

SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD, NEW JERSEY
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MEMORANDUM

TO: Members, Board of Education

FM: Peter P. Horoschak, Superintendent

DT: February 2006

RE: BUDGET ANALYSIS #9 – COMMUNITY USE OF FACILITIES

The Board of Education requested a report to revisit and expand last year's report on the **cost of community use of the schools** and propose alternatives allowing the district to recoup more of the total real cost of supporting these activities.

Background

The District Facilities continue to be in constant use, especially Columbia High School and the two Middle Schools, which are used by CHS athletics teams and community groups 7 days a week during the school year and frequently during the summer. Although the Board of Education establishes hourly fees for use of the facilities each year, the bulk of the use is by organizations that either are not charged¹ to use the buildings (PTA's, HSA's, SOMEA, SOMEF, Booster Clubs, Scouts, Maplewood and South Orange Townships, etc.) or have an agreement to pay a single annual usage fee for ongoing programs (South Mountain YMCA, South Orange Maplewood Adult School, etc.). There are also special agreements with other groups that serve our students and community, such as the South Orange Symphony and the Youth Orchestra of Essex County, who use the facilities for rehearsals free of charge, but pay for custodial fees for concerts.

Determining Actual Cost

Work has been ongoing to tighten the procedures for facility rental to ascertain that the process is uniform throughout the district. Recent analyses on the cost to the district of ongoing programs such as the Adult School, the YMCA, and recreational programs have indicated the need to re-evaluate the charges to these groups. It is now possible to

¹ Although these groups are not charged for building use fees, some groups are asked to pay a minimum of four hours custodial overtime (\$50/hour for the 2005-2006 school year) if they schedule events when the buildings would otherwise be closed.

identify actual custodial overtime expenses for these programs in billings from Aramark for their overtime charges due to usage of the high school and middle schools extending beyond the school day. Further studies are being done to determine a rate for actual costs of heat and lights on a square footage basis to further capture the actual costs of opening the buildings for these programs when the schools are otherwise not in use.

The determination of these actual costs to the district becomes more critical as the demands for use of the space increases. As programs continue to expand, the Recreation Departments, as well as other groups, have been asking for expanded hours and for the use of additional facilities such as Montrose School. Aramark is willing to arrange for custodial coverage for the additional time, but the question arises as to who will cover the added expense of overtime hours, as well as what the energy expenses are to keep the buildings open at these additional times.

Adult School

In addition to the suite of offices at Columbia High School, the Adult School uses multiple spaces at both Columbia High School and South Orange Middle School during the school year including classrooms, gyms, cafeterias, and the CHS Swimming pool. Programs are held during regular custodial hours in the evenings as well as on weekends when additional custodial services are required. Due to the extensive use of facilities during the week, it is necessary for custodians to perform additional cleanings in the rooms used by the Adult School. Rooms are cleaned once after school for the Adult School and again after the Adult School's use to prepare for classes the next day. This results in expenses beyond the regular terms of the contract. Additional cleaning for adult school classes during the week costs approximately \$65 per night at the high school and \$48 per night at South Orange Middle School. These additional charges have been averaging \$800-\$900 per month depending on the number of days of classes. Overtime charges for Saturday hours have been approximately \$480 per day, or \$2,000 per month, which include the usage of Columbia High School by the Adult School, the YMCA, and the Recreation Departments.

Based on these numbers, a rough estimate of the overtime hours specific to the Adult School has been determined to be approximately \$20,000 during the school year. This does not include the custodial expenses associated with the summer program the Adult School holds during July, nor does it include any expenses for "office rental" or energy costs. A conservative estimate of custodial hours associated with the summer program is \$3,500, bringing the total estimate of custodial charges for the year to be \$23,500. The Adult School was charged an annual usage fee of \$22,656 for the 2005-2006 school year. This increase of \$2,427 over the previous year is being protested by the Adult School.

The Adult School program is highly-valued by the Board of Education and the community. A continual analysis of the actual expenses to the district is being done to fairly charge the Adult School without over-burdening the school budget with the expenses associated with the program.

YMCA

The YMCA pays an annual fee of \$7,955 to lease the Ricalton Gym at Maplewood Middle School for the 2005-06 school year. In addition, the YMCA pays an annual charge of \$5,547 for use of other facilities during the 2005-06 school year. These other facilities include use of the high school gyms and the CHS pool. The charge to the YMCA is consistent with the custodial overtime expenses as determined by budget analyses from previous years.

Recreation Departments

The largest community usage expense to the district is the custodial overtime costs of the Maplewood and South Orange Recreation Department programs. Custodial overtime charges specific to the Recreation Departments for the months of September through December totals nearly \$10,000. This overtime is specifically for Saturday coverage at the two middle schools, and does not take into consideration the recreational programs at the high school or facility usage during regular custodial hours.

The recreation departments have been asking for extended hours and have indicated in some instances a willingness to share the additional expenses for these extended time frames. However, these have been for an hour or two extensions on a few dates. In exploring the costs of opening Montrose School for an additional program, the Recreation Department opted not to use this space as the cost of keeping Montrose open would have been more than \$12,000 for their 3 month program.

The Board should also be aware that the townships rely on the school district for single usage events in addition to the ongoing programming. For a reference, a single evening event such as Giants of Jazz, cost the district \$739.25 in custodial overtime alone, and a larger event such as First Night cost the district \$2,909.70 in custodial expenses.

The Recreation Departments also sponsor Before School and After School Programs. The After School Program operates between 3-4 hours each school day in 8 school buildings (only 1 ¾ hours at Maplewood Middle School) for a total of 27 hours a day. With 180 school days, plus approximately 110 additional hours for 4 hour days, the After School Program usage of district buildings total 4,970 hours a year. The Before School Program operates in half of the elementary school buildings for approximately an hour each day before school opens. It is difficult to put a cost to the district on this usage as the hours are during the regular custodial hours and any necessary clean-up is already built into the custodians' hours. The After School Program Staff is required to sweep the floor of the craft and snack area(s) and clean tables at the end of every session. The Board of Education has agreed to provide custodial services and rest room supplies (soap, toilet tissue, paper towels) and trash liners in areas of use.

Further Analysis

Charges for community usage are being brought more in line with the actual custodial overtime charges to the district for those groups who pay for the facility usage. Further analysis should be done to determine costs to the district for community usage during the regular custodial hours (eg., extra cleaning due to community usage or longer building hours to allow for community usage).

A separate analysis is being done to explore energy costs in the district. This analysis will examine the energy costs per square footage in each of the district buildings. This information will allow us to adjust charges for facility usage to recoup these additional energy costs in addition to the custodial overtime charges. Once these energy costs are determined, an analysis should be done to determine the actual cost of opening the two middle schools on the weekends and the high school on Sundays (the high school is open regularly on Saturdays for school-related activities in addition to the community usage). Depending on the outcome of this analysis, consideration should be given to discontinuing the “rental” of these buildings on these days. However, this would greatly impact recreational programs.

Recent discussions about shared services among Maplewood, South Orange, and the school district should be continued to include the use of facilities. Services available through the townships to the school district may offset some of the costs of keeping the buildings open for the recreational programs.

Conclusions

The above analysis indicates four different options available to the Board with regards to Facility Usage.

Option 1: Status Quo

We can continue to offer the use of facilities as we have in the past. With this option, the Board would continue to approve a new fee schedule each year. As we continue to analyze the costs to the District of facility rentals, the fee schedule presented to the Board would be revised to represent the actual costs to the District.

Option 2: Discontinue Facility Rentals

This option would eliminate non-school related usage of the facilities. Although the discontinuation of rentals may result in a savings of more than \$50,000 in custodial overtime fees, this option would greatly impact community programs and services offered through the Recreational Departments and the Adult School as well as other community groups. An alternative to eliminating rentals completely would be to limit the days and times when rentals are available. This also would impact community groups that count on the District buildings to provide their programs.

Option 3: Adjust Fee Schedules

This option differs from option 1: status quo, by adjusting the way the fee schedule is set up rather than just an annual fee adjustment. With this option, groups that currently are not charged for usage during regular custodial hours, such as parent organizations, scouts, and sports groups, would be charged a usage fee even when custodians are scheduled to be in the building (currently these groups only pay when incurring custodial overtime charges). This option would also explore charging a fee to the municipalities for their usage of the facilities.

Option 4: Shared Services with the Municipalities

A large portion of the facility usage expenses that the District does not currently recoup are those incurred as a result of the municipalities' recreational programming. This option would explore services that the municipalities may be able to offer as cost-reducing services to the District in exchange for the expenses of providing the District facilities.

It is suggested that the Status Quo (option 1) is maintained while the practicality of shared services with the municipalities (option 4) is explored.

Cheryl Schneider performed the research and analysis on this topic and is commended for her outstanding effort.