

BUDGET BRIEF

Telephone Communication

Obviously in today's electronic age communication is a vital piece of everyone's ability to perform their job. The district is currently using analog lines and a limited amount of equipment to provide phone services to all the locations and the employees throughout the district. Although this method is functional it is costly to operate and does not offer features such as voice mail that can enhance communication and contribute to increased efficiency for all of the district employees. An improved method of providing phone services is accomplished by limiting the number of analog phone lines, using equipment to anchor the network of phones and providing district owned wiring within the buildings.

The district currently spends approximately \$255,000.00 per year for its telecommunications expenses. This expense covers phone services, wireless phones, pagers and two-way radios. One of the main contributors to this amount is the large number of individual analog lines that are currently being used. By investing in telecommunication equipment, the district can eliminate many of individual phone lines and generate savings that will justify the equipment purchases and ultimately save the district money.

The new Toshiba Strata CTX670 Advanced Digital Telephone System will be installed and put into use in Columbia High School and the Board of Education Office as of December 29, 2003. One of the features of this system is that all users (both staff and teachers) will have voice mail, which will eliminate the taking of written messages on paper. The automated attendant feature should drastically reduce the workload of the operator and allow this person to handle other work in addition to the operator duties. The system is also equipped with a call accounting package that will track all outgoing calls on a cost basis and it can monitor employee calls by the number calls, length of the calls and the cost of the calls. One of the biggest benefits of converting to the Toshiba Strata System is that the number of Verizon Centrex phone lines is reduced from 269 phone lines to only 54 phone lines. The savings in monthly expenses (\$22.00 per month per phone line) will generate an annual savings of approximately \$57,000.00 for the district. With the annual savings the payback on the cost of the new phone system, which is \$219,000.00, will be less than 4 years.

The next step in telecommunication improvement process is to install new Toshiba Strata equipment in the alternative school, the middle schools, the elementary schools and in the maintenance building. Again one of the key features of this system is that all users (both staff and teachers) will have voice mail, which will eliminate the taking of written messages on paper. The automated attendant feature at these sites will continue to reduce the workload of the operator and allow this person to handle daily work, which would include the operator duties. The system will also be equipped with a call accounting

package that will track all outgoing calls on a cost basis and it can monitor employee calls by the number calls, length of the calls and the cost of the calls. The estimates for this project will provide results that are very comparable to the project at Columbia High School and the Board Office. Throughout the considered sites there are currently 329 Verizon phone lines in use. By installing the Toshiba equipment only 120 phone lines would be needed to service all the locations. The elimination of the 209 phone lines will result in an annual savings in excess of \$55,00.00 (each phone line costs \$22.00 per month). The estimated expense for the new equipment and to install the required wiring is approximately \$240,000.00. The anticipated payback on this would be 4.3 years. The funds for this project should be earmarked in the 2004/05 budget and the work should be authorized as soon as the budget is approved.

The remaining area that remains to be reviewed is the costs of the wireless phones, pagers and two-way radios. This area will be reviewed and analyzed after the budget is completed. Hopefully by reducing the number of service providers' costs savings can be achieved. Since most of these services are covered by contracts it is not feasible to address this as potential savings area for the 2004/05 budget. When the analysis is completed the board will be advised of the results.