

## Careful planning

*saves the day*



**Tom Grabill, ESC  
Executive Director**

The difficult state economy, which we all had hoped would have turned around by now, has put greater pressure on schools, with no legislative relief in sight.

For the past two years, many schools have been able to finagle enough money

to cover the state's shortfall in funding by transferring between funds, but now those stop-gap measures have just about been exhausted.

Careful and strategic planning is the only thing that's going to get us through the next few years. That's one reason our consultants have been

doing more studies lately – feasibility studies, facility studies, personnel studies, health insurance studies, and strategic planning

With little wiggle room, more and more schools are taking extra care to make sure their demographic and financial assumptions are correct. With schools that are planning for new facilities, for example, we're also working with them on staffing issues in addition to how to pay the debt service.

We've always been comprehensive, but now our consultants are working with you to look even further down the road to see the ramifications of each decision.

There are a host of legislative issues, which we hope will be addressed for the 2006 budget year, but in the meantime, planning will save the day.

## Tightest budgets in decades

First, the tough news: This is shaping up as the toughest budget year Indiana school leaders have faced in decades.

Now for the even tougher news: It's not expected to get any easier for the next three to five years.

"This is only the beginning of very difficult times our schools are facing," said Jerry Moore, finance consultant with Educational Services Company.

"Schools can't afford to look for a Band-Aid approach just to get through the year, because the next three or four years will

be even more challenging."

Two factors, in particular, will make this summer's budget process formidable.

One was the state Legislature's decision not to increase general funding for education in this, the second of its two-year budget.

That leaves school districts with a base increase of just 2 percent. No major increase is expected in the next budget, either.

Equally challenging are cuts in transportation funds. The state has stopped contributing to the transportation fund, which for some districts will be only a 1 to

2 percent loss, but for others it could be as much as 40 percent of their transportation budget.

The Legislature also capped the maximum transportation levy at 2004 levels, meaning districts that previously operated under the cap cannot raise revenue to cover the loss in state contributions and other increased expenses.

Combined with rising fuel costs, pressure to raise pay for bus drivers and additional travel, the cuts put unprecedented pressure on schools to meet

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## ESC's Services

- Personnel studies
- Treasurer support and training
- Interim superintendents & business managers
- Construction management
- Curriculum consulting
- Retirement planning & actuarial service
- Bargaining
- Accountability planning
- Equipment specs
- Benefits assistance (Group insurance)

## Avoiding Surprises

**An ESC financial health analysis can keep a school healthy.**

**It encompasses:**

- A 3-5 yr. look at enrollment, expenditure & revenue
- Funding
- Facilities
- Personnel
- Resources

## SEA 199 Bonding tally

**112 school corporations out of 293 have received approval for \$590 million in pension bonds**

# Across the board

## *School happenings*

### Facility studies test the waters

Few issues can be more contentious than seeking several million dollars from taxpayers for construction of new buildings. One way to build consensus before seeking such construction is to undergo a Facility Utilization Study.

ESC's team of experts, including **Jerry Moore** and **Pete Rump**, are helping **Evansville Vanderburgh School Corp.**, **Greenwood Community School Corp.** and **Danville Community School Corp.** chart demographic trends, classroom utilization and other factors that will determine what options might be feasible.

"School corporations may have more options than they realize," Moore said. "We can help them prepare for the future before launching into the more expensive, time-consuming and, potentially divisive process of feasibility studies."

### Personnel studies tighten policies

**Jim Burrell** and **Bill Conner** are heavily involved in a personnel study at **New Albany-Floyd Co. Consolidated School Corp.**

"We're looking at the overall operation, record keeping, compliance with government regulations and overall human resource policies," Burrell said.

The consultants said when they do such a study,

they meet with administrators of the different employment groups, make several site visits and then make an oral and written report of their recommendations. Burrell and Conner can also help draft or update a personnel handbook.

### Apple helps equip Wayne

**Pete Apple** has spent so much time at **MSD of Wayne Township** over the years, he's almost part of the furniture. Actually, he's responsible for the selection of much of the furniture in the school corporation having spent about 10 years helping school officials select the best equipment for its new buildings. He's now helping with equipment specifications for Wayne's \$98 million construction project. Apple, who has over 40 years experience equipping schools, is also working with **Franklin Township**, another school he has assisted frequently over the years. Apple bumps into ESC consultant **Bill Roberson** from time to time at Franklin, where Roberson is helping with budget matters.

### More news:

Budget work is occupying many of our financial consultants. **Joe Scher** continues to work with **RISE Learning Center** and is also assisting **South Adams**. **Anthony Broadwell** is working on

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## SEA 199 help all in one place

It's not too late to get help with SEA 199. From July 5 to July 23, ESC's team of SEA 199 consultants will offer on-site services to help schools meet the Dec. 31 deadline to sell bonds to cover their unfunded liability.

"We're going to assist as many schools as we can with their buyout strategies," said ESC consultant **Doug Cassman**. "To do that, we're asking folks to come to our Indianapolis office."

Cassman said the company will help with actuarial studies, conversion strategies, buyout strategies, employee communication and assistance with the

bond issue.

"Schools may bring other advisors or help that they deem necessary to reaching an agreement on buyout strategies," said Cassman. "The legal support will not be provided but is welcomed."

"The deadline to get it to the control board is October," said Cassman. "And the bond has to be sold by Dec. 31 — there were no extensions, so it's important that schools get working on their SEA 199 obligations right away, if they haven't already done so."

# New standards

## *A new way of teaching*

Standards-based education has firmly placed a yardstick in all curriculum and teaching decisions.

"It's a whole new paradigm," said ESC's Larry Renihan, who has been working with Greater Clark and Jac-Cen-Del schools with reviewing their instruction and curriculum. "Schools are having to re-evaluate the way they deliver education."

At Greater Clark County Schools, Renihan is working with a 100-member committee and "examining all aspects of education, including new core values and grade-level structures," he said. He's working with a similar committee of 30 at Jac Cen Del Community School Corp.

"We need to determine the standards we are striving to meet, then we select the goals to meet the standards," Renihan explained. "Then we have to determine how we assess it and determine how we teach it. It's a whole new concept."

Renihan said with student performance the barometer of a school's success, teachers are challenged to change the way they have been taught to teach.

"Many are having a hard time making the adjustment, so that is something we address," Renihan said.

One solution is to have teachers attend an in-service meeting directed toward helping them understand the new paradigm. "We can also teach them how to create better lesson plans and understand their role in this new accountability."

Teacher assessment is another component. "A teacher's performance used to be judged by presentation, creativity and interaction with students," Renihan said.

"Now, teachers are evaluated by the performance of students."

Renihan said the committees will make recommendations to their respective school boards for consideration. He expects to finish his work with both schools in June.

"We all have to meet state and national standards," Renihan said. "How you go about it is an independent school decision."

## Ripperger joins as treasurer

When Mary Ann Ripperger retires from Northern Wells Community Schools in June, she'll bring her 27 years of treasurer and business office experience to ESC.

"She is a well-respected treasurer and has been someone others have called on for assistance," said ESC Executive Director Tom Grabill. "She's a fine addition to service north east Indiana."

Ripperger has "done just about everything" at Northern Wells from transportation and cafeteria director to assistant for business purchasing.

"I like a challenge," Ripperger said of her various roles at Northern Wells. "I enjoy helping employees with insurance and day-to-day things."

Ripperger, who has consistently been given high marks from the State Board of Accounts, will be training school treasurers for ESC.

She has an associate's degree from International Business College and had 10 years of administrative experience prior to joining Northern Wells in 1977.

"I thought it would be a nine-month a year job," she said with a laugh. But the challenges of operating a school business office did not daunt her. After spending 14 years working on everything from insurance and employee benefits to purchasing, she started helping nearby schools as a consultant.

Ripperger has been married for 38 years and has two grown children and four grandchildren. Her son, Mike, has followed in her footsteps and is a business teacher at Southern Wells High School and her daughter, Rhonda, is a doctor.

When she's not working, she said she enjoys painting, ceramics and "any kind of music from classical to country."

### A WEALTH OF KNOWLEDGE

Of our consultants,

- 9 led schools as superintendents
- 15 were assistant superintendents/bus. managers
- 6 served in the central office
- 1 has 30 years in construction mgmt.
- 2 were treasurers
- 2 are benefits consultants
- 3 are licensed actuaries

## Across the board

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budgets with **Northeastern Wayne and Greensburg Community Schools**. He's also working with the **Hammond Federation of Teachers** instructing them on the nuances of school finance. **Pearson Miller** continues his long-term budget assistance with **Nettle Creek School Corp.** and **Mt. Pleasant Township Community School Corp.**

With baby boomers retiring at a record pace and talented administrators getting recruited, there have been quite a few superintendent vacancies throughout the state. In the interim, several of our consultants have been filling in to keep things moving smoothly. **Joe Scher** is interim business manager at **Twin Lakes School Corp.** and **Dick Cook** is interim superintendent at **New Durham**.

**Beverly Walters**, who has 39 years experience in school business offices, has been training school treasurers across the state since she joined ESC two years ago. She is now tracking construction costs at **Franklin Township** and **Evansville-Vanderburgh School Corp.** She'll soon have relief in the northeastern part of the state, as ESC is bringing on **Mary Ann Ripperger**, its second treasurer consultant.

## Budgets

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transportation obligations.

Schools can appeal to the state to raise their transportation fund levy if they project that transportation expenses will increase 10 percent or more this year.

"This is shaping up as the most challenging year our administrators have faced in their careers," said Moore, who has worked for 30 years in the school budget arena, 20 as a business manager for three school districts and, for the past decade, as a consultant for ESC.

Equally important, ESC assists corporations in, as Moore puts it, "seeing the big picture and acting as a bridge to help the community see that some tough decisions such as reductions in staff may be unavoidable.

"Maybe, we're the bad guy in the process," Moore added. "But the important thing is that the schools make decisions that they can live with not just next year, but over the next several years. From that standpoint, this is a very critical year."