Reinvesting for our Future:
Structural Deficit Reduction Plan (SDRP)

January 13, 2025

EVANSTON/SKOKIE
SCHOOL DISTRICT 65

Every Child, Every Day, Whatever it Takes

What you can expect for tonight

1. **revisiting our financial outlook**
2. **listen & learn**
   what we heard from stakeholders
3. **preserving critical investments**
4. **scenario development**
   an aerial view
5. **next steps**



Reinvesting for our Future

Evolution/Phases of Structural Deficit Reduction Plan

FY24	FY25	FY26	FY27 and Beyond
Identification	**Phase 1: Immediate Cuts**	**Phase 2: Stabilize**	**Phase 3: Sustainability**
Began in February 2024 Immediately, identified $6.5M in reductions for FY25	**Hiring Freeze** Eliminated vacant positions Purchased Services reductions Developed SDRP Framework (includes stakeholder engagement)	**$13.2M in Reductions** Stakeholder Engagement & Decision-making: December 2024 January 2025 Goes into effect: July 1, 2025	**$15M in Reductions (est.)** Stakeholder Engagement & Decision-making: Begins February 1 Goes into effect: July 1, 2026

Revisiting the Need for Budget Reductions

Our current reality (if no action is taken)

	FY21 actuals	FY22 actuals	FY23 actuals	FY24 projected	FY25 budget	FY26 with no action
Surplus/Deficit	$3,288,685	$6 ,099,923	-$7,918,262	-$8,531,093	-$13,590,541	-$16,675,563

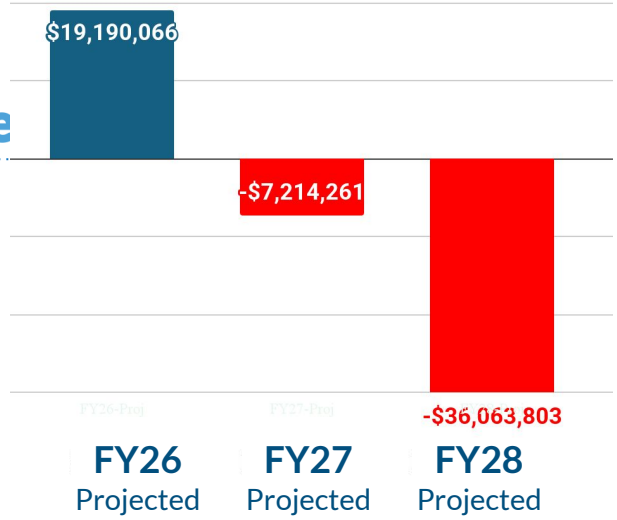
Projected Days Cash on Hand



FY25:	71
FY26:	36
FY27:	-13
FY28:	-63

Projected Fund Balance





Focus of SDRP Phase 2 Reductions

Provide reductions for the FY26 school year that will:

- Minimize impact to our students
- Minimize impact to staff that directly support students
- Minimize racial inequities
- Focus on the key areas identified by the administration and approved by the Board
- Avoid short-term borrowing (TAWs) and related expenses

As provided previously, this will mean $13.2 million in reductions for the FY26 school year.

Stakeholder Engagement Roadshow

Stakeholder Roadshow Purpose

- Offer educational opportunities to learn about the budget and financial outlook
- Provide input to help ensure decision making is aligned to community values
- Combination of targeted outreach and open sessions with inclusivity in mind:
  - Sessions with internal stakeholder groups including all staff, union leaders, school leadership
  - Three open community sessions
  - Launch of advisory councils for parents/caregivers and students
  - Bilingual Parent Advisory Council, PTA Council, Community IES Leadership



What we heard: Key Takeaways

Developing a Structural Deficit Reduction Plan that is rooted in community voice



Holistic student learning opportunities

Placing equal emphasis on student well-being, socioemotional development, and academic outcomes.



High quality, dedicated, and certified "student-facing" staff

(e.g., teachers, counselors, learning specialists)—as well as resources (e.g., teacher training, learning resources) that support high quality teaching.

- Reduce spending on administration or "non-student facing positions"



Access to the arts, sports, and extracurricular opportunities

Overwhelmingly identified as essential for holistic student learning.

Preserving Critical Investments



What we heard

Our Response

What we heard	Our Response
Prioritize and retain talented educators	Reached a four-year contract with DEC with highly competitive compensation package
Reduce central office administration	Reimagining "top-down" approach of central office Reduction of 22 central office FTEs in FY25 with proposed reductions of 21-26 FTEs in FY26
Support our most vulnerable students	Maintaining, with the goal of enhancing, individualized education and multilingual services
Retain staff who support students' mental health and social emotional needs	No reduction to social work, psychology, mental health, and therapy services
Avoid short-term borrowing / state takeover	Resolute decision making by bringing forward aggressive plan that hits reduction targets

Preserving Critical Investments



What we heard

Our Response

What we heard	Our Response
Class sizes should remain small	Class sizes will remain within district guidelines (K-2: 23 students; 3-5: 25 students; 6-8: 28 students)
Ensure students have access to arts, athletics, and extracurriculars	Maintaining fine arts, physical education, and library services as part of students' daily schedule (includes SEEL, Computer Science, athletics)
Ensure continuance of magnet programs	Continue to offer ACC/TWI (with dual language expansion through eighth grade)
Be thoughtful about school closures and retaining assets	No school closures for the 2025-2026 school year. SDRP Phase 3 will begin in February 2025 (consideration for future school closures/consolidation)

Implementation with fidelity and in order



THE BIG 5

Maintaining humanization: Understanding the impact on our people



UNITY

Ongoing collaboration with union leadership and honoring collective bargaining agreements



TURNING UP THE J-FACTOR!

It's all about the JOY in District 65

Fostering a joyful learning experience for all students

Minimizing the impact of reductions

	STUDENT Impact	STAFFING Impact	RACIAL EQUITY Impact Assessment
LEVEL 1	**Minimal Impact** on ALL Students	Positions that do NOT directly support students and are not located in schools	**Minimal Impact** on Equity and Inclusion
LEVEL 2	**Moderate Impact** on ALL Students	Positions that directly support adults in schools	**Moderate Impact** on Equity and Inclusion
LEVEL 3	**High Impact** on ALL Students	Positions that directly support schools AND support students	**High Impact** on Equity and Inclusion

Scenarios
(an aerial view)

Categories for Reduction (across all scenarios)

Category	What does this mean ???
Central Office (administration)	Reduction of administrative staff
Purchased Services (non-transportation)	Contractual services, software, subscriptions, training, technology • Focus on underutilized, non-essential expenses with minimal to no impact on student learning
Purchased Services (transportation)	Student transportation services (non-special education)
Supplies	Cost containment actions, such as: • Centralized purchasing (e.g., copy paper) to minimize cost variances • Greater utilization of purchasing cooperatives to contain costs
Other Objects	Revisiting out-of-district student placement
Academic Skill Center (ASC)	High dosage student tutoring program implemented to support pandemic learning loss (initially funded by ESSER)

Categories for Reduction (across all scenarios)

Category	What does this mean ???
Summer Learning	Summer Learning programs • There will be no impact or reduction to programming that supports students with IEPs or English Learners.
Classroom section reductions	Reduction of classroom sections • Reduction of the number of classrooms in certain grade levels/schools to more closely align to student enrollment • Leveraging attrition to avoid job cuts (retirements, non-renewals, resignations) • Remaining within district class size guidelines ○ K-2=23 students; 3-5=25 students; 6-8= 28 students
School Level (non-direct instruction)	Restructuring through a reduction of school-level staff who do not directly deliver student instruction • Several scenarios aligned to State of Illinois guidelines • Equitable support based on student need/enrollment

Scenarios At-A-Glance

Category	FTE	Scenario 1	FTE	Scenario 2	FTE	Scenario 3	FTE	Scenario 4
Central Office/ Administration	26.0	$3,077,660	26.00	$3,077,660	21.0	$2,459,165	26.0	$3,077,660
Purchased Services (Non-Transportation)		$1,770,370		$1,770,370		$1,770,370		$1,770,370
Purchased Services (Transportation)		$4,499,544		$4,499,544		$4,499,544		$4,499,544
Supplies - 10%		$432,214		$432,214		$432,214		$432,214
Other Objects - 5%		$370,011		$370,011		$370,011		$370,011
Academic Skill Center/ Summer Learning		$934,769		$934,769		$934,769		$934,769
School Level Section Reductions	22.0	$2,288,957	22.00	$2,288,957	22.0	$2,288,957	22.0	$2,288,957
School Level-Non Direct Instruction/SEL	24.5	$1,859,808	28.00	$2,225,386	37.5	$3,346,367	31.0	$2,148,795
	72.50	**$15,233,332**	**76.00**	**$15,598,910**	**80.50**	**$16,101,397**	**79.00**	**$15,522,320**

Aerial View of Scenario 1



Staffing Reductions

- Central office: 26 FTE
- School-level non direct instruction/SEL: 24.5 FTE
- Section reductions in alignment with class size guidelines: 22 FTE

Transportation Reductions

- Removing bus aides except for those approved through IEP/504 plans
- Consolidating bus routes
- Eliminating after/summer school services
- Eliminating non-mandatory preschool routes

Other Expense Reductions

- Underutilized purchased service contracts with little to no impact on student learning
- Supplies by 10%
- Other objects of 5%
- Summer learning programs by 50%
- Elimination of ESSER-funded Academic Skill Centers

Total Reductions: $15.2M / 72.5 FTE

Aerial View of Scenario 2



Staffing Reductions

- Central Office: 26 FTE
- School-level non-direct instruction/SEL: 28 FTE
- Section reductions in alignment with class size guidelines: 22 FTE

Transportation Reductions

- Removing bus aides except for those approved through IEP/504 plans
- Consolidating bus routes
- Eliminating after/summer school services
- Eliminating non-mandatory preschool routes

Other Expense Reductions

- Underutilized purchased service contracts with little to no impact on student learning
- Supplies by 10%
- Other objects of 5%
- Summer learning programs by 50%
- Elimination of ESSER-funded Academic Skill Centers

Total Reductions: $15.6M / 76 FTE

Aerial View of Scenario 3



Staffing Reductions

- Central office: 21 FTE
- School-level non direct instruction/SEL: 37.5 FTE
- Section reductions in alignment with class size guidelines: 22 FTE

Transportation Reductions

- Removing bus aides except for those approved through IEP/504 plans
- Consolidating bus routes
- Eliminating after/summer school services
- Eliminating non-mandatory preschool routes

Other Expense Reductions

- Underutilized purchased service contracts with little to no impact on student learning
- Supplies by 10%
- Other objects of 5%
- Summer learning programs by 50%
- Elimination of ESSER-funded Academic Skill Centers

Total Reductions: $16.1M / 80.5 FTE

Aerial View of Scenario 4



Staffing Reductions

- Central office: 26 FTE
- School-level non direct instruction/SEL: 31 FTE
- Section reductions in alignment with class size guidelines: 22 FTE

Transportation Reductions

- Removing bus aides except for those approved through IEP/504 plans
- Consolidating bus routes
- Eliminating after/summer school services
- Eliminating non-mandatory preschool routes

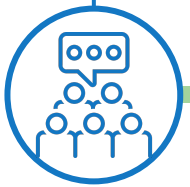
Other Expense Reductions

- Underutilized purchased service contracts with little to no impact on student learning
- Supplies by 10%
- Other objects of 5%
- Summer learning programs by 50%
- Elimination of ESSER-funded Academic Skill Centers

Total Reductions: $15.5M / 79 FTE

Next Steps: Structural Deficit Reduction Plan

Through December 18, 2024
Stakeholder Engagement





Meeting summaries shared on District 65 website

Through January 9, 2025
Analyze stakeholder feedback and finetune proposed reductions

January 13, 2025
Present 3-5 SDRP Phase 2 Scenarios





January 14 - 23, 2025
Garner stakeholder feedback on proposed scenarios

January 27, 2025
Board vote on SDRP Phase 2 reductions

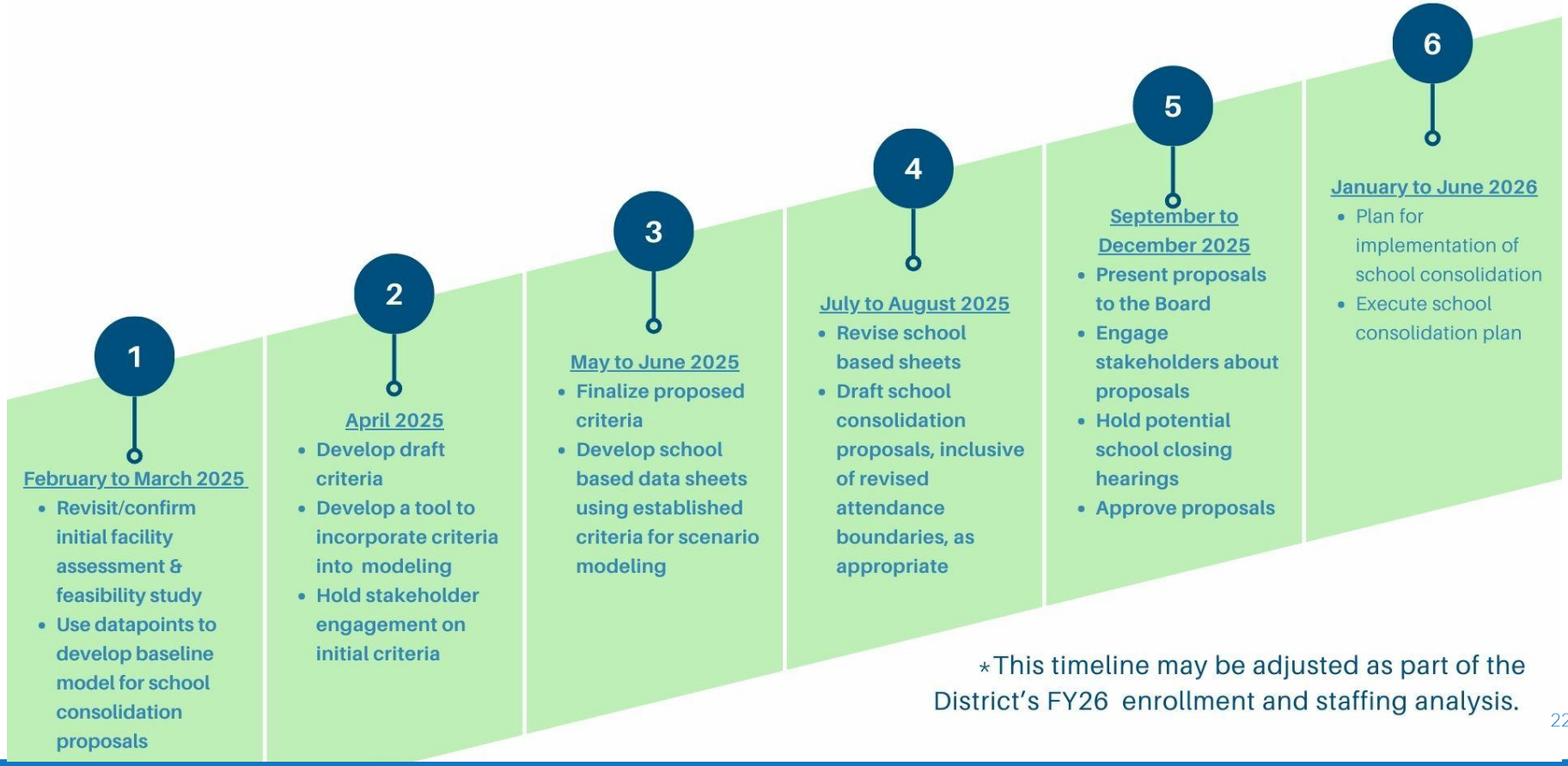




Spring 2025
SDRP Phase 2 status update

July 1, 2025
Implement reductions

SDRP Tentative Timeline for Phase 3: Sustainability*



*This timeline may be adjusted as part of the District's FY26 enrollment and staffing analysis.

Questions