# Expenditure Reduction Plan
## *Phase 1 Reductions*

April 15, 2024

EVANSTON/SKOKIE
SCHOOL DISTRICT 65

Every Child, Every Day, Whatever it Takes

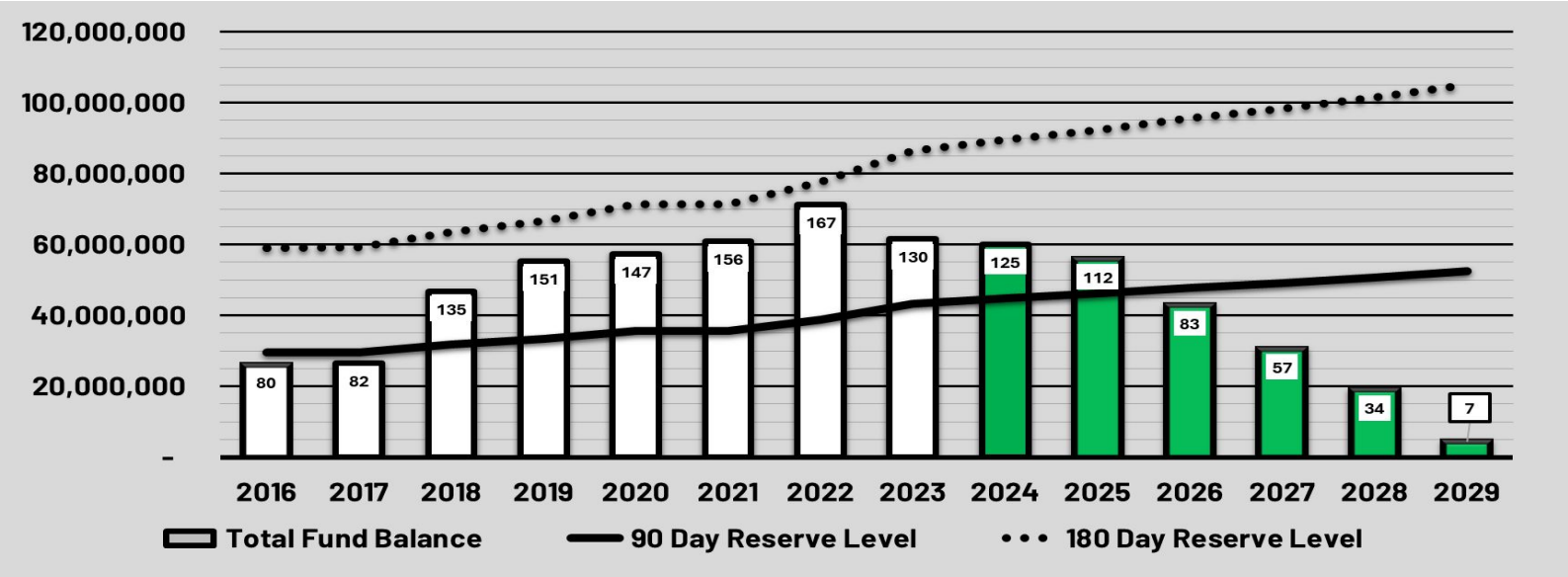
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# Revisiting the Need for Budget Reductions

# Projected End of Fiscal Year Fund Balances

**ASSUMES NO BUDGET REDUCTIONS**

**Without the proposed budget reductions, D65 is projected to incur a deficit of $4,280,000 in FY25.**
Without taking action to balance the budget, fund balance reserves are projected to rapidly deplete.




Figures in white boxes represent days of cash on hand. Solid black line represents fund balance policy 4:22 (90 days reserve). Dotted line represents minimum level required by ISBE to receive highest financial rating (180 days reserve).

# According to the 2022 Master Facility Plan, D65 buildings have $188 million in capital needs.

After FY24, budget projections allocate only $1 million per year towards building repairs and improvements.

# 2021-2030 Deficiency Needs Per Building

**FROM 2022 MASTER FACILITIES PLAN**

| Building | Total Deficiency Needs | Building | Total Deficiency Needs |
|---|---|---|---|
| Chute | $17,464,000 | Kingsley | $10,524,000 |
| Haven | $18,993,000 | Lincoln | $10,851,000 |
| Nichols | $13,135,000 | Lincolnwood | $9,893,000 |
| King Arts | $15,151,000 | Oakton | $13,985,000 |
| Bessie Rhodes | $9,552,000 | Orrington | $7,864,000 |
| Park | $6,950,000 | Walker | $8,961,000 |
| JEH | $3,405,000 | Washington | $13,530,000 |
| Dawes | $9,639,000 | Willard | $9,006,000 |
| Dewey | $9,870,000 | Total >>>>>>>>> | **$188,773,000** |

After FY24, the projections allocate only $1 million per year towards building repairs and improvements.

# Objective Phase 1 Expenditure Reductions

Identify $5 million - $6 million in budget reductions [(1)] effective for the 2024-2025 school year as the first phase of the plan to stabilize the District's long-term financial condition.

Reductions will be made in three primary categories:

- "Right sizing" staffing levels across departments to better match current student enrollment.
- Creating operational efficiencies by reimagining certain non-teaching staff roles/ responsibilities.
- Slowing the growth rate of non-personnel expenditures across departments.

Phase I expenditure reductions are designed to maintain contractual class size guidelines.

[(1)] *Budget reductions are defined as expenditures that existed in FY24 Budget and will not be included in FY25 Budget*

# Phase 1 SY25 Reductions
## PERSONNEL

**All personnel-related reduction decisions have already been made for the 2024-2025 school year and impacted staff members have been notified.**

# SY25 Position Reductions

| Area of Operations | Position Reductions | Position Additions | Net FTE Reduction | Estimated Savings |
|---|---|---|---|---|
| Total Administration | -12 | +2 | -10 | $1,500,000* |
| Other Central Office | -18 | +9 | -9 | $900,000* |
| Teachers and School-Level Staff | -21 | 0 | -21 | $2,700,000* |
| **Total** | **-51** | **+11** | **-40** | **$5,100,000** |

**includes salaries and benefits*

**In order to achieve budgetary targets, personnel reductions were primarily made through attrition, retirements, and the closing of vacant positions.**

School-level reductions are reflective of declining student enrollment and continue to keep class sizes within district guidelines.

Note: FTE is the acronym for full-time equivalent position.

# Detail of Admin/Central Office Position Closures (non-union)

## Administrators

Assessment Manager*

Asst. Dir. of Culture and Climate*

Assistant Principal*

Chief of Human Resources *(vacant)*

Director of CREATE 65*

Director of IES *(vacant)*

Director of Principal Support & Strategy*

Director of Professional Learning*

Director of SARR *(vacant)*

Director of Technology

Professional Learning Manager

Talent Development Coordinator

## Central Office

Bilingual Support Specialist *(vacant)*

Claims Analyst *(vacant)*

Compliance Coordinator

Concierge *(vacant)*

Student Engagement Coordinator

Cyber Security Engineer *(vacant)*

HR Generalist *(vacant)*

Instructional Tech. & Media Facilitator

SIS Manager

Specialist Family/Community Partnerships

Sustainability Coordinator

**TOTAL POSITION CLOSURES: 23**

While all team members play an important role in student learning and smooth operations, there was an intentional focus on reducing administration/central office staff. Over the past several years, staff increased in an effort to enhance student programming and support to meet post-pandemic learning and social emotional needs.

**certified per Employment Information System (EIS) report*

# Detail of Position Closures

## Other Central Office Staff *(union - DEC, DESC, ECMA)*

General Maintenance (ECMA) *(vacant)*

Plumber (ECMA)

Early Childhood Fee Specialist (DESC)

Fee Specialist (DESC) *(vacant)*

Admin Assistant (DESC)

Technology Specialist (DESC)

Science Content Facilitator (DEC) *(vacant)*

**TOTAL POSITION CLOSURES: 7**

# Detail of Proposed Position Additions (reimagined roles)

## Administration/Central Office Staff

| Position Addition |
| --- |
| + Chief Academic Officer |
| + Director of Human Relations |
| + Enrichment Coordinator |
| + Instructional Leadership Supervisor |
| + Sustainability & Science Education Coordinator |
| + Climate & Culture Manager |
| + Student Assessment & Data Analyst |
| + Instructional Technology Lead |
| + Student Systems & Compliance Analyst |
| + Financial Services Collections Lead |
| + Training and Development Coordinator |

A primary goal in restructuring is creating efficiencies by combining responsibilities and building systems for increased productivity aligned to strategic goals and priorities.

Newly created positions will absorb responsibilities from position closures to ensure continuity of important work.

# Teacher and Other School Level Personnel Reductions

| Position Eliminated | Net FTE Reduction |
|---|---|
| Elementary Teachers | 11.0 |
| Middle School Teachers | 4.0 |
| Fine Arts, PE, & Library Teachers | 4.5 |
| Early Childhood Admin Assistant | 0.6 |
| Interventionist | 1.0 |
| **Total** | **21.1** |

School level reductions were largely made through retirement and as a result of declining student enrollment.

Average class sizes will remain within district guidelines.

Estimated reductions are designed to maintain class size guidelines and are based on current student enrollment figures.

Staffing will continue to be based on changes to student enrollment and ensuring learning needs can be met.

# Phase 1 SY25 Reductions
## NON-PERSONNEL

# Phase I Total Estimated Non-Personnel Reductions

| Description of Reduction | Savings |
|---|---|
| Pause on CREATE 65 Residency Program (non-personnel related costs) | $130,000 |
| Technology Lease Payments | $600,000 |
| Estimated Savings from Grant Efficiencies | $400,000 |
| Estimated Savings from Transportation Efficiencies | $250,000 |
| Freeze on Non-Essential Purchased Services and Supplies | $890,000 |
| **Total** | **$2,270,000** |

# Summary and Next Steps

# Estimated Total Budget Reductions

| Description | Savings |
|---|---|
| Impacted Personnel: Overall Compensation Reductions | $5,100,000 |
| Non-Personnel: Other Expense Reductions | $2,270,000 |
| **Total Estimated Budget Reductions** | **$7,370,000** |

# Next Steps: 2025-2026 School Year and Beyond

- Continue to assess all areas of operations and position responsibilities with a focus on equity and maximizing return on investment
    - Considerations for class sizes (within district guidelines) that are reflective of changes to student enrollment
- Develop a plan to “right size” the number of facilities used by D65 to better achieve optimal capacity utilization
    - Make decisions prior to investing significant funds to repair facilities that may close over the next few years.
    - Make decisions in concert with the student allocation decisions of the new Fifth Ward School
- Continue to closely monitor District’s long-term financial picture.
- Immediately begin planning for Phase II operational reductions to be enacted as early as the 2025-26 school year. The level of future reductions will be predicated on updated long-term financial projections.

# Questions?