

Yellow Brick Road - A comparison of expenses

At school board meetings, you may hear district office staff and board members refer to the ["Yellow Brick Road"](#) (YBR), a document generated by our Chief Business Officer over the past five fiscal years. It also has been mentioned recently in a *St. Petersburg Times* article. What is the purpose of the YBR? The YBR is a transparent, inter-district comparison of financial data taken from the Annual Financial Reports (AFR's) for targeted districts. It shows what we spend in certain categories and compares us with 12 other districts that have been selected for their relative size, similar attributes, or physical proximity to our school system. The report uses percentages due to the large variations in dollar funding across Florida school districts.

The Yellow Brick Road compares spending in certain functions such as direct instruction (money spent in the classroom), transportation, plant operations, school administration and general administration (management of the district). It also compares spending by object (salaries, benefits, purchased services, capital outlay, etc.) Information in the report is provided for the operating fund, federal projects, and the combination of the two funds. The report shows our district's ranking in several categories (some mentioned above) relative to the other 12 districts. For comparison purposes, most of the emphasis is on the operating fund, since federal grants vary greatly from district to district.

PCS has made noticeable progress over the past three years in terms of the percentage spent on direct instruction. In 2006-07, we fell short of our target of 63% with a 62.37% rank of sixth (6th) place. Last year, (2008-09) we increased our percentage to 63.85%, yet we only maintained our relative ranking of 6th place due to the statewide emphasis on class size reduction.

There has been much media publicity about the district's expenses in the area of general administration (management of the district). In fiscal 2007-08, Pinellas spent \$6.5 million within this category which accounted for 0.76% of all operating fund expenditures. At that point in time, we ranked first (#1 - spent the most) percentage-wise in that category which prompted us to do some research.

We discovered that the way we coded some of our expenses (based on the DOE "Redbook" guidelines used by all districts) was different in comparison to other districts. Some expenses were better suited to be coded to a more appropriate category which would make comparisons between districts more accurate. After extensive analysis, research, and conversations with other districts, we determined that we needed to reclassify approximately \$1.5 million in expenses to other functional categories to more consistently comply with the Redbook guidelines. In addition, about \$1.1 million in budget reductions of the total \$26.8 million cut in 2008-09 was made in the category of general administration by eliminating central office positions.

To summarize, in fiscal year 2008-09, we spent only \$3.9 million in general administration, which reduced our percentage to 0.47% and ranked us fifth (5th) out of the 13 districts. We anticipate that in fiscal year 2009-10, this percent could decrease slightly more.

In future workshops, the school board will continue to discuss the Yellow Brick Road and other potential reductions in expenses outside of the classroom.

I wish you all a wonderful Thanksgiving holiday as you spend time with family and friends. Be safe in your travels. I'm so grateful for all that you do for our students and their families.

Julie M. Janssen, Ed.D.
Superintendent