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OPINION

# Schools should be required to cut costs

**By Bulletin Editorial staff**

There are two competing bills moving through the Oregon Legislature to require that school districts look for ways to save money. The Senate bill makes it optional. The House bill makes it mandatory.

We hope the Legislature makes it mandatory. House Bill 47, sponsored by Rep. Gene Whisnant, R-Sunriver, would require that school districts do performance audits every six years. School districts would be required to show the way they use their money and identify ways to save it. The audits would include looking at how a district handles payroll, buys supplies, provides food service, and maintains and builds buildings.

The idea is to identify financial practices that may be useful to districts statewide. For instance, there may be ways for districts in an area to combine payroll operations or buy supplies together under an education service district to save money.

Not every practice will work for every district. But school districts in Oregon need to look. The Chalkboard Project, the nonpartisan group working to improve education in Oregon, has found Oregon is an outlier when compared to other states in how much money goes into school business operations.

And Oregon is not an outlier in a good way. Oregon spends more money per student on “other support services” or school business costs than the national average, according to the Chalkboard Project. In 2003-04, Oregon spent \$471 per fall enrollee compared to the U.S. national average of \$241.

That's a big difference. Researchers for Chalkboard tried to find out why. The numbers compiled by the National Center for Education Statistics include money for hiring, payroll, purchasing, warehousing and technology. In Oregon, it also includes the cost of supplemental retirement programs, such as cash stipends and health insurance premiums paid for former school district employees. In other states, those costs may not be included.

A big target should be teacher benefits. Oregon spends more on teacher benefits than the national average. Some of that is thanks to PERS, the Public Employees Retirement System. A big chunk is because of the amount the state pays for health insurance as a share of salary. Both total benefits and health benefits are about 40 percent higher than the national average, according to research for Chalkboard. Health plans should be designed differently and/or employees need to pick up more of the cost.

Making performance audits mandatory under House Bill 47 addresses one of the serious perception issues about school spending. It sends a message that school districts are, indeed, serious about how they manage taxpayer dollars. The savings found may only be modest, but it's vital that districts show they wring every last penny out of the money taxpayers give them. That way, taxpayers will be more likely to support schools at the ballot box.

