

OHIO AUDITOR OF STATE
KEITH FABER



Perry
Local School District

Performance Audit

September 2, 2021

OHIO AUDITOR OF STATE
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To the Perry Local School District community,

The Auditor of State's Office recently completed a performance audit for the Perry Local School District (the District) at the District's request. This review was conducted by the Ohio Performance Team and provides an independent assessment of operations within select functional areas.

This performance audit report contains recommendations, supported by detailed analysis, to enhance the District's overall economy, efficiency, and/or effectiveness. This report has been provided to the District and its contents have been discussed with the appropriate elected officials and District management. The District has been encouraged to use the recommendations contained in the report and to perform its own assessment of operations and develop alternative management strategies independent of the performance audit report.

This data-driven analysis of operations provides the District valuable information which can be used to make important financial decisions. Additional resources related to performance audits are available on the Ohio Auditor of State's website.

This performance audit report can be accessed online through the Auditor of State's website at <http://www.ohioauditor.gov> and choosing the "Search" option.

Sincerely,

Keith Faber
Auditor of State
Columbus, Ohio

September 2, 2021

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Introduction

The public expects and deserves government entities to be good stewards of taxpayer dollars. School officials have a responsibility to maximize program outcomes and success while minimizing costs. Transparent management of taxpayer dollars promotes a good relationship with the constituents served by a school district. School districts in Ohio are required to submit budget forecasts to the Ohio Department of Education (ODE) annually in the fall, with updates to the forecast submitted in the spring.¹ These documents provide three years of historical financial data, as well as the projected revenues and expenses for a five-year period.

The Ohio Auditor of State’s Ohio Performance Team (OPT) routinely reviews the submitted forecasts in order to identify districts which may benefit from a performance audit. While we have the authority to initiate a performance audit for school districts facing financial distress, any school district can proactively request, and benefit from, a performance audit.² Officials from Perry Local School District (PLSD or the District) requested a performance audit with a specific focus on human resources management. This proactive measure by PLSD officials will help the District to identify and address potential issues before they result in fiscal distress.

Perry Local School District

The District is located in Massillon, Ohio and as of October 2019 had 4,472 students enrolled. The District employs 343 certified employees and 276 non-certified employees. PLSD operates under an elected Board of Education, which consists of five members and is responsible for providing public education to residents of the District. Within the District’s boundaries are two non-public schools: St. Joan of Arc Elementary and Central Catholic High School.



NOTE TO REPORT USERS

Our report is largely based on information available prior to the State of Ohio’s state of emergency declaration in March of 2020 due to the COVID-19 pandemic. Our analysis takes into account changes to revenues and expenditures, as well as operational changes in response to the pandemic where necessary. However, the events of the pandemic could have lasting and unforeseen impacts on the District and its operations, and report users and District administrators should take this into account as they consider implementation of the recommendations contained in this report.

¹ Ohio Rev. Code § 5705.391 and Ohio Admin. Code 3301-92-04.

² Performance audits are conducted using Generally Accepted Government Auditing Standards guidelines, see **Appendix A** for more details.

The last operating levy passed by District residents was in May 2018: a renewal of an emergency levy. The renewal levy generated sufficient revenues for a two-year period to sustain school operations. The District's expenditures have exceeded revenues for the past several fiscal years, and the District has needed to use reserve fund balances to pay for regular operations. Because of this deficit spending, PLSD officials anticipate the need for an additional levy request within a two-year period.



Financial Condition

According to the May 2021 five-year forecast the District is likely to experience deficit spending over the next several years. This means that the projected expenditures in each year are more than the projected revenues. However, because the District has reserve fund balances, PLSD is not facing imminent fiscal distress.

School Funding

Historically, school funding in Ohio has been a partnership between the state and local districts. Local districts can raise funds through property and income taxes, and the state provides funding primarily through a foundation formula, which is intended to ensure a basic level of education funding for all students. Districts may also receive some funding from other sources, such as federal grants. In FY 2019 of the approximately \$23.5 billion in reported revenue for public education nearly 85 percent came from state and local sources.

State Funding

On June 20, 2021 House Bill 110 of the 134th General Assembly, the biennial budget bill, was signed by the Governor. This bill included changes to the state foundation funding formula, commonly referred to as the Fair School Funding Plan, which replaced the previous state funding allocation model. This new model establishes and implements a new cost methodology using student teacher ratios, minimum staffing levels, local property values, and district-level income data. Further, the legislation includes guarantees to ensure no school district receives less funding than it did in FY 2021.

The model will be phased-in over several years, which will impact the amount of state funding received under the new formula during this phase-in period; the amount of state funding received in any given year will be less than what would have been received if the formula were fully funded. ODE has been working to modify its systems in order to process payments according to the new funding model, and districts began to see some changes to their payments in July of 2021. Payments reflecting all changes under the new funding model, as phased-in, are expected to begin in October of 2021.

Local Funding

Local revenue can be raised through a combination of property and income taxes. While property taxes are assessed on both residential and businesses within a district, income tax is assessed only on residents – that is, individuals who work in a district but do not reside there would not be assessed an income tax on wages. Approximately one third of districts currently have an income tax.

Property taxes levied in Ohio are subject to restrictions in the Ohio Constitution³ and the Ohio Revised Code (ORC).⁴ These restrictions limit the amount of tax that can be levied without voter approval to 10 mills⁵ or 1 percent of property value. While the Constitutional limitation is based on fair market value, the ORC sets a more restrictive limit based on taxable value which is defined as 35 percent of fair market value.⁶ These taxes are split between the various taxing districts that operate where a property is located.

The 10 mills allowed by the Constitution are typically referred to as inside, or un-voted mills. School districts usually receive revenue from 4 to 6 inside mills and the remainder of property tax revenue would come from voted, or outside millage.

School districts can obtain additional property tax revenue through voter approved bonds and levies. These taxes can have a variety of purposes that are defined in the authorizing language, which are generally divided into three broad categories: general operations, permanent improvement, and construction.

Levies may be defined as either a fixed-rate or a fixed-sum. A fixed-rate levy identifies an amount of mills that will be assessed in order to raise revenues. If new construction occurs within the district, the rate would apply and the district would realize additional revenues. Current expense levies, used for general operations, and permanent improvement levies are typically fixed-rate. A fixed-sum levy identifies an amount that will be generated from the levy.

³ Such as Ohio Const. Art. XII, Section 2.

⁴ Such as ORC § 5705.02.

⁵ A mill is defined as one-tenth of one percent or \$1 for every \$1,000 of taxable value.

⁶ ORC § 5715.01(B).

Inside Millage

In Ohio, millage is referred to as "inside" millage and "outside" millage. "Inside" millage is provided by the Constitution of the State of Ohio and is levied without a vote of the people. It is called "inside" millage because it is "inside" the law. Another term would be un-voted millage.

The Constitution allows for 10 mills of inside millage in each political subdivision. Public schools, counties, townships, and other local governments are allocated a portion of the 10 inside mills. Cities can collect additional inside millage if it is a part of the City's charter.

Outside Millage

Outside millage is any millage "outside" the 10 mills provided by the Constitution of the State of Ohio. This millage is voted in by the public. Another term for outside millage is voted millage. This millage can be used for general purposes or it may be restricted, depending on the language of the law which enables it.

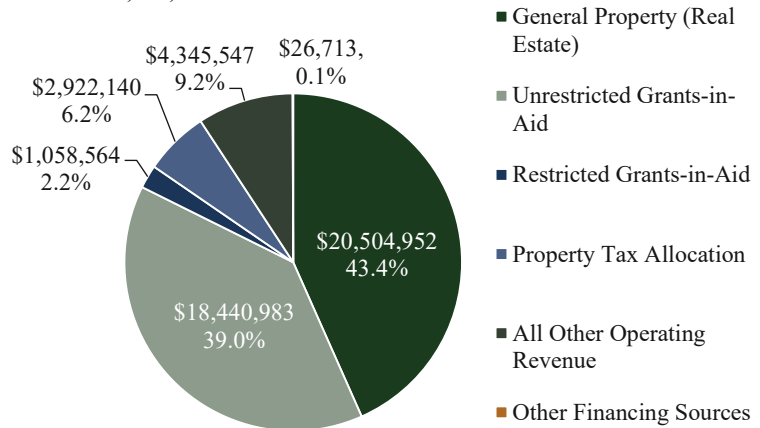
While there may be an estimated millage rate, the actual rate will vary based on assessed property values. If new construction occurs within the district, there would be no new revenues for a fixed-sum levy. Emergency levies⁷, for general operations, and bond levies, for the financing of new buildings, are typically fixed-sum levies.

Ohio has historically had laws which limit the impact of rising property values on property taxes. The most recent version of these limitations was first enacted in 1976, has been subsequently amended, and generally requires that the amount collected on fixed-rate millage is generally frozen at the dollar value collected in its first year.⁸ In subsequent years, with exceptions such as new construction, a district would not receive additional revenue from a levy as property values increased.⁹ Instead, the outside mills are subject to reduction factors¹⁰ which lower the effective millage rate in order to maintain the preceding year’s level of revenue from the same properties.¹¹

However, under state law, in order to receive state foundation funding, a district must collect a minimum of 20 mills in property taxes for general purposes, or current expenses.¹² In order to prevent a district from failing to meet this minimum threshold, reduction facts stop being applied once a district reaches an effective rate of 20-mills, commonly known as the 20-mill floor. Practically speaking, this means that if a district’s effective tax rate is reduced to 20 mills for current expenses, the amount of revenue generated from levies will increase with property values unless a new operating levy

FY 2020 Total General Fund Revenue Composition

Total: \$47,298,899



Source: PLSD

⁷ Authorized by ORC §5705.194.

⁸ Originally enacted as Am.Sub.H.B. No. 920, 136 Ohio Laws, Part II, 3182, 3194.

⁹ If property value decreased due to reappraisal, it is possible that a district would receive less revenue than originally intended.

¹⁰ ORC § 319.301

¹¹ We are providing this information for historical purposes only. The law which regulates collection of on outside millage has been amended since enacted in 1976. The District should consult with the most current version of the law for a clear understanding of how this process works today.

¹² ORC § 3317.01 (regarding the 20 mill minimum for the foundation formula eligibility). The term ‘current expense’ refers to revenue generated from levies that are not restricted in their use. It does not include bonds or levies that generate revenues for restricted funds, such as Permanent Improvement levies. ORC §§ 5705.01(F) and 5705.05.

is approved by voters. It is important to note, as discussed below, not all levies count toward the 20-mill floor.

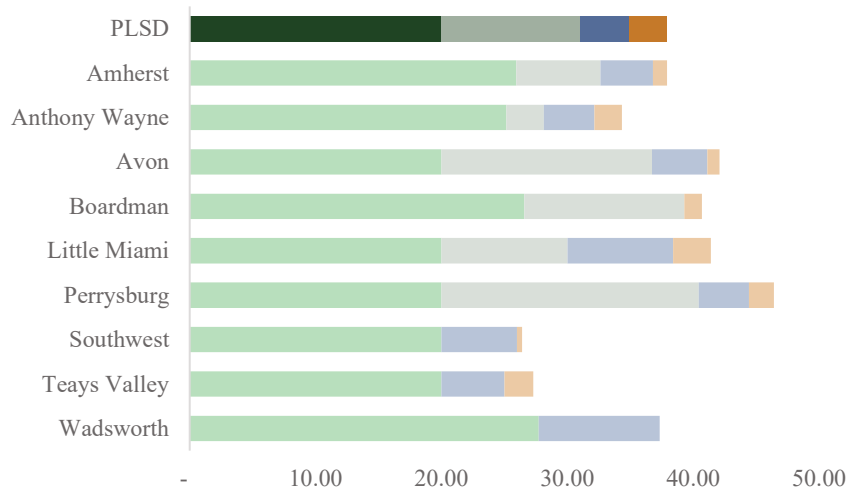
Ultimately, the mixture of property taxes approved by voters can have a wide ranging impact on both the revenues collected by a district and the amount of tax individual property owners are required to pay on an annual basis.

District Revenues

In FY 2020 the District’s total general fund revenue was approximately \$47.3 million. The District’s primary sources of revenue are general property taxes and state foundation funding. The remaining revenue is comprised of a variety of sources including a state property tax allocation.¹³

In 2020, PLSD collected revenues on 37.89 mills of property tax for residential properties.¹⁴ This included 4.7 inside mills and 15.3 outside mills for current expenses. The District’s current expense millage rate is at the 20-mill floor and therefore not subject to reduction factors. In addition to the 20 mills for current expenses, the District collects additional property tax revenue that does not count towards the 20-mill floor. This includes millage designated for permanent

2020 General Fund Millage | Primary Peers



The composition of levies impacts district revenues. **Current Expense mills**, used for general operations are subject to reduction factors until a district reaches the 20-mill threshold. **Emergency and substitute mills** raise a defined amount of general operating revenue and are not reduced. **Permanent improvement mills** are used for maintenance of long-term assets and may be reduced over time. **Bond mills** raise a defined amount used for the purchase or construction of new buildings.

Source: tax.ohio.gov

¹³ In addition to the state foundation formula, districts receive state aid through what is known as the ‘property tax allocation.’ See Ohio Rev. Code §§ 5751.20 and 5751.21. Included are payments to reimburse revenue lost due to property tax relief programs granted by the state to taxpayers under the Homestead Exemption program and property tax rollbacks such as the non-business credit (former 10 percent credit) and the owner-occupied credit (former 2.5 percent credit). See Ohio Rev. Code § 323.152.

¹⁴ Residential and agricultural property is considered Class 1 real estate. Commercial Property is considered Class 2 real estate and subject to a different set of reduction factors. The effective millage rate for Class 2 property in 2020 was 40.18.

improvements that is subject to reduction factors and collected revenues based on 2.99 mills in 2020, and a bond and emergency levy which collected 3.9 and 11 mills respectively and are not subject to reduction factors.¹⁵

Because the total millage rate can be rolled back as a result of reduction factors, we compared the total effective millage for PLSD to that of its peers. The primary peer comparison is found in the chart above. The green portion of the bar represents the current expense millage rate, where several of the peers are also on the 20-mill floor. The grey portion represents emergency and substitute revenue, which is not subject to reduction factors, the blue portion represents the permanent improvement funds, and the orange represents bond funding.

Overall, the District's effective millage rate of 37.89 is in line with that of its primary peers. However, as previously mentioned, the different types of mills collected within each district can have a significant impact on revenue generation. Of particular interest in the chart above is the comparison between PLSD and the peer district Amherst Exempted Village School District. While the two districts have nearly identical total effective millage, because PLSD is on the 20-mill floor and Amherst is not, if both districts saw an increase in property values only PLSD would recognize a corresponding increase in property tax revenues.

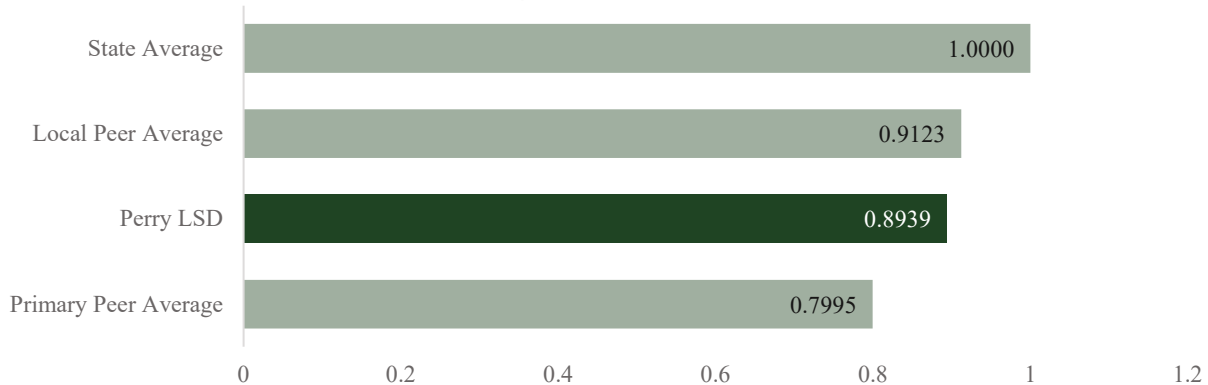
It is important to understand that the revenue generated from bond and emergency levies will remain the same regardless of changes to property values as they are voted as a fixed-sum levy. The current expense millage and permanent improvement millage also stay the same, until the 20-mill floor is hit for current expense taxes. At that point, a district on the floor would see additional revenues from increases in value to existing properties.

¹⁵ The emergency levy, approved for renewal in 2018, generates just more than \$8 million annually for general operating expenses.

Local Tax Effort

ODE uses the Local Tax Effort Index as a measure of taxpayer support for the district in which they reside. This index, one of a number of possible measures for evaluating local effort, was initially developed by the Division of Tax Analysis of the Ohio Department of Taxation; it is calculated in the context of the residents' abilities to pay by determining the relative position of each school district in the state in terms of the portion of residents' income devoted to supporting public education. This index uses median income data and provides context to better understand a community's tax burden not only compared to other districts but also as a function of the residents' ability to pay. On this sliding scale, a value of 1.0 indicates the state average, a baseline against which all districts in the state are weighed. If a district has a local tax effort below 1.0, residents provide a smaller portion of their available income to public education, whereas a value above 1.0 indicates the community pays a larger portion of their available income to public education compared to the state average. The index is updated by ODE annually as part of its District Profile Reports, also known as the Cupp Report, to reflect changes in local conditions from year to year.

FY 2020 Local Tax Effort Comparison



Source: ODE

In the chart above, the District's local tax effort was compared to the state average and primary peers. The District has a local tax effort of 0.8939, which is lower than the state average, but higher than the primary peer average of 0.789. PLSD's local tax effort could change as a result of the passage of any additional levy initiatives.

Revenue per Pupil

Revenue per pupil, broken down by type of funding, is another way to compare funding sources between Ohio school districts. The District receives \$11,720 per pupil, with 39.1 percent coming from local revenue sources. The primary peer average is \$11,729 per pupil, with 54.9 percent coming from local revenue sources. The District's local revenue is lower than the primary peer average.

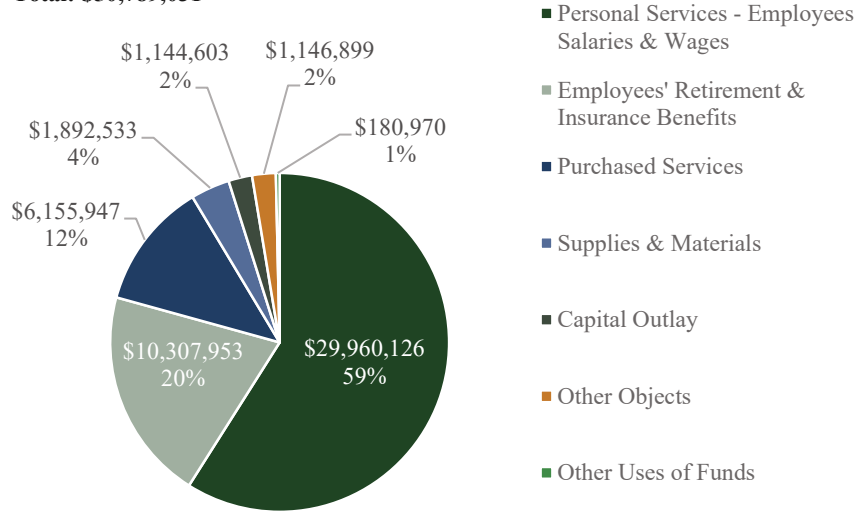
Expenditures

In requesting this audit, the District asked OPT to analyze human resources operations. Generally speaking, human resources is the most significant source of expenditures for an organization. As seen in the chart below, more than 79 percent of District expenditures in FY 2020 were related to employee salaries and wages, retirement, and insurance benefits.

By undergoing this review, the District is taking steps to understand the current state of expenditures relating to personnel. It can then use this information to determine the optimal staffing model moving forward based on the needs of the District and the people it serves. In doing so, the District may be able to identify options that will provide more structural balance in its budget.

FY 2020 Total Expenditures

Total: \$50,789,031

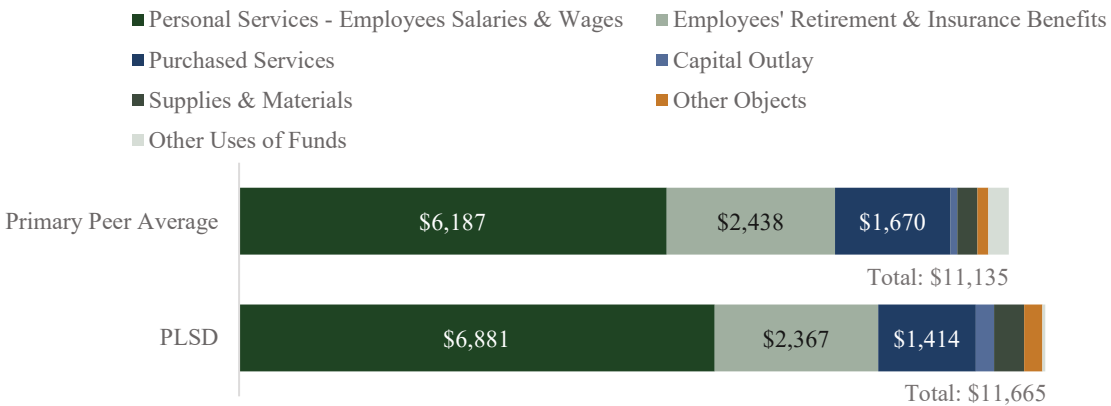


Source: PLSD

Expenditure per Pupil

PLSD spends \$11,664 (or 4.75 percent more) per pupil as compared to the primary peer average of \$11,135 per pupil. The District spends more than the primary peer average on employee salaries and wages, capital outlay, supplies and materials, and other objects. The District spends less than the primary peer average on employee benefits, purchased services, and other uses of funds.¹⁶

Expenditures per Pupil



Source: PLSD and Peers

¹⁶ The category of “Other Objects” includes things such as interest on loans, memberships in professional organizations, County Board of Education contributions, and various types of non-healthcare insurance. “Other Uses of Funds” mainly consists of transfers, contingencies, and advances within the various accounting dimensions.

Results of the Audit

At the request of the District, the audit focused on the operational areas of Human Resources including staffing, salaries, benefits, collective bargaining agreements (CBA), and purchased services. We identified three recommendations which would result in reduced expenses or improve the District’s operational management based on industry standards and peer averages.

While this audit was not initiated by OPT based on identified fiscal distress concerns, the District has engaged in several years of deficit spending which could result in future issues relating to fund liquidity. Rather than continue to spend down existing reserve funds, PLSD officials chose to request this audit to provide proactive measures that can prevent future long-term financial woes.

The recommendations contained in this audit provide District officials with several options that should be reviewed in identifying the best course of action for the community in relation to future staffing within PLSD. While the District may choose to only implement a portion of our recommendations, the results of the audit provide officials with a framework for reviewing personnel decisions going forward.

Summary of Recommendations

Recommendations	Savings
Eliminate 4.5 FTEs from Administrative and Administrative Support Positions above the Peer Average	
R.1	\$405,200
Eliminate 1.5 FTEs Central Office Administrators	\$125,600
Eliminate 2.0 FTEs Building Administrators	\$225,500
Eliminate 1.0 FTE Other Extra/Intra-curricular Position	\$54,100
Eliminate 25.0 FTEs from Direct Student Education and Support Positions above the Peer Average	
R.2	\$1,266,800
Eliminate 3.0 FTEs Career – Technical Teaching Positions	\$302,100
Eliminate 1.5 FTEs Gifted and Talented Educational Positions	\$137,200
Eliminate 0.5 FTE General Education Teachers	\$45,900
Eliminate 12.0 FTEs Other Support Staff Positions	\$279,000
Eliminate 4.0 FTEs Non-Teaching Educational Positions	\$375,400
Eliminate 4.0 FTEs Library Staff Positions	\$127,200
Renegotiate Collective Bargaining Agreement Provisions Related to the Annuity Program and Professional Growth Stipends	
R.3	\$670,000
Total Cost Savings from Performance Audit Recommendations	\$2,342,000

In the most recent five-year forecast the District has projected significant deficit spending. While the purpose of this audit was not to address these long-term deficits, these recommendations would assist the District in eliminating some, but not all, of the projected deficit spending identified in the forecast.

Human Resources

Human resource (HR) expenditures are significant to both the operational and financial conditions within school districts. Specifically, personnel costs (i.e. salaries and benefits) accounted for 79 percent of PLSD’s General Fund expenditures in FY 2020, which had a significant impact on the District’s budget and financial condition. OPT reviewed PLSD’s staffing levels, salaries, and CBA provisions and compared them to peer districts. We also reviewed Ohio Revised Code (ORC) and Ohio Administrative Code (OAC) requirements¹⁷ to determine areas where the District could save money through reductions.¹⁸

Recommendation 1: Eliminate Administrative and Administrative Support Positions above the Peer Average

Impact

By reducing administrative and administrative support staff to be in line with the primary peer averages, the District could save an average of \$405,200 annually.¹⁹

Background

The District employs individuals in administrative or administrative support positions that are responsible for activities related to the daily operations of the District. While these positions provide critical support to students and educators within PLSD, the District may be able to reduce some positions based on peer comparisons.

Methodology/Analysis

Staffing levels for the District were identified and compared to peer averages for all analyses.²⁰ In order to make data-driven decisions, the data was normalized on a per 1,000 student level and compared to the peer average.

¹⁷ Ohio Rev. Cod §§ 124.39, 3319.071, 3317.084, 3319.087, 3319.141, 3319.142, 3319.17, 3319.22 and Ohio Admin. Code § 3301-35-05.

¹⁸ Title 1, Special Education, and auxiliary staffing is excluded from our analysis due to various requirements. **Appendix C** contains additional detail regarding our methodology for the staffing analysis.

¹⁹ The value of the savings for all staffing recommendations were based on the lowest tenured employee salaries. Benefits include medical, dental, and life insurance, Medicare, and retirement.

²⁰ A Full-Time Equivalent (FTE) was used to identify staffing levels, based on ODE reporting guidelines.

Areas where PLSD has staffing levels above the primary peer average and could reduce administrative or administrative support staffing include:

- 1.5 FTE Central Office Administrators;
- 2.0 FTE Building Administrators; and,
- 1.0 FTE Other Extra/Intra-Curricular Staff.

Central Office Administrators

Ohio school districts are required by law to employ a Superintendent and Treasurer; additional central office administrator staffing is based on the needs of the District.²¹ These positions generally include district leadership who lead or coordinate programs on a district-wide basis. PLSD employs 13.0 FTE central office administrator staff. Eliminating 1.5 FTE central office administrator positions could save an average of \$125,600 annually, bringing the District's baseline staffing ratio in line with the primary peer average.

Building Administrators

Building Administrators is the broad category for individuals who are responsible for the daily operations of a school building, such as Principal, assistant Principal, or Dean of Students. PLSD employs 16.0 FTE building administrator staff. Eliminating 2.0 FTE building administrator staff could save an average of \$225,500 annually, bringing the District's baseline staffing ratio in line with the primary peer average.

Extra/Intra-Curricular Staff

The District employs 1.0 FTE other extra/intra-curricular²² employee, which is 1.0 FTE above the peer average. Eliminating 1.0 FTE other extra/intra-curricular staff could save an average of approximately \$54,100 annually, and bring the District's baseline staffing ratio to a level consistent with the primary peer average.

²¹ Ohio Rev. Code § 3319.01 requires school districts in Ohio to employ the services of a Superintendent; Ohio Rev. Code § 3313.22 requires school districts in Ohio to employ the services of a Treasurer.

²² The District employs a strength and conditioning coach that manages the weight room and coaches student athletes in strength and physical conditioning activities. This position falls under EMIS code 899 (Other Extra-curricular/ Intra curricular), which none of the Peer districts had.

Recommendation 2: Eliminate Direct Student Education and Support Positions above the Peer Average

Impact

By reducing direct education and student support staff to be in line with the primary peer averages, the District could save an average of \$1,266,800 annually.

Background

Direct education and support positions are those functions which assist students directly in some manner. This may include a variety of professionals including teachers, educational support specialists, and counselors. Staffing decisions in these areas are based on a variety of factors. However, we found that based on peer comparisons, in certain categories PLSD could eliminate some staffing.

Methodology and Analysis

As with Recommendation 1, staffing levels for the District were identified and compared to primary peer averages on a normalized FTE per 1,000 student basis. Areas where PLSD could reduce direct student education and support staffing include:

- 3.0 FTE Career Technical Staff;
- 1.5 FTE Gifted and Talented Staff;
- 0.5 FTE General Education Staff
- 12.0 FTE Other Support Staff;
- 4.0 FTE Non-teaching Staff; and,
- 4.0 FTE Library Staff

Career Technical Staff

PLSD employs 19.0 FTE career technical staff, which is 3.0 FTE above the primary peer average. Eliminating 3.0 FTE career technical educational staff could save an average of \$302,100 annually.

Gifted and Talented Staff

PLSD employs 3.0 FTE gifted and talented educational staff, which is 1.5 FTE above the peer average.²³ Eliminating 1.5 FTE gifted and talented educational staff could save approximately \$137,200 annually, and bring the District's baseline staffing ratio to a level consistent with the primary peer average.

General Education Staff

PLSD employs 187.69 FTE general educational staff, which is 0.5 FTE above the peer average. Eliminating 0.5 FTE general educational staff could save approximately \$45,900 annually and bring the District's baseline staffing ratio to a level consistent with the primary peer average.

Other Support Staff

PLSD employs 24.5 FTE other support staff including:

- 1.0 FTE Attendance Officer, which is 0.5 FTE above the peer average;
- 4.0 FTE Guards/Watchmen, which is approximately 2.5 FTE above the peer average; and,
- 19.5 FTE Monitoring staff, which is approximately 9.0 FTE above the peer average.

Eliminating 12.0 FTE other support staff could save an average of approximately \$279,000 annually.

²³ Note: There is one Gifted and Talented teacher that is retiring at the end of FY2021, and that employee is 0.5 FTE. The staffing reductions are based on the least tenured employee within a particular position, therefore, although the employee is retiring, they were not the least tenured employee in the position, so their salary was not used when calculating the financial implication of reducing Gifted and Talented teaching staff by 1.5 FTE.

Non-Teaching Educational Staff

PLSD employs approximately 17.0 FTE non-teaching educational staff including:

- 3.0 FTE Curriculum Specialists²⁴, which is approximately 2.0 FTE above the peer average;
- 12.0 FTE Counseling staff, which is approximately 2.0 FTE above the peer average; and,
- 2.0 FTE Remedial Specialists, which is in line with the peer average.

In order to be more in line with the peer average, the District should eliminate 4.0 FTE Non-Teaching staff positions. Eliminating 2.0 FTE curriculum specialist staff could save \$223,200 annually, and eliminating 2.0 FTE counseling staff could save \$152,200 annually, for a total annual savings of \$375,400.

Library Staff

PLSD employs 8.5 FTE library staff. Eliminating 4.0 FTE Library staff²⁵ could save an average of approximately \$127,200 annually, bringing the District’s baseline staffing ratio to a level consistent with the primary peer average.

²⁴ Note: One of the curriculum specialists is a Title funded employee. Title funded staff are typically excluded from the staffing analysis. The District chose to keep the Title funded employee as part of their staffing because they would still employ a person in this position, regardless if they have the Title funding for it.

²⁵ Note: The District is 4 Library Aides over the peer average, so the staffing reduction is based off the least tenured library aides.

Recommendation 3: Renegotiate Collective Bargaining Agreement provisions related to the Annuity Program and Professional Growth Stipends

Impact

The District spends approximately \$340,000 annually on its Professional Growth Stipend program. This is approximately \$310,000 a year more than the local peer average maximum tuition reimbursement. PLSD also spends approximately \$360,000 annually on its employee Annuity Program.

Background

The District maintains three CBAs. One is with the Perry Classroom Teachers' Association, which represents certificated staff and is effective through June 30, 2021. The second is the Perry Association of Support Staff, which represents classified staff and is effective through June 30, 2022. Lastly, the District has the OAPSE Local 329, which represents bus drivers and bus aides employed under contract and is effective through June 30, 2022.

Methodology/Analysis

The District's CBAs were compared to CBAs of local peers and relevant ORC and OAC codes.²⁶

Professional Growth Stipend (Tuition Reimbursement)

Under the certificated CBA:

“Once a teacher has reached 10 years of experience on the salary schedule, he/she may receive a maximum of 5 additional professional growth stipends (PGS), the second, third, fourth, and fifth of which will only be granted after respective 5-, 10-, 15-, and 20-year intervals from the first.

1. A PGS of 3.48% of the base salary will be granted upon the successful completion of 6 semester hours that are taken in the field of education or in the teacher's licensure/certification areas. Course credit must be earned from an accredited university that is listed in the Higher Education Directory. Hours for the second, third, fourth, and fifth PGS must be obtained after receiving the previous PGS.
2. A PGS of 3.48% shall be granted upon completion of National Board Certification.
3. A PGS of 3.48% shall be granted upon renewal of National Board Certification.”

²⁶ See Ohio Rev. Code §§ 3319.087, 3319.141, 124.39, 3319.142, 3319.071 and Ohio Admin. Code 3301-35-05

Over the last three years, the District has spent an average of \$341,208.67 compared to the peer average maximum tuition reimbursement of \$30,000.

Employee Annuity Program

The Board will match a minimum \$600 contribution by the teacher on a dollar-for-dollar basis up to \$1,200. If the teacher separates from Board employment prior to contributing at least \$600, the District will withhold the equivalent of the match it has already contributed from the teacher's last paycheck.

The local peer districts do not have similar provisions with their respective CBAs. Over the last three years, the District has spent an average of \$323,989.17 on certificated employees and \$43,958.15 on classified employees for a total average of \$367,947.32.

None of the local peer districts offer an Employee Annuity Program. While we found that the District was in-line with peers in regards to other forms of compensation, such as salary schedules, this annuity program could result in the District maintaining higher total compensation (salaries and benefits) for its employees.

Conclusion

Some of the CBA provisions limit management rights, are more generous than peers or ORC/OAC requirements, and could be costly to the District. Renegotiating some of the above provisions could provide cost savings to PLSD. If the District renegotiates CBA provisions related to the Annuity Program and Professional Growth Stipend, it could save up to approximately \$670,000 annually.

Client Response Letter

Audit standards and AOS policy allow clients to provide a written response to an audit. The letter on the following page is the Perry Local School District's official statement in regards to this performance audit. Throughout the audit process, staff met with District officials to ensure substantial agreement on the factual information presented in the report. When the District disagreed with information contained in the report and provided supporting documentation, revisions were made to the audit report.



Perry Local Schools

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July 20, 2021

Mr. Keith Faber, Auditor
Office of the Auditor of State
88 E. Board Street, 5th Floor
Columbus, OH 43215

Dear Auditor of State Faber,

The Perry Local School District would like to thank you and the audit team for their dedicated work in providing the district with a State Performance Audit. The audit team was very professional, knowledgeable, and provided the district with beneficial information and insights.

At this time, district leadership has reviewed the audit. Furthermore, the Board of Education looks forward to the presentation of the findings prior to our normally scheduled board meeting on July 22, 2021.

Once again, thank you so much for your time and efforts.

Sincerely,

Scott Beatty
Superintendent
Perry Local School District

Appendix A: Purpose, Methodology, Scope, and Objectives of the Audit

Performance Audit Purpose and Overview

Performance audits provide objective analysis to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

Generally accepted government auditing standards (GAGAS) require that a performance audit be planned and performed so as to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Objectives are what the audit is intended to accomplish and can be thought of as questions about the program that the auditors seek to answer based on evidence obtained and assessed against criteria.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Scope and Objectives

In order to provide the District with appropriate, data driven, recommendations, the following questions were assessed within each of the agreed upon scope areas:

Audit Scope, Objectives, and Recommendations

Objective	Recommendation
Human Resources	
Is the District's EMIS data process sufficiently reliable and consistent with leading practices?	No Recommendation. We reviewed the District's data and it was found to be sufficient and reliable.
Are the District's staffing levels appropriate in comparison to primary peers, state minimum standards, demand for services, and the District's financial condition?	R.1 – R.2

Are the District’s salaries and wages appropriate in comparison to local peers and the District’s financial condition?	No Recommendation. We reviewed the District’s certificated and classified salaries and found them to be in alignment with local peers.
Are the District’s collective bargaining agreement provisions appropriate in comparison to local peers, minimums requirements, and the District’s financial condition?	R.3
Are the District’s insurance costs appropriate in comparison to other governmental entities within the local market and the District’s financial condition?	No Recommendation. We reviewed the District’s insurance premium costs and found them lower than the other school districts within Stark county.
Are the District’s expenditures dedicated to professional and technical services consistent with peers and appropriate based on the District’s financial condition?	No Recommendation. We reviewed the District’s purchased services and found them to be lower than the primary peer average.

Although assessment of internal controls was not specifically an objective of this performance audit, internal controls were considered and evaluated when applicable to scope areas and objectives. The following internal control components and underlying principles were relevant to our audit objectives²⁷:

- Control environment:
 - We assessed the District’s exercise of oversight responsibilities in regards to detecting improper payroll reporting and benefits administration, and
 - We assessed the District’s activities associated with its purchasing practices.
- Risk Assessment:
 - We considered the District’s activities to assess fraud risks.
- Information and Communication:
 - We considered the District’s use of quality information in relation to its financial and data reporting to ODE, specifically its five-year forecast, transportation, facility, and staffing data.

²⁷ We relied upon standards for internal controls obtained from *Standards for Internal Control in the Federal Government* (2014), the U.S. Government Accountability Office, report GAO-14-704G

- Control Activities:
 - We considered the District’s compliance with applicable laws and contracts, including with outside stakeholders and employees
- Monitoring:
 - We considered the District’s monitoring activities concerning its building usage and enrollment.

No internal control deficiencies were identified during the course of the audit.

Audit Methodology

To complete this performance audit, auditors gathered data, conducted interviews with numerous individuals associated with the areas of District operations included in the audit scope, and reviewed and assessed available information. Assessments were performed using criteria from a number of sources, including:

- Peer Districts;
- Industry Standards;
- Leading Practices;
- Statutes; and,
- Policies and Procedures.

In consultation with the District, three sets of peer groups were selected for comparisons contained in this report. A “Primary Peers” set was selected for general, District-wide comparisons. This peer set was selected from a pool of demographically similar districts with relatively lower per pupil spending and similar academic performance. A “Local Peers” set was selected for a comparison of compensation, benefits, and collective bargaining agreements, where applicable. This peer set was selected specifically to provide context for local labor market conditions. The Table below shows the Ohio school districts included in these peer groups.

Peer Group Districts

Primary Peers

- Amherst Ex Vill SD, Lorain
- Anthony Wayne Local SD, Lucas
- Avon Local SD, Lorain
- Boardman Local SD, Mahoning
- Little Miami Local SD, Warren
- Perrysburg Ex Vill SD, Wood
- Southwest Local SD, Hamilton

- Teays Valley Local SD, Pickaway
- Wadsworth City SD, Medina

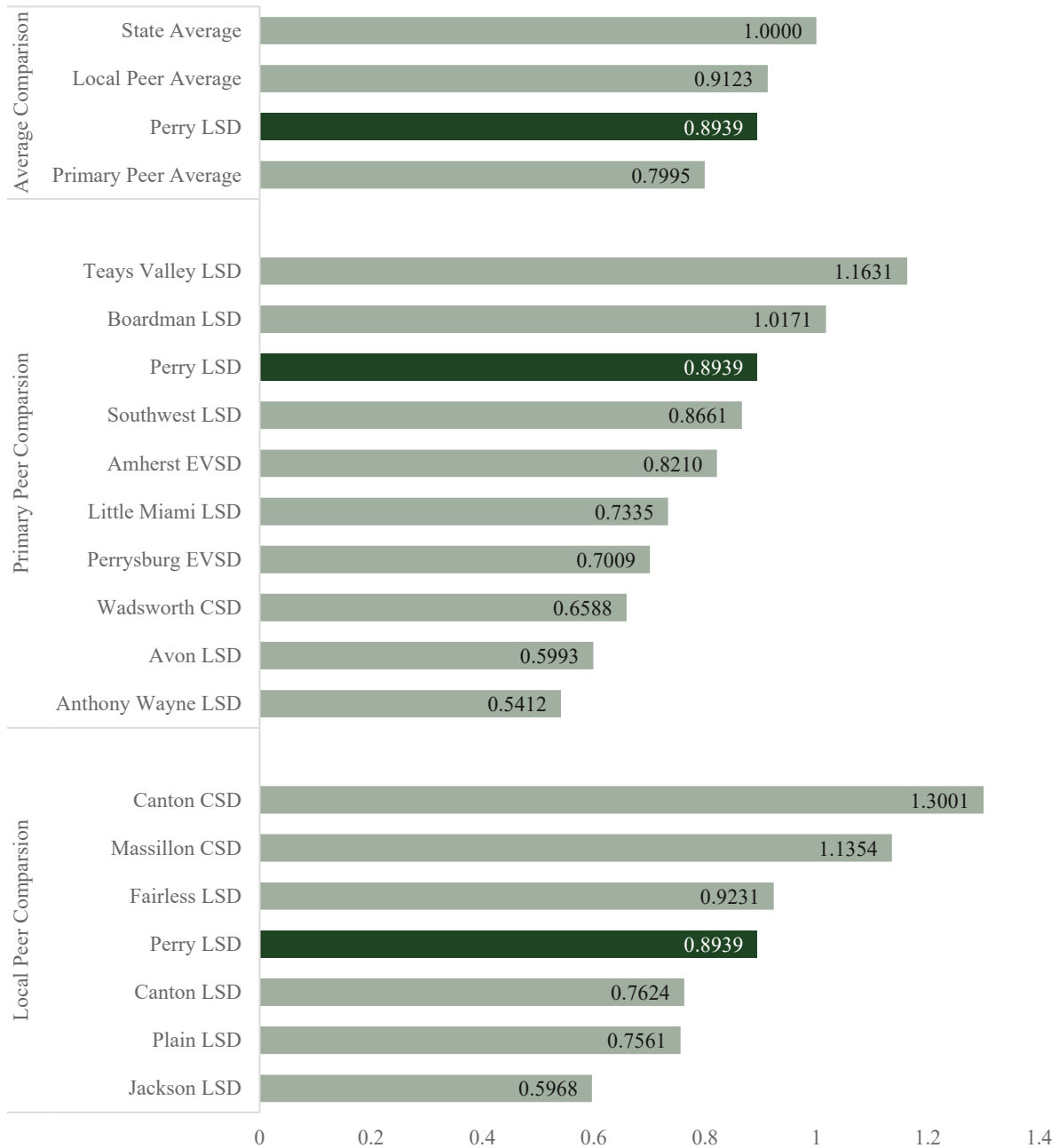
Local Peers (Compensation, Benefits, and Bargaining Agreements)

- Canton City SD, Stark
- Canton Local SD, Stark
- Fairless Local SD, Stark
- Jackson Local SD, Stark
- Massillon City SD, Stark
- Plain Local SD, Stark

Where reasonable and appropriate, peer districts were used for comparison. However, in some operational areas industry standards or leading practices were used for primary comparison. District policies and procedures as well as pertinent laws and regulations contained in the Ohio Administrative Code (OAC) and the Ohio Revised Code (ORC) were also assessed. Each recommendation in this report describes the specific methodology and criteria used to reach our conclusions.

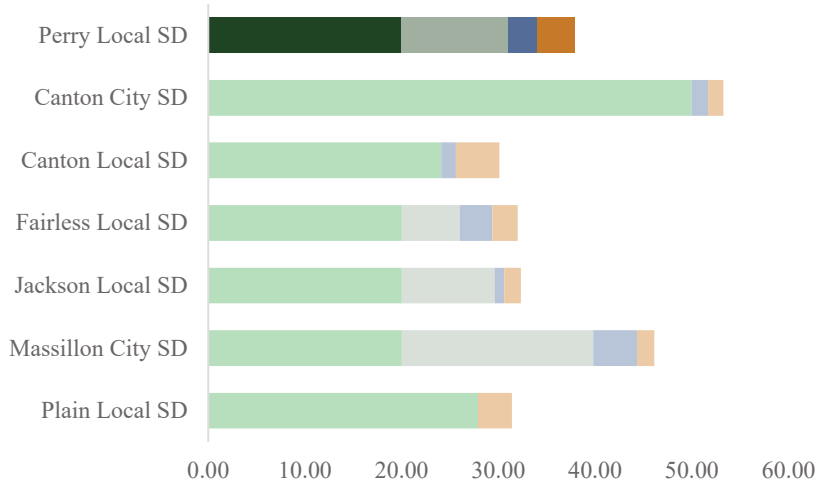
Appendix B: Financial Analysis

FY 2020 Local Tax Effort Comparison



Source: ODE

FY 2020 General Fund Millage | Local Peers



Source: tax.ohio.gov

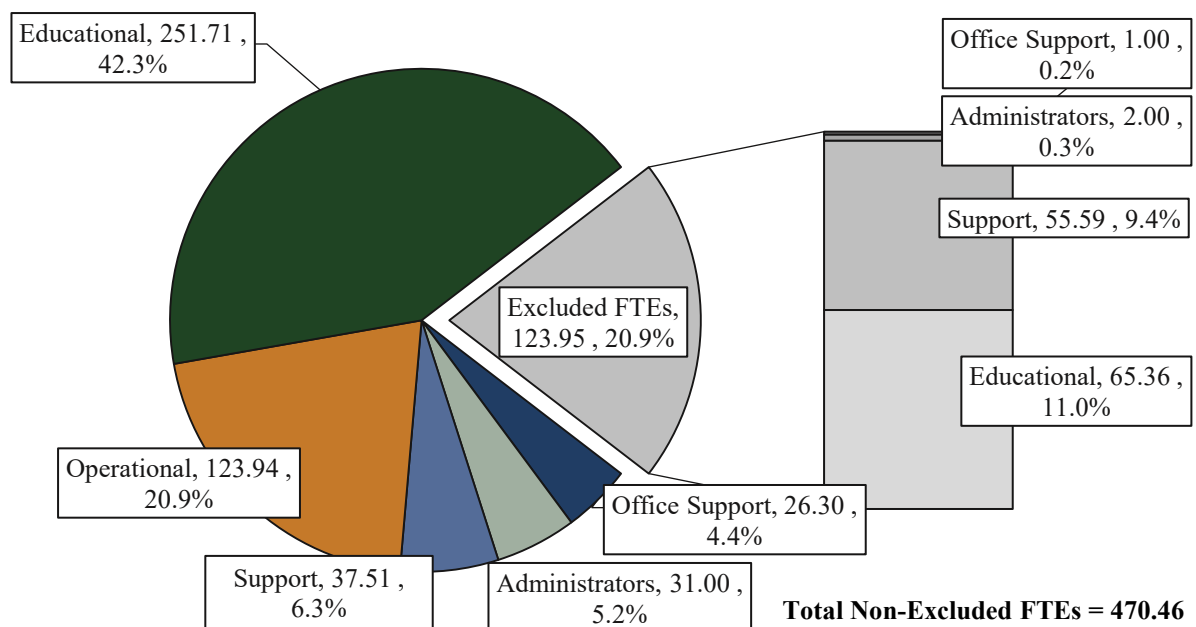
The composition of levies impacts district revenues. **Current Expense mills**, used for general operations are subject to reduction factors until a district reaches the 20-mill threshold. **Emergency and substitute mills** raise a defined amount of general operating revenue and are not reduced. **Permanent improvement mills** are used for maintenance of long-term assets and may be reduced over time. **Bond mills** raise a defined amount used for the purchase or construction of new buildings.

Appendix C: Other Analyses

Personnel cost represent 79.5 percent of the District’s spending. Due to this, we conduct several analyses relating to the expense associated with maintaining existing staffing levels. During the course of our analysis, we routinely excluded staff that are designated as Title 1 or Special Education as a result of specific rules relating to the funding of these individuals.²⁸

The following chart shows the breakdown of FTEs by category at PLSD.

FTEs by Category with Excluded FTEs Breakout



Source: PLSD

We excluded 123.95 FTE District employees from our analysis since they are considered Special Education or Title 1 employees, such as occupational therapists, speech and language therapists, and educational interpreters. This represents 20.9 percent of all PLSD staff.

All non-excluded staff were then compared on a district-wide level to primary peer staffing levels. Staffing was analyzed using the District and peer district Education Management Information System (EMIS) reports. Data reliability testing for the District’s EMIS data was performed by comparing the EMIS report to payroll reports corresponding to the time of the report. Variances

²⁸ Also excluded from the analysis were employees designated as “auxiliary” staff. These staff are excluded from analysis because they do not provide services directly to the school district and are paid from a separate fund.

between EMIS and payroll were discussed with the District, with adjustments made as necessary. Adjustments were also made to the peer EMIS data in order to account for coding variations among PLSD and the peers. Following testing, the EMIS data was considered reliable use.

Staffing Comparison Tables

The following tables illustrate the District’s employee FTEs compared to the primary peer average. In order to allow for more precise comparison, employees were compared on an FTE per 1,000 student basis. These variances are then converted to FTEs for the client district. This calculation (shown below) allows a more accurate comparison between districts when student counts differ.

Adjusted Difference in FTEs Equation

$$\left[\frac{\text{Client FTE}}{\left(\frac{\text{Client Enrollment}}{1,000}\right)} \right] - \left[\frac{\text{Peer Avg FTE}}{\left(\frac{\text{Peer Avg Enrollment}}{1,000}\right)} \right] * \left(\frac{\text{Client Enrollment}}{1,000} \right)$$

Central Office Administrator Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Assistant, Deputy/Associate Superintendent	1.00	0.23	0.22	0.01	0.04
Supervisor/Manager	5.00	1.14	0.69	0.45	1.98
Coordinator	3.00	0.68	0.42	0.26	1.14
Education Administrative Specialist	0.00	0.00	0.03	(0.03)	(0.13)
Director	4.00	0.91	1.14	(0.23)	(1.01)
Community School Administrator	0.00	0.00	0.00	0.00	0.00
Building Manager	0.00	0.00	0.00	0.00	0.00
Other Official/Administrative	0.00	0.00	0.08	(0.08)	(0.35)
Total	13.00	2.96	2.58	0.38	1.67

Source: PLSD and ODE

Building Administrator Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Buildings	8.0	6.1	1.9		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Assistant Principal	5.00	1.14	1.31	(0.17)	(0.75)
Principal	9.00	2.04	1.60	0.44	1.94
Dean of Students	2.00	0.45	0.19	0.26	1.14
Total	16.00	3.63	3.10	0.53	2.33
Position	FTEs	FTEs per Building	FTEs per Building	Difference per Building	Adjusted Difference in FTEs
Assistant Principal	5.00	0.63	0.91	(0.28)	(2.24)
Principal	9.00	1.13	1.11	0.02	0.16
Dean of Students	2.00	0.25	0.13	0.12	0.96
Total	16.00	2.01	2.15	(0.14)	(1.12)

Source: PLSD and ODE

Teaching Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,147	4,190	(43)		
Students Educated (Thousands)	4.147	4.190	(0.043)		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
General Education	187.69	45.26	45.03	0.23	0.95
Gifted and Talented	3.00	0.72	0.27	0.45	1.87
LEP Instructional Program	0.00	0.00	0.03	(0.03)	(0.12)

Source: PLSD and ODE

Career and Technical Teaching Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	256	47	209		
Students Educated (Thousands)	0.256	0.047	0.209		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Career-Technical Programs/Career Pathways	19.00	74.22	62.35	11.87	3.04

Source: PLSD and ODE

K-8 Teaching Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	3,013	2,941	72		
Students Educated (Thousands)	3.013	2.941	0.072		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Art Education K-8	5.63	1.87	1.96	(0.09)	(0.28)
Music Education K-8	5.36	1.78	2.66	(0.88)	(2.65)
Physical Education K-8	5.40	1.79	2.42	(0.63)	(1.89)

Source: PLSD and ODE

Non-Teaching Educational Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Curriculum Specialist	3.00	0.68	0.18	0.50	2.20
Counseling	12.06	2.74	2.25	0.49	2.16
Remedial Specialist	2.00	0.45	0.44	0.01	0.04
Tutor/Small Group Instructor	0.00	0.00	0.53	(0.53)	(2.33)
Full-time (Permanent) Substitute Teacher	0.00	0.00	0.30	(0.30)	(1.32)
Other Educational	0.00	0.00	0.63	(0.63)	(2.77)

Source: PLSD and ODE

Professional Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Dietitian/Nutritionist	0.00	0.00	0.03	(0.03)	(0.13)
Psychologist ¹	0.00	0.00	0.36	(0.36)	(1.59)
Social Work	0.00	0.00	0.03	(0.03)	(0.13)
Intern Psychologist	0.00	0.00	0.03	(0.03)	(0.13)
Other Professional - Other	0.00	0.00	0.10	(0.10)	(0.44)

Source: PLSD and ODE

¹ PLSD does employ 5.0 FTE psychologists. However, these positions were excluded from analysis as they are all considered Special Education or Title 1 employees.

Technical Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Computer Operating	1.00	0.23	0.28	(0.05)	(0.22)
Computer Programming	0.00	0.00	0.18	(0.18)	(0.79)
Other Technical	0.00	0.00	0.10	(0.10)	(0.44)

Source: PLSD and ODE

Central Office Support Staff Comparison

Students and Buildings	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Administrative Assistant	0.00	0.00	0.09	(0.09)	(0.40)
Accounting	0.00	0.00	0.05	(0.05)	(0.22)
Bookkeeping	3.00	0.68	0.40	0.28	1.23
Central Office Clerical	6.00	1.36	1.10	0.26	1.14
Records Managing	0.00	0.00	0.03	(0.03)	(0.13)
Other Office/Clerical	0.00	0.00	0.27	(0.27)	(1.19)
Total	9.00	2.04	1.94	0.10	0.43

Source: PLSD and ODE

Building Office Support Staff Comparison

Students and Buildings	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Buildings	8.0	6.1	1.9		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
School Building Clerical	17.30	3.93	3.38	0.55	2.42
Bookkeeping	0.00	0.00	0.03	(0.03)	(0.13)
Records Managing	0.00	0.00	0.03	(0.03)	(0.13)
Other Office/Clerical	0.00	0.00	0.39	(0.39)	(1.72)
Total	17.30	3.93	3.83	0.10	0.44
Position	FTEs	FTEs per Building	FTEs per Building	Difference per Building	Adjusted Difference in FTEs
School Building Clerical	17.30	2.16	2.34	(0.18)	(1.44)
Bookkeeping	0.00	0.00	0.02	(0.02)	(0.16)
Records Managing	0.00	0.00	0.02	(0.02)	(0.16)
Other Office/Clerical	0.00	0.00	0.27	(0.27)	(2.16)
Total	17.30	2.16	2.65	(0.49)	(3.92)

Source: PLSD and ODE

Library Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Librarian/Media	1.00	0.23	0.24	(0.01)	(0.04)
Library Aide	7.57	1.72	0.73	0.99	4.36
Total	8.57	1.95	0.97	0.98	4.32

Source: PLSD and ODE

Nursing Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Registered Nursing	0.70	0.16	0.32	(0.16)	(0.70)
Practical Nursing	3.20	0.73	0.81	(0.08)	(0.35)
Total	3.90	0.89	1.13	(0.24)	(1.05)

Source: PLSD and ODE

Classroom Support Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Instructional Paraprofessional	8.00	1.82	0.20	1.62	7.13
Teaching Aide	3.00	0.68	4.15	(3.47)	(15.28)
Total	11.00	2.50	4.35	(1.85)	(8.15)

Source: PLSD and ODE

Other Support Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Attendance Officer	1.00	0.23	0.03	0.20	0.88
Guard/Watchman	4.00	0.91	0.24	0.67	2.95
Monitoring	19.61	4.45	2.32	2.13	9.38
School Resource Officer	0.00	0.00	0.03	(0.03)	(0.13)

Source: PLSD and ODE

Extra-Curricular/Intra-Curricular Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Advisor	0.00	0.00	0.03	(0.03)	(0.13)
Coaching	0.00	0.00	0.07	(0.07)	(0.31)
Other Extra-Curricular Activities	1.00	0.23	0.00	0.23	1.01

Source: PLSD and ODE

Other Clerical Staff Comparison

Students	Perry Local SD	Primary Peer Avg.	Difference		
Students Educated	4,403	4,237	166		
Students Educated (Thousands)	4.403	4.237	0.166		
Position	FTEs	FTEs per 1,000 Students	FTEs per 1,000 Students	Difference per 1,000 Students	Adjusted Difference in FTEs
Messenger	0.00	0.00	0.03	(0.03)	(0.13)

Source: PLSD and ODE

In addition to comparing staffing levels, we also reviewed actual salary data and compared the District’s compensation schedules to those of local peers. We reviewed both the average annual salary for employees and the expected total compensation for a 30-year career. These comparisons are divided into two sections based on collective bargaining agreements and salary schedules. The following tables show the salary comparisons for both classified and certificated employees.

Salary Comparison Tables

The following tables illustrate the District’s employee salaries compared to the local peer average.

Certificated Career Compensation Comparison

	BA	BA+15	MA
Perry LSD	\$1,802,029	\$1,927,964	\$2,039,115
Peer Average	\$1,757,574	\$1,866,103	\$1,984,499
\$ Difference	\$44,455	\$61,861	\$54,616
% Difference	2.5%	3.3%	2.8%

Source: PLSD and Local Peers

Certificated Annual Salary Comparison

	BA	BA+15	MA
Perry LSD	\$60,068	\$64,265	\$67,971
Peer Average	\$58,586	\$62,203	\$66,150
\$ Difference	\$ 1,482	\$2,062	\$1,821
% Difference	2.5%	3.3%	2.8%

Source: PLSD and Local Peers

Classified Career Compensation Comparison

	Secretary- Clerical	Custodian	Monitor- Crossing Guard	Food Service Worker	Head Custodian	Bus Driver B	Mechanic
Perry LSD	\$1,296,765	\$1,244,889	\$569,684	\$648,701	\$1,587,049	\$590,494	\$1,570,451
Peer Average	\$1,245,964	\$1,283,613	\$568,354	\$641,301	\$1,453,678	\$558,918	\$1,494,161
\$ Difference	\$50,801	(\$38,724)	\$1,330	\$7,400	\$133,371	\$31,577	\$76,290
% Difference	4.1%	(3.0%)	0.2%	1.2%	9.2%	5.6%	5.1%

Source: PLSD and Local Peers

Efficient • Effective • Transparent

Classified Annual Salary Comparison

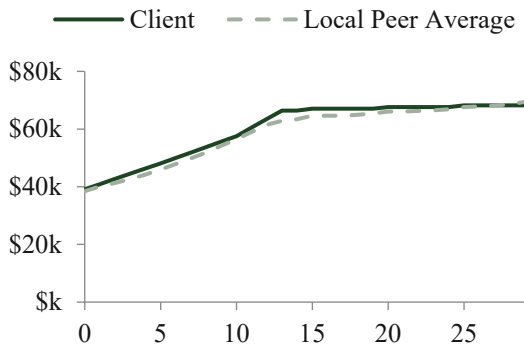
	Secretary-Clerical	Custodian	Monitor-Crossing Guard	Food Service Worker	Head Custodian	Bus Driver B	Mechanic
Perry LSD	\$43,225	\$41,496	\$18,989	\$21,623	\$52,902	\$19,683	\$52,348
Peer Average	\$41,532	\$42,787	\$18,945	\$21,377	\$48,456	\$18,631	\$49,805
\$ Difference	\$1,693	-\$1,291	\$44	\$246	\$4,446	\$1,052	\$2,543
% Difference	4.1%	(3.0%)	0.2%	1.2%	9.2%	5.6%	5.1%

Source: PLSD and Local Peers

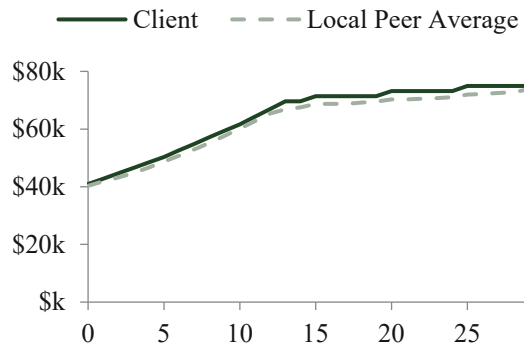
We also looked at annual salaries for all certificated employees and the hourly wage rates for various classified employee position types over the course of a career. The charts which follow show how the annual salaries according to the respective salary and wage schedules compare to peer districts.

Certificated Annual Salary Comparison

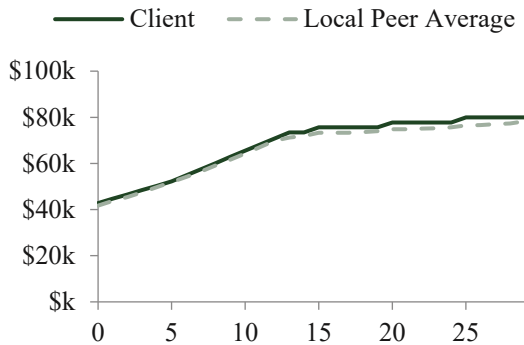
Bachelor's



BA+15



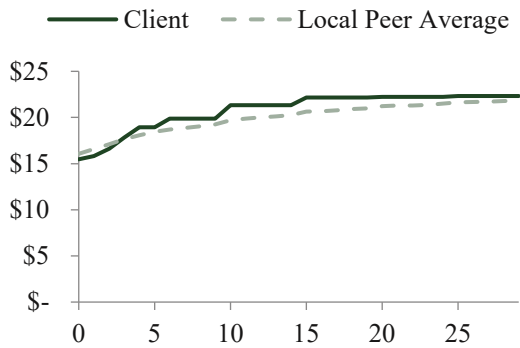
Master's



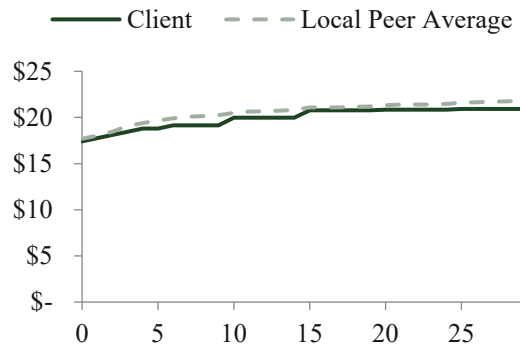
Source: PLSD and Local Peers

Classified Hourly Rate Comparison

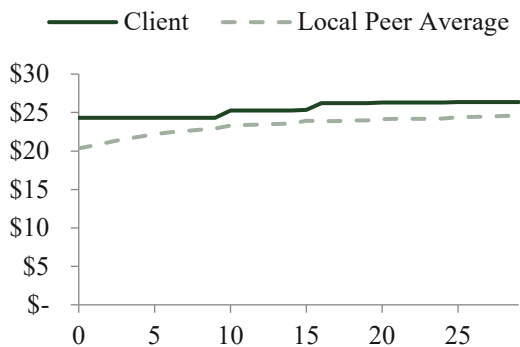
Secretary-Clerical



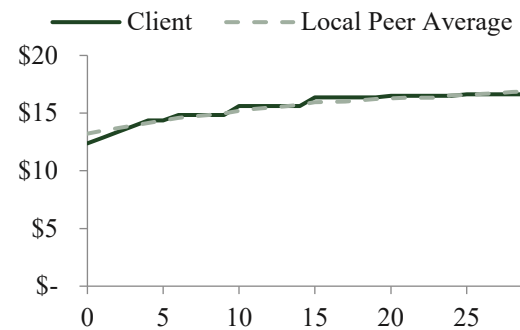
Custodian



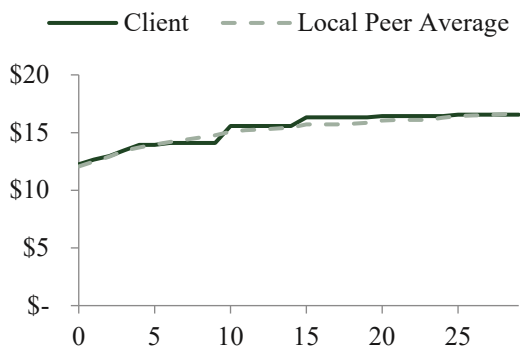
Head Custodian



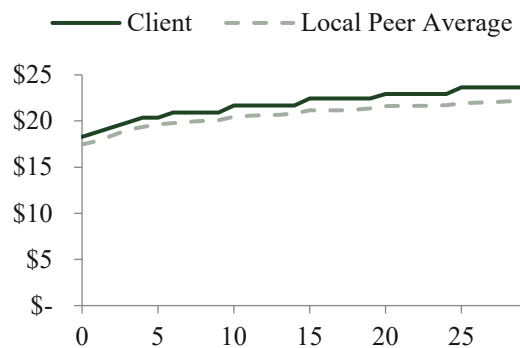
Monitor / Crossing Guard



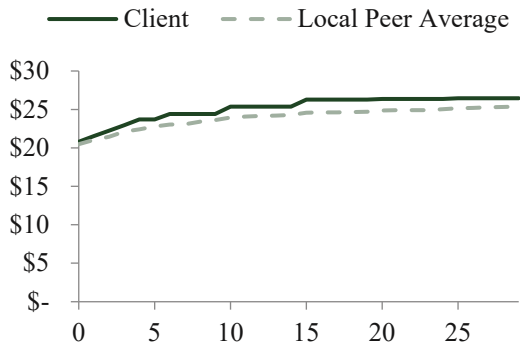
Food Service Worker



Bus Driver B



Maintenance Mechanic



Benefits

Health insurance is reviewed based on county information from the State Employee Relations Board, and PLSD falls under the Stark County. The District offers two PPO medical insurance plans to employees. The District’s cost for its PPO plans was lower than the Stark county average.

Medical Insurance Comparisons to County Average

Medical-Plan Classified & Certificated Plans

	PLSD	SERB Avg.	Difference	Number of Participants	Monthly Significance	Annual Significance
Single						
Employer Share	\$636.03	\$657.45	(\$21.42)	110.00	(\$2,356.09)	(\$28,273.08)
Employee Share	\$159.01	\$108.15	\$50.86	110.00	\$5,594.60	\$67,135.20
Total Premium	\$795.04	\$765.60	\$29.44	110.00	\$3,238.51	\$38,862.12
Family						
Employer Share	\$1,545.09	\$1,592.28	(\$47.19)	287.00	(\$13,544.82)	(\$162,537.86)
Employee Share	\$386.27	\$276.96	\$109.31	287.00	\$31,371.29	\$376,455.44
Total Premium	\$1,931.36	\$1,869.24	\$62.12	287.00	\$17,826.47	\$213,917.58
Total Employer Share (Single & Family)					(\$15,900.91)	(\$190,810.94)

Source: PLSD and SERB

Dental insurance is reviewed based on county information from the State Employee Relations Board, and PLSD falls under the Stark County. The District offers one dental plan to its employees. The District’s cost for its dental plan was lower than the Stark county average.

Dental Insurance Comparisons to County Averages

Dental-Certified & Classified Plan

	PLSD	SERB Avg.	Difference	Number of Participants	Monthly Significance	Annual Significance
Single						
Employer Share	\$74.77	\$90.17	(\$15.40)	98.00	(\$1,509.14)	(\$18,109.71)
Employee Share	\$18.69	\$4.58	\$14.11	98.00	\$1,382.66	\$16,591.98
Total Premium	\$93.46	\$94.75	(\$1.29)	98.00	(\$126.48)	(\$1,517.73)
Family						
Employer Share	\$184.45	\$220.09	(\$35.64)	303.00	(\$10,799.81)	(\$129,597.73)
Employee Share	\$46.11	\$11.30	\$34.81	303.00	\$10,547.25	\$126,567.02
Total Premium	\$230.56	\$231.39	(\$0.83)	303.00	(\$252.56)	(\$3,030.71)
Total Employer Share (Single & Family)					(\$12,308.95)	(\$147,707.44)

Source: PLSD and SERB

Purchased Services

The District’s expenditures dedicated to professional and technical services were examined and compared with peers. The District’s Professional & Technical Services (Object 410) expenditures per pupil is lower than the primary peer average by 56.1 percent or \$1,428,678.02.

OHIO AUDITOR OF STATE KEITH FABER



PERRY LOCAL SCHOOL DISTRICT

STARK COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/2/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov