Projected Savings in Expenditures
(State and Local)

2/28/2007

1. 2005-06 total K-12 expenditures, as reported by SAUs = $1,871,013,164.
   The breakdown by Financial Indicator, in the DOE Report Card Report were:

a. Regular Instruction	$802,399,090
b. Special Education Instruction	$255,472,223
c. CTE Education Instruction	$35,110,616
d. Other Instruction	$38,564,615
e. Student & Staff Support	$119,207,872
f. System Administration	$74,330,215
g. School Administration	$98,533,353
h. Transportation & Buses	$100,776,226
i. Facilities Maintenance	$218,381,121
j. Debt Service	$119,585,357
k. All Other	$8,652,476
Total	**$1,871,013,164**

2. Non-instructional expenditures are defined as all expenditures **excluding:** (a) regular instruction; (b) special education instruction; (c) CTE instruction; (e) student and staff support; and (j) debt service.

3. Non-instructional expenditures for 2005-06 = $539,239,006.

4. 2005-2006 non-instructional expenditures inflated by 3.2% yearly for 4 years (to 2008-09).
   Projected 2008-09 expenditures = $592,777,983.

5. 2005-2006 special education expenditures inflated by 3.2% yearly for 4 years (to 2008-09).
   Projected 2008-09 expenditures = $280,790,739.

6. **Assumptions used in projections:**
   (a) non-instructional expenditures reduced by 15% (10% Yr 1; 2.5% Yr 2; 2.5% Yr 3).
   (b) special education expenditures reduced by 10% (5% Yr. 1; 2.5% Yr 2; 2.5% Yr 3).
   (c) limited system administration to 7% of non-instructional expenditures (approx. ½ current 13.78%).

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7. Estimated Total Savings = **$279,470,703** The breakdown is as follows:

Savings Category	2008-09	2009-10	2010-11	Total
a. Non-Instructional Expenditures	10% Reduction	Additional 2.5% Reduction	Additional 2.5% Reduction	
	$59,277,798	$59,277,798	$59,277,798	
		$13,337,505	$13,337,505	
			$13,004,067	
	$59,277,798	$72,615,303	$85,619,370	$217,512,471
b. Special Education Expenditures	5% Reduction	Additional 2.5% Reduction	Additional 2.5% Reduction	
	$14,039,537	$14,039,537	$14,039,537	
		$6,668,780	$6,668,780	
			$6,502,061	
	$14,039,537	$20,708,317	$27,210,378	$61,958,232
Total	**$73,317,335**	**$93,323,620**	**$112,829,748**	**$279,470,703**

8. The projected savings of approximately $279.5 million represents approximately **4.4 percent** of projected total K-12 expenditures for the three years if no reforms are implemented.