

PENNY PINCHER TIPS

Marvin Ward, Business Manager of the Brownsburg Community School Corporation and 2003-04 IASBO President, started the concept of sharing “Penny Pincher Tips” back in the autumn of 2003. Through the circulation of these ideas, it is our hope that IASBO members can realize cost savings by employing some of these efficiencies.

The “Penny Pincher Tips” have been arranged by date submitted under the following topic headings:

Accounting	Payroll
Budgeting	Purchasing/Accounts Payables
Cash Management	Risk Management
Facilities/Utilities	Technology
Food Nutrition	Transportation
Human Resources/Labor Relations	Other

We hope you find these ideas helpful. Indiana ASBO thanks Marvin and all those who have contributed these tips for use by the membership. Please consider sharing your money saving ideas with other IASBO members. Send your “Penny Pincher Tips” to Mark Miller, Director of Professional Development at mmiller@indiana-asbo.org.

ACCOUNTING

Check your worker’s compensation insurance premiums to be sure the appropriate amounts are being charged to other funds (041, 035, 080, grants...). The increases in rates are not the same for all employee groups. *(Marvin Ward, December 2003)*

Check other employee benefits to be sure all expenses are still aligned with the proper funds. Employees change categories, and sometimes the benefit cost distributions are not adjusted. *(Marvin Ward, December 2003)*

Look for possible ways to shift expenditures from the General Fund to another fund. You need to be careful that such a shift does not hamper that fund’s ability to meet its obligations. Make sure the other fund can sustain this change or you will be back at the drawing board in a year or two. An example of such a move would be to consider paying for part of the day custodians’ wage and benefits from cafeteria funds to the extent that they spend part of their day cleaning the kitchen and lunch room areas. Whereas the General Fund may be limited in its ability to raise additional revenue, cafeteria funds have the ability to up the prices charged for meals. *(Mark Miller, January 2010)*

Come on now, we know there are a lot of cost efficient practices out there that are related to accounting of school district funds. Send us some of things that you are doing so that we can share them with others!

BUDGETING

Design your budget calendar early in order to avoid any Board meeting times or advertising issues in the adoption process. *(Marvin Ward, March 2004)*

Will your school corporation utilize the any inter-fund transfers that might be allowed by legislation? If so, develop a plan for how these items will be managed in future years, since the transfer provisions often have a “sunset” provision. There is no guarantee of the transfers continuing after that time! *(Marvin Ward, March 2004- updated)*

Monitor what other units of government are doing in your taxing district with respect to the potential impact that it may have on circuit breaker caps. *(Marvin Ward, March 2004 - updated)*

Study the impact on the already changed inventory tax on items not sold in Indiana. *(Marvin Ward, March 2004)*

Be in tune for changes in your community that may impact your assessed valuation, such as factory closings, housing developments, etc. A lower AV will need to be monitored in order to protect the proper rates and levies. *(Marvin Ward, March 2004 - updated)*

Consider any upcoming changes in the district’s percentage of contribution to PERF and ISTRF (new fund) for employees as you develop your budget. *(Marvin Ward, March 2004 - updated)*

Look into excessive levy appeals for any tax supported fund that was shorted due to erroneous assessed valuation. *(Marvin Ward, March 2004 - updated)*

If you are new to this scenario, talk with someone who has had experience in preparing a budget for a future year when the past year has not been finalized. *(Marvin Ward, March 2004- updated)*

What is the likelihood of receiving full funding from your state support for current year? For next year? *(Marvin Ward, March 2004- updated)*

A utility budgeting tip: Check with the local natural gas and electric suppliers, before starting the budget preparation. If your school corporation is dependent on a large supplier, you many need to check deep into the supply chain. Project utility rate increases as you plan for appropriations. *(Marvin Ward, April 2004)*

Call your neighboring school districts to discuss budget issues in your area. Such informal meetings or lunches provide valuable information about financial changes in your community. Share budget assumptions, decisions, new spreadsheets or data with your peers. Such discussions will stimulate additional ideas and all will benefit. *(Marvin Ward, April 2004)*

Every Business Manager should be on the constant alert for TIF’s (Tax Increment Financing) and Tax Abatements in your community. Neither can happen without a public hearing, but such

hearings are often poorly attended. Either of these commercial or industrial tax incentives can have an impact on the next year's assessed values. *(Marvin Ward, April 2004)*

Keep current on budgeting practices and issues. If you are a novice to designing a school corporation budget or if you just need to refresh yourself on what is current, enroll in the IASBO 4-Part Budget Workshop Series. *(Marvin Ward, April 2004 -updated)*

With the state funding formula so easily accessible on-line, run many trials or "what ifs" for the state support. What if your ADM grows by 10, 100, or more? What if the ADM declines by 10, 100 or more? You need to be able to answer these questions. Log onto the DOE site and run your trials. *(Marvin Ward, June 2004 - updated)*

CASH MANAGEMENT

File for cash advances from the County for every month. Revenues flow more often than May and November, and the County is holding your school's money, so ask for it. I file one letter each six-month period asking for distributions in each month. *(Marvin Ward, December 2003)*

Beware of the use cash balances and transfers from other funds to solve your financial problems in the general fund. While such action may offer relief for the present time, using these tactics can be a short-sighted approach. Cash balances and transfers from other funds are generally only one-time mechanisms to support your budget. Once they are gone, they are gone – but the continuing expenses they were used for will still live on. Such relief may be necessary, but in reality they will only buy you some time. *(Mark Miller, January 2010)*

Bid out banking services so that your funds are always invested. Plan out your cash flow requirements and make short-term CD investments to increase your interest revenue. Look into the Trust Indiana state investment co-op. *(Fred McWhorter, February 2010)*

Be sure to budget for short-term cash flow interest expense in your debt service fund. That way if you need to borrow money for cash flow purposes, the interest expense is charged to the Debt Service Fund and not from the fund in which you borrowed the money. If you end up not expending the interest appropriation, you can transfer it to the Rainy Day fund. *(Fred McWhorter, February 2010)*

Be sure to check your grants regularly to make sure you are receiving proper draw downs of funds. If you don't receive funds timely this will put an undue burden on your taxable funds. *(Fred McWhorter, February 2010)*

We cannot believe with all of knowledgeable people that we have when it comes to the management of school district funds that we do not have a long list of good ideas. If all of you would just send us your best 2-3 tips on how you manage cash, we can remove this paragraph that is taking up good space!

FACILITIES/UTILITIES

If athletic fields or lawns are irrigated, and you have city water and sewer systems, consider notifying the sewer company (which usually bases sewage bills on water usage) that irrigation water does not enter the sewage system and should therefore, not be calculated in the sewage bill. The cost of the separate meter you may need to purchase will be quickly offset by sewage bill savings (plus the meter could be purchased with CPF). Further savings could be saved by drilling a well and removing the irrigation system from utility furnished water and sewage completely. *(Marvin Ward, September 2003)*

Metering the water entering and leaving cooling towers is another way to prove all water through the meter does not need to create sewage charges. Documented evaporation can be a large savings. The number is larger than one would expect. *(Marvin Ward, September 2003)*

Look into engineering expenditures for more efficient HVAC systems where the front-end cost (CPF or Building Projects) can create large savings in operating costs in the General Fund. *(Marvin Ward, September 2003)*

Purchase transformers from electric utilities (CPF or Projects) and monthly utility bills can be reduced – negotiate with the utility company. Part of the monthly electric bill is rent of site transformers. *(Marvin Ward, September 2003)*

Explore purchasing natural gas direct from the pipelines instead of through the local distributing utility. *(Marvin Ward, September 2003)*

Since water usage control can create double savings (if a school is on municipal water, sewage bills are based on water usage), prompt reporting and repairing of leaking faucets, urinals and toilets can reduce water waste. Installation of electric eye controls also helps reduce repair costs by stopping flow as soon as an individual leaves the sink. Such controls also reduce repair of valves when they are damaged by someone twisting them to tight. The new valves can be purchased under CPF with the labor and water savings from the General Fund. *(Marvin Ward, October 2003)*

Purchasing trash compactors instead of using dumpsters will reduce the number of pick-ups for trash removal. Again, equipment from CPF and savings goes to the General Fund. *(Marvin Ward, October 2003)*

Investigate ways to reduce the consumption and cost of electricity by trying some of the following. *(Marvin Ward, October 2003)*

- Check electric bills for “Power Factor Correction”. This expense is the result of electricity entering and leaving your building out of phase due to devices within your building. Your power company may be charging for the impact of your phase adjustment on the grid. A capacitor bank will correct this phase adjustment and reduce or eliminate the penalty. The pay back on this item can be as low as two years. The savings goes to the General Fund from a CPF expenditure.

- Always study the effect of purchasing more efficient equipment and light bulbs. A pay back of more than 10 years may not make justify the extra initial cost, but any savings in the General Fund is worth the time to study the potential.
- Contact your power company to see if other rate options are available. This might require help from consultants, depending on your expertise.
- Programming buildings so all equipment (i.e. heat, hot water pumps, classroom lights and kitchen ovens) does not start at the same time. There is a demand charge (penalty) if your peak demand is at the same time as the power company's peak demand. The lower the building peak, the smaller the demand charges.

Consider creating a “dark campus” by eliminating all security lighting after 11:00 p.m. of midnight every night. Do this for all interior and exterior lighting. There will be a savings on electricity and possibly additional savings will occur with a reduction of vandalism. Buildings look pretty with wall-washing lighting effects, but who sees it after midnight? It will be obvious to police if someone intrudes on a dark campus. Be sure to check for Board support and local lighting requirements before trying this option. *(Marvin Ward, November 2003)*

Corridor lighting can be reduced in most schools. Controls can be set to allow lighting to increase when the corridors are occupied, otherwise reduce the lighting levels. Removing half the tubes in corridor lights can cut that portion of the electricity cost. Ability to implement this savings may depend on the need for higher lighting levels for security cameras, but low light level cameras can also be used. *(Marvin Ward, November 2003)*

Purchase road and parking lot salt-sand mixes from your community. Ask to see if you can store it with their supply. Your environmental risks from salt run-off are reduced, and city users probably have a better purchasing price. *(Marvin Ward, December 2003)*

We have hired a local company to review our telephone bills. Through this two year agreement, they receive 60% of the savings the first year and 40% the second year. After that, they are done and all of the savings come back to the school corporation. They are currently saving me over \$600 per month and caught an internet billing which they are getting corrected. They will review my telephone bills monthly for the next two years looking for additional charges. A neighboring school district has just signed up with them and they are saving over \$1,000 per month due to their analysis. *(Tom Dykiel, September 2004)*

Ask you local utility company to do a yearly rate review to see if any of your schools are on the incorrect meter billing rate. *(Tom Dykiel, September 2004)*

Track your water bills to see if there are large increases in the water consumption. If you have them, you might have a water leak at that school and can get it corrected before the next monthly billing. It's not only the water costs that are expensive, but the sewage cost associated with the water usage as well. *(Tom Dykiel, September 2004)*

We are looking to take over the mop service at our high school. In doing an analysis of our weekly charges, we can save over \$3,000 per year by purchasing the mops, handles, and cleaning them in our washers and re-spraying them as opposed to the current company we are now using. *(Tom Dykiel, September 2004)*

Due to the significant loss in state support in 2010, the following suggestion was made regarding utility-related cost reductions in order to assist Indiana public school districts in balancing their general fund budgets:

Increase energy conservation – de-lamp buildings, eliminate use of personal appliances, turn off lights when space is not in use, shut down computers when not in use, re-set thermostats, reduce or eliminate use of school facilities during non-academic hours, etc. *(IASBO Cost Savings/Cutting Strategies, January 2010)*

Due to the significant loss in state support in 2010, the following suggestion was made regarding utility-related cost reductions in order to assist Indiana public school districts in balancing their general fund budgets:

Review the use of natural gas consortiums. *(IASBO Cost Savings/Cutting Strategies, January 2010)*

Examine your facility use policy to ensure that groups using the schools district's buildings are paying fees comparable to the operating costs for such usage. *(Mark Miller, January 2010)*

Consider switching your phones to IP Telephony. This will eliminate your old expensive analog phone lines and replace with much cheaper digital. *(Fred McWhorter, February 2010)*

Be sure to register with e-rate to receive telephone and technology discounts. *(Fred McWhorter, February 2010)*

FOOD NUTRITION

Hire a qualified Food Service Director to manage your Food Service program. Do not be deluded into thinking a "cook" can manage a multi-million dollar program effectively. *(Diane Schweitzer, February 2010)*

The following are excellent resources in doing an assessment of your school nutrition program. *(Diane Schweitzer, February 2010)*

- Ask the Indiana School Nutrition Association for an independent, peer-reviewed program evaluation and to ask for technical assistance if you need. There are many very well qualified FSD's throughout the State of Indiana who would answer any questions or concerns you have regarding the management and/or

technical operation of your program. The website for the Indiana School Nutrition Association is <http://www.Indianasna.org>.

- The regional Field Consultant from the Indiana Department of Education, Division of School and Community Nutrition may also perform a technical assistance visit upon request.
- Use an online self-assessment tool from the School Nutrition Association at <http://www.schoolnutrition.org/Content.aspx?id=2406&terms=Keys+to+Excellence>.
- Ask for a professional evaluation of the food service program from inTEAM, a division of School Link Technologies, a consulting firm based in California, with a local Northwest Indiana Operations Manager. Their website is <http://www.sl-tech.net/>.

Analyze the financial state of your food service program. Food costs and labor costs are the two largest expenses in the food service program; Use commonly known financial benchmarks to determine if your numbers are in line with the benchmarks. If you are not aware of school food service benchmarks, contact the Indiana School Nutrition Association for assistance. *(Diane Schweitzer, February 2010)*

Review all food service related expenses that may be paid out of general fund and transfer appropriate charges to the food service account. *(Diane Schweitzer, February 2010)*

Evaluate meal participation as related to school enrollment to determine customer satisfaction. *(Diane Schweitzer, February 2010)*

Review opportunities for generating revenue in the food service program- Breakfast, lunch, after school snack, Summer Child Nutrition Program, catering, ala carte, vending, concessions, and rebates on food purchases. *(Diane Schweitzer, February 2010)*

Determine if meal and ala carte prices are in line with neighboring districts or successfully operating food service programs. Do not keep adult and student meal and ala carte prices artificially low. Support price increases that are deemed appropriate. *(Diane Schweitzer, February 2010)*

Review operations management systems- Review monthly profit and loss reports; inventory levels, participation data. If you have no systems in place, request technical assistance from the Indiana School Nutrition Association. *(Diane Schweitzer, February 2010)*

The following are suggestion deal with food service purchasing. *(Diane Schweitzer, February 2010)*

- Participate in group purchasing cooperatives, available from the Regional Service Centers, and/or with food service director groups throughout the State.
- Evaluate procurement practices for best food prices.
- Determine if government commodities are used to their fullest potential; Join group purchasing cooperatives for technical assistance with effective commodity utilization.
- Secure several bids or quotes on replacement equipment.

The ideas listed below pertain to human resources in the food service program. (*Diane Schweitzer, February 2010*)

- Evaluate staffing levels to determine if scheduling is in line with benchmarks. If staffing is not in line with benchmarks, reschedule staff, modify food delivery system, menu style, or find revenue-generating ideas to financially support current staffing levels.
- Support your food service personnel by encouraging membership in professional associations and to attend local meetings that assist with professional development, cooperative assistance with procurement documents, and multiple resources.
- Support professional development opportunities for your food service staff. There are many opportunities available through the Indiana Department of Education; Indiana School Nutrition Association, National Food Service Management Institute as well as online sources.

Determine if assets (food and equipment) have security issues. If everyone has the key, there is no security. (*Diane Schweitzer, February 2010*)

Implement a worker safety program to reduce incidence of workers compensation claims (frequency and severity). (*Diane Schweitzer, February 2010*)

Evaluate efficiency of kitchen layout and equipment to potentially reduce labor costs. (*Diane Schweitzer, February 2010*)

Implement an energy efficiency program to potentially reduce utility costs. (*Diane Schweitzer, February 2010*)

Ask your food service staff how they can become more efficient; how they believe revenue can be generated and how expenses can be reduced. (*Diane Schweitzer, February 2010*)

Ask your major grocery supplier for technical assistance or suggestions; ask purveyors to provide training to your staff. *(Diane Schweitzer, February 2010)*

HUMAN RESOURCES/LABOR RELATIONS

Reduction in Force (RIF) is never easy and frequently will create difficult public relations. Instead of dismissing hourly personnel or eliminating their positions, try reducing hours. The employee can remain employed, and perhaps maintain benefits. Reducing eight-hour employees by a half or full hour can lead to the equivalent of one less position and possibly preserve staff morale by not fearing a RIF. *(Marvin Ward, November 2003)*

Pay close attention to your district's compliance with regards to the Federal Fair Labor Standards Act (FLSA). It seems that interpretations of the act change from year to year. Both hourly and salaried employees could be in violation of the working overtime regulations. Reimbursement for past violations (not to mention potential fines) can be very costly to a school district! *(Marvin Ward, June 2004 - updated)*

Due to the significant loss in state support in 2010, the following list of personnel-related cost reduction ideas was generated as considerations for Indiana public school districts as they attempt to balance their general fund budgets. *(IASBO Cost Savings/Cutting Strategies, January 2010)*

- Freeze salaries for non-contracted employees
- Re-open negotiations with all contracted employees
- Review central office and school support positions
- Outsourcing – custodial, food nutrition, technology, etc.
- Shared services with other school corporations – transportation, food nutrition, maintenance, technology, legal, etc.
- Freeze on hiring administrative personnel
- Review Primetime aides and other instructional aides
- Study custodial cleaning ratio
- Attrition – not replacing retiring employees
- Review extracurricular activities that are tied to General Fund Furlough non-instructional staff (4-day work weeks)

- Review overtime pay
- Consider the elimination of all or part of elementary art, music and physical education programs
- Consider the elimination of all or part of elementary and middle school media specialists
- Consider the elimination of all or part of middle school extracurricular and athletic programs
- Reduce number of social workers

Due to the significant loss in state support in 2010, the following list of benefit-related cost reduction ideas was generated as considerations for Indiana public school districts as they attempt to balance their general fund budgets. (*IASBO Cost Savings/Cutting Strategies, January 2010*)

- Consider health insurance pools/trusts
- Review state health insurance plan for potential savings
- Review administrative benefit package

PAYROLL

Due to the significant loss in state support in 2010, the following suggestion was made regarding utility-related cost reductions in order to assist Indiana public school districts in balancing their general fund budgets:

Require electronic fund transfer for payroll/paperless payroll. (*IASBO Cost Savings/Cutting Strategies, January 2010*)

Consider the advantages to moving from 26 pays per year to 24 pay dates. Some would be: (1) having your major expenditure being better aligned with your main revenue stream; (2) having your payroll deductions for insurance premiums coinciding better with monthly payments; and (3) , realizing the cost efficiencies in having less payroll runs each year. (*Mark Miller, January 2010*)

Consider using an electronic timecard as opposed to a manual timecard. It is amazing how much productivity improves and overtime decreases. (*Fred McWhorter, February 2010*)

You have got to be kidding! Look at all the purchasing cost reduction ideas that are listed below. We know there are a lot of good things that people are doing out there every day in payroll to keep costs down. Send us some of the things that you are doing!

PURCHASING/ACCOUNTS PAYABLES

Make a few phone calls. Purchase requests that have utilized catalog pricing can almost always have a cost savings with a simple call (usually toll free) to the catalog vendor for a quote. A purchasing procedure requiring quotes for any equipment order request can save business office staff time. This frequently requires staff training to learn that quotes and catalog cuts are not the same. *(Marvin Ward, November 2003)*

Don't be reluctant to seek bids or quotes for services and supply items. Vendors will "sharpen their pencils" when they know you are creating competition for their business. Be sure to carefully prepare specifications to preserve quality. *(Marvin Ward, November 2003)*

Check with textbook companies that have warehouses near your location. Sending a school owned truck to transport textbook orders can generate significant savings on shipping costs. The same may be true for large supply orders. *(Marvin Ward, November 2003)*

Consider using a procurement card for a more efficient way of monitoring some of your purchases. *(Marvin Ward, May 2004 - updated)*

Utilize on-line purchasing when discounts can be added to the orders. Anywhere from 5 to 25 % can be deducted from orders utilizing on-line procedures. Even if some staff members are not allowed to use on-line purchasing, accounting personnel may use the process after requests to purchase have been approved. It will save paper, postage and time. *(Marvin Ward, May 2004)*

E-mail (or fax via toll free numbers) purchase orders to speed the process and save postage. *(Marvin Ward, May 2004)*

Consider agreements with other municipalities to purchase or dispense fuel. Towns (Police, fire, municipal vehicles) without fueling facilities may be paying pump prices for fuel and 30 to 50 cents per gallon may be saved by allowing other governmental entities to fuel at a school transportation facility. A simple inter-local agreement can be drafted to allow another governmental entity to purchase fuel through the school corporation, and the school can charge a dispensing / service fee to supplement the transportation budget. Caution should be used that it does not appear that the school is trying to compete with local gas dealers. This can be a win-win situation because the community sees the savings of tax dollars and the cooperation between town and school officials. As a side benefit, police cars can be seen at the transportation facility all hours of the day, seven days a week and that will help with campus security. *(Marvin Ward, May 2004)*

Similar cooperative purchasing agreements on road salt can also help both schools and towns. Given the environmental concerns over the safe storage of road salts, ask the town purchase and store the materials (since schools usually use far smaller quantities). Schools can access the storage a loading ability available in most towns without the capital investment of loading

equipment and IDEM concerns over salt contamination from “run-off”. (*Marvin Ward, May 2004*)

Due to the significant loss in state support in 2010, the following list of purchasing-related cost reduction ideas was generated as considerations for Indiana public school districts as they attempt to balance their general fund budgets. (*IASBO Cost Savings/Cutting Strategies, January 2010*)

- Increased cooperative purchasing
- Create a paperless school environment
- Review supply budgets
- Consider cooperative purchasing with other local units of government, such as counties, cities, etc.
- Reduce equipment purchases
- Limit subscriptions and publications

Consider the use of a Procurement Card. This will consolidate purchases and create fewer claims to process. If you have a high enough volume you may actually get a rebate back. (*Fred McWhorter, February 2010*)

Consider paying your bills by EFT. Some vendors give discounts (i.e., 2% net 10 days) for timely payments. EFT’s will speed up the process. (*Fred McWhorter, February 2010*)

RISK MANAGEMENT

Review your Schedule of Values to see if properties or equipment values should be reduced. The computers you purchased for \$1,500 two years ago when added to your inventory may be replaceable at \$1,000 or less today. (*Marvin Ward, January 2004*)

Ask for a review of your building ratings. Recent projects could have made your building a better (lower) risk, if fire protection has increased. Have you sprinkled or changed the fire ratings of parts or full buildings? (*Marvin Ward, January 2004*)

Keep documented records of playground, bleacher, boiler, roof, and other property inspections to illustrate to the insurer that you have a strong risk management program. (*Marvin Ward, January 2004*)

Has a new fire station been built close to one or more of your facilities? See if this will reduce the premium for that facility. (*Marvin Ward, January 2004*)

Increase the deductible. Look at the deductible first. Some policies have had the deductible increased without warning by insurance companies. *(Marvin Ward, January 2004)*

Shop the policies separately. Workers Compensation, Auto, Casualty / Liability, Errors and Omissions do not have to come from the same company. *(Marvin Ward, January 2004)*

Consider self-insurance. Given the premiums, is this an option to consider? *(Marvin Ward, January 2004)*

Require the wearing of slip resistant shoes and burn or cut protection gloves by Food Service Personnel. This will reduce the worker comp claims. There is a shoe company that will pay for work comp medical claims if an employee suffers an injury from a slip while wearing that company's shoes. *(Marvin Ward, January 2004)*

Pursue other companies for quotes to create competition for better pricing. Recent news articles indicate that the market may be opening so that there might be more options available. *(Marvin Ward, January 2004)*

Due to the significant loss in state support in 2010, the following list of risk insurance related cost reduction ideas was generated as considerations for Indiana public school districts as they attempt to balance their general fund budgets. *(IASBO Cost Savings/Cutting Strategies, January 2010)*

- Review creation of property/casualty insurance pools
- Review self-funding or pooling for workers compensation insurance

TECHNOLOGY

As the budget season approaches, with so many of us working on laptops, back up early and often to prevent loss of important spreadsheets. *(Tom Mandon, April 2004)*

An additional computer safety tip is every time you open a spreadsheet, give it a new name and save it so previous versions are not lost until you are ready to delete them. Saving each version with the date and time in the file name will always help to identify the most current version. *(Marvin Ward, April 2004)*

Surely Shirley, there are a lot more cost efficient ideas out there that are related to the use of technology in public K-12 education. Don't keep them to yourself - it's time to share!

TRANSPORTATION

Consider purchasing 84 passenger buses instead of 66 passenger buses. This will enable the employment of only three drivers for every 3 larger buses compared to 4 drivers with conventional buses transporting the same number of students. *(Marvin Ward, September 2003)*

Examine bus specifications. Adding a few items like spare tires and wheels, extra filters, lights or mufflers to the specifications can reduce some of the Transportation Operating Fund expenses. *(Marvin Ward, November 2003)*

When purchasing buses, buy steering tires for all six wheels. When the bus is delivered, pull the rear tires and use recapped tires. A good tire can be recapped at least two or three times and your tire expenses will be reduced. *(Marvin Ward, December 2003)*

My transportation department has over 80 buses and we are now large enough to do our own warranty work on the buses instead of taking them in. The bus company will reimburse us at \$35 per hour which is about \$15 more per hour than what we are currently paying our mechanics. In the future, we could expand the program and do warranty work on other schools buses in the area and receive the warranty payment. We also as part of the agreement, receive the warranty parts free since we are doing the installation. *(Tom Dykiel, September 2004)*

Consider filing an excessive levy appeal for the transportation operation fund due to the high cost of gasoline and diesel fuel that we all are experiencing. This appeal can help offset the increase in fuel costs in a fund which may be financially strapped because of its capped property tax levy. *(Tom Dykiel, September 2004)*

Consider using a GPS system on your maintenance and bus fleets. It's amazing how much productivity improves and overtime decreases. *(Fred McWhorter, February 2010)*

OTHER

Reduce initial construction costs by approaching local officials about waiving fees for building permits, water and sewer connections, and other inspection fees that may exist for your locality. They can all be waived. Don't hesitate to ask the local Town Council or Mayor to help reduce the cost of construction. *(Marvin Ward, December 2003)*

The next time your school is faced with a building project, approach local plan commissions with the concept that you are creating an economic development project for the community. Yes, it probably will be a tax increase, but emphasize the positive economic impact. Run the numbers. A new school brings several million dollars in new jobs to the community and most of the wages are spent in the community. Schools are the largest employer in most communities and that is economic impact by anyone definition. Maybe we should request to be declared a TIF District and draw on the taxes levied by other entities. *(Marvin Ward, December 2003)*

Participate in local planning meetings. Be prepared to state the tax impact of construction 500 homes in your community. Discuss the road configuration with developers and convince them to

do things that will make the streets safer and more efficient for buses or students walking to school. You'll be surprised, local planners want school input. *(Marvin Ward, June 2004)*

Check the website maintained by the State of Indiana for unclaimed property. This website is updated periodically so you might want to check at least every 1-2 months. I have found money for not only my school district, but also other school districts in our area. And they didn't even give me the 10% finder's fee! *(Tom Dykiel, September 2004)*

Due to the significant loss in state support in 2010, the following list of miscellaneous cost reduction ideas was generated as considerations for Indiana public school districts as they attempt to balance their general fund budgets. *(IASBO Cost Savings/Cutting Strategies, January 2010)*

- Review in-state and out-of-state travel expenses
- Sale of unused buildings
- Eliminate color printing
- Reduce number of copiers and printers
- Review preventive maintenance program
- Charge students to participate in extracurricular and athletic programs

Attention should be given to long-term solutions for school district cost effectiveness. Look at the very structure and design of the school district. Is the current configuration of grade levels and buildings being used the best way? Are there unused properties that could be sold or leased by the school district? This may be a great time to confront some of our sacred cows, such as a building being left open in order to not ruffle the feathers of some people in the community. If something does not make economic sense and it does not truly affect student learning, it needs to be either revised or discarded. Some of the best solutions to our current financial crisis may take quite awhile for us to implement completely. *(Mark Miller, January 2010)*

Operational overhead costs should be closely examined. In addition to utilities, all processes should be studied for cost efficiencies. Custodial, maintenance, transportation, food nutrition, payroll, purchasing are a few of the areas in which to begin. How are things done? Where can cost savings be gained through doing things differently? Can technology be used to help with cost containment? It is time to explore the consolidation of services both within the school district and out. Can cooperative efforts be made with neighboring school districts or with local civil units of government that would help? Investigate any possible partnerships with local businesses. Are there any instances where outsourcing could be cost effective? Why are we doing some of the things we are doing? Are they necessary? What is their impact on student learning? Nothing is too small to consider. *(Mark Miller, January 2010)*

Examine your scheduling. Typically a traditional 7-period schedule is less expensive than a block schedule. This can result in significant savings and not affect student class sizes. (*Fred McWhorter, February 2010*)

The following are some cost-saving measures that Jennings County Schools has initiated in response to the loss of state support in 2010. (*Amber Fields, May 2010*)

- Moved all equipment purchases to Capital Projects Fund
- Cancelled board member trips to annual ISBA functions for all but 2 Board members (This was our Board's idea)
- Moved elementary permanent subs into classroom aide positions as they opened up. We have also not been replacing classified positions
- We are using LPN's and building nurses whenever possible in classroom
- No summer painting
- Change to all IP telephones
- Cut the adult education program
- Reduce professional development
- No extra teacher days except for days listed in teacher contract
- Charge greater fees for athletic clubs to cover coaches' salaries
- Eliminate ECA coaches for elementary sports
- Cut back on away trips for middle school athletics
- Energy savings monitoring program put into place
- Administrator salaries have been frozen at 2008-09 levels
- Administrators placed on B-level (less costly) insurance plan
- Professional negotiator not utilized

Again, thanks to all that have shared the ideas listed above. But we are always looking for new ideas in which to do things better! If you have "Penny Pincher Tips" that you would like to share, please send it to Mark Miller, Director of Professional Development at mmiller@indiana-asbo.org.