



# Legislative Post Audit Performance Audit Report Highlights

## K-12 Education: Efficiency Audit of the St. Francis School District

### Report Highlights

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#### **Summary of Legislator Concerns**

The Legislature included a proviso in the fiscal year 2013 appropriations bill requiring efficiency audits of three school districts by the end of the fiscal year. The audits were to include one small district, one medium district, and a large district.

Officials from the St. Francis school district (a small district) volunteered for an audit of its operations.

#### **Background Information**

*The St. Francis school district is located in northwest Kansas in Cheyenne County. Five year trend data show that student enrollment has declined slightly, staffing levels have remained relatively stable, and expenditures per student have increased. However, in the past four years, expenditures per student have remained stable.*

**QUESTION:** Could the St. Francis school district achieve significant cost savings by improving resource management, and what effect would those actions have?

#### **Savings Options That Would Have Little to No Impact on Students or the Community and Should be Implemented**

- Making the food services program more efficient could save between \$46,000 and \$81,000 a year.
  - The St. Francis school district transferred \$91,500 to cover its food service program deficit in the 2011-12 school year, which was much more than its peers.
  - The district should take several steps to reduce food supply costs, which are significantly higher than its peers. Those steps include setting a budget, coordinating supply purchases and menus between the junior-senior high and the elementary school, and competitively bidding or shopping for food supplies and milk in coordination with other districts.
  - The district could take several steps to increase food service revenues by up to \$7,200 annually which would help cover costs. Those steps include increasing lunch prices and closing the lunch period.
- Reducing the superintendent position to part-time could save between \$32,000 and \$42,000 annually.
- Switching to a commercial Internet service provider could save between \$6,000 and \$20,000 a year.
- Using online courses to provide foreign language classes at the high school could save between \$6,000 and \$9,700 annually.
- Using more fuel efficient buses on daily routes could save about \$2,800 annually.
- Adopting better business practices could help the district achieve additional savings. Those options include automating paper-driven processes to reduce postage and paper costs, competitively purchasing goods and services, and selling unused surplus property.

#### **Savings Options That Could Have Moderate Impact on Students or the Community, But Should be Considered**

- Moving sixth graders to the junior high would help use junior high teachers more efficiently and could save about \$53,000.
  - Moving the sixth graders to the junior high school would reduce the need for one elementary teacher and save about \$53,000 a year.
  - Although parents may have concerns about sixth graders attending the junior-senior high school, it is a common arrangement.

- Offering a retirement incentive to staff currently eligible to retire could save up to \$17,000 in the first year.
- Reducing assistant coaching positions could save about \$4,000 annually.

### **Savings Options That Could Have Significant Impact on Students or the Community**

- Arranging the high school schedule to be more efficient would allow the district to reduce teaching positions and save \$40,000 to \$120,000 annually.
  - By having elementary teachers teach physical education, the district could reduce one teaching position and save \$40,000 annually.
  - The district could save an additional \$80,000 if it could reduce its wood technology, vocational agriculture, and librarian positions to part-time; however filling part-time positions could be difficult. Those teaching positions could be reduced to part-time by eliminating low enrollment electives and combining other low enrollment courses. The librarian position could be reduced to part-time by changing how the library is staffed
- By closing the elementary school and teaching students in a single K-12 school, the district could save about \$117,000 to \$153,000 annually.
  - The junior-senior high has enough room to accommodate the district's elementary school students.
  - After one-time renovations costs, total savings would range from between \$117,000 to \$153,000 annually.
  - Parents may have concerns about elementary students sharing a building with older students.
  - Closing the elementary school will have an impact on the community.

### **Findings related to the St. Francis school district's efficiency management process**

- The district does not have a process for effectively evaluating and managing efficiency. For example, the district does not calculate measures of efficiency, such as spending on a per student basis and does not use data to make comparisons to peers, standards, or benchmarks.

## **SUMMARY OF RECOMMENDATIONS**

We made several recommendations to the St. Francis school district to either implement or consider implementing the cost savings options we identified.

## **DISTRICT RESPONSE**

With the exception of our findings regarding switching to a commercial Internet service and reducing the superintendent position to part-time, district officials generally concurred with our findings and recommendations.

### **HOW DO I GET AN AUDIT APPROVED?**

By law, individual legislators, legislative committees, or the Governor may request an audit, but any audit work conducted by the Division must be approved by the Legislative Post Audit Committee, a 10-member committee that oversees the Division's work. Any legislator who would like to request an audit should contact the Division directly at (785) 296-3792.

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