

**BOARD OF EDUCATION**  
**The School District of South Orange and Maplewood**  
**525 Academy Street, Maplewood, NJ 07040**

December 17, 2011

TO:           Members, Board of Education  
              Members, Board of School Estimate  
              Brian Osborne, Superintendent

FROM:       Cheryl Schneider, Business Administrator  
              Adam Voehl, Assistant Business Administrator  
              Paul Roth, Chief Information Officer  
              James Memoli, Assistant Superintendent, Admin. & Human Resources

SUBJECT:    2012-13 SCHOOL BUDGET DEVELOPMENT – ANALYSIS

The development of the 2012-13 school budget is again focused on allocating resources to student achievement to the extent possible consistent with the district goals first adopted by the Board of Education on September 15, 2008 and updated and readopted on September 19, 2011. Specifically, Board Goal Four: Resource Management (Objective A) calls for the development of:

“A transparent, efficient budget that aligns with and supports the attainment of district goals and that reins in spending on budget categories that are rising at a faster rate than the cost of living.”

The district’s General Fund (operating) budget is funded primarily from two sources: local taxes (94%), state aid (5%). Appropriated surplus and miscellaneous revenue make up about 1% of total revenue. Trenton has not yet provided any guidelines for budget development. The state provided additional state aid of \$1,060,789, in July 2011 to be used either in the current year or to carry forward to future years. The Board approved the allocation of \$627,200 for 2011-12, leaving \$433,589 available for the 2012-13 school year. It is unknown what impact the additional state aid may have on the total state aid available for the 2012-13 budget.

Given the expectation that the amount of resources available will be limited, and recognizing that the local taxpayers are financially stressed, the budget development process includes an analysis of the major categories of expenditures to determine if the resources are effectively and efficiently allocated and to identify trends in the rate of growth of expenditures. The goal is to identify opportunities that may result in the ability to redirect resources to new initiatives intended to impact student achievement.

Specific topic areas were identified by the Finance Committee, with input from the Board of School Estimate, to review when developing the 2012-13 school district budget. The topic areas include the following:

1. *Montrose (building usage and programming for overage, under-credited students)*
2. *Special Education*
3. *Transportation*
4. *Athletics and extracurricular activities costs and fees*
5. *Facilities and maintenance costs*
6. *Technology*
7. *Solar and energy conservation*
8. *Class size K-12 and CHS Scheduling*
9. *Grants*
10. *Historical budget cuts*

### **MONTROSE SCHOOL**

The Alternative Program at Montrose is designed for students who are at risk of dropping out of high school because of their lack of success in a traditional high school setting such as Columbia High School. The reasons for their lack of success include academic, attendance, social, emotional, and behavior problems. Many of these behaviors stem from personal issues which impact on the students' educational progress. The Alternative Program is not punitive nor is it a program for students with severe behavioral problems. It is flexible and individualized so that students have a realistic chance to attain their high school diploma in a reasonable amount of time. The Columbia High School administration is currently working on a proposal to offer these students a comparable program at Columbia High School. This proposal will be shared over the next few months. The expectations are that the proposal will be cost-neutral to the 2012-13 budget.

Relocating the Alternative Program students back to the Columbia High School campus will vacate the Montrose facility, which presently has five instructional rooms and three administrative rooms. The administrative spaces are used for the supervisor's office, the secretary's office, and the guidance suite (which is used by a guidance counselor, child study team, social worker and transition counselor).

The Montrose School building has undergone extensive repairs to the building envelope as part of the District's capital projects plan. All of the windows have been replaced as well as all of the corroded steel lintels over many of the windows. The front masonry roof parapet has been replaced and sealed for protection against the elements and further deterioration. The top six feet of the chimney was reconstructed to its original masonry design. All of these improvements have rendered the exterior of the building sound and secure for many decades to come. Additional new interior elements and Architectural finishes, such as painting, corridor ceiling tiles and door hardware were also upgraded. No work has been done to the Second (top) Floor interior and therefore the entire second

floor remains unusable and in total need of upgrade and restoration. Substantial work is required if the District desired to bring the entire building up to code.

A code compliant building will afford the school district options for the eventual use of the building as a viable addition to the district's future educational curriculum and programs, a specialized educational building, a leasable piece of property, or a marketable real estate property for sale. Montrose School could be sold or rented, thus bringing additional revenue to the district. Sale of the Montrose building is a one-time savings in a depressed market, at a time when the district is facing increasing enrollments and space constraints. The elementary schools are currently at capacity and the secondary schools are expected to need additional classroom space to meet future enrollments. Rental of the building will require a significant capital outlay to bring the entire building up to code.

A feasibility study was done to determine the cost of bringing the building up to code. This renovation would involve a new roof, updates to existing bathrooms, updates to existing classrooms including complete renovation to the second floor, the installation of an elevator and other ADA accessibility accommodations. The cost estimates to make the full building code compliant is approximate \$1,830,000. This option utilizes the configuration of the classrooms as it currently exists. As a result of this upgrade there will be 10-11 classrooms available.

Alternate configurations have also been studied based on multiple proposals being explored for the use of the space.

1. Pre-School Facility – In 2008, a facilities study was done to explore the feasibility of using the Montrose School as an early learning center. A preschool facility involves stricter building guidelines and would need to meet the unique requirements of children this age, including nap areas, food distribution areas, sufficient and well-designed spaces for learning and play as well as code compliant toilet rooms. As per code, preschool classrooms each require an individual toilet room. Each classroom is also required to have a sink and a drinking fountain within the classroom space. This plan proposes nine new toilet rooms servicing nine classrooms. This option is estimated to cost approximately \$2,125,000.
2. Alternative to the Pre-School Facility – although investigation into an alternative to this option has not been fully completed, consideration is being given to converting this model of servicing a specialized population to one that serves as a special education programming center, perhaps an autistic program site. The district has been adding additional special education programming to allow for students with special needs to be educated in district rather than at an out of district placement. However, with space constraints, there is no room left to continue to expand in district special education programming. By converting Montrose to a special education center, more students can be educated in district, reducing out of district tuition costs, reducing transportation costs, and creating a

revenue source by allowing other district's to send students on a tuition basis. The costs for this option are being finalized but are estimated to be similar to the pre-school option at \$2,125,000.

3. Technology School – Based on past Board discussions regarding the use of technology in education, a feasibility study was done to convert Montrose into a “Technology School.” The Technology School as considered in this alternative building use would include spaces such as Technology Labs, Computer Labs, Photography/Video Rooms, Digital Graphics Classrooms, Recording Studios, a high-tech Auditorium/Stage area, along with all other storage and support spaces. With this option, the basement level classroom would be converted into a Digital Recording Studio. Three of the existing classrooms on the first floor would be converted into two large technology labs and the remaining two classrooms on this floor would be converted to a Photography/Video Room and a Computer Lab. The Second Floor Classrooms would also be combined to create two large Technology labs. The Auditorium and Stage would be upgraded to allow for high-tech presentations and performances, theatrical lighting technology, as well as for traditional assembly/large group lectures. This option has an estimated cost of approximately \$2,140,000.
4. Music and Arts Building – South Orange and Maplewood have always prided themselves on the strong arts programming in the communities and the school district. In exploring the concept of subject-based programming, a feasibility study was done using music and arts as an example. The Music and Arts Building would include Band/Orchestra Practice Room(s), Small Music Practice Studios, a Recording Studio, Art Studios, a Ceramics Classroom, and a high-tech Auditorium/Stage, along with all other storage and support spaces. With this option, the basement level classroom would be converted into a Digital Recording Studio. Three of the existing classrooms on the first floor would be converted into one large Band/Orchestra Practice Room that can be divided into two or three spaces utilizing folding partitions for smaller learning spaces. The remaining two classrooms on this floor would be converted to practice studios. The Second Floor Classrooms would also be combined to create one large Art Studio which could be divided into two or three smaller learning spaces using folding partitions and a separate classroom for ceramics. The Auditorium and Stage would be upgraded to allow for high-tech Auditorium/ Lighting/Projection Classroom/Performance Room intended to be both a teaching room for theater production and a performance space. This option is the most expensive with an estimated cost of approximately \$2,155,000.

These options were created for cost estimates to be used in various proposal discussions, as was the case with the pre-school study plans explored as the basis for a special education center. Other options raised have included a centralized support center for both the staff and for the community that would house a centralized copy center, data center, technology center, parenting center and would be a location to allow for professional

development and parent programming both in the technology center and in the auditorium. Costs for this option have not been determined.

What has become evident is with growing enrollments and educational initiatives, that the Montrose School site can be put to good use. As part of the upcoming capital plans, it is suggested that the Board seek funding to allow for renovations of the Montrose building during the 2012-13 school year to allow for programming to begin at the location for the 2013-14 school year. The costs to the operations budget for the building during the 2012-13 school year will depend on the programming decision. A project manager may be necessary to plan the program and to see that the program is ready for a September 2013 implementation.

### **SPECIAL EDUCATION**

The District Management Council was hired to perform an opportunities review of the district's special education program. The review of the operation and implementation of Special Services in the district has been ongoing since the end of last year with District Management Council staff collecting data and interviewing families and staff through surveys and personal interviews. A "Day of Sharing" took place in November where preliminary findings were shared with various district groups. These meetings allowed for additional staff feedback to further inform the review. The findings were revised based on this feedback and an all day retreat took place in December with district administrators to begin to develop ideas based on the Special Education Opportunities Review.

The District Management Council's final report is due to be presented to the Board at the regular meeting in January.

### **TRANSPORTATION**

The transportation program is an integral part of the South Orange Maplewood School District. It is a non-academic program that represents a significant portion of the District's budgeted expenditures. Past budget analyses have reviewed the entire transportation program and identified efficiencies which were incorporated into the current program. Current routes continue to be analyzed to determine if further efficiencies may be available. It should be noted, that as we try to more efficiently utilize the buses, scheduling becomes tighter. In the case of inclement weather or other unforeseen circumstances, there would be less flexibility for response.

Out of district transportation is coordinated through cooperative transportation programs by the Sussex Cooperative, the Essex Regional Education Services Commission and the Morris Union Jointure Commission. These coordinated efforts enable us to lower these transportation services by sharing routes with neighboring districts.

Other efficiencies have been gained through maximizing student assignments to buses and two years ago alternate bell schedules were introduced at the elementary schools to allow for bus drivers to service multiple routes. This alteration of bell schedules successfully allowed the district to save approximately \$100,000 a year in transportation costs while continue to offer the same services to students.

Another area reviewed annually is the value in providing transportation services through district employees versus contracting for services. Traditionally the costs are similar between the two options. There are both pros and cons to serving students with district-owned buses versus contracted routes.

#### District Operated:

##### PROS

- Control of vehicles, staff and routes
- Flexibility (routing and scheduling)
- Staff loyalty
- Driver Consistency
- Ease of Communication with drivers
- Avoid risk of inflated prices for bids
- Implementation of procedures/standards

##### CONS

- Vehicle Maintenance & Liability
- Staffing responsibilities
- Capital investment in bus fleet
- Secured space for parking
- Administrative responsibilities

#### Contracted Services:

##### PROS

- Staffing is contractor's responsibility
- Limit increase in cost to CPI for renewals
- Reduced capital investment
- Reduced administration involvement
- Less maintenance responsibility
- Reduced land and facility needs
- Risk lack of providers
- Less liability and maintenance

##### CONS

- Limited competition
- Diminished enforcement of student discipline guidelines
- Reduced ability to communicate with drivers
- Vehicle no-shows
- Risk of inflated prices for bids

#### Mandated: Transportation of Remote Students

Board policy provides transportation to and from school for public and nonpublic school pupils in grades K through 8 who live more than two (2) miles from the school they attend and in grades 9 through 12 who live more than two and a half (2.5) miles from the school they attend, as determined in NJAC 6A:27-1 et. seq. Approximately 350 in-district students are transported based on these criteria.

The District also provides transportation for some students residing less than the distance mandated by statute (labeled "non-remote" by NJDOE). If the District assigns a student to attend a school outside his or her home area and the school is more than one (1) mile from the

student's home, the student is eligible for transportation provided by the District (Board Policy 8600). The District makes such assignments to maintain the pairing of Jefferson and Marshall Elementary Schools and to provide a service or program only offered at a specific school, including but not limited to the ESL program and the Demonstration program at Seth Boyden.

The Superintendent may grant courtesy transportation to non-remote students requesting to walk to an existing remote bus stop near their home if there are empty seats on the bus. Courtesy busing is currently offered to Columbia High School students who reside in the Newstead area of South Orange. Currently there are 4 students who require transportation from this area (live more than 2.5 miles from Columbia High School), and approximately 38 students who receive courtesy busing.

In addition, a shuttle bus service is provided between South Mountain and the Annex. Kindergarten and first grade students in the South Mountain area may walk to South Mountain and ride the shuttle to the Annex. Students who reside in the area of the Annex may walk to the Annex and ride the shuttle to South Mountain. Approximately 55 students take advantage of the shuttle.

Students who are required to walk along routes that have been identified as hazardous by the South Orange Village Department of Public Safety are also eligible for transportation even though they are under the state mandated distance. This involves approximately 80 students who attend South Mountain School and 30 students who attend Marshall School.

#### Non-Public School Transportation

When a school district is required to provide remote busing to public school students, it is also required to provide remote busing to certain nonpublic school students. A school district may decide to pay the parents of these nonpublic school students an amount of money (established by the state) in lieu of busing. The established rate for the 2011-12 is \$884. If the cost of providing transportation exceeds this amount, aid in lieu of transportation reimbursement is provided to the student. Approximately 12% of the overall transportation costs are attributable to aid in lieu/nonpublic transportation. Efforts have been made, as required by law, to try to provide transportation for these students wherever possible. Routes have been added each year saving the district around \$20,000 by providing transportation rather than aid in lieu of transportation.

#### Transportation Efficiencies

As indicated above, routes are regularly analyzed to determine if further efficiencies may be available. It should be noted that with route consolidations bus stops and route schedules may change. This may impact the distance that some students need to walk to their bus stops. For example, in the case of Columbia High School courtesy busing, the district has been picking up the CHS students at various bus stops in the Newstead area even though the original intention of this courtesy busing was that students would walk to the remote bus stops servicing the high school. Time constraints that may result if this route is paired with another may make it necessary to reduce the number of bus stops offered.

### Field Trip Expense

The district currently has two to three buses available during the day for field trips depending on the timing of the trip. Although the idea of charging for field trips was a part of last year's budget discussion, schools are currently not charged for these trips. Overtime expenses for drivers to cover these trips are approximately \$100,000 per year, which includes daytime field trips as well as after school athletic trips. Additional charges incurred by providing this transportation include maintenance charges and fuel expense. If a bus is not available for a field trip, the school has the option of hiring a bus from an approved transportation provider list. Typically the expense for this outside transportation is built into the cost to the student of the field trip. It is suggested, based on procedures utilized by other districts, that field trip transportation charges be instituted for use of district buses. The expense for the district transportation would be built into the cost to the student. Charges would be based on an hourly rate to cover the cost of driver overtime plus any tolls, etc. The maximum anticipated additional expense to students would be approximately \$4 per student, based on 40 students on a bus for a full day trip (9 am to 2 pm). The anticipated revenue from charging for field trips is less than \$45,000 per year and would only offset a portion of the overtime expense as a majority of the overtime expense is for school athletics.

### Subscription Busing

State law allows a school district to provide subscription busing to defray the cost of non-remote busing. Subscription busing is a program where the district offers busing to parents at a fee to cover all or part of the costs of the non-remote busing. Parents of students qualifying for free or reduced price meals under the state school lunch program are not required to pay for the busing. If the Board were to consider a reduction in non-statutory transportation, subscription busing is one way to offer the service while increasing revenue to offset transportation expenses. However, any anticipated savings would need to be weighed against the costs of establishing and administering a billing system for the program, which are expected to be substantial.

Typical subscription busing programs charge around \$600 - \$700 dollars for a seat on the bus. These are usually offered on a first come first serve basis offering only available seats on existing routes rather than adding an additional bus to service subscription busing.

Current busing that would be under consideration for subscription busing, outside of district policy, would include courtesy busing from the high school which would impact 38 students. It is likely based on other transportation needs that seats could be available for all 38 students. At a charge of \$600, assuming all students wished to continue to ride the bus, the revenue from these 38 students would be \$22,800.

The shuttle between South Mountain and the Annex could also be considered. It is likely we would charge less than \$600, probably \$100 since this is a shuttle and not going to student neighborhoods, and the revenue if all 55 students took advantage would be around \$5,500.

The only other busing outside the policy would be those students who live along hazardous routes, if the hazardous route designation was to be eliminated. This involves approximately 30 students in the Marshall area. If this route was eliminated, we would reduce the number of routes necessary to Marshall School, leaving no available seats to make available for courtesy busing. Note: This number changes from year to year and in some years seats may be available for courtesy busing, but it is not anticipated that seats would be available next year if a route was eliminated. The reduction of the route would save the district approximately \$25,000 - \$50,000 annually, depending on other transportation needs, if this hazardous route designation was removed.

The hazardous route to South Mountain impacts approximately 80 students. If this route was eliminated, we would reduce the number of routes necessary to South Mountain School and subscription seats would likely be available for up to 20 students. The maximum revenue therefore would be about \$12,000, although in this case there would be additional savings of approximately \$25,000-\$50,000 annually, depending on other transportation needs, resulting from the elimination of the route.

### **CHS ATHLETIC AND EXTRACURRICULAR ACTIVITIES**

Athletic and extracurricular activity programs are an essential part of the texture of any school. These activity programs provide students with opportunities to excel outside of the classroom, be involved in school functions, establish and develop relationships with their peers, expand their individual interests, and learn to work and succeed in a group/team environment. The extent of student involvement in activities contributes positively to school culture and is often a measure of school climate. Student activity programs support the district's interpersonal relationships and are designed to meet the following goals, including, but not limited to:

- Leadership Development
- Inclusion
- Stresses Learning
- Self-image Enhancement
- Good Health Promotion
- Ethical Behavior Reinforcement
- Pride Building
- Fosters a Safe School Environment

To succeed in reaching the greatest number of students, the programs must strike a balance for both male and female students for all grade levels among:

- Athletic
- Artistic
- Career-related and Service organizations
- Small Group and Large Group activities
- Competitive and Cooperative activities

Such a balance can only occur if students join in. A well-rounded student activity program takes time, effort and a financial commitment on behalf of the school district and the student's parents. Good student activity programs do not happen by accident. They grow out of staff, student and community creativity, commitment and sensitivity to student needs. The payoff is better behavior and better feelings within the school and the community.

### **Costs for these Benefits**

For the athletic programs, the district provides supervision in the form of coaches as well as transportation, official's fees, equipment and other related expenses. For the extracurricular activities, the district provides supervision in the form of club/activity advisors.

Supervisory stipends at CHS cost approximately \$325,000 for athletics and \$145,000 for extracurricular activity programs. At CHS, approximately 1,145 students participate in athletics at a cost of \$281 per participating student based upon the stipends paid. At CHS, approximately 1,185 students participate in extracurricular activities at a cost of \$128 per participating student based upon the stipends paid.

The approximate athletics total cost for CHS that the district incurs, including supervisory stipends, transportation, official's fees and equipment, is outlined in the chart below.

| CHS<br>Athletic<br>Programs<br>2011-<br>2012 |                     |             |               |                |                   |                 |                        |                 |                  |                        |
|----------------------------------------------|---------------------|-------------|---------------|----------------|-------------------|-----------------|------------------------|-----------------|------------------|------------------------|
|                                              | Levels              | Students    | Head<br>Coach | Asst.<br>Coach | Coach<br>Stipends | Trans-<br>port  | Officials<br>Fees etc. | Equip.          | Total<br>Cost    | Cost<br>Per<br>Student |
| Baseball                                     | BV, ABV & 9         | 50          | 1             | 2              | \$13,631          | \$7,131         | \$5,000                | \$2,500         | \$28,262         | \$565                  |
| Basketball                                   | BV, ABV & 9         | 45          | 1             | 3              | \$20,793          | \$2,992         | \$9,000                | \$2,800         | \$35,585         | \$791                  |
| Basketball                                   | GV, AGV & 9         | 45          | 1             | 3              | \$20,793          | \$1,785         | \$6,000                | \$2,800         | \$31,378         | \$697                  |
| Cheerleading                                 |                     | 15          | 1             |                | \$3,401           |                 |                        | \$1,200         | \$4,601          | \$306                  |
| Indoor Track                                 | GV                  | 50          | 1             |                | \$5,104           | \$3,800         | \$4,000                | \$1,250         | \$14,154         | \$314                  |
| Cross Country                                | BV                  | 20          | 1             |                | \$5,104           | \$1,325         | \$700                  | \$500           | \$7,629          | \$381                  |
| Cross Country                                | GV                  | 20          | 1             |                | \$5,104           | \$1,325         | \$700                  | \$500           | \$7,629          | \$381                  |
| Fencing                                      | BV                  | 40          | 1             |                | \$4,251           | \$2,100         | \$1,000                | \$1,500         | \$8,851          | \$221                  |
| Fencing                                      | GV                  | 30          | 1             |                | \$4,251           | \$2,100         | \$1,000                | \$1,500         | \$8,851          | \$295                  |
| Field hockey                                 | V, AV & 9           | 60          | 1             | 2              | \$13,631          | \$4,747         | \$4,000                | \$2,500         | \$24,878         | \$415                  |
| Football                                     | V & AV              | 110         | 1             | 6              | \$44,931          | \$618           | \$13,000               | \$2,800         | \$61,349         | \$558                  |
| Gymnastics                                   | GV                  | 15          | 1             | 1              | \$8,515           | \$1,227         | \$700                  | \$2,000         | \$12,442         | \$829                  |
| Indoor Track                                 | BV                  | 50          | 1             |                | \$5,104           | \$3,800         | \$4,000                | \$1,250         | \$14,154         | \$283                  |
| Lacrosse                                     | BV, ABV & 9         | 70          | 1             | 4              | \$22,133          | \$2,771         | \$2,500                | \$2,500         | \$29,904         | \$427                  |
| Lacrosse                                     | GV, AGV & 9         | 60          | 1             | 4              | \$22,133          | \$7,068         | \$2,500                | \$2,500         | \$34,201         | \$570                  |
| Outdoor Track                                | BV, ABV             | 70          | 1             | 1              | \$10,220          | \$5,904         | \$4,000                | \$1,250         | \$21,374         | \$305                  |
| Outdoor Track                                | GV, AGV             | 80          | 1             | 1              | \$10,220          | \$5,904         | \$4,000                | \$1,250         | \$21,374         | \$267                  |
| Soccer                                       | BV & ABV            | 50          | 1             | 3              | \$17,882          | \$4,387         | \$4,000                | \$2,500         | \$28,769         | \$575                  |
| Soccer                                       | GV, JV              | 50          | 1             | 3              | \$17,882          | \$3,699         | \$4,000                | \$2,500         | \$28,081         | \$562                  |
| Softball                                     | V, AV (2)           | 45          | 1             | 2              | \$14,471          | \$3,975         | \$5,000                | \$2,500         | \$25,946         | \$577                  |
| Swimming                                     | BV                  | 25          | 1             |                | \$5,104           | \$800           | \$700                  | \$1,500         | \$8,104          | \$324                  |
| Swimming                                     | GV                  | 25          | 1             |                | \$5,104           | \$800           | \$700                  | \$1,500         | \$8,104          | \$324                  |
| Tennis                                       | BV                  | 25          | 1             | 1              | \$8,515           | \$5,358         | \$100                  | \$750           | \$14,723         | \$589                  |
| Tennis                                       | GV                  | 30          | 1             | 1              | \$8,515           | \$4,995         | \$100                  | \$750           | \$14,360         | \$479                  |
| Volleyball                                   | V, AV               | 35          | 1             | 1              | \$9,355           | \$2,889         | \$3,000                | \$2,500         | \$17,744         | \$507                  |
| Wrestling                                    | V & AV              | 30          | 1             | 2              | \$15,701          | \$2,022         | \$4,500                | \$2,500         | \$24,723         | \$824                  |
| <b>Totals</b>                                | <b>26 Athletics</b> | <b>1145</b> | <b>26</b>     | <b>40</b>      | <b>\$321,848</b>  | <b>\$83,522</b> | <b>\$84,200</b>        | <b>\$47,600</b> | <b>\$537,170</b> | <b>\$469</b>           |

Athletic stipend costs are unchanged and projected participation has increased since last year, allowing for a net decrease in cost per student from \$482 to \$469.

The approximate extracurricular activities total cost for CHS that the district incurs, including supervisory stipends and other costs, is outlined in the chart below.

| <b>Co &amp; Extra Curricular Programs 2011-2012</b> | <b>Students</b> | <b>Support Stipends</b> | <b>Other Costs</b> | <b>Total Cost</b> | <b>Cost per Student</b> |
|-----------------------------------------------------|-----------------|-------------------------|--------------------|-------------------|-------------------------|
| Assembly                                            |                 | \$2,834                 |                    | \$2,834           |                         |
| Astronomy                                           | 20              | \$3,323                 |                    | \$3,323           | \$166                   |
| Brass Ensemble                                      | 30              | \$3,419                 |                    | \$3,419           | \$114                   |
| Channel 35                                          | 35              | \$6,533                 |                    | \$6,533           | \$187                   |
| Chess                                               | 10              | \$3,323                 | \$500              | \$3,823           | \$382                   |
| Choral                                              | 100             | \$3,323                 |                    | \$3,323           | \$33                    |
| Class Advisor- Freshman                             |                 | \$3,173                 |                    | \$3,173           |                         |
| Class Advisor- Sophomore                            |                 | \$3,938                 |                    | \$3,938           |                         |
| Class Advisor- Junior                               |                 | \$3,938                 |                    | \$3,938           |                         |
| Class Advisor- Senior                               |                 | \$4,741                 |                    | \$4,741           |                         |
| Color Guard                                         | 20              | \$3,411                 |                    | \$3,411           | \$171                   |
| Columbian Publication                               | 25              | \$3,323                 |                    | \$3,323           | \$133                   |
| FBLA                                                | 20              | \$2,834                 |                    | \$2,834           | \$142                   |
| GAIA                                                | 25              | \$3,323                 |                    | \$3,323           | \$133                   |
| Guild Script                                        | 30              | \$3,323                 |                    | \$3,323           | \$111                   |
| Jazz Ensemble                                       | 25              | \$3,323                 |                    | \$3,323           | \$133                   |
| Jr. States of America                               | 15              | \$2,834                 |                    | \$2,834           | \$189                   |
| Key Club                                            | 15              | \$2,834                 |                    | \$2,834           | \$189                   |
| Marching Band P/T                                   | 75              | \$4,966                 |                    | \$4,966           | \$66                    |
| Math Computer Lab                                   |                 | \$2,282                 |                    | \$2,282           |                         |
| Math Team                                           | 25              | \$3,323                 | \$425              | \$3,748           | \$150                   |
| MLKA                                                | 225             | \$3,323                 | \$3,000            | \$6,323           | \$28                    |
| Mock Trial                                          | 30              | \$2,834                 |                    | \$2,834           | \$94                    |
| Music Director                                      | 100             | \$6,533                 |                    | \$6,533           | \$65                    |
| Newspaper                                           | 25              | \$6,533                 |                    | \$6,533           | \$261                   |
| Orchestra                                           | 20              | \$3,323                 |                    | \$3,323           | \$166                   |
| Parnassian                                          | 30              | \$4,126                 |                    | \$4,126           | \$138                   |
| Production                                          | 30              | \$4,711                 |                    | \$4,711           | \$157                   |
| Public Announcements                                | 35              | \$2,834                 |                    | \$2,834           | \$81                    |
| Quiz Bowl                                           | 15              | \$3,323                 |                    | \$3,323           | \$222                   |
| Science Team                                        | 25              | \$3,323                 | \$1,300            | \$4,623           | \$185                   |
| Set Construction                                    | 25              | \$2,834                 |                    | \$2,834           | \$113                   |
| Set Painting                                        | 25              | \$2,834                 |                    | \$2,834           | \$113                   |
| Stage Crew Director                                 | 20              | \$5,832                 |                    | \$5,832           | \$292                   |
| Student Activities                                  | 35              | \$4,966                 |                    | \$4,966           | \$142                   |
| Student Council                                     | 35              | \$5,832                 | \$2,000            | \$7,832           | \$224                   |
| Yearbook                                            | 40              | \$6,533                 |                    | \$6,533           | \$163                   |
| <b>Totals</b>                                       | <b>1185</b>     | <b>\$144,015</b>        | <b>\$7,225</b>     | <b>\$151,240</b>  | <b>\$128</b>            |

Extracurricular stipend costs and projected participation are unchanged over last year. The above CHS athletics and extracurricular combined costs, fees and other related expenses amount to less than 1% of the overall operating budget.

### **Parent Costs**

A district study conducted a few years ago found that parents are already paying for equipment and for fees to parent booster groups to help supplement the district funding. The study surveyed parents of student athletes for an estimate of personal expenses. Out-of-pocket equipment and uniform expenses for participants were estimated to range from \$100 to \$300 or more depending upon the sport. Annual fees of parent booster groups ranged from \$100 to \$200 depending upon the sport. Most parent groups additionally reported that they do some type of fundraising in addition to the annual fees to offset team expenses, including but not limited to supplementing district funds for equipment, additional training expenses, senior gifts and paying for award dinners.

It should be acknowledged that additional support for athletic and extracurricular activities in the range of \$20,000 is made by the Cougar Boosters. They have supported programming such as Midnight Madness, the CHS All-School Musical, Fencing, Girl's Soccer, Quiz Bowl, Football, the Marching Band, Baseball, CHS Music Parents Association, Swim Team, Wrestling, Lacrosse, Astronomy Club, Yearbook, Boy's Basketball and Volleyball, among others. Multiple donations have also been made to the athletic programs including Maplewood Lacrosse, Maplewood Lacrosse Girls, Cougar Soccer, Packers Football and others comprised of many of the same families that may be required to pay a participation fee.

### **Pay to Participate**

Districts throughout the state have grappled with ways to help defray athletic and extracurricular activity costs. Some districts have implemented a "pay to participate fee" that is charged to a student based upon the activity. The amount of the fee can vary depending upon the expenses associated with the individual sport or activity.

#### **Pros:**

- More accurately reflects the costs incurred by each student and their participation in the extracurricular activities.

#### **Cons:**

- Parents and students may misinterpret the idea of "pay to participate" with "pay to play" as the association between payment and playing can be construed as direct.
- By charging separate fees for each activity, students that participate in multiple sports/activities may interpret the fees as penalizing them and inadvertently, discourage participation.
- Multiple charges throughout a school year may give the wrong message to the parent as they feel as if "they are continually reaching into their wallet" and discourage participation.
- There are many more policy type decisions to be made given the individuality of the structure.

- The cost and time needed to process the fees weighs heavily on an already over worked staff, especially if the costs vary across activities.

If a decision is made to implement a participation fee taking into account the above factors, there are many Policy Decisions, Processes and other issues that need to be made to make the implementation process as efficient and encompassing as possible.

- Policy Decisions needed to be addressed:
  - o Whether a "fee cap" needs to be put in place for families with multiple students.
  - o How mid-year transfers into the school district are handled?
  - o How are the people who refuse to pay the fee are handled? What are the repercussions and is the district ready to enforce this?
  - o Are national/association/membership dues charged to activities/sports outside of direct district costs to be included in the fee?
  - o Is this annual fee to be charged at the beginning of each school year into the foreseeable future, or will adjustments to the fee be made in the future? Is there a plan for increases every 4 years or annually via COLA?
  - o If the "pay to participate" concept is implemented, when will students be charged; when they make the team or when they try-out?
  - o If the "pay to participate" concept is implemented, what is the refund policy if student is hurt and is unable to play or just quits?
  - o Does a potential fee in anyway affect the individual booster club operations?
- Processes needed to be created:
  - o Collect and track the fees. Decisions include who collects the money, in what form and best way to minimize bounced payments, who tracks the payments and how to enforce that the payment is made.
  - o Approve and track waivers triggered by the Free and Reduced Lunch program. (The institution of a fee may actually be a positive force in having more families fill out and return the form)
  - o Approve and track hardship case requests for a fee waiver, reduction or payment plan.
- If the "pay to participate" concept is implemented, a clear and concise fee structure needs to be created that addresses all sports and activities.
- The marketing and communication of any new fee must be direct, consistent, clear, concise and broadly supported.

While the exact amount of a possible participation fee needs to be carefully weighed, the current statistics show that the average for a student activity fee is about \$100 per student per year.

### Local Districts

*HS F&R = High School Free and Reduced Lunch program participants*

*EC\* = NJDOE Extracurricular Cost Per Student 2010-2011 data*

### Bloomfield

- K-12, DFG=DE, 5,900 students, \$86M operating budget, **HS F&R=45.3%**, **EC\*=\$193**
- **No fees** after only one discussion because:
  - 45% Free & Reduced Lunch program would exempt 45% of students from fees.
  - Wide ranging socioeconomic levels make a fair program difficult to implement.
  - Parents already pay personal equipment and Booster Club (\$25 and up) costs.
  - Fees for families just above the Free & Reduced Lunch levels would be onerous.
  - Revenue would not dramatically impact the operating budget.

### Montclair

- K-12, DFG=I, 6,650 students, \$110M operating budget, **HS F&R=19.4%**, **EC\*=\$232**
- **No fees** after many district-wide discussions because:
  - Wide ranging socioeconomic levels make a fair program difficult to implement.
  - Parents already pay personal equipment and Booster Club (\$25 and up) costs.
  - Fees for families just above the Free & Reduced Lunch levels would be onerous.
  - Collection of funds and program administration deemed burdensome.
  - Revenue would not dramatically impact the operating budget.

### Nutley

- K-12, DFG=FG, 3,900 students, \$60M operating budget, **HS F&R=10.4%**, **EC\*=\$229**
- Fee since 2011, **for Athletics only**, fee in lieu of cutting coaches/activities
- \$200/student/year (\$300/family/year maximum) + parent booster fees \$25 and up
- Check collected by AD or CC online, non-refundable, payment plans
- \$140,000 per year expected (estimated 0.23% of operating budget)

### Randolph (not in our sports conference, but in the same DFG)

- K-12, DFG=I, 5,300 students, \$82M operating budget, **HS F&R=6.8%**, **EC\*=\$355**
- Fee since 2008, fee in lieu of cutting coaches/activities
- \$75/activity or \$150/HS student/year max.; \$50/activity or \$100/MS student/year max.
- Parent Booster Club fees \$25 and up, but not mandatory
- Check collected by AD or CC online, due w/in 30 days of joining activity
- \$150,000 per year collected (0.18% of budget)

### West Essex

- 7-12, DFG=I, 1,600 students, \$30M operating budget, **HS F&R=2.2%**, **EC\*=\$861**
- Fee since 2009, fee in lieu of cutting coaches/activities

- \$100/HS student/year, \$75/MS student/year (\$200/family/year maximum)
- Parent Booster Club fees \$25 and up
- Check collected by AD or Business Office
- \$50,000 HS + \$15,000 MS per year collected (0.22% of operating budget)

### **Glen Ridge**

- K-12, DFG=I, 1,950 students, \$29M operating budget, **HS F&R=0.7%, EC\*=\$499**
- Fee since 2003, precedent of high Town Rec fees (more than the school's!)
- \$300/student/year (\$550/family/year maximum)
- Parent Booster Club fees \$25 and up, but not mandatory
- Check collected by AD, due before first practice, payment plans
- \$80,000 per year collected (0.28% of operating budget)

*As a means of comparison:*

### **South Orange – Maplewood**

- K-12, DFG=I, 6,550 students, \$110M operating budget, **HS F&R=23.5%, EC\*=\$188**
- Parent Booster Club fees \$100 and up

### **Analysis**

1. An example CHS participation fee of \$100 per student per year. An estimated 75% of CHS's 1,834 students participate in activities. An example fee of \$100 collected from the estimated 1,375 athletic and extracurricular activity participants, taking into account a waiver for almost 23.5% of CHS students on Free & Reduced Lunch and an estimated 90% collection rate (hardship, refuse to pay, etc.) would net an estimated \$94,669. This \$94,669 would be offset by additional administrative duties in overseeing, collecting and monitoring the activity fee program. The estimated \$94,669 collected per year would represent only **0.09%** of the operating budget.
2. Higher Free & Reduced Lunch rates are indicative of no participation fees because a fair program would be difficult to implement and a larger proportion of students would be waived of fees, reducing the potential activity cost recovery. Conversely, lower levels of Free & Reduced Lunch students (and correspondingly higher parent income levels in the wealthier districts) relate directly to the number of districts that charge participation fees.
3. The *NJDOE Extracurricular Cost Per Student* (EC\* as noted for each example district above) for South Orange-Maplewood of \$188 is dramatically below all of the fee-charging districts. This may indicate that the SOM programs are already cost efficient for the district.
4. Districts with broad socioeconomic conditions and higher numbers of Free and Reduced Lunch students have not yet implemented a participation fee system. Reasons include

difficulties in creating and implementing a fair program. While students on the Free & Reduced Lunch program may be exempt from activity fees, students just above and outside of the Free & Reduced income criteria may be faced with onerous athletic and extracurricular activity fees.

5. The concept of collecting an activity fee per student per year might be perceived as an inequity for the students who are involved in only one extracurricular activity.

### **Conclusions**

Difficult economic times are forcing individuals, municipalities and school districts to find additional revenue sources to maintain a certain level of services. The analysis of athletics and extracurricular activity program participation fees suggests many potential impediments in implementing a fair program. It is important in considering this analysis that the Board be aware that expectations of out-of-pocket expenses for participants already exist. Participation fees are already incorporated into the programs via out-of-pocket personal costs and the parent booster groups mentioned earlier. Parents will likely not be willing to continue to pay these voluntary fees in addition to any potential required fees, so the athletics and extracurricular activity programs may again find themselves in need of additional supplemental funding. If the Board was to charge a district participation fee, such a fee would likely have to cover the expenses reported in the athletic and extracurricular activity analysis as well as the expenses currently being covered by parents and parent support groups.

## **FACILITY AND MAINTENANCE COSTS**

This budget area includes all costs associated with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working conditions. These include the activities of maintaining safety in the buildings, on the grounds, including the cost of providing security. The total budget includes salaries and benefits of staff, both professional and administrative responsible for operation and maintenance supervision, operations (heating, lighting, ventilating, repairing, replacing of facilities and equipment), the care and upkeep of grounds and equipment, vehicle operation and maintenance. It also includes purchased professional and technical services such as custodial services, security services, playground and lunchroom monitors, garbage disposal services, snow removal, and lawn care. Other major expenditures in this area include photocopier machines, service and usage, energy (heat, gas and electric costs), property insurance and utility services such as water and sewage.

Significant progress has been made in creating the ability to control the rate of increase in maintenance expenses in recent years through contracting for services. Custodial services were rebid for 2011-12. The contract for security services was rebid for 2009-10 when the contract expired. The increase for security services will be 0% for 2012-13 as per the bid. The contract for lunch monitoring services was also rebid for 2009-10 to coincide with the bid for Food Service Management Services. The increase for lunch monitoring services will be 3% for 2012-

13 per the bid. A separate analysis detailing the year by year impact of contracting services on the budget will be available in January.

The district has made significant investments in maintenance and repairs funded through the operating budget in recent years as well as capital improvements funded through the sale of bonds. The investments were necessary to reverse a period of deferred maintenance. The benefits are beginning to be realized and the demands for major and costly repairs are decreasing. In order to continue to maintain the facilities at their current level, it is recommended that a minimum of 1% of the building value be budgeted annually to ensure the facilities continue to be maintained at their current level. An updated property appraisal was done in August 2008 and determined the value of all district buildings to be \$194,333,783. Therefore, \$1,949,350 continues to be budgeted for the maintenance of facilities in 2012-13.

### **Recycling Programs**

Recycling within the district has expanded as the municipality provisions for these services have been reduced. When recycling began in earnest in the communities, the recyclables would be gathered at each school and picked up by the respective municipality. South Orange does the pickups several times each month on a scheduled basis but Maplewood no longer picks up any recyclables from the schools. Over the past two years, there was a need to increase the number of hours expended in Maplewood to pick up recyclables and deliver them to the town. The man hours spent on this weekly have gone from 8 hours to 24 man hours weekly. The waste management bid specifications were rewritten to include recycling, increasing the cost of this collection contract.

The district has programs in every school where recyclables are collected in each class and in the cafeterias. The custodial staff then moves the recyclables to bins at a central location. In Maplewood, the recyclables are then gathered by ARAMARK and taken to the Public Works yard. It was necessary to add a position to transport recyclables to the custodial bid specifications since this service was no longer being provided by the town.

The weekly hours and costs for gathering the recyclables at all schools within the district are shown below. The figures also include the annual costs (52 weeks) with an adjustment for the summer months.

|                   |         | Weekly     | Annual     |
|-------------------|---------|------------|------------|
| SOMS              | 30 hrs. | \$ 367.50  | \$ 17,934  |
| MMS               | 30 hrs. | \$ 367.50  | \$ 17,934  |
| CHS               | 70 hrs. | \$ 857.50  | \$ 41,846  |
| Grade Schools     | 70 hrs. | \$ 857.50  | \$ 41,846  |
| Other buildings   | 10 hrs  | \$ 122.50  | \$ 6,370 * |
| Maplewood Pick-up | 24hrs   | \$ 294.00  | \$ 14,347  |
| Dumpster          |         | \$ 300.00  | \$ 3,600*  |
| Total costs       |         | \$3,166.50 | \$143,877  |

\* These costs are not reduced during the summer months. All other costs are adjusted for the summer months.

### **Historical analysis of the operation and maintenance expenses**

A historical analysis of the operation and maintenance expenses show a decrease in expenses over the past few years, with an anticipation to continue this trend in next year's budget. The comparative per pupil data produced annually by the Department of Education reflects this reduction in operation and maintenance expenses.

|           | State Average | South Orange<br>Maplewood |
|-----------|---------------|---------------------------|
| 2008-2009 | \$1,649       | \$2,064                   |
| 2009-2010 | \$1,654       | \$1,926                   |
| 2010-2011 | \$1,686       | \$1,826                   |

Efficiencies have been reached in many categories and further reductions will require cutting back in areas such as a reduction in copies and slowing down the scheduled painting and carpet replacement program as well as delaying replacements of lockers and other scheduled facility maintenance programs. This slowing down has begun with the 2011-12 budget. It is suggested that investigation for further efficiencies are found rather than cutting back further in these areas to avoid returning to a period of deferred maintenance. A historical breakdown of the components of these expenses will be available during the budget development process including a comparison of the expenses proposed for the 2012-2103 budget.

## **TECHNOLOGY**

### **Introduction**

Information Technology (IT) has quickly become the foundation for the curriculum and an integral part of the daily operations for the entire school district. The faculty, students and support staff rely heavily on the computing infrastructure. IT has offered the faculty and the students' access to information and the ability to gather and share data that enhances their learning capabilities. Technology is also essential to the management of the school district. E-mail, Web access, word processing, spreadsheets, data mining, radio communications, telephone communications, progress reports, report cards, emergency notification, state reporting, tracking work orders, budgeting, attendance, scheduling, electronic text books, etc. have all become as critical and important to the district's operations as paper and pencils.

The Technology Department finds itself in a unique position. It is one of the few areas that greatly affects administrative and support functions as well as teaching and learning. Technology is also rapidly changing. Hardware systems continue to double in capacity or performance every 18 months, software systems are constantly upgraded, and state and local reporting requirements continue to increase. This creates an environment where equipment and software quickly become

outdated, requiring frequent upgrades and replacement. Much of the equipment is shared and subject to many more hours of operation, increasing chance of failure and increasing maintenance costs. IT staff not only supports hardware systems and software but now is responsible for data collection, data integrity, training, and providing clerical and administrative support.

### **Current State of Technology**

Currently, The South Orange Maplewood School district provides technology instruction in grades kindergarten through grade eight in combination with library skills. Students in grades nine through twelve can elect to take technology courses (i.e. graphic arts, TV production, photography, journalism, CAD, etc.).

Each elementary school is equipped with a computer lab (15 computers), 24 station laptop cart, library computers (7 computers), a computer in every classroom, administrative computing and other peripherals as required. The middle school contain two computer labs, three 25 station laptop carts, a fully automated library, a computer in every classroom, administrative computing and delivers a technology student program. The high school contains a computer lab for each discipline (math, language arts, social studies, science, and world languages), two business labs, a CAD lab, a graphic arts lab, a photography lab, library lab, TV studio, two TV editing labs, a fully automated library, a writing lab, a computer in every classroom, and administrative computing. This equipment is used to teach the core technology curriculum, provide library services, and support teaching and learning in all other content areas.

Currently the technology department provides support for the student information system (SASI), library information system (Destiny), special services system (EasyIEP), personnel system (Systems 3000), finance system (Systems 3000), transportation system (Versa-Trans), emergency notification system (School Messenger), website (Schoolwires), e-mail (Exchange), file storage, maintenance and facility scheduling (SchoolDude), and the lunch service point of sales system (FastLane). Additionally, the department maintains, sound field systems in many classrooms, file server farm, local area networks (13 total – 1 in each building), wide area network, internet connectivity, internet filtering, telephone system, radio communication, video surveillance, and card access systems.

Finally, in the past year, IT, Assessment, Reporting, and Data Processing merged. The functions include but are not limited to: Updating district directory information on the website, operation of the parent and teacher grade book portal, ASSA reporting, progress reports and report cards K-12, New Jersey School Report card, Electronic Violence and Vandalism Reporting, Civil Rights Report, ELL state report, college transcripts, grade changes, student attendance, scheduling, student transfers, 504 reporting, monthly superintendent report, state assessment testing and reporting, satisfaction surveys, recording and broadcasting of meetings, audio visual setups across the district, maintenance of stage lighting and sound equipment, support of DRA assessments, and general support of all connectivity issues for cell phones, PDA's, IPADS, and other devices.

To summarize, the district is supporting a large scale network and technology services for students, teachers, administrators, and support staff (About 7,000 people). All business and curricular areas use technology as part of the daily routine to provide services. The table below summarizes the technology install base supported.

### **Department Functions**

IT Services are comprised of the following areas:

- Budgeting and Purchasing
  - Request Annual Funding
  - Create technical bid specifications
  - Purchase equipment for summer installs (May – June)
  - Purchase items for repairs all year long
- Communication Systems
  - Radio Systems
  - Telephone Systems
  - Network Systems
  - Card access Systems
  - Surveillance Systems
  - Wireless Access
  - E-mail
  - Internet filtering
  - Community Video Broadcasting
  - Website
- Hardware Support
  - Computers
    - Replace aging systems
    - Repair on demand
    - Deploy and upgrade software
  - Mobile Devices
    - I-PODs, I-PADs,
  - Printers
  - Stage Lighting
    - Includes setup time for events
  - Sound Systems
    - Includes setup time for meeting and events
  - AV Equipment
- Software Support
  - Student Information System - PowerSchool
  - Special Services System - EasyIEP
  - Library System - Destiny
  - Food Service System – Horizon Boss

- o Maintenance and Facility Usage - SchoolDude
- o Transportation System - VersaTrans
- o Emergency Notification System – School Messenger
- o HR System – Office3000
- o Finance System – Office3000
- o Payroll system –
- o Physical Education System – PE Manager
- o Guidance System – Naviance
- o Reading Assessment K-2 – DRA handhelds
- o Reading Program – Read180
- o ESL – Sims
- o Central Database – Sims
- Assessment
  - o Fall HSPA 11-12
  - o Fall PSAT 10-11
  - o Spring HSPA 11-12
  - o Spring NJASK 3-8
  - o Student Placement Exams
- Data Processing
  - o Attendance
    - Monitor automated attendance calling
    - Report electronically via NJSMART
    - Train substitutes to take attendance
    - Enter in attendance for field trips and activities
  - o Scheduling
    - K-5 Class Lists (June – September)
    - Middle School Schedules (Mar – September)
    - High School Schedule (Feb – September)
  - o Progress Reports/Report Cards
    - K-5 Report Cards 3 times a Year
    - K-5 Progress Reports 3 times a Year
    - 6-12 Report Cards 4 times a year
    - 6-12 progress reports 4 times a year
    - Print high school college transcripts 3 times per year
  - o Grade Changes
    - Process grade changes for college transcripts September
    - Process grade changes to correct mistakes every quarter
  - o Data Integrity
    - Does not exist. Problems handled when reported.
  - o Updating Contact Information

- State Reporting
  - o NJSMART June Submission
  - o NJSMART August Submission
  - o NJSMART October Submission
  - o NJSMART November Submission
  - o NJSMART December Submission
  - o ASSA October
  - o School Report Card August
  - o Violence and Vandalism July
  - o Civil Rights Report October
- Monitoring Reports
  - o HSPA Results - August
  - o NJASK Results - September
  - o Annual Violence and Vandalism Report - October
  - o Annual State of the District - January
  - o Annual Satisfaction Survey Results – (April –June)
  - o Other Reports on Request

### **Staffing Requirements**

Over the years the department was slowly downsized, eliminating a total of 7 positions. During this time the district's reliance on technology has grown. The current staffing positions and responsibilities are outlined below.

#### Communications and Hardware Support

The current positions to handle communications and hardware support are as follows:

- Telephone Systems - 1 twelve month position
- Network Administrator – 1 twelve month position
- Technician – 1 twelve month position
- Helpdesk, Inventory Tracking, Stage Lighting, Sound, Radio Systems, Card Access Systems, Surveillance Systems, Installation of Classroom Multi-media Systems, Audio Visual Repair, Public Address (PA) Systems, and Installation of Wiring are provided by contracted services.

#### Data Processing

The current positions to handle data processing requirements are as follows:

- Columbia High School – 2 twelve month positions
- Middle Schools – 1 ten month position
- Elementary Schools – No Staff

#### Software Support / State Reporting / Monitoring Reports

The current positions to handle software support, state reporting and monitoring reports is as follows:

- Three twelve month positions

During the last few years the state increased the amount of reporting schools are required to do. The maintenance of the NJSMART database has grown to require full time support. The demands for electronic reporting will continue to increase.

### **Technology Install Base**

| <b>Category</b>                       | <b>Quantity</b> |
|---------------------------------------|-----------------|
| Audio / Visual Equipment              | 1,400           |
| Computers / Laptops                   | 2,000           |
| Portable Devices                      | 600             |
| Printers                              | 400             |
| Scanners                              | 12              |
| Thin clients                          | 500             |
| LANs                                  | 13              |
| WANs                                  | 1               |
| Wireless LANs                         | 12              |
| Video Distribution Centers            | 9               |
| Servers                               | 45              |
| TV Studios                            | 2               |
| Computer Labs                         | 24              |
| District Telephone Systems            | 13              |
| District Security Systems             | 13              |
| Enterprise Wide Database Applications | 10              |
| District Radio System                 | 1               |

### **Support and Renewal of the Installed Base**

With an install base of 2,000 workstations, there is a substantial cost involved in maintaining and renewing our existing install base. Furthermore, the cost of upgrading each unit typically involves new versions of desktop software, which adds to the purchase price of each unit. With the growing number of web/JAVA applications even thin client stations are not immune. As web/JAVA applications become more sophisticated the need for greater memory and speed increases.

### **Technology Budget**

The technology department requires about \$2,000,000 annually to support and maintain the existing technology install base as described above.

The estimated budget required to maintain the existing system is as follows:

| <b>Technology Category</b>                            | <b>Amount</b> |
|-------------------------------------------------------|---------------|
| Repairs / upgrades / replacements / Contract Services | 1,194,200.00  |
| Communication Systems (Network, Telephone, Radio)     | 435,400       |
| Maintenance Contracts/ Software Subscriptions         | 177,800.00    |
| Supplies                                              | 200,000.00    |
| Total – Base Budget                                   | 2,007,400.00  |

#### Repairs and Replacements

The repair budget covers the cost of routine maintenance and replacement of aging systems. The school district has over 4,600 pieces of equipment ranging from desktop computers, laptop computers, televisions, cameras, thin clients, servers, and communication equipment. This equipment is shared by 7,000 students and faculty and under continuous use. The district spends approximately \$40 per item per year on repairs. Please note this number changes year to year depending on the age of equipment and the percent of equipment under warranty.

Eventually systems reach end of life when they no longer serve a useful function. The systems are pulled and used for parts and are replaced with new units. 12% to 20% of the technology base is replaced each year. Typically most systems are replaced every 5 to 8 years.

#### Communication Systems

The communications budget provides all schools with internet access, telephone service and radio service, servicing about 7,000 people. Furthermore, a wide area network connects all facilities (13 buildings) to provide access to central application services. Communications include Local Area Networking, Wireless Networking, Wide Area Networking, Telephone Systems, and Radio Systems.

#### Software Maintenance

The software maintenance budget provides support for the student information system (PowerSchool), library information system (Destiny), special services system (EasyIEP), personnel system (Systems 3000), finance system (Systems 3000), transportation system (Versa-Tran), emergency notification system (School Messenger), website (Schoolwires), e-mail (Exchange), point of sales system (FastLane), internet filtering, office applications, antivirus/spyware, Citrix software, e-mail services and several target student applications.

#### Supplies

The proposed supply budget provides toner, ink, disks, bulbs, paper, etc. to operate existing equipment.

**Data Processing Budget**

The Data Processing Department supports all schools K-12. The department is primarily responsible for printing and mailing report cards, progress reports, college transcripts and student schedules. Additionally, the department processes all grade change requests, handle student attendance for activities and field trips, and aid the guidance department in the scheduling process.

| <b>Category</b>                                   | <b>Amount</b> |
|---------------------------------------------------|---------------|
| Postage                                           | 23,000        |
| Secondary School Report Cards / Progress Reports  | 28,000        |
| Elementary School Report Cards (Legal size paper) | 720           |
| Elementary school Progress Report Forms           | 9,000         |
| Paper - Reports / Schedules                       | 4,000         |
| Staples                                           | 5,000         |
| Change 10 month to 12 month                       | 11,667        |
| Additional 1 staff member                         | 75,000        |
| Total - Base Budget                               | 156,387       |

**Assessment and Reporting**

The department of Assessment is responsible for the administration of the NJASK and HSPA state assessments, assess incoming students, submit state reports, create monitoring reports for the Board of Education, and produce the annual State of the District report.

| <b>Category</b>           | <b>Amount</b> |
|---------------------------|---------------|
| Postage                   | 1,750         |
| PSAT Administration       | 15,000        |
| DRA Assessment            | 20,000        |
| Staples                   | 5,000         |
| Summer Entrance Testing   | 6,000         |
| Additional 1 staff member | 75,000        |
| Total – Base Budget       | 122,750       |

**Additional Hardware Request**

The department received several requests for additional access to technology. The requests and related costs are as follows:

Secondary School Teacher Laptops

Teachers continue to infuse technology into the curriculum. Additionally, teachers are now required to post student performance information in the PowerSchool electronic grade book. Requests were received to supply each teacher with a laptop to be used for parent communications, posting grading information, lesson planning, and delivery of instruction.

#### Multi-media classrooms

Many of the classrooms were equipped with smart boards, projectors, and sound systems. There are continuing requests from supervisors and principals to equip additional rooms with equipment for teaching and learning.

#### Replace thin clients

Many of the thin client computers are approaching 10 years. The thin clients are limited in speed and memory. Parts are very expensive or no longer available for these systems.

#### TV Studio Cameras

The three cameras in the Columbia High School TV Studio were purchased 16 years ago. These cameras are used by students every day and the community during the evenings. The cameras are passed end of life and need to be replaced.

#### Replace Palms

The DRA assessments use Palm hand held devices for capturing assessment information. The units are discontinued and need to be replaced. The units should be replaced with Apple I-touch devices as they will run the same software. Replacing the Palms with Apple I-touch devices will avoid database conversion and staff development as the software and data entry screen remain the same.

#### Setup redundant WAN services

The district does not have backup communication WAN services. It is recommended to use the existing cable internet feeds provided by Comcast and cablevision as an emergency backup. These existing circuits are free. These circuits can be used as backups if the appropriate equipment is purchased.

#### Upgrade E-mail Services

The district's e-mail server is 8 years old. The e-mail system will not work with many of the new smart phones. The system and software should be upgraded to maintain compatibility with new devices.

| <b>Category</b>                                                                         | <b>Quantity</b> | <b>Amount</b> |
|-----------------------------------------------------------------------------------------|-----------------|---------------|
| Purchase Laptops for Teachers in secondary schools                                      | 200             | 240,000       |
| Install multi-media equipment in remaining middle school classrooms                     | 60              | 240,000       |
| Replace thin clients in high school library                                             | 60              | 72,000        |
| Upgrade Cameras in TV Studio                                                            | 3               | 75,000        |
| Replace Palm's with I-touches                                                           | 100             | 39,900        |
| Setup free cable internet connections on a VPN to act as an emergency backup to the WAN | 1               | 50,000        |
| Upgrade e-mail system                                                                   | 1               | 15,000        |

|       |  |         |
|-------|--|---------|
| Total |  | 731,900 |
|-------|--|---------|

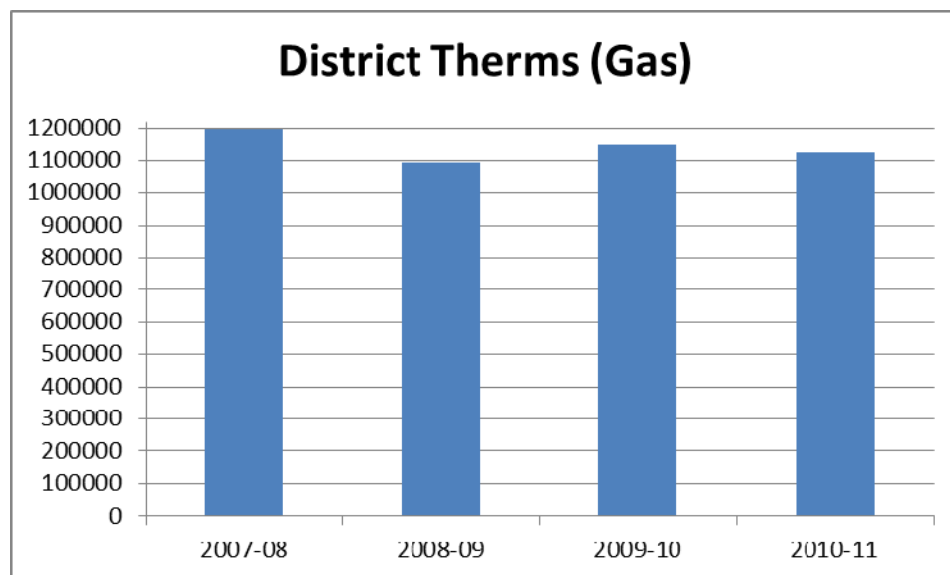
## **SOLAR AND ENERGY CONSERVATION**

### **District Energy – Impact Of Capital Projects**

During 2008, the district contracted with Metro Energy Solutions, an independent energy services and energy consulting company, to conduct a district-wide facility energy audit and analysis. In the report presented to the Finance Committee, Metro generated a list of current mechanical and electrical equipment in each facility and provided recommendations for improvements. The reported estimated cost for all improvements was \$17,044,891 with an estimated simple payback of 19.72 years and a 5% ROI. The Facility Improvement Measures identified included:

- Lighting replacement and occupancy sensors installation
- Boiler replacements
- Unit ventilator replacements
- Variable air volume kitchen hood exhaust
- Central air conditioning installation
- HVAC controls replacement, Direct Digital Controls
- Air handling unit replacement
- Window replacements
- Water conservation
- Photovoltaic power systems
- Domestic water heater replacement
- Steam traps

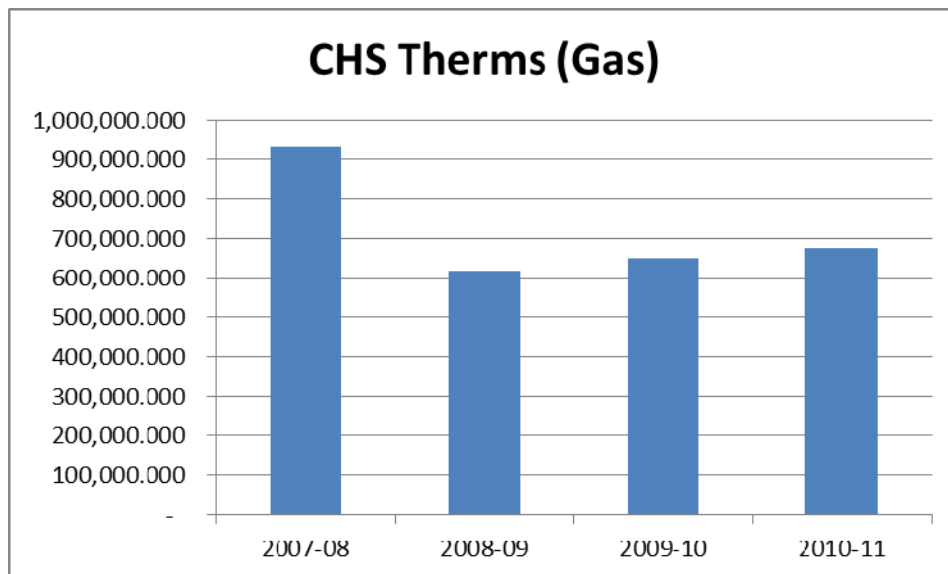
The district has completed only some of the above energy-saving capital improvement projects identified in the study and some additional projects identified by district architects and engineers. The chart below shows that natural gas savings are beginning to be revealed.



Averaging the peaks and valleys of the years 2008-09, 2009-10 and 2010-11 shows a 6.3% improvement over 2007-08.

The Metro Energy study, district architects and engineers identified major inefficiencies in the distribution and control of the generated heat. Select boiler systems are being upgraded to allow for controlled production and distribution of needed heat. While these mechanical upgrades are still a work in progress and are not yet fully operational, heat related complaints at Maplewood Middle, South Orange Middle and Marshall Schools are markedly reduced. Further mechanical upgrades at South Mountain and Seth Boyden Schools are being delayed until the current upgrades being completed now at Clinton, Jefferson and South Mountain Annex are operational and the improvements in comfort and efficiency have been assessed.

An analysis of the gas usage at Columbia High School (the largest of the schools) shows a reduction in gas usage since the new mechanical upgrades have begun to be implemented.

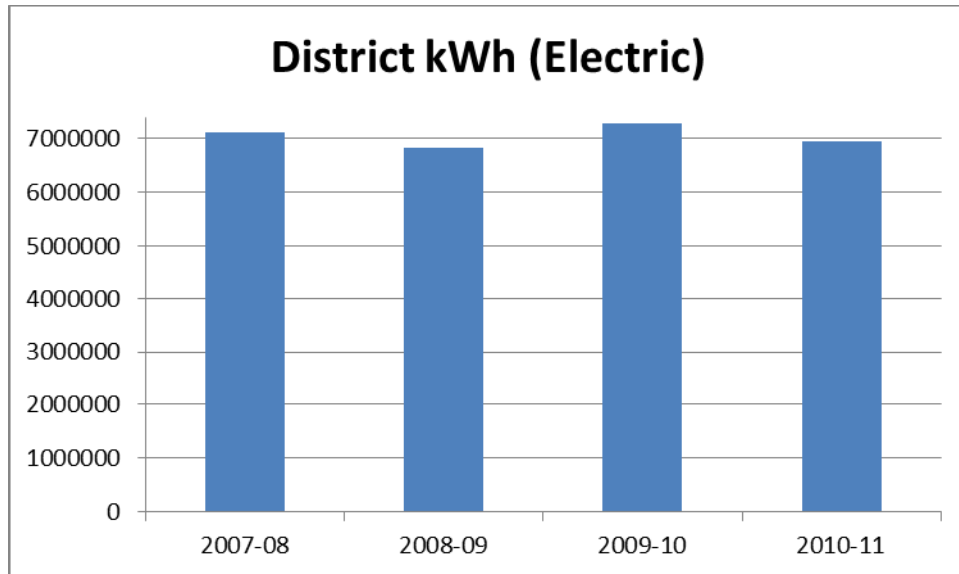


The slight rising increase from 2009-10 through 2010-11 may be partially attributable to the natural gas-powered air conditioning units installed in the CHS Music Wing in mid-2010.

Corridor and gymnasium lighting upgrades have been made in all buildings converting to more efficient systems while improving comfort as well. Common area lighting upgrades will continue in the next year.

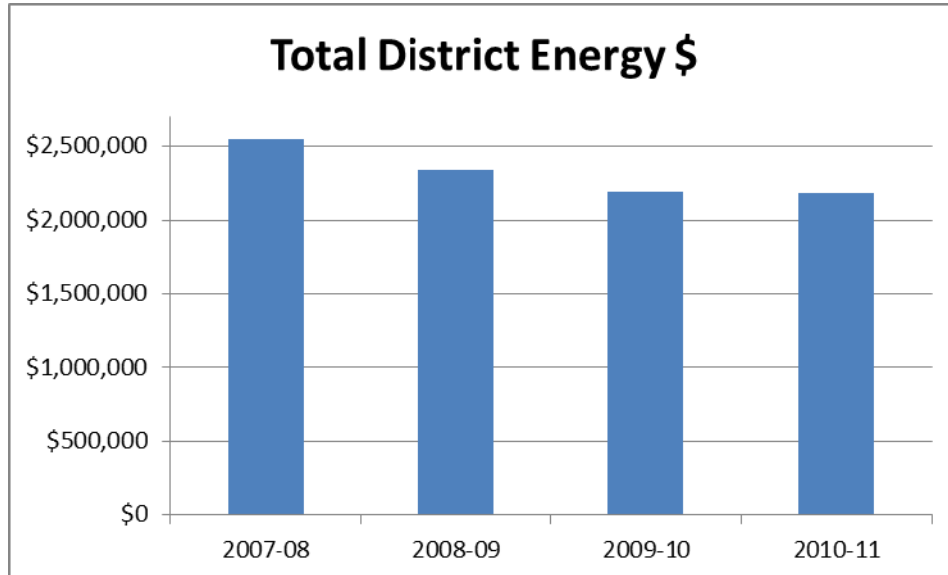
In addition, a plan for installing occupancy sensors in classroom lighting, intended as an energy conservation measure, is under development to be implemented over the next year as funds allow. While lighting upgrades received positive responses for comfort levels, the upgrades do not appear to have had a significant impact on energy savings to date.

The chart below shows the total district electric usage in kWh:



Averaging the peaks and valleys in the chart above for the years 2008-09, 2009-10 and 2010-11 shows no improvement over 2007-08, but additional electric loads were added during this time in the form of computer labs, smart boards, servers and other additional technology items.

We are anticipating further consumption reductions with the implementation of future power conserving projects mentioned above. The chart below shows the total district energy costs:



The overall trend shows declining costs, or costs staying level in light of increasing energy unit costs and increasing energy demand, since the projects were implemented.

The district has recently contracted with EI Associates, an independent architecture, engineering and planning firm, to again inspect and assess the district facilities and make recommendations

concerning energy conservation, efficient space utilization and verification that our facilities will meet our anticipated future educational requirements.

### **Solar Photovoltaic Power Generation Systems and Power Purchase Agreement**

There has been strong community interest in the District doing its part to be 'green'. Solar renewable energy has been shown to both save on avoided electricity costs and to add environmental benefits in CO2 emissions prevented (a reduced 'carbon footprint').

Solar systems require a roof with daily full sun exposure, a roof that can physically hold the weight of a system, and a roof weather barrier (shingles or membrane) that will last as long as the 25-30 year expected life of the system. Engineering analysis found that only the South Orange Middle and Clinton Elementary schools met these criteria.

The Township of South Orange Village also wanted to add solar to the roof of their Department of Public Works building roof at 300 Walton Ave., but it was too small of a project to get a solar provider interested in it on its own.

The District, as the Lead Agency with The Township of South Orange Village as part of a shared service, prepared a joint specification, selected a vendor through a joint request for proposals process, and awarded a district contract at the October 17<sup>th</sup> Regular Board meeting. The Township of South Orange Village will award and contract with the solar provider in a parallel but separate agreement.

Subject to final PSE&G approval, the solar power generation systems through a power purchase agreement will be installed at zero cost to the district and are estimated to be operational by mid-summer 2012.

The immediate benefits of the solar systems will be:

- Provide renewable electricity generated to the district for \$.085/kWh, saving approximately \$.0523/kWh in avoided electricity costs- about \$23,644 in the first year.
- Decrease the District's carbon footprint by 5,916,768 pounds of CO2 prevented over the 25 year system life, the equivalent of planting 6,762,020 CO2 absorbing trees.
- Produce 332kW/year at South Orange Middle, or about 39% of the total facility usage.
- Produce 70kW/year at Clinton, or about 19% of total the facility usage.
- A large flat screen monitor will be installed at each school location to show real time power generation that can be used as an educational tool.

### **CLASS SIZE K-12 AND CHS SCHEDULING**

An annual analysis of K-12 class size was done to determine which classes are out of compliance with Board of Education Policy #2312. This analysis entails two parts - to determine which classes exceed the maximum enrollment set by class size policy in grades K-5 and grades 6-12 and to determine which classes fall below the minimum enrollment (15 students) in grades K-5

and in grades 6-12 which classes of a particular course have an enrollment of less than 15 and the average of all sections of that particular course. This analysis helps inform administration of areas to review in planning for the next year's budget.

At the elementary level, all class sizes were within policy. Two elementary classes had one student over maximum class size, which is within policy which allows for class sizes to be two over the maximum. No elementary classes were below the minimum class size policy.

There were classes both above the maximum class size and below the minimum class size at the secondary level. Each of these was reviewed to determine the reason why they were outside the class size policy and to confirm that scheduling is being done effectively and efficiently. The scheduling process for the 2012-13 school year will take these analyses into account when developing the next year's class schedules.

### **GRANT OPPORTUNITIES AND FUNDING**

Grant opportunities are sought throughout the district, but the district does not meet the requirements of many of the educational grants. The job description for the Director of Strategic Communication recently advertised required grant writing experience. This position assists with grant applications and will help review opportunities as they become available.

In addition to staff seeking grant opportunities, these opportunities are regularly brought to our attention by the community, the municipalities, by the department of education and by professional organizations. Each opportunity is explored and those that are viable are pursued. Often times when researching these opportunities we find that the grants are very limited to specific projects that are not aligned with district goals or contain requirements that deem the district ineligible. Grants such as the Schools Development Authorities construction grants are sought when they are available, but the timing of these grants have been very limited over the past few years and have not been available when we have applied for the most recent construction projects. Nonetheless, we continue to pursue these revenue opportunities regularly.

The board of education is regularly presented with resolutions to accept grants and donations to help support the school district. During the 2010-11 school year, the district accepted funding in the amount of \$833,925. This does not include material donations such as musical instruments, supplies, equipment and other donations accepted during the school year. Since July 2011 through the end of November 2011, the board of education has accepted funding in the amount of \$399,788. Again, this does not include material donations.

Other grants and donations are also paid directly to the schools such as the ACHIEVE grant program which awarded grants totaling more than \$100,000 during 2011 and Cougar Boosters which has donated around \$20,000 each year to the Columbia High School athletics program.

## **HISTORICAL BUDGET CUTS**

As a result of efforts to reduce the rate of increase of expenditures and general belt-tightening over the past several years, all areas for reductions around the margin and implementing efficiencies have been exhausted by this time. Schools are a “people” intense business and our budget is driven primarily by labor costs. The largest portion of the district budget is allocated to salaries and benefits, accounting for nearly 70% of the budget. We have outsourced most services including all custodial services, lunch monitoring services, security services, instructional aides, and most maintenance services which have allowed us to control labor costs to a major extent. This has allowed us to avoid impacting instructional programs and services. Cuts in those areas will be becoming impossible difficult to avoid.

A historical change in staffing was presented as part of the baseline data. Staffing in 2010-11 was at 748.16 FTE's down from 845.89 FTE's in 2009-10, and was previously as high as 894.57 FTE's in 2004-05.

- Staffing cuts included the outsourcing of 70 custodial positions in 2004-05 and 2005-06
- Reduction of 6 technology facilitators which was later offset by the addition of 3 tech trainers
- Reduction of 5 secretarial positions has been accomplished since 2004-05 with an additional 3 confidential secretary positions
- Ten security guard positions were eliminated in 2005-06 and were replaced with outside security services
- 83 aide FTE's were reduced from the budget and replaced with staffing through Essex Regional Educational Services in 2010-11
- 93 lunch monitor FTE's were reduced from the budget in 2006-07 and were replaced with outside monitoring services.
- 7.5 teaching FTE's have been reduced at the high school since 2004-05
- 2.0 teaching FTE's have been reduced at the middle schools since 2004-05

Other cuts have taken place in reducing services at the preschool level shortly after classroom time had been increased, as the additional FTE's were not sustainable. Supplies and materials spending have been reduced across the board as has expenditures in technology, maintenance, energy spending, in transportation and among most account lines. There is little room left for finding efficiencies and it is expected that future cuts will have to consider reductions of programming.