Cost Reduction Strategies for Local Education Agencies  
A Product of the PASBO Benchmarking Committee

**Administration**

Administrative assistants perform duties of vice principals  
Assign administrative duties to clerical staff  
Replace departmental chairpersons with teacher coordinators  
Principals serve two schools

**Athletics**

Increase length of time before uniforms are replaced  
Volunteers work gates at athletic events  
Extracurricular programs are self-supporting  
Limit free passes to individuals performing required or voluntary function  
Discontinue providing athletic equipment that participants normally own  
In-house laundry  
Athletic boosters pay sports insurance

**Benefits**

Early retirement incentives, not bonus  
Payment in-lieu of benefits option for employees with coverage under another plan  
Monitor accuracy of district health benefits census data  
Flexible Benefits Salary Conversion plan  
Life insurance consortium  
Self insure workers compensation insurance  
Alternative position placement/light duty assignments for worker's compensation  
Workers compensation-required physicians list  
Analyze and address teacher absenteeism  
Develop policies to prevent sick leave abuse  
Workers compensation direct from insurance company, no broker  
Section 125 program  
Reduce benefits eligibility for part-time employees  
Workers Compensation premium reduction due to safety committee  
Analyze accidents for patterns of place, cause, time of day, type  
Self-funded program with reinsurance  
Premium share  
Managed care program  
Increase premium share for dependants discourages duplicate coverage  
Post-retirement healthcare benefit eligibility, more years service required  
Preferred Provider Organizations  
Wellness program  
Dental insurance consortium  
Premium reduction for employees meeting 14 health indicators  
Buy-out plan for employees with access to another health plan  
Cash payments in lieu of health insurance benefits  
Increase deductibles  
Two tier eligibility
Bidding and Purchasing

Audit services
Integrated pest management services
Chemical disposal services
Modular classrooms
Photographic services
Yearbook
Copiers awarded on total costs of ownership over 3 years
Bid transportation contracts
Bid travel services
Bid banking services
Athletic conditioning
Bid rather than use state contract pricing
Natural gas consortium
Award supplies bid on a per item basis, not single vendor takes all
Bid electrical rates
Bid financial audit services
Utilize groups offering free merchandise to schools for annual subscription fee
Implement a comprehensive inventory control system
Central warehouse and inventory system
Internet purchasing
Bid custodial supplies
Bid maintenance supplies
Bid all food equipment and supplies
Combine purchase orders to a vendor to reduce shipping costs
Avoid science equipment houses for batteries, balloons, etc.
Systems contracting-vendors warehouse needed supplies
Consolidate purchase orders to vendors
Catalog discount bidding
Create electric purchasing pool with private businesses
Procurement card to reduce process costs of purchasing
eProcurement

Budgeting

Zero based budgeting-annual review/justification of positions/programs
Site-based budgeting promotes cost consciousness, allows allocation

Contracted Services

Analyze district-operated vs. contracted transportation services
Contract supervision of custodial and maintenance functions
Contracting driver's education
Contract nursing services
Contract food service operations
Tax collection
Pilot outsourcing of custodial/maintenance services in one building
Substitute calling services
Educational consultants rather than permanent staff
Snow removal services

Copying

Reduce information copies
Reduce public copies for board meetings
One copy per family where multiple children
Duplex copying
Contracted full service copying, with courier
Centralized copying
Online forms
Document sharing
Reduce duplicate file keeping
Online high school course selection
Records retention schedule
Online job applications
Reduce unnecessary approvals required on forms
Electronic document archiving
Document control to avoid confusion on most current version
Review necessity of multiple part forms
Review necessity of reports
Review necessity of informational copies
Custodial

Workload analysis-custodians
Overtime-custodial
District staff rather than contractors for carpet cleaning
Develop performance standards for custodial/maintenance and transportation staff
Reallocate excess custodial positions
Formal qualitative inspections of custodial work
Hire custodial supervisor
Schedule custodial coverage to allow evening and weekend coverage
Use custodial teams for cleaning in the evening and summer

Debt Service

Refinance debt
Minimize fees paid for bond issues-True Interest Cost comparisons
Finance construction with long-term note rather than bonds with higher costs of issuance
Variable rate debt-percentage of the portfolio
Arbitrage rebate liability calculation methodologies

Donations—Educational Foundations

Solicit equipment donations
Establish "Adopt a School" program for business
Alumni donations
Musical instruments
Publish wish list to solicit community donations
Corporate sponsorship of field trips

Energy

Energy performance contract
Green school construction
Lighting replacement
Limit electrical demand component of electrical bills
Interruptible natural gas rates
Guaranteed energy savings program
Energy purchasing consortium
Electric rates negotiated per electric deregulation potential
Monitor fuel purchases for district vehicles
Fuel district vehicles at low bid fuel stations if cheaper than district tank
Solicit competitive electricity rates
Upgrade lighting fixtures
Energy savings shared with schools (40% of savings)
Temperature setbacks—30 minutes before/after school
Energy management system—daily monitoring of use
Schools compete for maximum energy savings
Energy audits
Thermostats locked at 68 degrees for heat, 78 degrees for air conditioning
Work four 10 hour days in summer, shutdown air conditioning
Use regular gasoline for district vehicles
Tanker load purchasing of district gasoline
Turn off outside lighting at night
Install cogeneration systems
Reduce fresh air ventilation after school hours
Consolidate evening programs into fewer nights
Consolidate evening and weekend programs into several schools
Close schools completely during Christmas vacation and January
Extend Christmas vacation one week
Start school later in winter—after 10 a.m.
Increase energy awareness
Fire art kilns at times other than peak demand periods with full loads
Preheat ovens for minimal time necessary
Separate lighting circuits to take advantage of natural light
Custodians light and heat only working areas after hours
Replace incandescent lights with fluorescent lights
Reduce corridor lighting
Install hot water heaters near use
Preventative maintenance to prolong equipment life
Repair leaking hot water faucets
Check refrigerator and freezer gaskets
Collect all direct costs when outside groups use schools
Storm windows
Time bidding for best seasonal pricing-energy
Turn off lights campaign
Cogeneration of power
Electrical demand limiting by load shedding controls
Electrical demand limiting by employee training
Timers for lighting, fans, motors, etc.
Duty cycling
Motion sensors control lights

**Equipment**

Establish repair limits for equipment (percentage of replacement cost)
Cooperative use of equipment by departments—photography, darkroom
Utilize life cycle costing for capital purchases
Labor saving office equipment—folders, stuffers, money counting, etc.

**Facilities**

Analyze facility utilization
Preventative maintenance program, computerized
Work order request system, full implementation of job costing
Lease property for central administrative staff
Lease excess space in schools to social service agencies
Discontinue lease of unnecessary warehouse space
Evaluate retaining ownership of excess property
Renting unneeded schools to compatible uses
Joint occupancy of schools and evening/weekend community use
Sell unneeded schools/property
Long-range master plan for district facilities
Accurate enrollment projections, by building, by program
Design buildings with efficient ratio of gross to net square footage
Voluntary land development contributions
Upzone school property for future resale
Sell air rights above schools
Hire employees to mass produce temporary/relocatable classrooms
Maintain educational specifications to guide all improvements
Architect selection based on design efficiency
Time bidding for best seasonal pricing-construction
Design buildings for modular building components construction
Fast track construction to minimize overhead
Life cycle costing of building fixtures, finishes
Sell district vehicles, including maintenance van, reimburse mileage
Establish cleaning/maintenance standards
Reassign non-maintenance duties from maintenance staff to others
Invest in labor saving maintenance/custodial tools
Train district staff to service HVAC equipment
Cellular tower rental on building properties
Run split sessions if temporary bubble in enrollments
Hire furniture specification services rather than architect's % fee
Review facilities costs with PASBO Facilities Benchmarking Study
Recycle to reduce waste disposal costs
Maximize school construction reimbursement
Waive building permit fees for school construction
Issue keys to minimal number of staff, recall at end of year
District staff rather than contractors for painting
Automated preventative maintenance
Train maintenance staff to service HVAC equipment
Maintenance manual specifying maintenance procedures for each building
Compare painting costs of contracted services vs. district employees
Decentralized dispatching of maintenance and technology staff
Share maintenance equipment-scrubbers, vacuums, etc.
Match real estate holdings with projected enrollments
Sell unnecessary district property to private, taxing uses
Develop a comprehensive facilities master plan

Finance

Utilize procurement cards
Ensure all vendor payments are net of sales tax
Ensure all vendor payments are made timely to avoid late payment charges
Daily deposit of cash receipts in all funds
Payment discounts
Consolidate checking accounts to maximize investment earnings
Establish fiscal impact analysis procedures for all proposed programs
Evaluate leasing of computers and technology equipment
Food Service

Participate in the National School Lunch Program
Universal feeding program-statistical sampling rather than parents completing F&R applications
Contract food service
Centralize food preparation in a central kitchen
Warehouse USDA commodities
Increase lunch prices
Require competitive bidding of all food supplies
Combine food service and home economics bids for food
Maximize food service contribution to overhead expenses
Promote Free and Reduced Lunch applications

Instruction

Share vocational education
Interlibrary loan program
Interschool loan of instructional resources
Contract physical education
Align pre-school, child care, mental/social services with district programs
Share electronic courseware through consortium
Early intervention programs to reduce costs over long term
Film, media sharing between districts
Drop classes within classifications
Annual Share Fair of teacher supplies-spring cleaning and exchange
Clustering early childhood into centers
Eliminate on-the-road portion of drivers education
Charter high school countywide for alternative education services now covered by out-of-district ES placements

Intergovernmental Cooperation

Municipal government mows some lawns
Coordinate youth services/programs
Share warehousing services with local government
Share field mowing with local recreation department
Library services

Intermediate Unit Services

Film purchases
Production of educational services
Media services
Audiovisual equipment repair
Management information systems
Act 48 Software
Online Advanced Placement test review tools
Standardized Test Scoring
Resource room for creation of classroom instructional materials
Repair of AV, computer, and science equipment
Wide area network services
Technology consultation
Video services-TV studios, video production, videoconferencing
Employee health care cooperative
Life insurance consortium
Property insurance pool
Workers compensation insurance pool  
Computer consortium  
Instructional materials services  
Public relations services  
Joint purchasing consortium  
Online contract service  
Recruiting consortium  
Staff development services  
Special education services  
Special education transportation  
Intranet  
Budget presentations  
Orientation of new employees process

**Legal**

Reduce settlements, legal issues due to special education noncompliance  
Monitor district solicitors assignments and renegotiate billing rate  
Revise compensation package for the solicitor  
Legal specialists, special education  
Cost/benefit analysis methodology-legal settlements

**Other**

Enforce warrantee repairs  
Performance measurement system, central support services  
Reduce contribution to municipal recreation commission, phase down  
Loaned executives  
Section 8 housing-spread throughout county, avoid concentration in urban area  
Increase education foundation activity  
Share staff expertise between districts  
Shared public relations services  
Offer surplus equipment to other schools within district/region  
Enforce warrantee repairs, requires procedure and good filing system  
Require car pooling when traveling on official business  
Employee suggestion award program  
Establish periodic program analysis procedures for all existing programs  
Explore partnerships  
Partnership-increased library services at decreased cost  
Merge school and community libraries  
Establish Instructional Technology Foundation  
Complaint management process  
Implement formal quality management system  
Implement internal audit program  
Implement corrective action process for entire district  
Alternatives to paper worksheets-blackboards, slates, laminated sheets  
Utilize PASBO Business Office Review Service  
Health clinics in schools-hospital supported, sliding scale fees, maximize insurance/Medicaid reimbursement  
Local hospitals provide in-kind services for pupil health services  
Corporate support of grant applications  
Hire grant writer  
Redesign student services/guidance program  
Increase deductible for property insurance
**Personnel Administration**

Maintain current job descriptions
Performance evaluation plans for administrative and support staff
Balance workload of clerical staff
Analyze seasonal workloads of clerical staff
Analyze seasonal workloads of grounds keeping staff
Merge similar clerical duties
Eliminate unnecessary clerical tasks
Update job descriptions
Establish goals/objectives for each position
Establish employee incentive programs
Mandatory direct deposit, grandfather existing employees
Increase computer automation of payroll process
Perform payroll functions in-house

**Postage**

Reduce express mail
Email attachments to reduce postage
Use bulk rate whenever possible
Redeem mistakes in metering for a credit up to 90%
Reduce mailing of report cards, failure notices, newsletters, etc.
Coordinate mailings in August
Reduce incoming junk mail

**Revenue**

Development office
Medicaid reimbursement
Sell logo merchandise
Food service retained earnings comparison, subsidy comparison
Maximize eRate
Exclusive beverage contracts
Commercial sponsorships
Community donation of services
Reimbursement for extraordinary expenses in special education
Naming rights to stadiums, buildings, etc.
Community donation of funds
IU Medicaid reimbursement distributed by eligibility proportion
Tax lien recovery service (bundle/sell tax liens)
Corporate funding/adoption of instruction programs
Tax exempt properties due to county seat-seek some reimbursement
Apply for liquid fuels tax refunds
Large district contracts with small district to provide complete food service program
Sell instructional services to nonpublic schools
Market building use
Market sports facilities for regional competitions
Sell advertising at stadium
Market professional center
Sale of surplus equipment-board established prices
Rent technology labs for training programs for local business
Pursue endowment of selected programs
Organize/run conferences on topics of district expertise
Vending machine profits to General Fund
Establish user fees for all extracurricular activities, scholarships for needy
Building rental at market rates, offset all expenses
Athletic fees
AP test fees
Instructional supplies-course fees, textbooks, supplies
Increase lunch prices, students
Increase lunch prices, adults
Increase adult education fees
Driver’s education fees
Collect lost, damaged or stolen book fees
User Fees
Sell mailing lists
Sell advertising rights in publications
Pay to play, with scholarships for needy

Salaries and Staffing

Reduce overtime
Reduce substitute teachers
Non-teaching duty coverage by non-instructional staff
Delegate duties to lowest skill level, analyze by process costing
Flexible job descriptions allow balancing of variable workloads
Performance compensation, administrative staff
Annual performance evaluations for support staff
Phase out administrative base salary increases with performance increases
All teachers hired at entry level salary
Teachers paid for extra teaching load, savings in benefits
Hire long-term substitutes
Revise contract-paying secondary teachers for class coverage
Establish limits on sabbaticals
Use stipends rather than hourly pay for certain duties
Use psychological interns
Overtime-implement strict approval criteria
Aides/assistants for nonteaching duties(hall, recordkeeping, lunchroom, etc.)
Staffing based on mid-year rather than first of year enrollment
Low enrollment classes offered every other semester/year
Combine fourth and fifth year foreign language classes
Differentiated staffing
Administrators serve as substitutes 3 days per year
Hiring permanent substitutes
Enrichment program of community speakers rather than substitutes
Combine grade levels to balance class size in small schools
Job sharing/partnership teaching
Retirees return as part-time teachers
Staffing ratios-instructional
Caseload analysis-specialists, psychiatrists, speech therapists, nurses, etc.
Reduce professional turnover
Review staff utilization
Set minimum class size cutoff
Nurses at state regulation, 1 per 1,500 students
Utilize home/school liaisons for various services
Increase student/teacher ratio by one for all programs
Staff study halls with support personnel rather than teachers
Eliminate custodial coverage when a coach is present
Develop intern program
Increase teacher classroom assignments to 35 periods/wk
Realignment attendance boundaries annually to balance class size
Perform time studies of non-instructional positions
Review custodial staffing ratios
Enrichment program of community speakers rather than substitutes
Unlimited sick leave reduces utilization by 20%

**Special Education**

Transfer operation of special education classes from IU to district
Avoid out-of-district placements for special education
IEP software
Strengthen IST process
Improve paperwork for special education
Focus on prevention/support at elementary level
Closer monitoring of high cost IEP provisions-transportation, bus assistants
Software that tracks compliance and facilitates paperwork
Monitor out-of-district placements, set performance standards
Identify common high cost exceptionalities, offer joint service rather than high
cost out-of-district placements
Financial analysis of benefits of early intervention

**Tax Collection**

Collect taxes with district staff
Match district census with earned income tax data
Reduce compensation rate for real estate tax collection
Eliminate 2% commission to employers for Earned Income Tax
Automated lock box for tax collections
Property tax break for retired volunteers
Assessment appeals-cost benefit analysis, decision making methods
TIFs, LERTA-approval methodology
Public advocate on assessment appeals

**Technology**

Technology support by interns, student teams
Centralized administration, deployment of software and network
Data dictionary
Application Service Provider (ASP)
Computer file sharing
Computer hardware standards to reduce maintenance cost
Computer software standards to reduce maintenance cost
Fully automate the attendance and truancy processes
Use wireless computer system instead of modem connections
Shared administrative computing
Score standardized tests through district technology rather than vendor
Purchase integrated software to avoid duplication of databases
Install computer network cables with district staff
Computer system disaster recovery plan
Use thin client computers
Reduce incoming junk email (spam)
Automated dialer for parent notification, integrated with student software
Automated attendant
Reduce duplicate communication methods-desk phone, cell phone, pager, voicemail,
2 way radio, walkie-talkie, email, etc.
Bid long distance telephone service
Bid cellular telephone service
Reduce personal long distance calls
Evaluate the necessity of some telephones
Restrict outgoing calls on select phones
Voice Over IP

Textbooks
Textbook inventory system to track distribution and collect lost book fees
Adopt new textbooks less frequently

Training
Online professional development
Cross-train business office personnel
Develop an in-house training program for all staff
Establish a training program for school board members
Policy manuals for finance, facilities, personnel, purchasing, transportation
Provide comprehensive training for non-instructional staff

Transportation
Coordinate nonpublic transportation with neighboring districts
Purchase tax exempt fuel for contractors to reduce contract
Coordinate school calendars with other districts
Bus drivers reclassified from full-to part-time employees
Bus routing optimization by computer program
Increase reimbursement by DOT declaration of hazardous bus routes
Utilize public transportation to transport high school students
Bid transportation contracts
Utilize three tier system for transporting high school, middle school and elementary school
Negotiate lower special education transportation rates through IU
Compare transportation costs with maximum allowable cost
Consolidate transportation contracts through bidding
Use district rather than coach busses for away sporting events
Revise bus schedules to accommodate school breakfast program
Use best available mapping and addressing data for computerized bus routing
Restructure bus routes to maximize efficiency and minimize costs
Bid special education transportation, route by route
Coordinate special education transportation with regular
Widen transportation windows
Increase distance for transportation eligibility
Reduce afternoon high school runs based on fewer students than morning runs
Optimize bus routes through annual rerun of computer model
Rebid transportation contracts periodically
Transportation contracts paid at state formula
Establish policy limiting changes to bus schedules
Use parent volunteers and bus drivers instead of bus monitors
Coordinate non-public transportation with other districts
Eliminate non-public when their calendar conflicts with districts
Eliminate activity runs
Analyze district vs. contracted operated costs on route by route basis
Bus replacement provision based on mileage, not age
Travel

Coordinate conference attendance
Online meetings
Reduce travel, conference attendance

Vandalism

Improve recordkeeping, analyze to identify patterns and develop solutions
Mobilize residents near schools for school watch
Anti-vandalism incentive to reward schools
Etch identification number into all movable equipment
Paint movable equipment a distinguishable color
Electronic surveillance of frequently vandalized areas

Volunteers

Use student support/parent involvement coordinator
Encourage community volunteers
Foster grandparents supplement special education
Volunteer coordination to match district needs with skills
Retirees as volunteers