to competitively shop for fuel, but stopped after one of its two bidders consistently came in lower. The district may be able to save money if it started competitively shopping for fuel again.	(a)

**Figure 1-3
Summary of Areas Identified for Improved Efficiencies
and Estimate of Savings**

Potential Area for Achieving Cost Savings and Improving Efficiency	Estimated Annual Savings
Transportation Services Continued	
Reducing the Number of Activity Routes Potentially Could Save More Than \$8,000 - <i>The district has spent an average of \$83,000 on activity routes between 2007-08 and 2008-09. If the district could reduce the total number of activity trips by even 10%--by filling buses when taking multiple athletic teams to the same event or by overall reduction in trips, for example--we estimated it could save \$8,000 per year</i>	\$8,000
Food Service	
Improving the Efficiency of the Food Service Program Potentially Could Save Money - <i>For the 2008-09 school year, the district transferred about \$110,000 from its local option budget to cover shortfalls in the food service program. This is the equivalent of two teachers' salaries. If the district could improve the efficiency of the program, it could reduce or eliminate the need for transfers, which would save the district money or free up money to be used for other district needs. See pages 25-27 for more details.</i>	(a)
(a) We were unable to quantify the potential savings for these areas.	
Source: LPA's review of the Winfield school district's budget data, staffing levels, enrollment, and physical characteristics of buildings, along with a review of best practices.	

Closing Two Schools and Reducing Space in its Central Office Potentially Could Save the District About \$1.4 Million a Year

Closing a school building is one of the most difficult and divisive decisions a school board and community can make. District patrons are very likely to be strongly against such a move because of the negative impact on the community and the areas served by the school. However, because of the current economic recession, districts are looking at this option to help them operate more efficiently and reduce costs. Obviously, such decisions can't be made in a vacuum, and the impact on the students and communities must be taken into account.

Since 2000-01, the Winfield school district's enrollment has decreased by about 11%, from 2,637 FTE students to 2,360 FTE students for the 2009-10 school year. Because of this decline, we looked for options the district could consider for reducing its building space. The Winfield school district has eight school buildings, including one pre-school, four elementary schools, an intermediate school, a middle school, and a high school. With the exception of one elementary school, all buildings are located within the city of Winfield. The buildings and current enrollments are listed in **Figure I-4**, at the top of the next page.

Based on our analysis of building space at the elementary schools, it appears the district could close a school and distribute those students among the three other elementary schools. We compared the classroom space currently used in these buildings to the student

**Figure 1-4
Winfield School District's
Attendance Centers**

School	Grades	FTE Enrollment 2008-09
Winfield High School	9 to 12	847
Winfield Middle School	7 to 8	360
Winfield Intermediate School (2-building complex)	5 to 6	330
Country View Elementary	K to 4	128
Irving Elementary	K to 4	246
Lowell Elementary	K to 4	184
Whittier Elementary	K to 4	261
Webster Early Learning Center	Pre K	68
Total		2,424

Source: Kansas Department of Education.

capacities provided by the district for all its classrooms. (In general, the district sets classroom capacities at 22 students per classroom for its elementary schools.) We also walked through the elementary schools to see how the classrooms are used. In addition, during our visit we reviewed floor plans of the buildings and spoke with district officials about how the buildings and classrooms are used.

Based on our analyses and observations, we noted that all four elementary schools have vacant or underused classrooms. For our purposes, an underused classroom is one that either has classes with very low enrollments—

for example, a handful had 7 or 12 students—or it’s a classroom that’s used for something other than regular classes—such as a teacher workroom.

Our analysis showed that of the four elementary schools, it would probably make the most sense to close Country View Elementary School because it is the smallest, both in terms of enrollment and classroom space. While Country View Elementary School can accommodate only about 200 students, the three other elementary schools can accommodate between 330 and 400 students each, making them more efficient to operate on a per-student basis. As shown in *Figure 1-5*, if the district chose to close Country View Elementary, it could redistribute students to the other three elementary buildings without having to renovate existing classrooms and class sizes would be within the capacities set by the district.

District officials agreed that Country View Elementary School was the most logical elementary school to close, but also told us that if it were closed, some families probably would choose to send their students to neighboring districts, further reducing the district’s enrollment. In addition, district officials pointed out that Country View Elementary School is unique because it offers smaller class sizes and community-style lunches (where students eat with their teachers).

Closing Country View Elementary School potentially could save the district about \$870,000 each year. This information is summarized in *Figure 1-6* on page 16.

**Figure 1-5
Comparing Winfield School District's Current Use of Physical Space At Its Elementary School Buildings**

Country View Elementary						Irving Elementary					
Grade	Current Avail. Capacity	Current Enrollment	Space Available (a)		Fit? (Y/N) (b)	Grade	Current Avail. Capacity	Current Enrollment	Space Available (a)		Fit? (Y/N) (b)
			This School	Other Schools					This School	Other Schools	
K	18	24	-6	17	N	K	66	53	13	-2	N
1	30	25	5	50	Y	1	66	40	26	29	N
2	30	29	1	43	Y	2	66	46	20	24	N
3	33	27	6	14	N	3	44	35	9	11	N
4	33	29	4	27	N	4	66	59	7	24	N

Lowell Elementary						Whittier Elementary					
Grade	Current Avail. Capacity	Current Enrollment	Space Available (a)		Fit? (Y/N) (b)	Grade	Current Avail. Capacity	Current Enrollment	Space Available (a)		Fit? (Y/N) (b)
			This School	Other Schools					This School	Other Schools	
K	44	43	1	10	N	K	66	63	3	8	N
1	44	27	17	38	Y	1	66	59	7	48	N
2	44	38	6	38	Y	2	77	60	17	27	N
3	44	38	6	14	N	3	55	56	-1	21	N
4	44	39	5	26	N	4	66	51	15	16	N

(a) Count only those rooms currently used as classrooms.

(b) If the district chose to close Country View elementary school, it could redistribute students in these grades to the other three elementary schools without having to renovate existing classrooms and without having to carry over instructional staff from the closed elementary building. The kindergarten and third grade from Country View Elementary could also fit into the remaining three elementary buildings, but these grades would use classrooms that are currently either vacant or underused.

Source: LPA analysis of physical space during site visit, district enrollment data, district-provided classroom capacities, and building floor plans.

The primary source of these savings would come from eliminating about 20 teaching and support staff, and from reduced operations and maintenance costs. In addition, transportation costs are unlikely to be affected significantly, because according to district officials, about half of Country View Elementary School's students already live within the city of Winfield.

In addition to the ongoing annual savings, the district potentially could realize some one-time revenues if it could sell the building. However, selling the building could be difficult because of the recession and current real estate market conditions.

The district's intermediate school complex is only about 50% occupied—it could be closed and students could be moved to the elementary schools and middle school. All the district's fifth and sixth grade students attend Winfield Intermediate School. The Winfield Intermediate School complex consists of two buildings—the old Winfield High School and a newer, separate addition added in the mid 1990s. We looked at whether it is efficient to continue operating these two buildings because they currently are only about half occupied.

Figure 1-6
Estimated Costs and Savings Associated with
Closing Country View Elementary School

	Staff FTE	\$
Operating Savings		
Custodial Staff	2.0	\$50,000
Clerical Staff	1.0	\$24,000
Nurses	0.5	\$24,000
Utilities - Electricity		\$23,000
Utilities - Natural Gas		\$4,000
Utilities - Water and Trash		\$7,000
Property Insurance		\$1,000
One-Time Costs		
Moving Expenses		(a)
Remodeling Costs		(a)
TOTAL		\$133,000
Staff Savings		
Certified Teachers (b)	5.0	\$221,000
Building Principal	1.0	\$70,000
Paraprofessionals	6.0	\$111,000
Tutors	2.0	\$48,000
Reading Program Facilitator	1.0	\$51,000
Reading Program Tutor	2.0	\$49,000
Classroom Aides	2.0	\$38,000
Librarian	1.0	\$51,000
Speech/Language Pathologist	1.0	\$45,000
School Social Worker	0.5	\$25,000
School Psychologist	0.5	\$25,000
TOTAL		\$734,000
Total Annual Savings - Operating and Staff Savings		
TOTAL		\$867,000
(a) We were unable to estimate these one-time costs, although they are likely very minimal.		
(b) Includes two regular classroom teachers, one art teacher, one music teacher and one physical education teacher.		
Source: LPA analysis of Winfield school district data.		

There's room among the district's other buildings to accommodate the 350 students who attend the intermediate school. The elementary schools (which currently accommodate K-4 students) have enough space to house the fifth graders (this remains true even if Country View Elementary School were closed and those students were moved to the three remaining elementary buildings). Classrooms could be rearranged between the middle school and high school, which would allow the middle school to accommodate the sixth graders. Class sizes would stay within the capacities set by the district—no more than 24 students per classroom for fifth and sixth grades.

Closing the Winfield Intermediate School complex potentially could save the district about \$580,000 each year. We couldn't estimate any remodeling or moving costs—but they are likely to be small. The savings estimates are summarized in *Figure 1-7*.

As shown in the figure, about half the savings would come from eliminating operating costs, including food service, custodial, clerical, nursing staff, and utility costs. The remaining

savings would come from eliminating two building principals and various instruction and student support staff (staff that already are in the other buildings could provide these services).

In addition, the district potentially could realize some one-time revenues if could sell the Winfield Intermediate School complex. However, selling the building may be difficult because of the recession and current real estate market conditions.

District officials said that they hadn't thought about closing the intermediate school as a cost savings option, but acknowledged there was a substantial amount of underused space at the building.

Figure 1-7
Estimated Costs and Savings Associated with
Closing Winfield Intermediate School
(a two-building complex)

	Staff FTE	\$
Operating Savings		
Custodial Staff	4.0	\$101,000
Clerical Staff	2.0	\$48,000
Nurses	0.5	\$24,000
Food Service Staff	1.0	\$14,000
Utilities - Electricity		\$51,000
Utilities - Natural Gas		\$41,000
Utilities - Water and Trash		\$6,500
Property Insurance		\$2,000
One-Time Costs		
Moving Expenses		(a)
Remodeling the Middle/High School		(a)
TOTAL		\$287,500
Staff Savings		
Building Principals	2.0	\$140,000
Reading Program Tutor	1.0	\$28,000
Teacher Aides	2.0	\$35,000
Library Aide	1.0	\$17,000
Speech/Language Pathologist	1.0	\$23,000
School Social Worker	0.5	\$25,000
School Psychologist	0.5	\$25,000
TOTAL		\$293,000
Total Annual Savings - Operating and Staff Savings		
TOTAL		\$580,500
(a) We were unable to estimate these one-time costs, although they are likely very minimal.		
Source: LPA analysis of Winfield school district data.		

The district's central office has more space than is needed, which increases utility costs. In 2003, the district purchased a former cancer research center for \$1 and converted it into the central office. Currently, one portion of the building provides office space for about 15 district employees, including the superintendent, assistant superintendent, and support staff, as well as maintenance and information technology staff.

In addition, shortly after the district acquired the building, the Cowley County Special Services Cooperative moved into an adjoining but separate space in the building. The district offices occupy about one-fourth of the building, and the special education cooperative occupies about another one-fourth of the total space. The remainder of the building is vacant.

Using converted space likely saved the district on acquisition costs, but the building has high energy costs.

For example, for each of the past two years, the district's portion of the utility costs for the building (including electricity and natural gas) averaged about \$52,000. Compared to what the Winfield school district pays on a per-person basis at some of its other buildings—the utility costs for the central office seem out of line. However, utility costs for three out of four of the district's elementary schools averaged about half that amount, ranging on average from \$22,000 to \$29,000 each year. Each of these elementary buildings has between 30 and 45 staff (plus 139 to 254 students), compared to only 15 district employees at the district's central office.

The district has several options for reducing the costs associated with the central office building:

- **Find a building that will more closely accommodate the district's central office staff needs**—The central office building has about 35,000 square feet of space (excluding storage space in the basement). The district's 15 central office employees use about 9,200 square feet of space. The State Department of Administration's office space standards allow for about 250 square feet per employee, which indicates that the central office may need less than 3,800 square feet. That's less than half the space the office currently occupies, and far less than the total size of the building.
- **Lower utility costs by closing off unused portions of the building** — District officials told us they are trying to curb the central office's utility costs, but they are hampered by the building's design. Officials told us that the building's floor plan allows them only to heat or cool the entire building—and that right now there isn't an easy way to shut-down unused portions of the building, but they are trying to solve this problem.
- **Rent out the unused space to generate additional revenues**— Currently, the special education cooperative doesn't pay rent for the space it does use, but according to district officials, the cooperative does pay utilities for the space it occupies. District officials told us if it charged the cooperative, or any other tenant, rent it could jeopardize the property's tax-exempt status. Officials would want to make sure that any rents it charges are greater than the tax liability it would incur, or else there wouldn't be any financial benefit for the district.

Changing Its High School Class Schedule Potentially Could Save The District More Than \$280,000 a Year

Under a traditional high school schedule, students typically go to the same 7 or 8 classes every day, with each class lasting about 40-60 minutes. Beginning in the mid-1990s, many high schools switched over to a block schedule, where students take fewer classes each day, but for longer blocks of time. Although this method of scheduling is popular, in our work from a previous audit we saw that education research has found no positive effect (and perhaps even a negative effect) on student performance under a block schedule (see *K-12 Education: Alternative Models for Organizing Middle School and High School*, available at http://www.kslegislature.org/postaudit/audits_perform/07pa02a.pdf).

The Winfield school district currently uses a “block” schedule at its high school, which is illustrated on the left side of **Figure 1-8**. As the figure shows, the block schedule is made up of the following components:

- Each day is divided into four 88-minute class periods (or “blocks”), and one 36-minute seminar period.
- There are two class schedules which alternate each day. Students attend four of their eight classes on one day, and the other four on the alternating day.
- There are a total of eight blocks (plus a seminar section) each semester.

Under the block schedule, the eight 88-minute blocks for full-time teachers break down like this:

- They teach six classes.
- They receive two planning periods (one each day).

We identified a couple problems with using 88-minute blocks that make this arrangement inefficient:

- **By using a block schedule, the district provides significantly more planning time to its high school teachers than would be provided under a traditional class schedule.** Typically, a traditional schedule allows for 40-45 minutes of planning each day. By comparison, block scheduling generally allows for 90 minutes of planning time per day. Winfield school district's negotiated teacher agreement doesn't call for a specific number of minutes of planning time—only that teachers will be allowed one class period to plan.
- **In 2009-10, the district will spend almost \$25,000 to “buy back” planning time from six teachers.** Because teachers generally teach fewer class periods under a block schedule, the district needed some teachers to pick up additional classes, and had to buy back those teachers' planning time.

We looked at the effect of converting the high school's block schedule to a “traditional” schedule. To determine how a traditional schedule at the high school might look, we spoke with district and high school officials and reviewed documents such as class schedules, class rosters, and teacher contracts. Among the things we had to consider were the length of class periods, passing periods between classes, planning periods, and seminar periods.

Figure 1-8 shows one example of what a traditional schedule for the high school could look like, compared to the current block schedule. As the figure shows, there are four main differences in this example between the traditional schedule we developed and the current block schedule:

- Full-time teachers would teach seven classes, instead of six.
- Teachers would have 44 minutes of planning time each day, instead of 88 minutes.
- The seminar period would be 30 minutes each day, instead of 36.

- Overall, the school day would be 449 total minutes a day, instead of 430. Though this extends the current day by 19 minutes, this long of a school day isn't unprecedented. For example, we learned in a recent audit that the school day at the Renwick school district is 453 minutes long.

While the district would have to renegotiate some aspects of teacher contracts to switch to a traditional high school class schedule, doing so potentially could save the district at least \$154,000 each year by reducing the number of teachers it would need. Because each teacher would teach an additional class each semester (seven instead of six), fewer teachers would be needed to teach the same number of class sections. Teachers would have less planning time than they do under the current block schedule, and would have to prepare for an additional class during that time. In addition, because the model we developed would lengthen the school day, the district's contract with its teachers would need to be renegotiated.

Despite these issues, switching to a traditional schedule has the potential for significant savings in personnel costs. To estimate the potential savings if the district switched to a traditional schedule, we analyzed a selection of classes in core subject areas, like algebra, English, and science. Overall, these classes represent about 40% of the district's regular classes—which means there's likely to be more savings in this area. The results of our analyses are shown in *Figure 1-9*.

Figure 1-9 Estimated Potential Savings from Switching to a Traditional Schedule and <u>Keeping the Same Number</u> of Class Sections								
Subject Area (a)	Block Schedule (Teach <u>6</u> Classes Per Semester)			Traditional Schedule (Teach <u>7</u> Classes Per Semester)			Potential Annual Savings	
	Sections Offered	% of Seats Filled	# of Teachers <u>Actual</u> (b)	Sections Offered	% of Seats Filled	# of Teachers <u>Needed</u> (b)	FTE Teachers (c)	\$\$ (d)
English (all levels)	40	80%	6.7	40	80%	5.7	1.0	\$51,580
Science (all levels)	30	75%	5.0	30	75%	4.3	0.5	\$25,790
Spanish (all levels)	10.5	57%	1.8	10.5	57%	1.5	0.0	\$0
Math (Algebra + Geometry)	24	88%	4.0	24	88%	3.4	0.5	\$25,790
Social Sciences (Am. Gov. and History)	20	79%	3.3	20	79%	2.9	0.5	\$25,790
Subtotals	124.5	78%	20.8	124.5	78%	17.8	2.5	\$128,950
Additional savings if the district doesn't have to buy back any planning time								\$24,750
TOTAL ANNUAL SAVINGS FROM SWITCHING TO A TRADITIONAL SCHEDULE AND <u>KEEPING THE SAME NUMBER</u> OF SECTIONS								\$153,700
<small>(a) We excluded the following types of classes: independent study, special education, seminar, teacher aide, and office aide sections. (b) For this analysis, we put all teachers on an FTE basis. For example, a teacher who teaches three class sections would be a .5 FTE teacher for that subject. (c) We used the following rounding rules to calculate the difference in FTE teachers needed under the current schedule v. the traditional schedule: if the difference was less than .4, the number was rounded down to the lowest whole number. If the number was equal to or between .4 and .799, the number was rounded to the nearest .5. If the number was equal to or greater than .8, the number was rounded up to the nearest whole number. (d) Savings based on average 2009-10 contractual salary and teacher benefits of \$51,580 as provided by the Winfield school district.</small>								
Source: LPA analysis of class enrollment data and teacher salary data, as provided by the Winfield school district.								

As the figure shows, the district would need three fewer full-time-equivalent teachers, which would be a savings of almost \$129,000. The remaining savings—almost \$25,000—would come from no longer needing to buy back time to have teachers take on additional classes, bringing the total savings to \$154,000 a year.

As always, the district could use any savings to reduce its overall expenses, increase teacher salaries, pay for needed programs, or fund other priorities it might identify.

District officials mentioned one obstacle that might make it difficult to switch from block to traditional schedule. To create the traditional schedule and keep the school day a reasonable amount of time, we had to combine two of the three high school lunch periods. The district's middle school is connected to its high school, and potentially one group of students could have lunch in the high school lunchroom while the other group had lunch in the middle school lunchroom at the same time. Officials told us that they currently lacked the space to serve and seat that amount of students. However, officials said they would be willing to explore scenarios to make the schedule work, if needed.

By filling its classes closer to the district's set enrollment capacities and eliminating its lowest-enrollment classes, the district potentially could save at least an additional \$129,000 per year in salary costs, whether or not it switches to a block schedule. While the district's contract with the teachers doesn't set a mandatory or preferred number of students per class period, high school officials have set maximum enrollment levels for each section offered at the high school. Depending on the class, the enrollment capacity for the types of classes we examined can range from 15 for an algebra class to 40 for a history class. We used those maximums to estimate the potential savings from filling classes closer to capacity.

In comparing actual enrollment levels for these classes with the capacity set by the district, we noted that many of the class sections weren't full. As illustrated in *Figure 1-10*, certain categories of classes, like Spanish and science, had a lower percent of the available seats filled than other categories, like math. For our estimates, when we "filled" classes closer to the capacities set by the district, most classes still weren't filled completely. For example, English classes went from about 80% filled to 96% filled. Overall, the percent of available seats filled in the classes we looked at went from 78% filled to 92% filled.

Figure 1-10
Estimated Potential Savings from Switching to a Traditional Schedule
and Reducing the Number of Class Sections Offered

Subject Area (a)	Block Schedule (Teach <u>6</u> Classes Per Semester)			Traditional Schedule (Teach <u>7</u> Classes Per Semester)			Potential Annual Savings	
	Sections Offered	% of Seats Filled	# of FTE Teachers <u>Actual</u> (b)	Sections Offered	% of Seats Filled	# of FTE Teachers <u>Needed</u> (b)	FTE Teachers (c)	\$\$ (d)
English (all levels)	40	80%	6.7	34	96%	4.9	2.0	\$103,160
Science (all levels)	30	75%	5.0	26	87%	3.7	1.0	\$51,580
Spanish (all levels)	10.5	55%	1.8	6	90%	0.9	1.0	\$51,580
Math (Algebra + Geometry)	24	88%	4.0	22.5	95%	3.2	0.5	\$25,790
Social Sciences (Am. Gov. and History)	20	79%	3.3	18	89%	2.6	0.5	\$25,790
Subtotals	124.5	78%	20.8	106.5	92%	15.2	5.0	\$257,900
Additional savings if the district doesn't have to buy back any planning time								\$24,750

ESTIMATED ANNUAL SAVINGS FROM SWITCHING TO A TRADITIONAL SCHEDULE AND REDUCING THE NUMBER OF SECTIONS **\$282,650**

(a) We excluded the following types of classes: online, independent study, special education, seminar, teacher aide, and office aide sections.
 (b) For this analysis, we put all teachers on an FTE basis. For example, a teacher who teaches three class sections would be a .5 FTE teacher for that subject.
 (c) We used the following rounding rules to calculate the difference in FTE teachers needed under the current schedule v. the traditional schedule: if the difference was less than .4, the number was rounded down to the lowest whole number. If the number was equal to or between .4 and .799, the number was rounded to the nearest .5. If the number was equal to or greater than .8, the number was rounded up to the nearest whole number.
 (d) Savings based on 2009-10 average contractual teacher salary and benefits of \$51,580, as provided by the Winfield school district.

Source: LPA analysis of class enrollment data and teacher salary data, as provided by the Winfield school district.

We analyzed the potential cost savings if the district could fill its classes closer to their enrollment capacities for the classes we examined in the current school year. Here's what we found:

- **If the district switched to a traditional class schedule and was able to reduce the number of sections it offers, we estimated it could save an additional \$129,000 a year because it would need fewer class sections.** That would bring the total estimated annual savings to at least \$283,000 per year for the classes we analyzed because the district would need 5 fewer teachers. This analysis is shown in **Figure 1-10**.
- **If the district kept a block schedule at its high school, but was able to fill its classes closer to capacity and eliminate the lowest-enrollment sections, we estimated it would need two fewer teaching positions and could save \$128,000 per year.**

There may be even more potential for savings from making changes to how classes are scheduled at the high school. Our analysis focused only on the core classes. We did some additional analysis on the impact of filling all classes closer to capacity, and found the district may be able to save an additional \$619,000 a year.

***Winfield School District
Has Significantly More
Student Support Staff
Than Its Peers***

Student support staff assess and improve the well-being of students and help supplement the teaching process. These staff include social workers, counselors, speech therapists, and school psychologists.

As noted earlier, the Winfield school district spends almost \$440 per student more on student support than its peers, which represents about \$1.1 million in additional spending for the district. Officials told us this is a conscious choice the district and its board have made to address medical or other support needs that its students may have. However, because this area represents such a significant amount of additional spending, we looked for ways the district could bring its staffing levels and costs more in line with its peers, while still addressing student needs. We identified a number of options:

- **Replacing half the registered nursing (RN) staff with licensed practical nurses (LPNs).** Currently, the district employs 4.0 FTE registered nurses. The district's registered nurses are paid an average of \$47,000 per year, while LPNs in the area are paid an average of almost \$36,000 per year. Replacing two RNs with LPNs potentially could save the district \$23,000 per year. While LPNs can provide many of the same services as RNs, they can't administer some medications and must be supervised by a physician or registered nurse. It would be important for the district to consider these limitations when weighing this cost savings option.
- **Reducing nursing staff to part-time at Winfield High School.** The district has a full-time registered nurse assigned solely to Winfield High School. Reducing this position to part time, as the district already has in most of its other buildings, potentially could save the district about \$24,000 per year.
- **Reducing all social work staff to part-time at each building.** Currently the district has 6.0 FTE social workers at its eight buildings. Reducing staffing levels so that each building had only a half-time social worker would allow the district to operate with 2.0 FTE fewer social workers, which could potentially save the district more than \$98,000 per year.
- **Allocating the special education cooperative's psychologist staff based on headcount of total students.** Winfield is the host district for the Cowley County Special Education Cooperative. Currently, the cooperative employs 7.0 FTE school psychologists, 3.3 of whom provide services almost exclusively to Winfield students. Reducing the total number of psychologists working with Winfield students to match the National Association of School Psychologists benchmark of one school psychologist for every 1,000 students could save the district about \$35,000 per year.

***The District Can
Take Additional Steps
To Make Its Food
Service Program
More Efficient***

An efficient food service program should be self-sufficient (i.e., it generates enough revenues to cover its costs). The primary factors that affect costs are similar to those for other areas—staffing and supply costs. The factors that affect revenues include meal prices, sales to adult staff, a la carte sales (for example, individual pizza slices and salad bars), and the number of students who receive free or reduced-price lunches. If a program isn't self-sufficient, the district must subsidize it with operating funds that could be used for other purposes, such as hiring additional teachers.

Although the Winfield school district has taken pro-active steps to make its food services program more efficient, the program still isn't self-sufficient. Among the things the district already has done to cut costs within the food service program are:

- Jointly purchasing food supplies with neighboring districts, which allows all districts to receive a \$4-\$8 discount on each case of food items.
- Creating a centralized kitchen where the meals for all schools in the district are prepared. The district also sells meals to three private schools in the area, which generates additional revenue.
- Maintaining a "closed" lunch period at its high school, which makes it easier to predict how many meals to prepare.
- Offering an a la carte menu so students can purchase additional items, which generates additional revenue.

Despite these measures, the district still had to subsidize its food service program with more than \$110,000 in transfers from its local option budget in 2008-09. This information is shown in **Figure 1-11**. Given that the district's average teacher salary and benefits in 2009-10 is \$51,000, this transfer is equivalent to slightly more than two full-time teachers.

Making the food service program more efficient would allow the district to reduce the amount it transfers. District officials told us they generally haven't looked at efficiency measures related to its food program—such as cost per meal—in making decisions about that program. In addition, officials indicated they haven't tried to set meal prices at a level where they would cover costs, preferring to keep prices in line with its neighboring districts.

The following are additional options that may reduce (if not eliminate) the district's need to subsidize its food service program:

**Figure 1-11
Winfield School District and Peer Districts' Food Services Programs
2008-09 School Year
(sorted by average food expenditures per student)**

School District	Total Meals Served (a)	Revenue Transfers (b)		Average Lunch Price	Avg Food Expend Per Student
		Total	Per Student		
Augusta (402)	265,433	\$0	\$0	\$2.15	\$361
Ottawa (290)	339,371	\$0	\$0	\$2.07	\$386
Wellington (353)	252,795	\$0	\$0	\$2.17	\$407
McPherson (418)	235,281	\$0	\$0	\$2.33	\$443
El Dorado (490)	328,293	\$60,000	\$30	\$1.98	\$443
Fort Scott (234)	318,243	\$169,534	\$87	\$1.95	\$447
Arkansas City (470)	482,356	\$0	\$0	\$2.05	\$479
Valley Center (262)	332,861	\$285,000	\$113	\$2.00	\$479
Bonner Springs (204)	396,391	\$31,174	\$14	\$1.93	\$484
Newton (373)	484,317	\$41,000	\$12	\$2.18	\$508
Labette County (506)	304,645	\$90,000	\$57	\$2.33	\$526
Leavenworth (453)	621,218	\$0	\$0	\$2.15	\$536
Buhler (313)	369,728	\$0	\$0	\$2.20	\$538
Winfield (465)	427,136	\$110,300	\$46	\$2.18	\$543
Independence (446)	356,415	\$30,000	\$16	\$1.95	\$584
Chanute (413)	323,936	\$122,207	\$69	\$2.07	\$616

(a) Includes breakfast and lunch.

(b) Amounts transferred from general fund or local option budget to supplement district's food service program. Districts that transfer money into their food service programs are less efficient than those that don't.

Source: LPA analysis of data provided by the Department of Education and individual school districts for the 2008-09 school year.

- **Stop paying for foreign exchange student and teacher lunches** — The district pays for all lunches for foreign language students. That will cost the district about \$2,500 during this school year. In addition, the district provides lunches to classroom teachers at two buildings—Country View Elementary and Webster Early Learning Center—for community-style lunches, where the teachers eat with students at every lunch. Although this fosters a good environment for these schools, it costs the district an additional \$7,200 per year.
- **Pool with other districts to get cheaper milk** — The food service director told us that only one vendor will deliver milk to the district, and that milk costs are a little higher because of it. The district could try to pool with neighboring districts to get a lower milk price from that vendor, or could try to work with nearby districts to jointly purchase milk at a lower cost.
- **Set lunch prices at a level that comes closer to covering food service costs** — If the district charges a meal price that is more closely aligned with the actual cost to produce the meal, the food services program would be more self-sufficient.

- **Consult with peer districts that operate more self-sufficient food service programs** — As shown in *Figure 1-11*, some of Winfield’s peer districts operate more self-sufficient programs. For example, the Arkansas City school district served a similar number of meals, charged less per meal, but didn’t have to make any transfers to subsidize its food program. Winfield district officials should find out what that district, or other peer districts that didn’t make any transfers, do to operate a self-sufficient program.

The District Could Defer \$50,000 a Year in Lease Payments to Southwestern College Until 2022

The Winfield school district recently signed a 10-year agreement to lease the newly renovated football facilities from nearby Southwestern College for \$100,000 per year (a total of \$1 million). The agreement is in place from July 2010 to July 2019.

The contract contains a hardship clause, which would allow the district to defer up to half its annual payment (\$50,000 a year) until three years after the lease period ends (July 2022). The district wouldn’t be charged interest on any deferred payments. If the district deferred the maximum amount each year, it could defer a total of \$500,000 in payments. Assuming the State’s economy recovers between now and 2022, the district could set aside enough money to pay off the deferred balance.

The district has paid its current lease with unrestricted local option budget moneys. Officials have told us they’ll pay the new lease agreement with restricted capital outlay funds. If, for some reason, officials aren’t able to do that and instead, unrestricted funds are used to pay the new lease, then those funds potentially could be used to fund additional instructional staff or other projects.

Conclusion:

Although the Winfield school district has taken positive steps to become more efficient and reduce its costs, we found a number of additional opportunities for the district to become even more efficient. Unfortunately, most of the opportunities for significant cost savings would require the school board to make very tough decisions involving the type of schedule and number of class sections offered at the high school level, and the number of schools the district operates—all of which would affect the number of teachers the district needs. Any of these decisions could have an impact on students and that would have to be taken into consideration. Taking actions in the other areas we identified, such as reducing vehicle and cell phone allowances, competitively purchasing property, liability and workers’ compensation insurance, and improving the efficiency of its food services program, should allow the district to reduce its costs without affecting the educational services it provides. Savings from any of these areas can be used to reduce costs or to fund other, more important needs.

***Recommendations
For the Winfield
School District:***

Related to Efficiency Management:

1. To help ensure that the district is able to identify opportunities to improve the efficiency of its operations on an ongoing basis, the Winfield school district should develop a systematic efficiency management process. Such a process should include:
 - a. regularly compiling efficiency measures, such as various spending and staffing measures per student.
 - b. periodically comparing the district's performance to peer districts with similar characteristics, standard benchmarks (where available), and the district's own measures over time.
 - c. making changes to the district's staffing, workloads, policies, procedures, and practices as necessary to address the areas identified through the comparisons.

Related to Student Instruction:

2. Because of the potential for operating more efficiently and achieving significant cost savings, the Winfield school board and school district officials should consider the following options for changing how high school classes are offered:
 - a. adopting a more "traditional" class schedule that makes teachers responsible for teaching seven classes each school day, rather than six
 - b. limiting the number of sections of each class it offers to fill classes closer to the district's capacity standards
 - c. regularly evaluating course loads, and considering eliminating those courses that consistently have low enrollments compared to the norm for those types of classes

Related to Student Support Services:

3. Because of the potential for reducing personnel costs without affecting the educational services it provides to students, the Winfield school board and school district officials should consider reducing student support staff (nurses, social workers, and school psychologists) to bring those staff numbers more in-line with peer districts.

Related to Facilities:

4. Because of the potential for operating more efficiently and achieving significant cost savings, the Winfield school board and school district officials should consider the following options related to the number of school facilities the district operates:
 - a. closing Country View elementary school, and relocating those students among the remaining three elementary buildings
 - b. closing Winfield Intermediate School and relocating those students to the either the elementary school and middle school
 - c. taking steps to reduce or defray utility costs for its central office
 - d. invoking the hardship clause in its contract for use of Southwestern College's football facility

Related to Personnel:

5. Because of the potential for reducing personnel costs without affecting the educational services it provides to students, the Winfield school board and school district officials should consider the following:
 - a. reducing health insurance costs by either prorating the amount it pays for part-time staff, or by increasing the minimum number of hours employees must work per week to be eligible for benefits
 - b. reducing vehicle allowances for district administrators to bring the allowances more in-line with peer districts
 - c. implementing better controls for district vehicles to ensure that the vehicles are used solely for district purposes
 - d. reducing cell phone stipends for various administrative staff

Related to Business Processes:

6. Because of the potential for operating more efficiently and reducing costs without affecting the educational services it provides to students, the Winfield school district should consider the following:
 - a. developing and using electronic processes for administrative functions, such as purchasing and payroll
 - b. offering parents an opt-out program for district mailings to help reduce postage costs

- c. competitively purchasing property, liability, and workers' compensation insurance
- d. using a business procurement card with a cash-back rebate. In doing so, the district should negotiate for the maximum cash-back rebate rate and monthly credit limits it can obtain, and explore ways for making as many purchases as possible with its procurement cards to generate cash rebates.
- e. modifying existing purchasing practices to ensure that staff purchasing items have checked for and are getting a competitive price.
- f. developing and using an inventory system for equipment, supplies and assets to ensure that items aren't lost or stolen.

Related to Transportation Services:

7. To help ensure that it gets the best fuel prices possible, the district should do the following:
 - a. continue to competitively shop for fuel
 - b. regularly negotiate for the best fuel price it can
 - c. conduct additional research into purchasing a fuel tank for its vehicles to evaluate whether it would be more cost-effective
8. To help reduce its transportation costs, the district should explore ways to fill district vehicles when taking multiple athletic teams to the same site for an event.

Related to Food Services:

9. To help reduce the need to supplement its food service program with general operating funds that could be used for other purposes, the district should conduct its own study of ways to make the program more self sufficient. In conducting such a study, the district should consult with peer districts that operative self-sufficient food service programs to find out ways the district could make its own program self sufficient. Possible alternatives the district should explore include the following:
 - a. stop paying for foreign exchange student and teacher lunches
 - b. pool with other districts to get better prices on milk
 - c. set lunch prices at a level that comes closer to covering food service costs

APPENDIX A

Scope Statement

At its meeting on May 28, 2009, the 2010 Commission directed the Legislative Division of Post Audit to contact school districts to solicit volunteers for an external efficiency audit to help them identify opportunities to operate more efficiently. Officials from the Winfield school district contacted us to arrange for such an audit. This appendix contains the scope statement that outlines our work.

SCOPE STATEMENT

K-12 Education: Efficiency Audit of the Winfield School District

In July 2009, our office released a school district performance audit examining the efficiency of school districts' operations. As originally directed by the 2010 Commission, that audit would have consisted of two phases. The first phase called for analyzing district staffing and expenditure data to identify areas where spending for districts appeared to be out-of-line compared with their peers. The second phase called for following up on a sample of districts to evaluate their processes in the areas that appeared to be out-of-line to determine if there were ways they could reduce costs without affecting their ability to educate students.

In April 2009, the Commission directed us to suspend the follow-up part of the audit to alleviate concerns some superintendents had expressed about having an efficiency audit conducted while they were trying to address funding cuts from the State. However, in May 2009, the Commission discussed the fact that some districts may want to take advantage of the external review an efficiency audit could provide in helping them look for opportunities to operate more efficiently, and subsequently directed us to contact school districts to see if any of them would like to volunteer for an external efficiency audit.

Officials from the Winfield school district contacted us and requested an efficiency audit to help them identify ways they could reduce costs without affecting the education they provide students. This school district performance audit answers the following question:

- 1. Could the Winfield school district achieve cost savings by improving the management of its non-instructional personnel, facilities, or other resources?** To answer this question, we would review efficiency audits from other states, talk with district officials, and compare the district's non-instructional staffing and expenditures to its peers to identify areas where the district could potentially save money. We would evaluate the district's practices in each of the areas we've identified to see if there are ways the district could use fewer resources without affecting its ability to educate students.

Estimated Resources: 2 staff (6-8 weeks)

APPENDIX B

Detailed Information for Operating Costs For the Winfield School District and Its Peers

This appendix contains a description of the methodology we used to select the 15 peer districts against which we compared the Winfield school district, along with the demographic information for each of the districts.

To select peers for the Winfield school district, we did three things:

- We calculated the following demographic measures for all Kansas school districts.
 - *total enrollment*
 - *percent of students who are eligible for free lunches*
 - *percent of students who have limited English proficiency*
 - *total assessed property value per student*
- We developed a statistical model to identify the districts that were most similar to the Winfield school district based on those measures.

The list of peers is included in this appendix on page 34.

To compare the district against its 15 peers, we calculated a variety of efficiency measures for each district. Our methodology is described here:

- **When compiling efficiency measures for the districts, we focused on six functional areas: district-level administration, school-level administration, instructional support, student support, operations and maintenance, and instruction.** We looked at 2008-09 expenditure, enrollment, and staffing data for each of the areas. We used the data to calculate our primary unit of measurement, which was cost per student. We looked at total expenditures per student, but also at object level expenditures, like salaries, benefits, purchased services, and supplies. We also looked at total staff in each area, and staff per 500 students. Our calculations for the Winfield school district and its peers are included in this appendix.
- **We didn't analyze student transportation.** We didn't analyze the student transportation program because the factors driving transportation spending are so different from those driving other cost areas, that a different methodology would be required to identify transportation-specific peers. We could not complete that analysis within the time allotted for this audit.

Guidance on Using the Detailed Information For Operating Costs To Compare School Districts on Various Measures of Efficiency

We envision that school districts included in our review can use the comparative data in this appendix to at least preliminarily identify cost areas where spending may be out-of-line. We also anticipate that districts that were not included can use our methods to calculate their own efficiency measures.

Here is some guidance on how to use the comparative efficiency measures in this appendix (or the measures done by individual districts on their own):

- **Identify the functional areas of the district where costs may be out-of-line**—Functional areas represent the major activities of a district, and include such areas as administration, operations and maintenance, transportation, and food service. A simple set of efficiency measures can be calculated by dividing total spending in each area by the enrollment of the district. Districts can then compare their per-student expenditures to their peers to identify where their costs appear to be low or high.
- **Identify the types of spending that account for significant differences**—This can be done by comparing costs on a per-student basis at a more detailed level, such as looking at spending for specific object codes such as salaries, benefits, purchased services, and supplies.
- **Use the data to help them understand why costs might be different**—For example, more spending per student for salaries could mean that a district has more employees on average, or that it pays its employees more on average, or that it contracts out for some services that other districts carry out in-house with district staff. More spending per student on benefits may mean the district offers a more lucrative benefits package than other districts. In order to really understand these differences, a district would want to follow up with its peers to find out what they actually do differently.

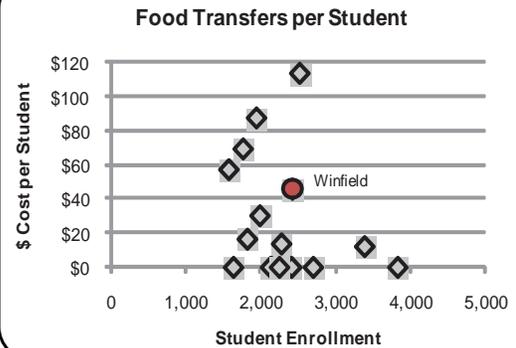
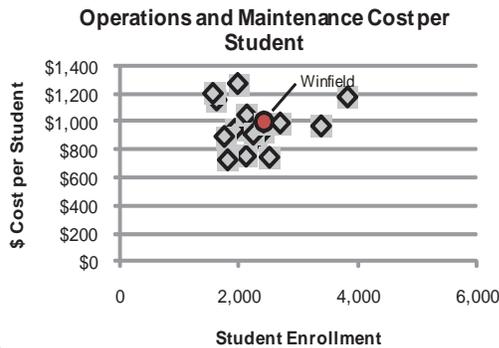
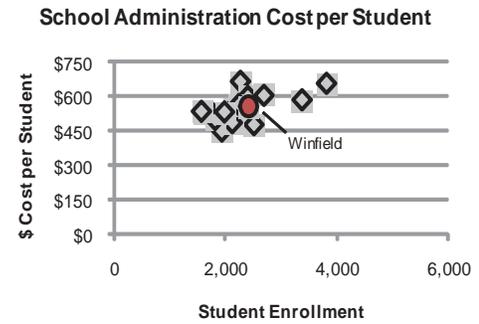
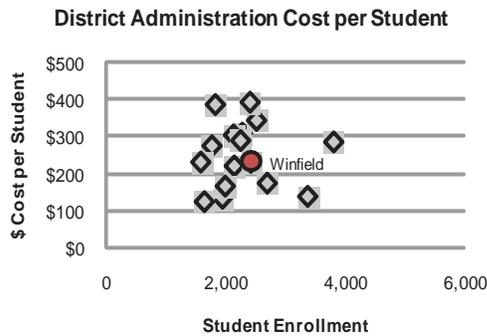
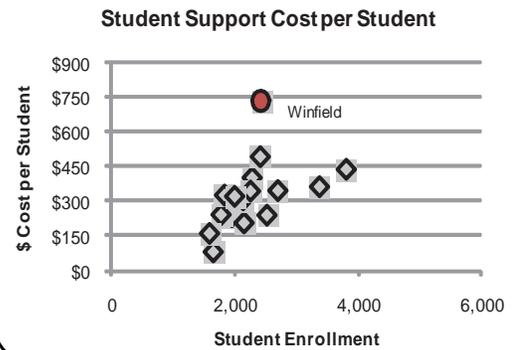
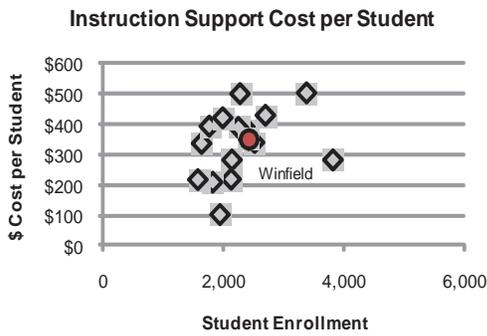
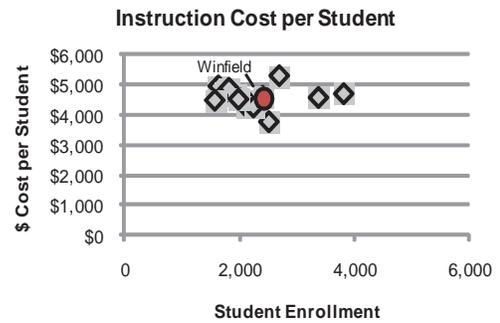
In general, costs per student should decrease as enrollments increase. As districts review the various efficiency measures for their non-instructional operating costs, they should keep in mind that economies of scale should apply—larger districts may spend more in total, but they should spend less on a per-student basis than smaller districts. While there is a fair amount of variation in costs, the general trend is for costs to decrease as enrollments increase.

**Demographic Information for the Winfield School District and Its Peers
2008-09 School Year**

USD # and Name	Student Enrollment (FTE)	% Free Lunch Students	% Bilingual Students	Assessed Property per Student
204 - BONNER SPRINGS	2,279.6	27.8%	6.2%	\$66,776
234 - FORT SCOTT	1,947.0	45.7%	0.8%	\$39,741
262 - VALLEY CENTER	2,520.8	19.1%	1.4%	\$41,739
290 - OTTAWA	2,411.9	38.2%	1.3%	\$49,714
313 - BUHLER	2,145.5	22.5%	1.3%	\$56,005
353 - WELLINGTON	1,641.9	34.6%	0.3%	\$39,426
373 - NEWTON	3,381.6	36.1%	9.3%	\$42,665
402 - AUGUSTA	2,132.8	21.7%	0.8%	\$36,826
413 - CHANUTE	1,770.3	39.3%	1.2%	\$36,107
418 - MCPHERSON	2,251.7	20.7%	2.2%	\$73,973
446 - INDEPENDENCE	1,826.4	39.7%	2.5%	\$54,927
453 - LEAVENWORTH	3,820.0	43.3%	3.2%	\$51,122
465 - WINFIELD	2,423.8	34.1%	2.5%	\$40,360
470 - ARKANSAS CITY	2,700.2	50.8%	12.4%	\$29,570
490 - EL DORADO	1,992.9	35.4%	0.4%	\$88,946
506 - LABETTE COUNTY	1,580.6	32.5%	0.1%	\$31,449

Source: LPA analysis of district information provided by the Department of Education.

APPENDIX B
The Winfield School District
And Its Peers'
2008-09 Graphed Cost Information



Source: LPA analysis of school district expenditure, enrollment, and revenue data from the Kansas Department of Education.

2008-09 OPERATING EXPENDITURES PER STUDENT FOR WINFIELD AND ITS PEERS

SCHOOL DISTRICTS

MEASURES (a)	Bonner Springs (204)	Fort Scott (234)	Valley Center (262)	Ottawa (290)	Buhler (313)	Wellington (353)	Newton (373)	Augusta (402)	Chanute (413)	McPherson (418)	Independence (446)	Leavenworth (453)	Winfield (465)	Arkansas City (470)	El Dorado (490)	Labette County (506)
Sorted by:																
Enrollment (FTE)	2,279.6	1,947.0	2,520.8	2,411.9	2,145.5	1,641.9	3,381.6	2,132.8	1,770.3	2,251.7	1,826.4	3,820.0	2,423.8	2,700.2	1,992.9	1,560.6
Primary Efficiency Measure:																
Expenditures per FTE																

	Instruction															
Expenditure Breakdown																
Salaries	\$3,598	\$3,749	\$3,022	\$3,592	\$3,442	\$3,956	\$3,560	\$3,494	\$3,625	\$3,237	\$3,848	\$3,509	\$3,640	\$4,128	\$3,509	\$3,462
Employee Benefits	\$564	\$498	\$448	\$573	\$619	\$547	\$564	\$508	\$638	\$566	\$654	\$606	\$628	\$603	\$515	\$578
Purchased Services	\$121	\$205	\$70	\$126	\$148	\$144	\$98	\$42	\$79	\$160	\$136	\$296	\$43	\$202	\$208	\$42
Supplies	\$106	\$172	\$153	\$264	\$224	\$284	\$294	\$187	\$377	\$262	\$182	\$208	\$229	\$322	\$259	\$366
Other	\$4	\$18	\$50	\$35	\$1	\$0	\$33	\$3	\$3	\$7	\$37	\$55	\$0	\$20	\$0	\$10
Avg Expend per Student	\$4,393	\$4,642	\$3,743	\$4,591	\$4,434	\$4,931	\$4,548	\$4,233	\$4,733	\$4,232	\$4,856	\$4,674	\$4,539	\$5,274	\$4,492	\$4,458
Staffing Information																
Total Instruction Staff	180.1	154.7	151.7	168.5	169.4	115.3	261.3	156.0	136.3	187.9	152.6	262.0	206.5	220.5	159.6	122.9
# staff/500 students	39.5	39.7	30.1	34.9	39.5	35.1	38.6	36.6	38.5	41.7	41.8	34.3	42.6	40.8	40.0	38.9

	Student Support															
Expenditure Breakdown																
Salaries	\$323	\$195	\$195	\$394	\$173	\$35	\$294	\$226	\$211	\$278	\$209	\$364	\$428	\$281	\$257	\$125
Employee Benefits	\$50	\$15	\$36	\$47	\$22	\$8	\$32	\$35	\$25	\$43	\$46	\$45	\$62	\$31	\$34	\$4
Purchased Services	\$18	\$42	\$4	\$42	\$2	\$32	\$13	\$36	\$1	\$12	\$32	\$34	\$225	\$1	\$11	\$19
Supplies	\$6	\$4	\$4	\$5	\$3	\$1	\$20	\$5	\$2	\$7	\$6	\$11	\$18	\$4	\$15	\$9
Other	\$0	\$1	\$0	\$0	\$3	\$0	\$0	\$0	\$0	\$0	\$29	\$0	\$0	\$24	\$0	\$0
Avg Expend per Student	\$398	\$229	\$236	\$489	\$202	\$77	\$359	\$303	\$238	\$340	\$323	\$434	\$733	\$342	\$317	\$157
Staffing Information																
Total Student Support Staff	17.0	10.0	15.9	31.2	11.0	27.8	32.1	17.0	9.8	21.8	13.0	62.2	26.8	12.0	25.2	6.8
# staff/500 students	3.7	2.6	3.2	6.5	2.6	8.5	4.7	4.0	2.8	4.8	3.6	8.1	5.5	2.2	6.3	2.2

	Instruction Support															
Expenditure Breakdown																
Salaries	\$344	\$1	\$224	\$285	\$181	\$203	\$348	\$157	\$285	\$287	\$154	\$157	\$200	\$300	\$290	\$148
Employee Benefits	\$52	\$0	\$29	\$39	\$34	\$16	\$41	\$21	\$36	\$44	\$37	\$18	\$39	\$36	\$40	\$12
Purchased Services	\$70	\$77	\$25	\$35	\$30	\$3	\$58	\$14	\$46	\$39	\$2	\$44	\$19	\$49	\$38	\$38
Supplies	\$31	\$26	\$62	\$23	\$32	\$116	\$52	\$26	\$28	\$16	\$16	\$66	\$94	\$43	\$55	\$21
Other	\$5	\$0	\$1	\$0	\$7	\$0	\$5	\$3	\$0	\$5	\$3	\$0	\$0	\$3	\$1	\$0
Avg Expend per Student	\$502	\$105	\$342	\$381	\$284	\$338	\$504	\$221	\$395	\$391	\$211	\$284	\$351	\$431	\$423	\$219
Staffing Information																
Total Instruction Support Staff	11.0	6.6	10.5	15.0	7.2	6.0	11.3	6.0	6.4	15.7	9.8	10.0	9.3	22.0	7.6	2.4
# staff/500 students	2.4	1.7	2.1	3.1	1.7	1.8	1.7	1.4	1.8	3.5	2.7	1.3	1.9	4.1	1.9	0.8

	District-Level Administration															
Expenditure Breakdown																
Salaries	\$137	\$86	\$148	\$184	\$176	\$68	\$88	\$161	\$151	\$172	\$197	\$132	\$158	\$118	\$113	\$160
Employee Benefits	\$87	\$10	\$117	\$96	\$21	\$15	\$8	\$39	\$41	\$23	\$41	\$24	\$14	\$15	\$13	\$39
Purchased Services	\$76	\$15	\$70	\$136	\$25	\$42	\$36	\$83	\$85	\$33	\$129	\$129	\$39	\$28	\$26	\$27
Supplies	\$3	\$25	\$6	\$22	\$1	\$17	\$17	\$17	\$42	\$12	\$12	\$2	\$12	\$0	\$9	\$7
Other	\$8	\$0	\$5	\$17	\$0	\$0	\$7	\$5	\$0	\$20	\$9	\$0	\$9	\$15	\$8	\$0
Avg Expend per Student	\$311	\$135	\$345	\$395	\$222	\$126	\$140	\$306	\$277	\$291	\$388	\$287	\$232	\$176	\$168	\$233
Staffing Information																
Total District Administration Staff	19.8	10.0	16.0	21.0	18.5	13.6	24.7	15.7	10.5	17.2	13.9	30.0	18.8	18.0	14.9	6.0
# staff/500 students	4.3	2.6	3.2	4.4	4.3	4.1	3.7	3.7	3.0	3.8	3.8	3.9	3.9	3.3	3.7	1.9

2008-09 OPERATING EXPENDITURES PER STUDENT FOR WINFIELD AND ITS PEERS

MEASURES (a)	SCHOOL DISTRICTS															
	Bonner Springs (204)	Fort Scott (234)	Valley Center (262)	Ottawa (290)	Buhler (313)	Wellington (353)	Newton (373)	Augusta (402)	Chanute (413)	McPherson (418)	Independence (446)	Leavenworth (453)	Winfield (465)	Arkansas City (470)	El Dorado (490)	Labette County (506)
Sorted by:																
Enrollment (FTE)	2,279.6	1,947.0	2,620.8	2,411.9	2,145.5	1,641.9	3,381.6	2,132.8	1,770.3	2,251.7	1,826.4	3,820.0	2,423.8	2,700.2	1,992.9	1,580.6
Primary Efficiency Measure: Expenditures per FTE																
School-Level Administration																
Expenditure Breakdown																
Salaries	\$516	\$393	\$370	\$509	\$447	\$435	\$505	\$414	\$432	\$463	\$393	\$543	\$446	\$503	\$448	\$431
Employee Benefits	\$83	\$59	\$51	\$72	\$86	\$68	\$59	\$62	\$70	\$79	\$95	\$84	\$75	\$60	\$66	\$62
Purchased Services	\$54	\$1	\$36	\$7	\$6	\$13	\$6	\$1	\$0	\$16	\$7	\$19	\$0	\$0	\$17	\$40
Supplies	\$7	\$0	\$17	\$7	\$11	\$11	\$14	\$5	\$28	\$3	\$6	\$10	\$13	\$41	\$3	\$3
Other	\$4	\$0	\$5	\$6	\$0	\$0	\$1	\$7	\$0	\$4	\$0	\$0	\$25	\$0	\$0	\$0
Avg Expend per Student	\$664	\$453	\$480	\$600	\$551	\$528	\$586	\$488	\$550	\$566	\$501	\$656	\$559	\$605	\$534	\$537
Staffing Information																
Total School Administration Staff	22.0	16.4	11.0	26.5	20.5	9.0	34.9	13.0	17.3	31.1	14.6	31.5	22.8	25.0	23.5	15.1
# staff/500 students	4.8	4.2	2.2	5.5	4.8	2.7	5.2	3.0	4.9	6.9	4.0	4.1	4.7	4.6	5.9	4.8
Operations and Maintenance																
Expenditure Breakdown																
Salaries	\$349	\$374	\$259	\$404	\$420	\$400	\$397	\$342	\$292	\$465	\$303	\$546	\$380	\$422	\$427	\$495
Employee Benefits	\$73	\$69	\$52	\$73	\$104	\$58	\$68	\$102	\$67	\$142	\$64	\$92	\$101	\$93	\$105	\$119
Purchased Services	\$159	\$240	\$192	\$185	\$170	\$156	\$210	\$71	\$154	\$155	\$135	\$273	\$207	\$279	\$387	\$90
Supplies	\$288	\$259	\$242	\$264	\$349	\$539	\$291	\$239	\$382	\$148	\$226	\$263	\$308	\$195	\$351	\$495
Other	\$1	\$2	\$2	\$0	\$3	\$0	\$2	\$0	\$0	\$1	\$0	\$1	\$0	\$0	\$0	\$1
Avg Expend per Student	\$871	\$944	\$746	\$926	\$1,047	\$1,154	\$968	\$754	\$894	\$910	\$728	\$1,175	\$996	\$990	\$1,270	\$1,199
Utility Costs per Student																
Water	\$36	\$16	\$16	\$32	\$19	\$23	\$49	\$25	\$13	\$13	\$21	\$17	\$25	\$33	\$38	\$31
Heating	\$40	\$54	\$35	\$62	\$58	\$67	\$49	\$26	\$74	\$79	\$72	\$51	\$68	\$119	\$52	\$89
Electricity	\$177	\$95	\$129	\$155	\$47	\$421	\$109	\$167	\$236	\$0	\$109	\$126	\$199	\$15	\$116	\$181
Staffing Information																
Total Ops and Maintenance Staff	29.0	21.9	23.4	36.0	5.8	22.0	44.4	23.0	15.7	42.8	20.5	50.0	37.0	37.4	26.5	27.0
# staff/500 students	6.4	5.6	4.6	7.5	1.4	6.7	6.6	5.4	4.4	9.5	5.6	6.5	7.6	6.9	6.6	8.5
Food Expend per FTE (b)	\$484	\$447	\$479	\$386	\$538	\$407	\$508	\$361	\$616	\$443	\$684	\$536	\$543	\$479	\$443	\$526
Total Non-Instructional Costs (c) (d)	\$3,229	\$2,312	\$2,628	\$3,177	\$2,844	\$2,630	\$3,065	\$2,432	\$2,950	\$2,941	\$2,735	\$3,373	\$3,414	\$3,022	\$3,155	\$2,871
Total Instructional Costs	\$4,393	\$4,642	\$3,743	\$4,591	\$4,434	\$4,931	\$4,548	\$4,233	\$4,733	\$4,232	\$4,856	\$4,674	\$4,539	\$5,274	\$4,492	\$4,458
Total Costs per FTE (c)	\$7,623	\$6,954	\$6,371	\$7,768	\$7,279	\$7,560	\$7,613	\$6,666	\$7,684	\$7,173	\$7,591	\$8,047	\$7,954	\$8,296	\$7,646	\$7,328

(a) Expenditures for property and equipment are excluded.
 (b) Detailed expenditure information is shown on page _____.
 (c) Due to rounding, adding the individual measures may not equal the total shown.
 (d) Excludes transportation.
 Source: LPA analysis of data provided by the Kansas Department of Education and individual school districts.

2008-09 COSTS FOR FOOD SERVICES: WINFIELD SCHOOL DISTRICT AND ITS PEERS																
SCHOOL DISTRICTS																
MEASURES (a)																
	Bonner Springs (204)	Fort Scott (234)	Valley Center (262)	Ottawa (290)	Buhler (313)	Wellington (353)	Newton (373)	Augusta (402)	Chanute (413)	McPherson (418)	Independence (446)	Leavenworth (453)	Winfield (465)	Arkansas City (470)	El Dorado (490)	Labette County (506)
Enrollment (FTE)	2,279.6	1,947.0	2,520.8	2,411.9	2,145.5	1,641.9	3,381.6	2,132.8	1,770.3	2,251.7	1,826.4	3,820.0	2,423.8	2,700.2	1,992.9	1,580.6
Primary Efficiency Measure:																
Actual Transfers per FTE	\$14	\$87	\$113	\$0	\$0	\$0	\$12	\$0	\$69	\$0	\$16	\$0	\$46	\$0	\$30	\$57
Expenditure Breakdown																
Salaries	\$175	\$196	\$130	\$14	\$174	\$147	\$184	\$13	\$224	\$173	\$178	\$210	\$168	\$36	\$133	\$168
Employee Benefits	\$34	\$15	\$36	\$1	\$47	\$11	\$30	\$3	\$55	\$37	\$57	\$33	\$63	\$8	\$27	\$19
Purchased Services	\$4	\$39	\$0	\$370	\$2	\$1	\$1	\$343	\$23	\$16	\$4	\$3	\$0	\$430	\$1	\$0
Supplies	\$271	\$194	\$312	\$0	\$269	\$247	\$292	\$1	\$314	\$216	\$344	\$290	\$309	\$2	\$282	\$336
Other	\$0	\$2	\$0	\$1	\$47	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$2	\$0	\$2
Avg Expend per Student (b)	\$484	\$447	\$479	\$386	\$538	\$407	\$508	\$361	\$616	\$443	\$584	\$536	\$543	\$479	\$443	\$526
Staffing Information																
Total Food Service Staff	27.5	13.4	24.3	0.0	17.3	23.0	24.1	0.5	15.5	20.3	18.0	59.0	20.5	4.0	13.2	10.0
# staff/500 students	6.0	3.4	4.8	0.0	4.0	7.0	3.6	0.1	4.4	4.5	4.9	7.7	4.2	0.7	3.3	3.2
Revenue Information																
Average Lunch Price	\$1.93	\$1.95	\$2.00	\$2.07	\$2.20	\$2.17	\$2.18	\$2.15	\$2.07	\$2.33	\$1.95	\$2.15	\$2.18	\$2.05	\$1.98	\$2.33
% eligible free lunches	34%	38%	39%	35%	40%	36%	32%	28%	46%	22%	23%	43%	19%	35%	21%	51%
% of sales non reimbursable (c)	3%	22%	7%	37%	31%	12%	51%	29%	14%	10%	46%	54%	25%	0%	1%	10%
Meals/Snacks Served																
# of Breakfasts served	103,840	90,365	65,364	76,658	67,321	45,409	102,604	51,070	89,465	39,026	98,315	184,279	116,729	131,529	86,460	87,473
# of Lunches served	292,551	227,878	267,497	262,713	302,407	207,386	381,713	214,363	234,471	196,255	258,100	436,939	310,407	350,827	241,833	217,172
# of Snacks served	-	29,409	-	19,589	23,940	14,609	-	-	6,220	-	23,931	-	-	21,696	-	2,375

(a) Expenditures for property and equipment are excluded.

(b) Due to rounding, adding the individual measures may not equal the total shown.

(c) Nonreimbursable sales are sales of food items that are not reimbursable under the National School Lunch Program, including sales to adults and a la carte items like fruit, pizza slices, and salad.

Source: LPA analysis of data provided by the Department of Education and individual school districts for the 2007-08 and 2008-09 school years.

APPENDIX C

List of Operational Best Practices for School Districts

This appendix contains a detailed list of best practices to help school districts identify ways they can operate more efficiently. We gathered these ideas from our office's previous audits, other states' audits, and other resources, like the Centers for Disease Control and the Association of School Business Officials.

The best practices are arranged in tables by functional area, including administration, support services, operations and maintenance, food services, and student transportation. This isn't an exhaustive list of ideas for cost savings, and it will continue to evolve as we conduct more efficiency audits and identify additional ways districts can save money.

**Appendix C
Best Practices for School District Efficiency**

Administration

The district should manage efficiency at the district level.	<p>The district should:</p> <ul style="list-style-type: none"> • Compile data and calculate efficiency measures, like expenditures per student or staff per 500 students • Compare the measures against peers, standard benchmarks, or the same measures for the district over time • Routinely revise staff needs, policies, and workloads based on the comparison
The district should maintain reasonable administrative staffing levels.	<p>The district should:</p> <ul style="list-style-type: none"> • Routinely compare staffing levels on a per-student basis over time and make changes as needed • Routinely compare staffing levels to peer districts and available benchmarks and make changes as needed <p>The district could consider:</p> <ul style="list-style-type: none"> • Developing a staffing formula for administrative positions
The district should pay reasonable salaries.	<p>The district should:</p> <ul style="list-style-type: none"> • Compare salary levels for all levels of staff to peer districts and available benchmarks and realign salaries to stay in line • Share staff across buildings when possible <p>The district could consider:</p> <ul style="list-style-type: none"> • Contracting out for some work, if it would be less expensive than having in-house staff do the tasks
The district should keep the cost of benefits at a reasonable level.	<p>The district should:</p> <ul style="list-style-type: none"> • Routinely collect bids for health insurance • Routinely compare health plans and premiums to peer districts and available benchmarks • Take steps to make the employee pool is healthy to improve the risk pool to keep insurance premiums down <p>The district could consider:</p> <ul style="list-style-type: none"> • Limiting the number of part-time staff who are eligible for benefits • Limiting the amount of sick and vacation leave staff can accrue
The district should avoid excessive overtime costs.	<p>The district should:</p> <ul style="list-style-type: none"> • Develop and enforce district-level overtime pay controls, like placing limits on the overtime pay each department can have and requiring supervisor approval before paying the overtime <p>The district could consider:</p> <ul style="list-style-type: none"> • Using temporary, substitute, or contracted staff for busy times of year • Changing hourly staff who have a lot of overtime to a set salary, if possible according to the district's human resources department • Developing expected workloads for each staff person and implementing controls to be sure those targets are generally being met • Contracting with outside vendors to provide labor for some work that would otherwise cause overtime in the district • Adjusting work schedules around the workloads
The district should minimize supply costs.	<p>The district should:</p> <ul style="list-style-type: none"> • Take bids on items the district buys in bulk • Use the State purchasing contract when possible • Buy items in bulk if a discounted rate is offered • Print items like business cards, letterhead, and stationary in house • Maintain and continually update a district-wide inventory of supplies that is accessible to all staff

Administration (Continued)

<p>The district should establish and maintain efficient processes for administrative tasks.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Use a business procurement card with a cash-back rate to make purchases • Maximize the cash-back rate it can get from its procurement card issuer • Maximize use of business procurement card to maximize the cash back • Reduce processing and record storage costs by automating administrative tasks, like using financial management and student data software • Go “paperless” by using electronic ways of communication with staff, parents, and local board of education members when possible • Use a centralized system to collect school building data to collect it more quickly, improve accuracy, and save time on entering it • Develop policies and guidelines for processes within the district and consistently enforce them • Encourage payroll through electronic depositing. For those employees who don’t want their pay deposited electronically, issue a payroll debit card. <p>The district could consider:</p> <ul style="list-style-type: none"> • Outsourcing administrative tasks like payroll or purchasing to a local government office <ul style="list-style-type: none"> ◦ <i>For example, Clarke County in Virginia partnered with its local school division to combine some central office functions, like finance, purchasing, and budget development, to increase efficiency.</i> • Partnering with other school districts for administrative tasks, like payroll or purchasing • Entering joint-purchasing agreements with other organizations for bulk items, like fuel, or more expensive items, like computers or audio-visual equipment
<p>The district should establish and maintain efficient technology practices.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Only assign multiple computers to staff for whom there is a demonstrated need. • Have most staff use shared network printers. For staff who need their own printer, the district should provide a high-quality, ink-efficient printer if they will print large volumes, and a less expensive printer if they don’t print very much. • Use refillable ink cartridges for printers whenever possible. <p>The district could consider:</p> <ul style="list-style-type: none"> • Using Voice-Over-Internet Protocol (VOIP) for phone service, where a district can use its Internet connection to place phone calls. • Purchasing ink cartridges from third party vendors, if the products are less expensive

Support Services

<p>The district should provide instruction support services efficiently.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Share instructional support staff, like librarians, curriculum specialists, and instructional coaches, across buildings when possible • Keep staffing levels in line with district peers and available benchmarks. • <i>See best practices for staffing levels, salaries, benefits, and supplies in the “Administration” section.</i> <p>The district could consider:</p> <ul style="list-style-type: none"> • Sharing staff between districts when possible, like staff whose responsibilities include developing curriculum • Contracting with a local education service center for some support services
<p>The district should provide student support services efficiently.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Share student support staff, like social workers, nurses, and counselors, across buildings when possible • Keep staffing levels in line with district peers and available benchmarks <ul style="list-style-type: none"> ◦ <i>For example, the Center for Disease Control recommends one school nurse per 750 students.</i> • <i>See best practices for staffing levels, salaries, benefits, and supplies in the “Administration” section.</i> <p>The district could consider:</p> <ul style="list-style-type: none"> • Using licensed practical nurses (LPN’s) or health aides under the supervision of a registered nurse instead of staffing full-time registered nurses at each school building

Operations and Maintenance	
The district should provide custodial services for district facilities and grounds efficiently.	<p>The district should:</p> <ul style="list-style-type: none"> • Close off any building space it doesn't use and limit custodial services for that space • Identify ways to reduce supplies costs <ul style="list-style-type: none"> ○ <i>For example, the district could set up mixing stations for cleaning supplies to control the amounts being use, or buy custodial supplies in bulk</i> • Keep staffing levels in line with standard benchmarks <ul style="list-style-type: none"> ○ <i>For example, the Association of School Business Officials (ASBO) recommends basing staffing about one full-time custodian per 20,000 square feet, though the type of flooring, size of storage areas, age of buildings, and other variables could change the standard. The ASBO also sets out work time standards for offices, floors, bathrooms, stairs, walls, blinds, windows, and light fixtures in its Custodial Methods and Procedure Manual.</i> • See best practices for salaries, benefits, overtime, and supplies in the "Administration" section. <p>The district could consider:</p> <ul style="list-style-type: none"> • Contracting out for some deeper cleaning projects, if it would be less expensive than having in-house staff do them • Outsourcing custodial work, if it would be less expensive than having in-house staff do the work
The district should maintain facilities and grounds efficiently.	<p>The district should:</p> <ul style="list-style-type: none"> • Develop and maintain a long-term preventive maintenance plan and follow it • Develop an automated system for receiving and responding to maintenance requests • See best practices for salaries, overtime, benefits, and supplies in the "Administration" section. <p>The district could consider:</p> <ul style="list-style-type: none"> • Contracting out for some work, like mowing or plumbing work, if it would be less expensive than having in-house staff do the tasks • Outsourcing maintenance work, if it would be less expensive than having in-house staff do the work
The district should provide specialized maintenance services efficiently.	<p>The district could consider:</p> <ul style="list-style-type: none"> • Contracting out for some specialized projects, if it would be less expensive than having in-house staff do them
The district should minimize energy costs.	<p>The district should:</p> <ul style="list-style-type: none"> • Do an energy audit of the district facilities, or contract out for one • Regularly monitor facility energy usage and act quickly to reduce consumption when energy use is excessive • Develop a long-term energy plan to address facilities that aren't energy efficient • Develop and maintain a long-term energy conservation plan to address energy inefficiencies • Work with its energy providers to identify energy efficient benchmarks, and implement actions to reach those benchmarks • Develop energy conservation policies for staff in the district and enforce them <ul style="list-style-type: none"> ○ <i>For example, restrict what personal appliances staff can have in their classrooms or offices, use centrally located thermostats to control temperatures across a building, and initiate a campaign to turn off lights and computers when rooms in district facilities are not in use.</i> • Routinely check, clean, and repair heating and cooling systems, and update when necessary • Close off areas of buildings that aren't used so the district doesn't pay to heat and cool those spaces
The district should ensure that it is receiving the best energy rates possible.	<p>The district should:</p> <ul style="list-style-type: none"> • Ask its energy providers about discounts or rebates, and take advantage of any that are offered • Get an education rate from its electricity provider for each of its buildings, when available <p>The district could consider:</p> <ul style="list-style-type: none"> • Joining a natural gas purchasing consortium, like the Kansas Association of School Board's Kansas Joint Utility Management Program (KJUMP), if using the consortium would be less costly

Operations and Maintenance (Continued)

<p>The district should avoid using excessive administrative space.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Routinely evaluate workspace per staff person and provide adequate space, and close off or sell unneeded space <ul style="list-style-type: none"> ◦ <i>For example, the Kansas Department of Administration provides both high-level and detailed workspace standards based on functions performed by staff. The Department's high-level office space standard is an average of 210-250 square feet of useable space per person. That standard includes not only actual office space, but also hallways, break rooms, conference rooms, and the like. Detailed workspace standards by positions are available on the Departments website, at http://www.da.ks.gov/fm/dfm/forms/OfficeSpaceStandards.htm.</i> • Store records electronically whenever possible, or store them as cheaply as is reasonable, depending on the type of records being stored
<p>The district should avoid using excessive school building space.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Routinely evaluate student occupancies at school buildings against maximum capacities, and consolidate buildings where practical <p>The district could consider:</p> <ul style="list-style-type: none"> • Limiting the number of class sections offered or consolidating those sections when only a few students enroll • Entering into an inter-district contract with another district to establish shared schools to save on transportation, insurance, staff costs, and purchased services

Food Services

<p>The district should have a self-sustaining food program.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Charge enough to cover the costs of the food program • Take advantage of federal commodities when possible • Reduce food costs (<i>see next section</i>) • Limit its meal allowances for staff <p>The district could consider:</p> <ul style="list-style-type: none"> • Offering <u>nutritious</u> a la carte options to increase sales • Improving marketing of food to increase sales • Operating its own vending machines rather than contracting with an outside vendor
<p>The district should minimize its food costs.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Develop and maintain a running inventory of all food products • Use a first-in, first-out system for stocking inventory • Use portion control to reduce waste
<p>The district should take steps to manage its program efficiently.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Ensure that food program management staff receive appropriate training in areas like food safety, production control, inventory, meal count procedures, receiving and storing food and supplies, and customer service • Ensure that all food program staff receive proper food service training • <i>See best practices for salaries, overtime, benefits, and supplies in the "Administration" section.</i> <p>The district could consider:</p> <ul style="list-style-type: none"> • Establishing a central kitchen to store goods and make meals • Sharing a food services director with another district, if feasible • Sharing a cafeteria manager between schools

Student Transportation

<p>The district should take steps to manage its program efficiently.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Use an appropriately-sized vehicle to transport students, like using a van instead of a bus to transport smaller groups • Arrange school start and end times to minimize the number of buses needed to transport students • Do a cost-benefit analysis to find out if would be more efficient over time for the district to contract out its program or operate its own busing program • <i>See best practices for staffing levels, salaries, benefits, overtime, and supplies in the “Administration” section.</i> <p>The district could consider:</p> <ul style="list-style-type: none"> • Transporting only those students who live more than 2.5 miles from their schools, unless safety is an issue • Increasing vehicle insurance deductibles, if premiums costs decrease
<p>The district should run the most efficient bus routes possible.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Plan the most direct routes to transport students to and from school • Use computerized software to plan routes, if time it takes for staff to plan the route by hand would cost more than the software • Pick up students from central locations, instead of going from door to door, unless safety is an issue • Fill buses as much as possible to reduce the number of buses running at any one time, including activity trips <p>The district could consider:</p> <ul style="list-style-type: none"> • Reimbursing parents for driving students more than two and a half miles to or from school rather than providing a transportation program
<p>The district should minimize its fuel costs.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Buy fuel in bulk • Partner with local government entities to jointly purchase fuel • Have a no-idling policy for its buses
<p>The districts should take actions to prolong district vehicles’ “lives.”</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Require staff to log miles traveled per trip for <u>all</u> district vehicles, and have supervisors monitor the mileage to be sure the trips are reasonable • Do routine maintenance on district vehicles as often as called for by the manufacturer, and not more often • Do a cost analysis on parking district vehicles in a secure compound overnight or on weekends <p>The district could consider:</p> <ul style="list-style-type: none"> • Purchasing quality used vehicles to replace older vehicles, weighing the short-term convenience versus the reduced life span of used buses
<p>The district should minimize its maintenance costs.</p>	<p>The district should:</p> <ul style="list-style-type: none"> • Collect and monitor data on oil changes, routine servicing and all repairs and warranty work to help it make informed decisions on whether it is cost-effective to make expensive repairs on older vehicles <p>The district could consider:</p> <ul style="list-style-type: none"> • Contracting out for specialized maintenance costs, like glass repair, rebuilding transmissions or engines, radiator work, among others.

APPENDIX D Agency Response

On April 8, 2010, we provided copies of the draft audit report to the Winfield school district. Its response is included as this Appendix. The district raised a number of issues with the report's findings, which are addressed below. After carefully reviewed the issues they raised and the information supporting our audit findings and conclusions, we did not make any substantive changes in these areas:

- **Renegotiating the Teacher Agreement To Switch to a Traditional High School Schedule** (page 46)—In its response to the draft audit report, the district stated that because the daily planning time for teachers would be reduced, changing its high school schedule from a block to traditional schedule would require a change in the negotiated agreement with the teachers. Because the district's current negotiated agreement doesn't call for a specific number of minutes of planning time—only that teachers will be allowed one class period to plan—it didn't appear to us that planning time would necessarily need to be renegotiated, although the district certainly could choose to do so.
- **Closing Country View Elementary School** (page 46-47)—If the district were to close the building, officials indicated they would prefer to "moth-ball" it rather than sell it. As stated in our report, selling the building may be difficult because of the recession and current real estate market conditions, so moth-balling the building is a very valid option to consider.
- **Closing Winfield Intermediate School** (page 47)—District officials indicated that, if there was a building they would like to close it would be the two-story structure that's part of the Winfield Intermediate School. However, they didn't think they could close the entire complex and house 5th grade students among the existing elementary schools and 6th grade students at the Middle School. All the attendance centers that would be affected by closing the intermediate school have vacant or underused classrooms that could house additional students, and it appeared based on our observations and analyses that these other attendance centers could absorb the 5th and 6th students from the Intermediate School.
- **Utility Costs of the District's Central Office** (pages 47-48)—In response to the draft report, district officials indicated that the current central office actually is more energy efficient than the space it had used before, and that occupying the current facility is in the best interest of the community. (Before the district's central office was located there, the building had been vacant for a number of years.) We understand that the school board members and school district officials would have to take that factor into account as they weighed the potential for savings against the potential impact on their community. The district also disagreed with our assessment that its central office has more space than needed, noting that we excluded space in the building's basement from our analysis. Our estimate was based on the State Department of Administration's space standards. We did exclude about 6,625 feet of basement space in our analysis, which would have made the difference somewhat greater.
- **Invoking the Hardship Clause With Southwestern College** (page 48)—In its response, the district indicated that, because it pays the lease with Southwestern College with capital outlay funds, there are strict limits on how any potential savings could be used. In a follow up conversation with district officials, they indicated that the district pays for its current lease with unrestricted local option budget moneys, but does plan to pay the new lease with restricted capital outlay funds. We've added language to the finding on page 27 to reflect this.

Response to LPA Efficiency Audit Team Request April 20, 2010

The following is a response by item to the suggestions made in the report from the LPA Efficiency Audit Team to USD 465, Winfield Public Schools.

There are general questions about the audit but not enough information is given to understand how the selections of possible targets for increased efficiency were made so I will not comment on them but will have possible questions for the committee.

Comments about Suggested Adjustments/Changes to Specific Items:

Student Instruction – Changing from the block schedule is a subject that we have discussed and are willing to return to the traditional schedule. This action would cause a change in number of credits for high school graduation, possible adjustments in the calendar and daily schedule, agreement with the teacher’s union concerning planning time, and coordination with the WMS schedule since we now share teachers with that facility. The research is still mixed as to the effectiveness of the block vs the effectiveness of the traditional high school schedule. For some areas of the curriculum, teachers have reported negative effects while others have reported positive effects. I would agree that 80 to 90 minutes per day is an excessive amount of planning time but also believe that your suggestion of 43 minutes per day is much too little. When we changed to the block schedule from the traditional block, each teacher was given two 55 minute planning periods per day so our efforts have at least moved in the right direction. We are currently searching for a compromise schedule but must coordinate the WHS and WMS schedules if we are to maintain the staffing and instruction efficiencies we currently have established.

Almost all of your savings are due to loss of personnel. Teachers do not come in all one subject area or another. Many teach in multiple disciplines and it is difficult to say we can cut this many classes and this many positions without creating unintended consequences in other areas. It is extremely difficult to do without creating partial contracts for teachers who will not accept those reductions. It is difficult but, as we are currently trying to accomplish, we are willing to try. Far better such decisions are done with a scalpel rather than a chain saw. We must be careful that we do not drastically and negatively affect the instructional quality of the middle school and high school. We would prefer to reduce staff through attrition rather than sudden substantial cuts.

Closing Country View School – We would prefer to “moth-ball”, if necessary, Country View School. If we sell the property and the economy rebounds and we gain population what do we then do for additional classroom space? Do we build a new elementary school? Where would be the efficiency in that scenario? CV has been a high quality and the last of our country elementary schools. We will lose many children to districts to the East of us if we close CV which will exacerbate our student loss issue. The total use of the buildings was not discussed in any of our meetings but the classroom space we now have is used fully for our reading and math programs which must divide into smaller

groups for both small group instruction and tutoring. Both of these strategies are part of the MTSS intervention program being suggested by the state as ways to improve state assessment scores. Adding additional students to existing elementary schools would not allow such activities and would, in my opinion, have a negative effect on our efforts to improve state assessment scores. Another factor is that we have gone through the pain and public outcry over already closing two small country schools in our district. We can agree to discuss moth-balling CV but I can not support selling the facility at this time.

Closing Winfield Intermediate School – If there is a building I would like to close, it would be the two story structure at the WIS facility. I would not agree to close the east facility. We have discussed this possibility but I disagree that we have the room in the existing elementary schools (for reasons stated above) for the 5th grade and room at the high school complex for the 6th grade. In 2003, we proposed a bond issue to establish the 5th and 6th grade intermediate school because we needed the room in the elementary schools, wanted to establish a center to meet the needs of 5th and 6th graders (both groups were being left out of the focus in their respective schools), and to better serve the needs of those students as they related to special classes such as music, art, science, and physical education. We used the existing facilities we had at the time. Although massive changes were made to the district (based on educational needs at the time and we feel for the betterment of students) the efficiency of the bond issue (24 million dollars – check that out with the peer group) was very much appreciated by the community. Although we are willing to discuss this possibility, I feel we would have to create another elementary school in the existing east building of the 5th and 6th grade center, then send the 5th grade back to elementary levels and the 6th to the WMS complex. That will not be possible immediately but will have to accompany a greater student loss before the overcrowding issue can be addressed. The west building would be sold or torn down (also very expensive).

Taking Steps to Defray Utility Costs of the District Office – I can understand your concern over the district office utilities but by not understanding the history of the district office and special education buildings you are at a great disadvantage on this issue. First of all, comparing the district office facility with an elementary school is hardly fair given the elementary school is open 9 months of the year (outside the hottest part of the year) and the district office open year round. We only use one floor of the facility and I disagree that the office space area is unnecessarily abundant. We have packed a lot of services for the district into a relatively small area. The second floor is used only for training and board meetings and the basement was discounted in your study even though we have a technology work area there for repairs. I am not familiar with all of the district offices of our peer group but I will compare our use of space with any of them. We not only use the main floor for office space but also share space with the Snyder Foundation (two offices), the district print shop, the district technology department, and two conference rooms which are in constant use. The North 2/3's of the building is partially empty but filling fast. We house the special education coop offices, three special education classrooms, 3 Cowley County Mental Health personnel offices, Foster Grandparents offices, and the Parents as First Teachers Classroom and offices.

The history of the district office is most interesting as it relates to efficiency. We formerly housed the district office in the old post office (1914 vintage) with little parking, limited access and could only use one floor for offices (except for the tech office which was downstairs until the office was flooded and no longer used). The upstairs could not be used because it violated fire codes, and the basement flooded often and was useable only for storage. Nothing could be stored on the floor because of constant ground water in the basement. The structure's windows were falling out (we used to laugh at the snow that would blow into two offices during snow storms) and the structure was not only inefficient but needed new air conditioning and heating systems. No estimates were ever gathered but the items mentioned would have cost a small fortune to repair. The SPED offices were an old college dormitory named Timothy Hall. It had a huge atrium at the entrance and dorm rooms were used as offices. The facility needed a new roof, new windows, and new individual room air conditioning units which would have cost in the hundreds of thousands to have corrected. Although the access was ok, it was very unhandy and limited to those disabled enough to need wheel chair access. The combined electrical utility bills for these two facilities was about 47,000 dollars per year. Your figure of 52,000 for the current district office and SPED facility does not seem to be out of line. The plan is to add a new chiller (90,000 dollars) that will reduce the utility costs below the amount we were spending at the two previous facilities combined. Two businesses have since moved into the two old facilities and have done well. We feel proud that we were able to contribute the old spaces to two businesses that are contributing to the local tax base. We have made minimal adjustments to the new facilities and are better meeting the needs of students in much improved facilities with better access.

The Snyder Medical facility which houses the district office, special education, and the previously named offices and classrooms sat empty for 4 years and was regularly being violated by local vandals. It had been advertised for that time with no offers forthcoming. We worked hard to convince the owners to donate the facility to the school system and did so at no cost to the tax payers. We remain confident that the decisions were in the best interests of our school district and the community. I can not support this suggestion to seek a new district office. The other spaces are being used for educational purposes and if we can continue to operate them at a lower utility cost than the other previously occupied buildings, we will do so. The suggestion that we "rent" space to other entities in the facilities for income is not advisable due to the business tax responsibilities.

Invoke Hardship Clause in Contract with Southwestern College Agreement – We have put that clause in the contract for a good reason. It was intended to be, and will be used as a last resort when funding issues warrant. This money is from the capital outlay fund and can only be used within the parameters limiting the use of those funds.

District Cost in Student Support more Than Peers – We have been aware that we spend more for nurses and social workers than other districts. The community of Winfield expects adequate care for students in the schools. It is an area in which cuts are likely and can be made without diminishing the support for students. However, our recent increase in students on free lunch would indicate a growing need for student support. It should

also be noted that we have no elementary school counselors and do not know if they were included in the same category. We are also considering reductions in extended contracts for some personnel which will also affect this group of employees. The Juvenile Justice Authority has informed us that there will be additional cuts which may eliminate our truancy officers. This will also increase the workload of the social workers in our schools.

Toughening Health Insurance Eligibility Requirement – We have set that mark at 17.5 hours and higher for eligibility for health insurance. The number in your data indicates that by moving this up to 30 hours would affect 20-25 people. This is a significant number of employees who would sacrifice their health insurance for working ¾ time. We plan to move this standard up but in a sequenced manner so that employees can better plan to either use the new health care provisions from the federal government or make other arrangements. We agree that this threshold must be increased.

Reducing Vehicle Allowance – Vehicle allowance is for travel inside the district. We have expanded that to the entire county (this includes the SPED Coop). I would limit this comparison with the district's in the peer group that are "sponsoring" districts for SPED Cooperatives. It is very difficult to compare what is "fair" for benefits in different districts. The board of education can set that allowance depending on the travel of the administrators involved. I travel about 25,000 miles per year (vehicle odometer) about 60% of that travel is for school related business. That is 15,000 miles and at the rate of reimbursement the district has approved at 50 cents per mile is about \$7,500. I hadn't really computed this until this report. I have no problem with the board cutting my allowance but will base my requests on actual figures in our district and not on what others are being paid.

Better Controls on District Vehicles – We have a monitoring system but it can be greatly improved. No problem with this recommendation.

Reducing Cell Phone Stipends – In our district, the administrator buys their own cell phone and then they have so many minutes purchased for school cell phone use. We did so to prevent (and to control) the purchase of school business time and separate that from personal use time. We may have to make adjustments depending on use. We will have to assign that supervision to one of our office personnel.

Automating Paper-Driven Process – We understand the transition away from paper management to one of electronic processing. Email has certainly eliminated memos, notes, and letters. Automated banking has allowed for direct deposit and a reduction in check writing etc. However, some of our employees do not have banking accounts (for whatever reason) and therefore must be paid by check. We are more than willing to move to other areas of eliminating paper management. We have, after all, been having paperless board meetings for two years now. We need to complete the cycle and become entirely as paperless as possible.

Offering Parental Opt Out for Mailing – This is an enormous amount of work for saving \$1,000. It would help if a larger portion of our parents had access to our website and

channel 20 (local public access channel) but they do not. Keeping track of those opt outs and our responsibility to ensure that every parent gets information from us leaves me with an uneasy feeling. In spite of my feelings, we will pursue how to make this happen to a greater extent.

Competitively Purchasing Property and Liability Insurance – We already bid our health insurance and our worker’s compensatory insurance. The property and liability insurance is given to local carriers because they are local, and because there is a certain necessity to be knowledgeable about the property and practices of the local school district. Some insurance companies will not bid on school insurance and that limits our possibilities locally. We will visit with our local companies to see if the possibility exists to bid property and liability insurance.

Modifying Existing Purchasing Practices – We use a company called “June Box” for most of our classroom purchases. When we allow local purchases, we allow the teachers to find the materials that meet their needs. For our community, that is usually Wal Mart. There are limited choices for purchasing school supplies in our community but we will compare local sources to see where we should make such purchases.

Developing & Using Inventory System – We do have an inventory system. That inventory is completed every October. We would agree that our inventory system could be improved by being more detailed and automated. We have a very good inventory system for electronic devices and especially, computers. Furniture and other equipment inventories need to be more strictly supervised and accounted for in our district.

Purchasing Vehicle Fuel Competitively – The district has a history of receiving bids for fuel. One local company has been so much lower that it seemed a waste of time for bidding fuel and it has not been done recently. We will once again initiate this practice to insure the best price possible for fuel for the district. Natural gas is bid by the city and we take that bid. Electricity is also generated by the city and that is our source for our schools except for Country View Elementary which is on Sumner County Rural Electric. We will resume the bidding process for fuel this summer.

Activities Routes Reductions – We have a plan to reduce the routes of activities when there is an opportunity to transport multiple teams or groups on one bus. Some sports, such as basketball, have starting times early enough that some students must be pulled out of class early to make the bus for an early contest. We also have late games and if students are limited to one bus, all students must be pulled out of class early to take the bus and all students must wait until the last game is finished before returning. This is especially bad on school nights. There are only a few sports that this is applicable to but we will try to resolve the issue and be as efficient as we can be.

We are compelled to volunteer some of the things we have done to be efficient that have not been mentioned in our reports, responses, or meetings.

Steps Taken By USD 465 to Operate more Efficiently:

- a. Energy Savings: We reduced our electrical usage by 300,000 KW last year
- b. Cut Administrative Staffing Positions: We have reduced two administrative positions this year. (one building; one district office)
- c. Use VOIP Internet Phone Service: We have our own system and have for the past five years.
- d. Computer Purchasing: We purchase used computers.
- e. Bus/Vehicle Purchasing: We purchase used buses.
- f. Using “Donated” Buildings Instead of New Construction: (As per report)
- g. Combining MS & HS To Share Staff & Services: Our schedules will match this year so we can share teachers.
- h. Central Kitchen: We have had a central kitchen for years.
- i. Reduced Number of Buildings in 2004-2006: We closed two small elementary schools to reduce number of district buildings.
- j. Pre School Program Using 50% SPED Students: All of our PALS classes qualify for special education funding.
- k. Partnering with Community Entities
 - a. WCF Partnership: We use inmate labor for major school projects.
 - b. Southwestern College Partnership: Academic, Fine Arts, Swimming Pool/Stadium.
 - c. City of Winfield Partnership: Irving sewer and parking project.
 - d. Snyder Foundation: Scholarship and building use agreement.
 - e. USD 465 Foundation: Scholarship and equipment for teachers.
- m. Donations:
 - a. Memorials
 - b. Landscaping: Donated by community groups.
 - c. Harbor: Decorated atrium by the WHS cafeteria.
 - d. Booster Clubs (Sports, Fine Arts, CETE)
 - e. WED (Winfield Economic Development): Provided seed money for pre engineering course at WHS.
- n. Cuts to District Office
 - a. Assistant Supt.
 - b. PIO – Public Information Officer
 - c. 2 secretary positions
 - d. Technology Director (Vacant for three years)
 - e. Maintenance Director (Filled this year)

If you have questions concerning any items in this report, please feel free to call anytime.