

OHIO AUDITOR OF STATE  
KEITH FABER



Pickerington  
Local School District

# Performance Audit

December 2025



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### To the Pickerington Local School District Community:

The Auditor of State's Office recently completed a performance audit for the Pickerington 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 analyses, 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 to perform its own assessment of operations and develop alternative management strategies independent of the performance audit report.

It is my hope that the District will use the results of the performance audit as a resource for improving operational efficiency as well as service delivery effectiveness. The analyses contained within are intended to provide management with information, and in some cases, a range of options to consider while making decisions about their operations.

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. Additional resources related to performance audits are also available on the Ohio Auditor of State's website.

Sincerely,

KEITH FABER  
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

Tiffany L Ridenbaugh, CPA, CFE, CGFM  
Chief Deputy Auditor

December 23, 2025

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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 financial forecasts to the Ohio Department of Education and Workforce (ODEW) annually in the fall, with updates to the forecast submitted in the spring.<sup>1</sup> These documents provide three years of historical financial data, as well as the projected revenues and expenses for a five-year period.<sup>2</sup>

The Ohio Auditor of State's Office Ohio Performance Team (OPT) routinely reviews the submitted forecasts in order to identify districts which may benefit from a performance audit. These audits are designed to assist school districts that are struggling financially. We use data-driven analyses to produce and support recommendations that identify opportunities for improved operations, effectiveness, increased transparency, and reductions in cost. While we have the authority to initiate a performance audit for school districts facing financial distress, any school district can request, and benefit from, an audit.<sup>3</sup>

As public schools continue to provide valuable educational opportunities and student supports to their communities, a performance audit can provide an independent review of overall operational effectiveness, efficiency, and transparency. In 2025, Pickerington Local School District (PLSD or the District) requested a performance audit to identify strategies to address projected deficit spending within the General Fund. At the request of the District, OPT conducted a performance audit that reviewed the operational areas of financial management, human resources, and facilities.<sup>4</sup> The District's Board and administration can use the information contained in this report to help guide strategic operational decisions and educate key stakeholders regarding these choices.

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<sup>1</sup>ORC § 5705.391 and OAC 3301-92-04.

<sup>2</sup> House Bill 96 of the 136<sup>th</sup> General Assembly (the biennial budget bill) contained changes to the school forecast which included shortening the length of the forecast period and altering the submission dates. These changes went into effect in FY 2026.

<sup>3</sup>Performance audits are conducted using Generally Accepted Government Auditing Standards guidelines, see **Appendix A** for more details.

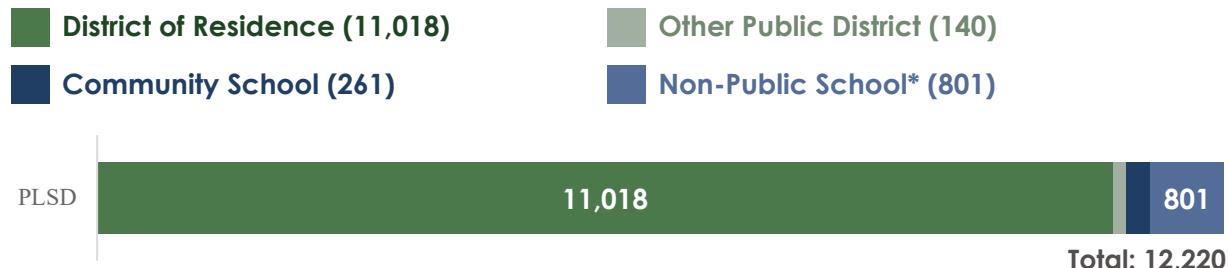
<sup>4</sup>This audit is the fourth audit conducted of Pickerington LSD at the Board's request since 2002.

# Pickerington Local School District

Pickerington Local School District (PLSD or the District) is located in Fairfield County, and in a small portion of Franklin County. As of fiscal year (FY) 2024, there were 10,989 students enrolled. The District spans approximately 39 square miles and has an Ohio median income of \$53,261. Of the total enrolled students, approximately 15 percent were students with disabilities.

Students and their families have choices regarding where to attend school. Because of this, not all resident students attend the district where they live. Based on available data from ODEW, which tracks state funding on a per-student basis, the visual below shows where students living in PLSD are attending schools. It should be noted that this visual does not include students who choose to attend private schools and do not receive state assistance or students who are homeschooled.

## Place of Enrollment, Students Living in PLSD, FY 2025



Source: ODEW School Report Card

\*Includes, if applicable, students participating in the EdChoice or EdChoice Expansion Scholarship Programs, the Cleveland Scholarship Program, the Ohio Autism Scholarship Program, or the Jon Peterson Special Needs Scholarship Program.

Note: This data is compiled by ODEW from a variety of sources and represents a snapshot of a single day in the school year. Due to this, enrollment figures will likely not match other official numbers reported by ODEW.

As seen in the visual above, approximately 9.8 percent of students residing in PLSD have chosen to attend community schools, nonpublic schools, or another public district that accepts students through open enrollment. PLSD does not offer open enrollment to non-resident students.

## Audit Methodology

Our audit focuses on identifying opportunities where expenditures may be reduced as the District administration can make decisions in these areas. The information, which was presented to District officials, is based on a combination of peer district comparisons, industry standards, and statewide requirements. During the audit, we relied primarily on FY 2024 data to complete our analyses, which was the most recent year of available data at the time. When applicable, we supplemented our analyses with current data supplied by the District.

Two groups of peer districts were identified for the purpose of this audit. The first peer group, primary peers, are districts located throughout Ohio and are chosen based on having similar or better academic performance and similar demographic makeup while maintaining relatively lower spending per pupil. Primary peer districts are used for financial comparisons and analyses regarding operations such as staffing levels. The second, local peers, is comprised of districts in the surrounding area and is used for labor market comparisons, such as salary schedules. See **Appendix A** for a list of all districts used in our peer comparisons.

## Financial Condition

In November 2024, the District released its required annual five-year forecast that showed negative results of operations in the first two years of the forecast. A summary of this forecast is in the table below.<sup>5</sup> Although not in fiscal caution or fiscal emergency, the District requested an audit due to its current and projected deficit spending.

### Financial Condition Overview (November 2024 Forecast)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Total Revenue	\$157,420,218	\$170,028,560	\$178,001,845	\$187,431,961	\$193,017,562
Total Expenditures	\$163,408,024	\$171,096,394	\$177,318,673	\$184,880,404	\$192,567,360
<b>Results of Operations</b>	<b>(\$5,987,806)</b>	<b>(\$1,067,834)</b>	<b>\$683,172</b>	<b>\$2,551,557</b>	<b>\$450,202</b>
Beginning Cash Balance	\$26,697,382	\$20,709,576	\$19,641,742	\$20,324,914	\$22,876,471
<b>Ending Cash Balance</b>	<b>\$20,709,576</b>	<b>\$19,641,742</b>	<b>\$20,324,914</b>	<b>\$22,876,471</b>	<b>\$23,326,673</b>
Encumbrances	\$2,555,351	\$2,560,206	\$2,565,070	\$2,569,687	\$2,574,827
Cumulative Balance of Replacement/Renewal Levies	\$0	\$0	\$0	\$0	\$0
Cumulative Balance of New Levies	\$0	\$0	\$0	\$0	\$0
<b>Ending Fund Balance</b>	<b>\$18,154,225</b>	<b>\$17,081,536</b>	<b>\$17,759,844</b>	<b>\$20,306,784</b>	<b>\$20,751,846</b>

Source: ODEW

In May 2025, the District released its semi-annual five-year forecast, which projected negative results of operations in all five years of the forecast, as well as a negative ending cash balance for FY 2028 and FY 2029. More details on the May 2025 forecast can be found in **Appendix B**. According to the District, the shift in its financial outlook was largely due to a decrease in estimated State revenue and a projected increase in staffing. The May 2025 forecast projected a staffing increase of 92.0 FTEs throughout the forecast period. The District also projected money from a new levy in the May 2025 forecast, but ultimately did not place the levy on the ballot. During the course of the audit, the District released another required annual forecast in October 2025.

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<sup>5</sup> Forecasted revenues and expenditures are comprised primarily of General Fund dollars.

## Financial Condition Overview (October 2025 Forecast)

	FY 2026	FY 2027	FY 2028	FY 2029
Total Revenue	\$169,276,000	\$175,903,302	\$176,470,876	\$181,373,324
Total Expenditures	\$173,883,421	\$182,225,503	\$191,893,815	\$202,161,813
<b>Results of Operations</b>	<b>(\$4,607,421)</b>	<b>(\$6,322,200)</b>	<b>(\$15,422,939)</b>	<b>(\$20,788,489)</b>
<u>Beginning Cash Balance</u>	<u>\$22,928,682</u>	<u>\$18,321,261</u>	<u>\$11,999,060</u>	<u>(\$3,423,879)</u>
<b>Ending Cash Balance</b>	<b>\$18,321,261</b>	<b>\$11,999,060</b>	<b>(\$3,423,879)</b>	<b>(\$24,212,368)</b>
Encumbrances	\$2,160,206	\$2,164,310	\$2,168,206	\$2,172,542
Cumulative Balance of Replacement/Renewal Levies	\$0	\$0	\$0	\$0
<u>Cumulative Balance of New Levies</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Ending Fund Balance</b>	<b>\$16,161,055</b>	<b>\$9,834,750</b>	<b>(\$5,592,085)</b>	<b>(\$26,384,910)</b>

Source: ODEW

Note: House Bill 96 of the 136th General Assembly (the biennial budget bill) contained changes to the school forecast which included shortening the length of the forecast period and altering the submission dates. These changes went into effect in FY 2026.

The October forecast projected a worsened condition, primarily due to the District no longer projecting new levy money. The District's negative results of operations is projected to increase and ranges from 2.7 percent of revenue in FY 2026 to 11.5 percent of revenue in FY 2029. This deficit spending, if not resolved, is projected to result in a deficit fund balance of approximately \$26 million, or approximately 14.5 percent of projected revenues in FY 2029.

## 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 2025, of the approximately \$28.5 billion in reported revenue for public education in Ohio, nearly 83 percent, or \$23.8 billion, came from state and local sources.<sup>6</sup>

## State Funding

On July 1, 2025, House Bill 96 of the 136<sup>th</sup> General Assembly (the biennial budget bill) was signed by the Governor. This bill included changes to the state foundation funding formula, which was enacted in 2021, and is commonly referred to as the Fair School Funding Plan.<sup>7</sup> The formula changes will be phased in at 83.33 percent in FY 2026 and 100 percent in FY 2027.<sup>8</sup>

<sup>6</sup> Of the remaining 17 percent of revenue, approximately 9 percent came from the federal government with the rest coming from a variety of sources including funds raised through tuition, fees, extracurricular activities, grants, and other non-tax sources.

<sup>7</sup> ODEW transitioned to the new funding model in January of 2022.

<sup>8</sup> See <https://www.lsc.ohio.gov/assets/legislation/136/hb96/psc/files/hb96-comparison-document-as-pending-in-senate-committee-136th-general-assembly.pdf>

During the phase-in period, the amount of state funding received in any given year may have been less than what would have been received if the formula were fully funded.

## Local Funding

Local revenue can be raised through a combination of property and income taxes. While property taxes are assessed on both residential and business properties within a district, income tax is assessed only on residents.<sup>9</sup> Approximately one-third of Ohio school districts currently have an income tax.

### Property Tax

Property taxes levied in Ohio are subject to restrictions in the Ohio Constitution<sup>10</sup> and the Ohio Revised Code (ORC).<sup>11</sup> These restrictions limit the amount of tax that can be levied without voter approval to 10 mills<sup>12</sup> 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. These taxes are distributed 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. On average, school districts have approximately 4.7 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 the number of mills that will be assessed in order to raise revenues. If new construction occurs within the district, the rate will apply, and the district will 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. 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 levies<sup>13</sup> for general operations, and bond levies for the financing of new buildings, are typically fixed-sum levies.

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<sup>9</sup> See <https://tax.ohio.gov/wps/portal/gov/tax/individual/school-district-income-tax>

<sup>10</sup> Ohio Const. Art. XII, Section 2.

<sup>11</sup> Ohio Rev. Code § 5705.02.

<sup>12</sup> A mill is defined as one-tenth of one percent or \$1 for every \$1,000 of taxable value.

<sup>13</sup> Authorized by ORC §5705.194.

Ohio has historically had laws which limit the impact rising property values can have on property taxes. The most recent version of these limitations was enacted in 1976 and requires that the amount collected on fixed-rate millage is frozen at the dollar value collected in its first year.<sup>14</sup> In subsequent years, with exceptions such as new construction, a district would not receive additional revenue from a levy as property values increased.<sup>15</sup> Instead, the outside mills are subject to reduction factors<sup>16</sup> which lower the effective millage rate in order to maintain the preceding year's level of revenue from the same properties.<sup>17</sup>

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.<sup>18</sup> In order to prevent a district from failing to meet this minimum threshold, reduction factors stop being applied once a district reaches an effective rate of 20-mills, colloquially 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 is approved by voters. It is important to note 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 that individual property owners are required to pay on an annual basis.

### *School District Income Tax*

A school district income tax is an alternative method of raising local revenue. Like property taxes, an income tax must be approved by voters and may be for either general use or specific purposes, such as bond repayment. Once approved, a tax becomes effective on January 1st of the following year. Unlike municipal income taxes which are generally levied on wages earned in the municipality by both residents and nonresidents, school district income taxes are levied on wages earned by residents of the district, regardless of where the resident may work. Businesses operating within the school district are not required to pay the income tax.

A school board, when determining that an income tax is necessary for additional revenue, must submit a resolution to the Ohio Tax Commissioner identifying the amount of revenue to be raised and the tax base to be used for calculations. A school district income tax can be assessed on either a traditional tax base or an earned income tax base. The traditional tax base uses the

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<sup>14</sup> Am.Sub.H.B. No. 920, 136 Ohio Laws, Part II, 3182, 3194.

<sup>15</sup> If property value decreased due to reappraisal, it is possible that a district would receive less revenue than originally intended.

<sup>16</sup> ORC § 319.301.

<sup>17</sup> We are providing this information for historical purposes only. The law which regulates collection of 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.

<sup>18</sup> 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.

same income base as Ohio's income tax, and the earned income tax base is only earned income from an employer or self-employment. Under the earned income tax base, income such as capital gains or pension payments is not taxable, though this type of income may be taxed under the traditional tax base. Once this information is received, the Tax Commissioner identifies the income tax rate and equivalent property tax millage for the district.

The Ohio Department of Taxation collects income tax through employer withholding, individual quarterly estimated payments, and annual returns. Employers are required to withhold the tax and submit payments to the state under the same rules and guidelines as are currently used for state income taxes. Districts receive quarterly payments from the Department of Taxation, and each payment is for the amount collected during the prior quarter. A district receives the total amount of revenue collected less a 1.5 percent fee retained by the state for administration purposes. The amount of revenue collected via income tax each year will vary based on the earnings of the district's residents.

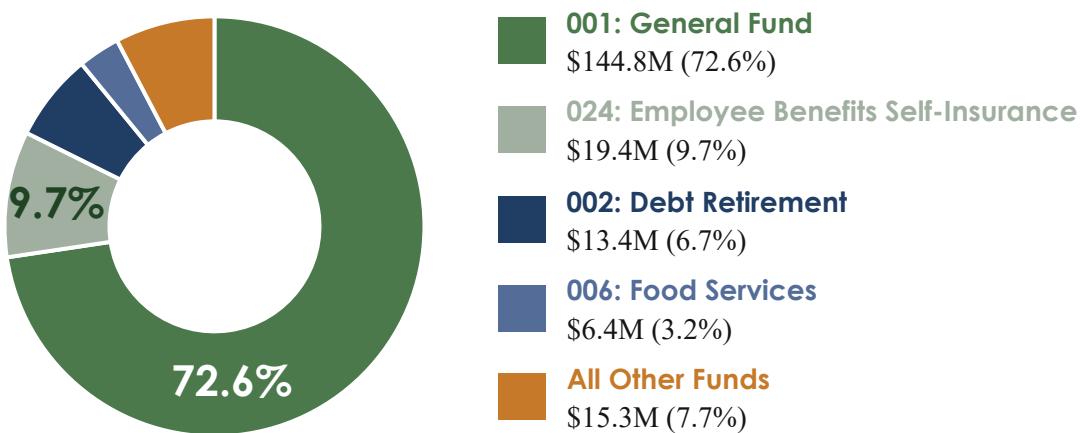
PLSD collects revenue from a traditional school district income tax, but none of the primary peer districts do.

## PLSD Revenues

A school district budget is comprised of revenues and expenditures. Revenues are primarily received from local, state, and federal funding sources, and can be placed into general or specific use funds. In FY 2024, PLSD had approximately \$199.3 million in total revenue as seen in the following chart. The General Fund comprised 72.6 percent of total revenue, the Employee Benefits Self-Insurance Fund comprised 9.7 percent of total revenue, and Debt Retirement Fund comprised 6.7 percent of total revenue.

### FY 2024 Total Revenue All Funds

**Total: \$199.3M**



Source: PLSD

Note: The District has 29 total funds, 26 of which recorded revenue in FY 2024. See **Appendix B** for more details.

Note: Due to rounding, revenue categories may not sum up to the total listed.

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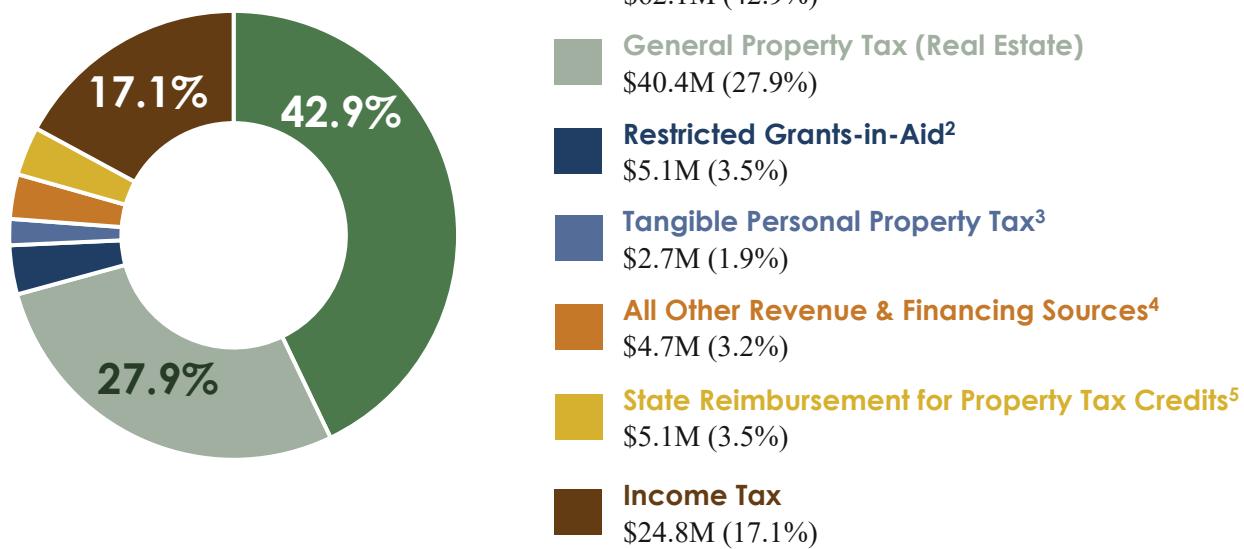
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Note: Excludes Advances

As noted above, the majority of the District's revenue is directed to the General Fund, which is used for general operations. In FY 2024, the District's total General Fund revenue was approximately \$144.8 million.<sup>19</sup>

## FY 2024 General Fund Revenue Composition

**Total: \$144.8M**



Source: ODEW

Note: Due to rounding, revenue categories may not sum up to the total listed.

Note: Excludes Advances

1: Unrestricted Grants-in-Aid is comprised primarily of state foundation funding.

2: Restricted grants-in-aid include revenues received as grants from the state which must be used for a categorical or specific purpose.

3: Tangible Personal Property Tax includes revenues related to public utility personal property (telephone, electric, and gas) tax paid by public utilities.

4: All Other Operating Revenue & Financing Sources include tuition, fees, earnings on investments, rentals, donations, operating transfers, and all other financing sources.

5: State Reimbursement for Property Tax Credits is the money provided by the State as a reimbursement for statutory tax credits and reductions granted to real property taxpayers to include Non-Business Credit, Owner Occupancy Credit, and Homestead Exemptions.

Within the District's General Fund, as seen in the chart above, the primary sources of revenue are unrestricted grants-in-aid, general property tax, and income tax. Other revenue sources

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<sup>19</sup> This total excludes advances to the General Fund. For purposes of comparison, we excluded advances to the General Fund for both PLSD and the peer groups throughout the Revenues section.

include state reimbursement for property tax credits, tangible personal property tax, and restricted grants-in-aid. The remaining revenue is comprised of a variety of sources.

## **Revenue per Pupil**

Revenue per pupil, broken down by type of funding, is another way to compare funding sources between Ohio school districts. Because, at the District's request, our audit focuses on the projected operational deficit in the financial forecast, we primarily reviewed only the forecasted fund revenues.<sup>20</sup> In FY 2024, the District received approximately \$12,903 per pupil, with 46.8 percent, or approximately \$6,045, coming from local taxes, which includes both the property tax and income tax.<sup>21</sup> In FY 2024, the primary peer average was \$13,524 in revenue per pupil, with 61.8 percent, or approximately \$8,362, coming from local taxes. The District's local revenue was lower than the primary peer average in FY 2024.

## **Millage**

In 2024, PLSD collected revenues on 29.18 mills of property tax for residential properties.<sup>22</sup> This included 3.50 inside mills and 17.94 outside mills for current expenses. In addition to the 21.44 mills collected for current expenses, the District collects additional tax revenue that does not count toward the 20-mill floor. In 2024, this additional millage totaled 7.74 mills and was comprised of 6.50 bond mills and 1.24 permanent improvement mills. The District also has a 1 percent income tax that collects revenue equivalent to 12.36 mills of property tax.

Since 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 primary peers. This comparison is found in the chart below. The green portion of the bar represents the current expense millage rate, where one of the peers is at the 20-mill floor. The grey portion represents emergency and substitute revenue which is not subject to reduction factors. The blue represents permanent improvement funds, and the orange represents bond funding. While PLSD has a school district income tax, none of the primary peers do. For comparison purposes, OPT calculated an estimated millage for the revenue generated from income taxes based on guidance from the Department of Taxation, which is represented by the red portion of the bars in the chart below.

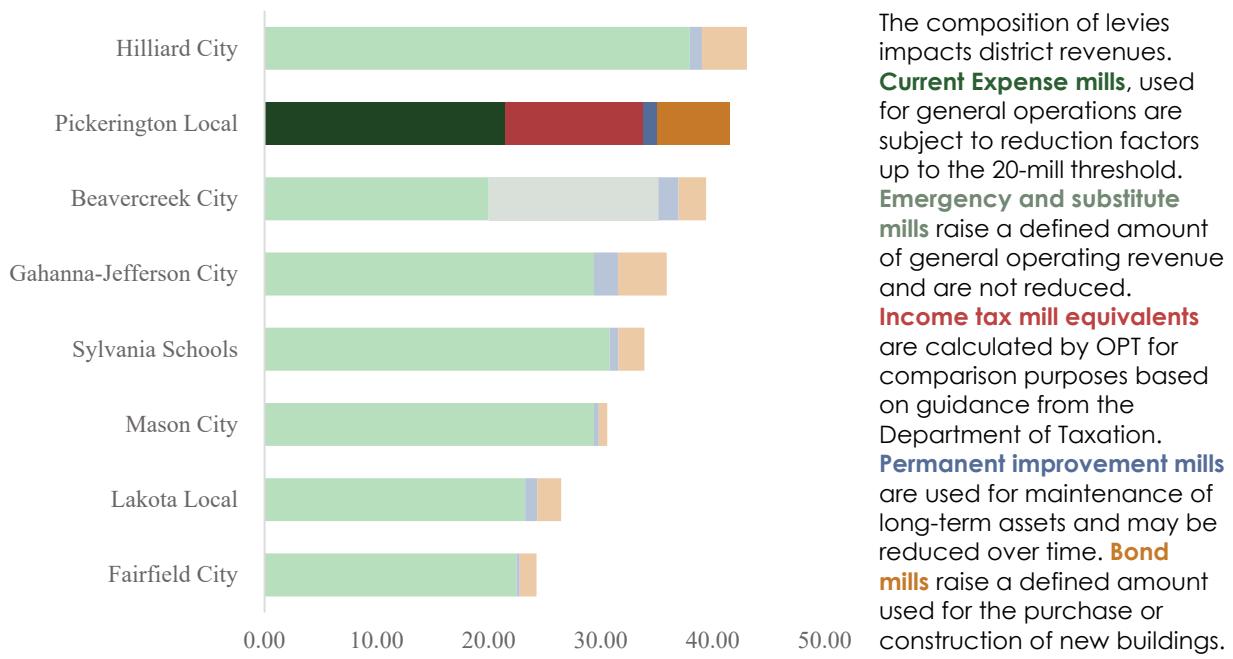
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<sup>20</sup> Forecasted funds include the District's General Fund and funds derived from emergency levies.

<sup>21</sup> The Cupp Report, issued by ODEW, provides information on all revenues received by a district. Because of this, the percentage of revenues from local revenues in the Cupp report may vary from the amount in our report due to the inclusion of additional revenues.

<sup>22</sup> 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 2024 was 41.04.

## 2024 Millage and Millage Equivalents | Primary Peers



Source: Ohio Department of Taxation

The composition of levies impacts district revenues. **Current Expense mills**, used for general operations are subject to reduction factors up to the 20-mill threshold. **Emergency and substitute mills** raise a defined amount of general operating revenue and cannot be reduced. **Income tax mill equivalents** are calculated by OPT for comparison purposes based on guidance from the Department of Taxation. **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.

The composition of levies impacts district revenues. Current expense mills, used for general operations, are subject to reduction factors up to the 20-mill threshold. Emergency and substitute mills raise a defined amount of general operating revenue and cannot be reduced. Income tax mill equivalents are calculated by OPT based on guidance provided by the Department of Taxation for comparison purposes. Permanent improvement mills are used for maintenance of long-term assets and may be subject to reduction factors. Bond mills raise a defined amount used for the purchase or construction of new buildings. It is important to understand that *revenue* generated from bond and emergency levies remains the same regardless of changes to property values as they are voted as fixed-sum levies. The *revenue* generated from current expense millage and permanent improvement millage also stays the same until the 20-mill floor is hit for current expense taxes. At that point, a district at the floor would see additional revenues from increases in value to existing properties. The District is not presently at the 20-mill floor. This means that if property values increase within the District, it will not see additional revenues based on that growth.

## Property Valuation

Millage is one component of how districts generate revenue. The millage is assessed on property value, so the total revenue collected from property levies is a function of millage and total valuation. A district with high property value may see more total revenue from fewer mills than a district with low property values. The District's property tax millage is one of the lowest compared to the primary peers. In addition, the District has a low property valuation compared to

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its peers. PLSD's total property valuation in Tax Year 2023 was approximately \$2.1 billion compared to the primary peer average of approximately \$3.3 billion. In Tax Year 2023, one mill of property tax generated approximately \$189 in revenue per pupil, which is below the primary peer average of \$295 per pupil. The combination of lower valuation and lower property tax millage means that the District would generate less revenue than the primary peers. Due to this, PLSD has lower capacity to raise revenue through property taxes. However, as noted in the chart on the previous page, the District has an income tax that allows it to raise revenues that are not directly tied to property values. When income tax millage equivalents are included in the District's property tax millage, the District nearly has the highest property tax millage.

The property tax revenues for the District's General Fund are generated from several levies. The following table shows the levies currently in effect for the District and includes the Gross Tax Rate, or the amount that was voted on, and the Effective Tax Rate, or the amount that is assessed on properties. In the table, the first current expense levy is identified as starting in 1976. It should be noted that in 1976, changes were made to the ORC that impacted the collection of property taxes. The levy identified in 1976 may include any levies that predate that year which remain in effect.

### Current Levies Collected by PLSD, FY 2024

Levy Year	Levy Name	Gross Tax Rate	Class I Effective Tax Rate
	GENERAL FUND	3.50	3.50
	PERMANENT IMPROVEMENT	1.00	1.00
1976	CURRENT EXPENSE	24.00	2.25
1977	CURRENT EXPENSE	8.00	0.75
1980	CURRENT EXPENSE	4.50	0.76
1985	CURRENT EXPENSE	9.80	2.32
2000	BOND (\$77,500,000)	3.30	3.30
2000	CURRENT EXPENSE	3.00	1.40
2001	CLASSROOM FACILITIES (EXT)	0.50	0.24
2003	CURRENT EXPENSE	7.90	4.28
2006	BOND (\$59,900,000)	1.70	1.70
2007	CURRENT EXPENSE	5.00	2.95
2011	CURRENT EXPENSE	5.50	3.24
2022	BOND (\$89,930,000)	1.50	1.50
	<b>Total</b>	<b>79.20</b>	<b>29.18</b>

As seen in the table, the most recent levy for current operating expenses was passed by voters in 2011, or 14 years ago. Prior to that point, the District had proposed and passed a new operating levy every few to several years dating back to 1976. The District also passed bond levies in 2000, 2006, and 2022, which are due to expire in 2026, 2033, and 2058, respectively. In addition to the property taxes identified above, the District also collects revenue from a traditional income

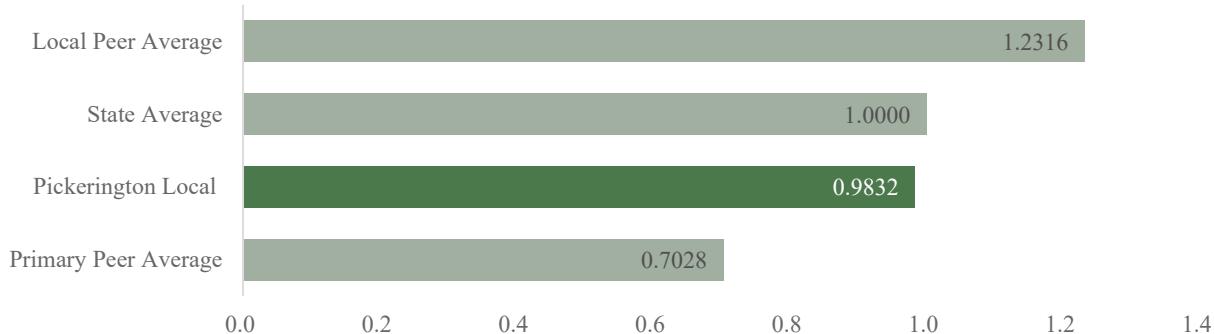
tax of 1 percent on all income.<sup>23</sup> The difference between the Gross Tax Rate and the Effective Tax Rate illustrates the impact that reduction factors have on collection rates. The 3.50 mills that are identified as General Fund millage are considered inside mills and are unvoted by the taxpayers. These mills are not subject to reduction factors. If the District's effective tax rate drops to 20 mills, it will begin to see revenue growth based on increases to property values.

## Local Tax Effort

ODEW 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 within the Ohio Department of Taxation and 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 annually by ODEW as part of its District Profile Reports, also known as the Cupp Report, to reflect changes in local conditions from year to year.

### FY 2024 Local Tax Effort Comparison



Source: ODEW

The District's local tax effort was compared to the local peers, primary peers, and the state average. Districts are ranked from 1 to 606, with 1 being the highest level of effort, or the 99<sup>th</sup> percentile and 606 being the lowest level effort, or the 1<sup>st</sup> percentile. The District has a local tax effort of 0.9832. This is in-line with the statewide average, ranking 307<sup>th</sup> out of 606 districts, which is approximately the 49<sup>th</sup> percentile of all districts. By comparison, the local peer average

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<sup>23</sup> This is a continuing income tax that was first effective in 1991.

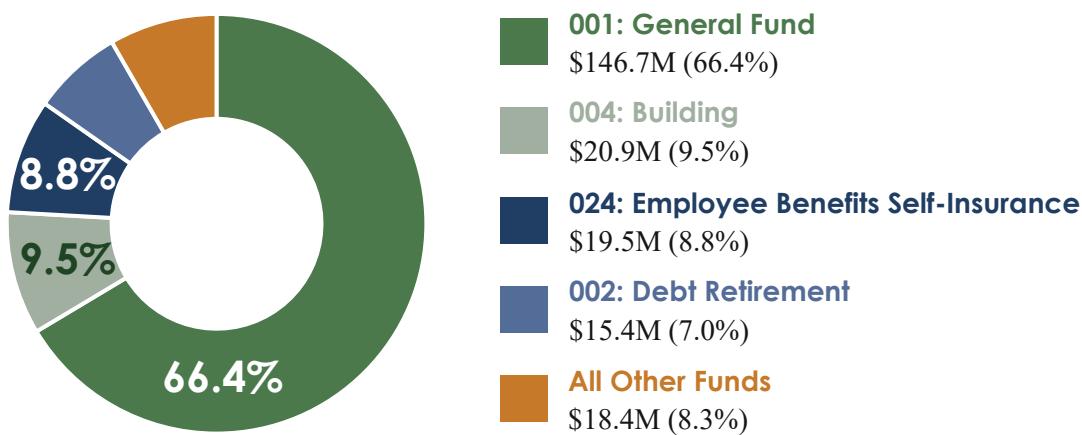
of 1.2316 is higher and would rank approximately 172<sup>nd</sup> out of all 606 districts, or the 72<sup>nd</sup> percentile.

## PLSD Expenditures

Similar to revenue allocation, expenditures are paid from specific funds. For example, most salaries and wages are typically paid from the General Fund. The chart below shows the District's total expenditures by fund type. In FY 2024, the total expenditures were higher than total revenue. This is due, in part, to the Building Fund, which is expending previously collected revenue generated from the bond passed in 2022 for the construction and renovation of academic buildings.

### FY 2024 Total Expenditure Distribution by Fund

**Total: \$220.8M**



Source: PLSD

Note: The District has 29 total funds, 28 of which recorded expenditures in FY 2024. See [Appendix B](#) for more details.

Note: Due to rounding, expenditure categories may not sum up to the total listed.

Note: Excludes Advances

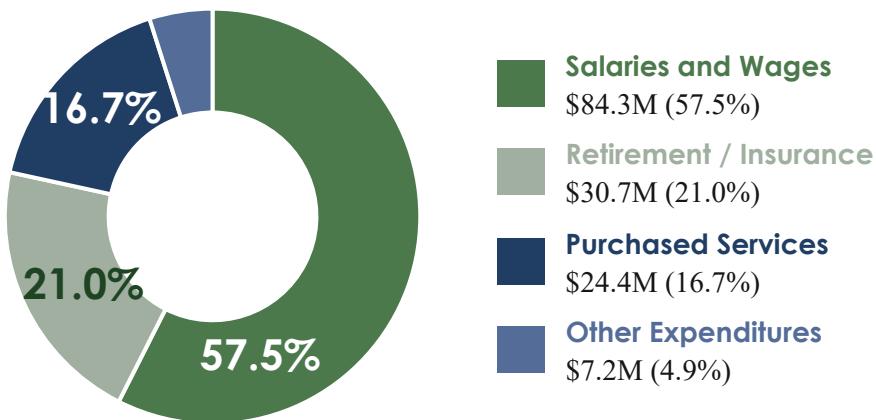
Within funds, expenditures may exceed revenue due to the ability to use available fund balances from previous years. This is noticeable in the variation in Debt Retirement revenues and Debt Retirement expenditures in FY 2024 at the District. As seen in the visual above, the District's total General Fund expenditures were approximately \$146.7 million in FY 2024.<sup>24</sup> The largest source of expenditures was human resources which includes salaries, wages, and benefits, followed by purchased services. The chart that follows provides additional detail regarding the District's General Fund expenditures.

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<sup>24</sup> This total excludes advances from the General Fund. For purposes of comparison, we excluded advances from the General Fund for both PLSD and the peer groups throughout the Expenditures section.

## FY 2024 General Fund Expenditure Composition

**Total: \$146.7M**



Source: ODEW

Note: Other Expenditures may include Supplies and Materials, Capital Outlay, Principal on Loans, Interest & Fiscal Charges, Other Objects, Operating Transfers-Out, and All Other Financing Uses.

Note: Excludes Advances

As demonstrated in the visual above, purchased services expenditures were approximately \$24.4 million in FY 2024, making up 16.7 percent of the General Fund expenses. Of that total, approximately 31 percent of the expenditures were for Pupil Transportation, 19.8 percent were for Tuition & Other Similar Payments, and 18.5 percent were for Professional & Technical Services.

### Expenditures per Pupil

Several of our comparisons are made on a per-pupil basis. This is done to normalize the variation in size between peer districts. The table below shows the District's spending on a per-pupil basis in several key areas. It also shows the differences between the types of funds from which expenditures are made. For example, the majority of salaries and wages are paid from the General Fund, whereas the majority of capital outlay expense are paid from non-General Fund dollars.

## FY 2024 Expenditure per Pupil by Object Code

<b>Object</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>All Funds</b>
100: Salaries & Wages	\$7,509	\$545	\$8,055
200: Retirement & Insurance Benefits	\$2,738	\$92	\$2,830
400: Purchased Services	\$2,179	\$690	\$2,869
500: Supplies & Materials	\$388	\$367	\$755
600: Capital Outlay	\$81	\$1,541	\$1,622
800: Other Objects	\$144	\$3,372	\$3,516
900: Other Uses of Funds	\$29	\$0	\$29
<b>Total</b>	<b>\$13,069</b>	<b>\$6,608</b>	<b>\$19,676</b>

Source: PLSD & ODEW

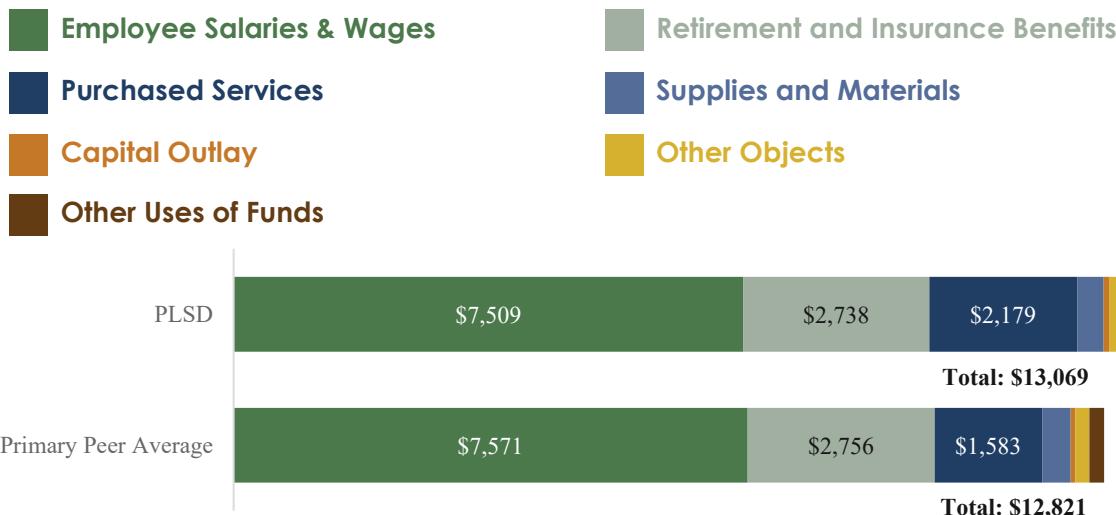
The District spent approximately \$19,600 from all funds per pupil in FY 2024. This is similar, but slightly above the peer average spending of approximately \$19,200 per pupil during the same timeframe. In FY 2024, PLSD spent approximately \$13,069 per pupil from the General Fund, which is 1.9 percent higher when compared to the primary peer average of \$12,821 per pupil. We analyzed General Fund expenditures since they are tied to the five-year forecast.

The District spending for salaries and wage, retirement and insurance benefits, supplies and materials, other objects, and other uses of funds was in-line with the peer average.<sup>25</sup> However, the District spends slightly more than the peer average in total expenditures per pupil, which is driven by purchased services and capital outlay spending. The chart that follows provides a comparison of expenditures per pupil for PLSD and the primary peer average.

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<sup>25</sup> 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, and contingencies within the various accounting dimensions.

## FY 2024 General Fund Expenditures Per Pupil



Source: PLSD, Peers, and ODEW

Note: Excludes Advances

Overall, PLSD's General Fund expenditures per pupil in FY 2024 were in line with the primary peer average. However, the District spent approximately \$596 more per pupil on purchased services. The majority of these expenditures, or 31 percent, can be attributed to pupil transportation. The District has a contract for transportation services and also has a contract for HVAC maintenance. The District's purchased services expenditures were also comprised of tuition and other similar payments (19.8 percent), professional and technical services (18.5 percent), property services (16.2 percent), and utilities services (12.7 percent).

# Results of the Audit

In collaboration with the District, the following scope areas were included for detailed review and analyses: Financial Management, Human Resources, and Facilities (see **Appendix A**). We identified seven recommendations within these scope areas which would result in reduced expenses or improve the District's operational management based on industry standards and peer averages.

## Summary of Recommendations

<b>Standard Recommendations</b>	<b>Savings</b>
<b>R.1 Improve Forecast Assumptions</b>	N/A
<b>R.2 Develop Formal Plans</b>	N/A
<b>R.3 Adjust Administrative Staffing Levels above the Peer Average</b>	<b>\$1,114,000</b>
Reduce 10.5 FTE Building Administrator Staff	\$1,114,000
<b>R.4 Adjust Direct Student Education and Support Staffing Levels above the Peer Average</b>	<b>\$4,574,000</b>
Reduce 21.5 FTE General Education Teaching Staff	\$1,655,000
Reduce 4.0 FTE K-8 Teaching Staff	\$351,000
Reduce 3.5 FTE Curriculum Specialist Staff	\$397,000
Reduce 0.5 FTE Counseling Staff	\$52,000
Reduce 10.5 FTE Tutor/Small Group Instructor Staff	\$1,121,000
Reduce 1.5 FTE Technical Staff	\$95,000
Reduce 1.5 FTE Library Staff	\$52,000
Reduce 21.5 FTE Monitors	\$562,000
Reduce 4.0 FTE Nursing Staff	\$289,000
<b>R.5 Renegotiate Collective Bargaining Agreement Provisions</b>	N/A
<b>R.6 Align Salary Schedules</b>	N/A
<b>R.7 Align Employer Insurance Costs with SERB Regional Average</b>	<b>\$36,000</b>
<b>Total Cost Savings from Performance Audit Recommendations</b>	<b>\$5,724,000</b>
Less: Food Service portion of Insurance Costs	\$2,000
<b>Total Cost Savings from Performance Audit Recommendations (General Fund)</b>	<b>\$5,722,000</b>

Note: These numbers reflect the average annual savings of each recommendation over the forecast period. Some recommendations may not be implemented in all years of the period and have lower average annual savings compared to what is presented in the recommendation itself. Where appropriate, the timing of implementation is discussed in the recommendation language in the report.

Our recommendations that are based on industry standards and peer comparisons are projected to save the District an average of approximately \$5.7 million annually, if fully implemented. The financial impact of these recommendations on the October 2025 forecast is shown in the following table. This table reflects the actual annual financial impact along with the cumulative financial impact of the implementation of these recommendations on the five-year forecast and the associated reduction in the projected deficit. It should be noted that some of these

recommendations may require contract negotiations and savings may not be realized immediately.

### Results of the Audit Recommendations (October 2025 Forecast - Line 6.010)

	FY 2026	FY 2027	FY 2028	FY 2029
Original Results of Operations (Line 6.010)	(\$4,607,421)	(\$6,322,200)	(\$15,422,939)	(\$20,788,489)
<b>In Year Recommendation Savings</b>	<b>\$0</b>	<b>\$7,322,903</b>	<b>\$7,630,299</b>	<b>\$7,958,747</b>
<b>Revised Results of Operations (Line 6.010)</b>	<b>(\$4,607,421)</b>	<b>\$1,000,703</b>	<b>(\$7,792,640)</b>	<b>(\$12,829,742)</b>

Source: PLSD, ODEW, and AOS

The District's October 2025 forecast projected expenditures to exceed revenues in each year of the forecast period. The forecasted deficit spending was projected to deplete the District's available fund balance beginning in FY 2028. The recommendations in this report, as seen above, will not resolve the District's spending imbalance throughout the forecast period. However, the recommendations, if fully implemented, would delay the projected negative fund balance until FY 2029.

### Results of the Audit Recommendations (October 2025 Forecast - Line 12.010)

	FY 2026	FY 2027	FY 2028	FY 2029
Revised Starting Cash Balance (Line 7.010)	\$22,928,682	\$18,321,261	\$19,321,964	\$11,529,325
Revised Results of Operations (Line 6.010)	(\$4,607,421)	\$1,000,703	(\$7,792,640)	(\$12,829,742)
<b>Revised Ending Cash Balance (Line 7.020)</b>	<b>\$18,321,261</b>	<b>\$19,321,964</b>	<b>\$11,529,325</b>	<b>(\$1,300,417)</b>
Estimated Encumbrances June 30 (Line 8.10)	\$2,160,206	\$2,164,310	\$2,168,206	\$2,172,542
<b>Revised Ending Fund Balance (Line 12.010)</b>	<b>\$16,161,055</b>	<b>\$17,157,654</b>	<b>\$9,361,119</b>	<b>(\$3,472,959)</b>

Source: PLSD, ODEW, and AOS

As seen in the table above, even if all recommendations identified in this report were fully implemented, the District's fund balance would decline over the forecast period. While the District would have a positive fund balance of \$16.1 million, or 9.5 percent of annual revenues in FY 2026, it would ultimately have a negative ending fund balance beginning in FY 2029 of \$3.5 million, or negative 1.9 percent of annual revenues in that same year. Without additional revenue, the PLSD officials will need to consider further expenditure reductions to maintain fiscal stability. As the District seeks to reduce its projected deficits, it should consider its growing student population in conjunction with available funding.

# Financial Management

Any organization needs to consider both short-term needs and long-term goals when developing policies and procedures related to financial management. This requires strategic planning in order to identify the best use of available resources. School districts, in particular, must have sound planning processes in place so that they can effectively and transparently provide services to their residents. These planning processes and practices should work together and be taken into account when making management decisions. When developing annual budgets and making spending decisions, the District's administration should consider the information presented in the financial forecast. Additionally, large purchases and other expenditures should be planned for through long-term strategic planning that is also tied to the forecast and the annual budget. These practices, when properly adhered to, can help a district to avoid financial distress.

We reviewed PLSD's financial management policies related to forecasting, budgeting, and long-term planning to determine if there were areas for improved management. We also compared the District's General Fund subsidy for extracurricular activities as a percent of total expenditures to the local peer average. Our analyses produced two recommendations (see **Recommendation 1** and **Recommendation 2**). We did not identify recommendations regarding the District's budgeting practices or extracurricular activities. The District's budgeting process is robust and comprehensive, and the District's General Fund subsidy for extracurricular activities as a percent of total expenditures falls below the local peer average by 13.8 percentage points.

## Recommendation 1: Improve Forecast Assumptions

Districts are required to submit financial forecasts to ODEW twice annually, and these documents should provide a consistent overview of a district's financial health.<sup>26</sup> The forecast can be used as a tool, along with other fiscal monitoring practices, to ensure district officials proactively manage finances to avoid a state of fiscal distress.

Our review of PLSD's November 2024 and May 2025 forecasts found that the District's forecasting process is generally in alignment with best practices. However, our review of the forecast assumptions found that the District does not provide clarity on individual lines of the forecast beyond what is generated by the forecasting software. The Ohio Association of School Business Officials (OASBO), the Government Finance Officers Association, and ODEW provide guidance regarding the development of forecast assumptions. The District should implement best practices from OASBO, the GFOA, and ODEW to improve its forecast assumptions.

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<sup>26</sup> House Bill 96 of the 136<sup>th</sup> General Assembly (the biennial budget bill) contained changes to the school forecast, including shifting to a four-year forecast period from a five-year period.

## **Impact**

By implementing best practices for developing forecast assumptions, the District will be better positioned to effectively, transparently, and proactively manage and sufficiently explain its revenues and expenditures.

## **Background**

School districts in Ohio are required to submit a financial forecast to ODEW twice annually. These forecasts include three years of historical financial data along with four years of projections. In addition, the forecasts include notes to explain any significant changes or assumptions used to develop the reported projections. Due to the nature of projecting financial information, it is likely that actual results will deviate from the forecast in later years. However, the forecast is a management tool that districts can use to identify future financial challenges and proactively manage operations to address those issues.

The forecast is meant to be a tool that assists with long-range planning and to facilitate discussions between the administration, the local board of education, and the community regarding the fiscal health of a district and financial issues that it may be facing. In addition, the forecast identifies a district's ability to maintain personnel and programs. It is also used by ODEW and the Auditor of State to identify districts that may face financial distress.

As noted above, the District has a forecasting process that is generally in line with best practices. The District has formal Board policies related to forecasting, including a policy that defines the key components of the forecasting process. The treasurer shares forecast details, including fund balances, monthly revenues and expenditures, and how the District is measuring to appropriations, with the District administration and Board members. As comparisons of actuals are made to the forecast, the treasurer adjusts projections as appropriate.

In addition, the District has a 45-day cash balance policy, which includes no less than 45 days of normal operating expenses. The policy ensures that the District's forecasts are in alignment with a 45-day cash balance. If the forecast projects the District will not adhere to the policy, the District must put together a plan to address its cash balance.

## **Methodology**

We interviewed District officials to understand their forecasting process. We also obtained and reviewed the District's November 2024 and May 2025 forecasts and assumptions. We specifically analyzed lines of the forecast that projected significant increases or decreases and then compared those lines to the corresponding assumptions to assess whether those changes were thoroughly documented.

Once we gained an understanding of PLSD's forecasting process, we compared the District's process to best practices from OASBO, the GFOA, and ODEW to identify opportunities for improved transparency of future forecasts and assumptions.

## Analysis

One important accompanying document to the forecast is the forecast assumptions. OASBO says that the forecast, without any accompanying documentation, only tells part of the story and is merely a “piece of the puzzle.” For a forecast to be comprehensively and effectively understood, forecast assumptions are needed to provide context and support. Not only are the assumptions recommended, but they are required by OAC 3301-92-04. Using forecast assumptions, OASBO recommends that Districts sufficiently explain significant variations in revenues and expenditures. Explaining significant fluctuations in revenues and expenditures helps to enhance transparency and helps readers understand the “why” behind the projected financials in the forecasts.

The District uses forecasting software to prepare its financial forecasts and accompanying assumptions. When developing the forecast, the District considers historical data and trends to make projections. Current salaries, projected salary increases, insurance trends, anticipated staffing adjustments, reappraisals, and new construction are also considered.

The forecasting software generates default assumptions based on inputs, and the District does not add additional context. While the assumptions did not include additional detail, the District explained any significant changes in revenues and expenditures during interviews. For example, the District’s May 2025 forecast projected a significant increase in Line 3.040 (Supplies and Materials), which was due to the District switching from leasing Chromebooks to purchasing them.

Without additional context added to the default assumptions, readers do not have sufficient information to understand changes in projections from year-to-year. By improving the explanation of the assumptions, the District will be better positioned to communicate its financial condition to its stakeholders.

## Conclusion

For a forecast to be meaningful, it must be accompanied by robust and detailed assumptions. These assumptions are what tell the story, or explain, the reason behind significant increases or decreases identified in a forecast. In addition to assumptions that affect the overall forecast, the District should include underlying details and assumptions related to specific expenditure lines in the assumption document to assist decision-makers and ensure transparency to the public. While the District has a robust forecasting process, the forecast assumptions do not include detail beyond the default assumptions generated by the forecasting software. To improve transparency, the District should improve its forecast assumptions through the implementation of best practices.

## Recommendation 2: Develop Formal Plans

PLSD should develop formal written capital improvement and facilities preventative maintenance plans in order to meet financial, programmatic, and operational needs.

### Impact

School districts should have multiple formal plans that identify future needs and guide each operational area of the district. It is important that the district has a long-term strategic plan tied to a formal budget and capital plan, as well as a facilities preventative maintenance plan, fleet preventative maintenance plan, and bus replacement plan. This allows the district to ensure the needs of all operational areas can be met in an efficient and effective manner.

### Methodology

We interviewed District officials and confirmed that the District has a strategic plan, fleet preventative maintenance plan, and bus replacement plan, but does not have a formal capital improvement plan or facilities preventative maintenance plan. We then compared the District's current planning practices to industry standards and best practices to identify opportunities for improvement.

### Analysis

Each operational area within the District has specific planning needs which should be considered. Our analysis of the District's strategic plan, fleet preventative maintenance plan, and bus replacement plan found that the District met all best practices. Since the District's capital plan and facilities preventative maintenance plans did not meet all best practices, specific criteria related to these plans are addressed below.

#### Capital Plan

According to *Multi-Year Capital Planning* (GFOA, 2022), public entities should “prepare and adopt comprehensive, fiscally sustainable, and multi-year capital plans to ensure effective management of capital assets.” The GFOA further states that “a prudent multi-year capital plan identifies and prioritizes expected needs based on a strategic plan, established project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs.”

While PLSD does not have a formal capital plan, the District has some informal documents used for planning purposes. These documents include a pavement study which identifies necessary capital pavement rehabilitation projects from 2017 to 2033, as well as a list of all mechanical assets covered by the District's preventative maintenance HVAC contract. The District has also indicated it will be developing a capital plan spanning the next 5 to 10 years that will be informed by a comprehensive facilities audit.

## Facilities Preventative Maintenance Plan

According to the *Planning Guide for Maintaining School Facilities* (National Center for Education Statistics, 2003), “a comprehensive facility maintenance program is a school district’s foremost tool for protecting its investment in school facilities and is the cornerstone of any effective maintenance initiative.” A good maintenance program is built on the foundation of preventative maintenance. An effective maintenance program begins with an audit of buildings, grounds, and equipment.

After facilities data have been assembled, structural items and pieces of equipment can be selected for preventative maintenance. Once the items that should receive preventative maintenance are identified, planners must decide on the frequency and type of inspections. Manufacturers’ manuals are a good place to start when developing this schedule; they usually provide guidelines about the frequency of preventative service, as well as a complete list of items that must be maintained. Finally, this information must be formatted so that preventative maintenance tasks can be scheduled easily. Ideally, scheduling should be handled by a computerized maintenance management program; however, tasks can be efficiently managed using a manual system as well.

PLSD does not have a formal facilities preventative maintenance plan. However, the District has a third-party contractor who completes preventative maintenance on all HVAC equipment, and another third-party contractor who does annual roof inspections. Beyond this, the District does not have plans detailing maintenance for other facility assets, and also indicated that maintenance is reactive to service calls as issues arise.

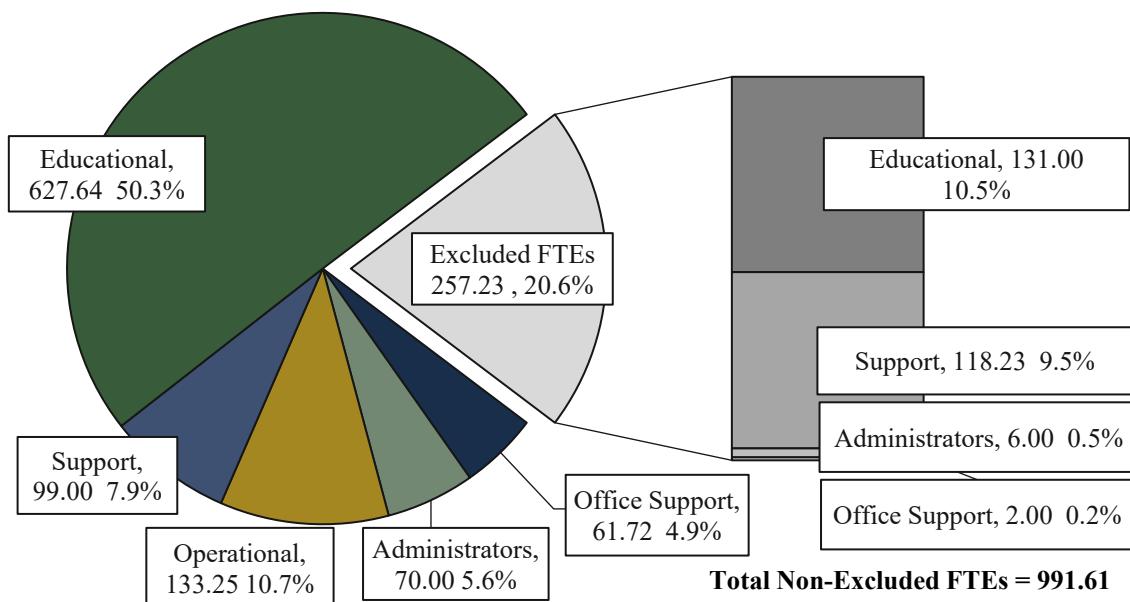
## Conclusion

Formal plans help an organization address financial, programmatic, and operational needs. By developing these plans and tying a formal capital plan to the overall strategic plan, the District will be able to efficiently and effectively allocate its limited resources. In particular, by understanding and mapping out both routine expenditures and large purchases, the District will improve its ability to avoid unexpected or unnecessary expenses.

# Human Resources

Human Resources (HR) expenditures are significant to both the operational and financial conditions within school districts. OPT reviewed PLSD's staffing levels, CBA provisions, salaries, and insurance offerings and compared them to peer districts.

Personnel costs represent more than 78 percent of the District's spending. Due to this, we conduct several analyses relating to the expense associated with maintaining the existing staffing levels. Certain staff were excluded from our analyses due to various legal and contractual requirements that would make reductions difficult. In the chart below there are approximately 257 excluded staff FTEs, which include individuals associated with special education and Title I programming.



## **Recommendation 3: Adjust Administrative Staffing Levels above the Peer Average**

PLSD should consider adjusting administrative staffing levels based on the primary peer average.

### **Impact**

By adjusting administrative staffing levels and reducing the number of building administrators to be in line with the primary peer average, the District could save an average of approximately \$1.1 million annually beginning in FY 2027.<sup>27</sup>

It is important to note that these savings are calculated using the District's current staffing levels and the most recently available enrollment data. Enrollment at the District has historically been increasing, with a 1.58 percent increase in FY 2025. When considering staffing adjustments, the District should evaluate enrollment trends and the impact of enrollment changes on specific position categories. The District should ensure that any staffing adjustments are fiscally sustainable.

### **Background**

The District employs individuals in administrative positions who are responsible for activities related to the daily operations of the District. While these positions provide support to students and educators at 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 the primary peer averages on a per-1,000 student basis and a per-building basis.<sup>28</sup> PLSD could reduce 10.5 FTE building administrator positions.

#### *Building Administrators*

PLSD employs 41.0 FTE building administrators, including 15.0 FTE principals, 24.0 FTE assistant principals, and 2.0 FTE dean of students. This is 10.55 FTEs above the primary peer average on a per-1,000 student basis and 0.36 FTEs above the primary peer average on a per-building basis. Reducing 10.5 FTE building administrator positions could save an average of approximately \$1.1 million annually.

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<sup>27</sup> Calculated savings are based on the salary and benefits of the lowest tenured administrators.

<sup>28</sup> A Full-Time Equivalent (FTE) was used to identify staffing levels, based on ODEW reporting guidelines.

## **Conclusion**

The District should consider adjusting administrative staffing levels. Based on our analysis, the District could consider reducing 10.5 FTE administrative positions. Reducing staffing in these positions could save an average of approximately \$1.1 million annually beginning in FY 2027, and bring staffing to a level consistent with the primary peer average.

## **Recommendation 4: Adjust Direct Student Education and Support Staffing Levels above the Peer Average**

PLSD should consider adjusting direct student education and support staffing levels based on the primary peer average.

### **Impact**

By adjusting direct student education and support staffing levels and reducing positions in specific areas to be in line with the primary peer average, the District could save an average of approximately \$4.6 million annually beginning in FY 2027.<sup>29</sup>

It is important to note that these savings are calculated using the District's current staffing levels and the most recently available enrollment data. Enrollment at the District has historically been increasing, with a 1.58 percent increase in FY 2025. When considering staffing adjustments, the District should evaluate enrollment trends and the impact of enrollment changes on specific position categories. The District should ensure that any staffing adjustments are fiscally sustainable.

### **Background**

Direct student education and support positions perform functions that assist students in an educational setting directly in some manner. Positions may include a variety of professionals including teachers, tutors, educational support specialists, and counselors. Based on peer comparisons, PLSD may be able to reduce several positions.

### **Methodology/Analysis**

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

- 21.5 FTE Teaching Staff;
- 4.0 FTE K-8 Art and Physical Education Teaching Staff;
- 3.5 FTE Curriculum Specialists;
- 0.5 FTE Counselors;
- 10.5 FTE Tutor/Small Group Instructors;
- 1.5 FTE Technical Staff;
- 4.0 FTE Nursing Staff;
- 1.5 FTE Library Staff; and,
- 21.5 FTE Monitors.

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<sup>29</sup> Calculated savings are based on the salary and benefits of the lowest tenured employee in each category.

## *Teaching Staff*

PLSD employs 491.75 FTE teaching staff, which is 21.77 FTEs above the peer average. Included in this total are 453.75 FTE general education teachers, 24.0 FTE English learning (EL) instructional program teachers, 10.0 FTE gifted and talented teachers, and 4.0 FTE career-technical education teachers. Reducing 21.5 FTE teaching staff could save an average of approximately \$1.7 million annually.<sup>30</sup>

### *K-8 Art and Physical Education Teaching Staff*

PLSD employs 12.5 FTE K-8 art teachers and 15.5 FTE K-8 physical education teachers. This exceeds the primary peer averages by 2.13 FTEs and 2.06 FTEs, respectively. Reducing 2.0 FTEs from each category, for a total of 4.0 FTEs, could save an average of approximately \$351,000 annually.

### *Curriculum Specialists*

PLSD employs 21.0 FTE curriculum specialists, which is 3.5 FTEs above the peer average. Reducing 3.5 FTE curriculum specialist positions could save an average of approximately \$397,000 annually.

### *Counselors*

PLSD employs 26.0 FTE counselors, which is 0.5 FTEs above the peer average. Reducing 0.5 FTE counselor positions could save an average of approximately \$52,000 annually.

### *Tutor/Small Group Instructors*

PLSD employs 24.0 FTE tutor/small group instructors, which is 10.98 FTEs above the peer average. Reducing 10.5 FTE tutor/small group instructor positions could save an average of approximately \$1.1 million annually.

### *Technical Staff*

PLSD employs 12.0 FTE technical staff, which is 1.56 FTEs above the peer average. Reducing 1.5 FTE technical staff positions could save an average of approximately \$95,000 annually.

### *Nursing Staff*

PLSD employs 15.83 FTE nursing staff, which is 4.14 FTEs above the peer average. Reducing 4.0 FTE nursing staff positions could save an average of approximately \$289,000 annually.

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<sup>30</sup> During the course of the audit, the District expressed concern regarding the results of our EL staffing analysis. Due to this, we further analyzed this position category and confirmed our results (see **Appendix C**).

## *Library Staff*

PLSD employs 14.0 FTE library staff, which is 1.67 FTEs above the peer average. Reducing 1.5 FTE library staff positions could save an average of approximately \$52,000 annually.

## *Monitors*

PLSD employs 42.09 FTE monitors, which is 21.65 FTEs above the peer average. Reducing 21.5 FTE monitor positions could save an average of approximately \$562,000 annually.

## **Conclusion**

The District should consider adjusting direct student education and support staffing levels. Based on our analysis, the District could consider reducing 68.5 FTE direct student education and support positions. Reducing staffing in these positions could save an average of approximately \$4.6 million annually beginning in FY 2027, and bring staffing to a level consistent with the primary peer average.

# **Recommendation 5: Renegotiate Collective Bargaining Agreement Provisions**

PLSD should renegotiate and align its collective bargaining agreement (CBA) provisions with ORC requirements and local peer districts in order to reduce future expenditures and decrease the risk for future liabilities.

## **Impact**

While there is no identified financial implication for this recommendation, the District's certificated and classified CBAs contain certain provisions which may increase future liabilities.

## **Background**

PLSD maintains two collective bargaining agreements:

- Pickerington Education Association, representing certificated staff, effective through June 30, 2026;<sup>31</sup> and,
- Pickerington Support Staff Association OEA/NEA, representing classified staff, effective through June 30, 2026.

## **Methodology**

CBAs for the District and local peer districts were obtained from the State Employment Relations Board (SERB). When updated contracts were unavailable from SERB, they were obtained directly from peer districts. PLSD's CBAs were then analyzed and compared to ORC requirements and local peer districts' CBAs to highlight any overly generous provisions or potential opportunities to reduce costs or increase operational efficiency.

## **Analysis**

**Sick Leave Accumulation and Severance Payout:** ORC § 124.39 requires that public employees must be paid one quarter of accrued sick leave at retirement, based on a maximum accrual of 120 days, specified in ORC § 3319.141. Based on this requirement, employees are eligible for up to 30 days of severance pay. However, public entities may choose to provide severance pay in excess of ORC requirements.

According to the District's certificated CBA, employees may accrue up to 260 days of sick leave, which is below the local peer average of 262.5 days, but exceeds the ORC requirement. Certificated employees may receive up to 65 days of paid severance, which is below the local peer average of 66 days, but exceeds the ORC requirement. According to the District's classified

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<sup>31</sup> The original agreement expired June 30, 2025 but a Memorandum of Understanding extended the agreement through June 30, 2026.

CBA, employees may accrue up to 260 days of sick leave, which is below the local peer average of 270 days, but exceeds the ORC requirement.<sup>32</sup> The classified CBA does not specify a severance provision.

Excessive sick leave accrual increases the likelihood of severance payouts that are larger than required by state law and can increase the costs associated with substitutes and overtime.

**Insurance Opt-Out Incentive:** The District offers a health insurance opt-out incentive to certificated and classified employees. Employees who opt-out of the single plan receive \$2,400, and employees who opt-out of the family plan receive \$4,200. Only two of the local peer districts offer this provision to certificated staff, and none of the local peer districts offer this provision to classified staff. The local peer average opt-out incentive for certificated employees is \$700 for a single plan and \$1,200 for a family plan. This provision is not required by the ORC.

## Conclusion

The District has negotiated CBA provisions or offered benefits to its certificated and classified staff that exceed ORC requirements and local peer averages. PLSD should consider renegotiating the provisions discussed above in order to provide costs savings and reduce potential liabilities.

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<sup>32</sup> According to the District's classified CBA, employees may accrue up to 2,080 hours. This equates to 260 days for an employee who works 8 hours per day.

## **Recommendation 6: Align Salary Schedules**

PLSD should align select certificated and classified salary schedules with the local peer average.

### **Impact**

While cost savings are not calculated for this recommendation, aligning certificated and classified salary schedules with the local peer average would result in future cost savings and allow the District to improve its overall fiscal condition.

### **Background**

The District has CBAs for both certificated and classified employees which contain salary schedules. Both CBAs are in effect until June 30, 2026.

### **Methodology**

We used the District's CBAs and salary schedules which were in effect during FY 2026 for purposes of our analysis. The District's certificated and classified salaries over a 30-year career were reviewed and compared to the local peer averages (see **Appendix C**). A 30-year career was chosen since school district CBAs are generally structured around a 30-year period. Position categories used in our analysis were determined based on the identification of comparable positions and corresponding salary schedules at the local peer districts. As such, this analysis did not include all of the District's salary schedules. Pay schedules from peer district CBAs were obtained from the SERB website. When updated contracts and salary schedules were unavailable from SERB, they were obtained directly from peer districts.

### **Analysis**

PLSD has several salary schedules for employees based on position and other criteria. The following certificated categories, which are based on education level, were identified for salary comparison between the District and the local peers:

- Bachelor's Degree (BA); and,
- Master's Degree (MA).

PLSD has a higher starting salary than the local peer average for its MA position category, but is in line with the local peer average for its BA position category. Further, the 30-year career compensation for the District's MA salary schedule is 7.6 percent higher than the local peer average, but the BA salary schedule is in line with the peers.

The following classified categories were identified for salary comparison between the District and the local peers:

- Building Secretary;

- Custodian; and,
- Maintenance Worker.

The District's maintenance workers have a higher starting salary than the local peer average, but the District's building secretary and custodian positions' starting salaries are in line with the local peer average. Further, the 30-year career compensation for maintenance workers exceeds the local peer average by 7.1 percent, while building secretary and custodian career compensation falls below and in line with the local peer average, respectively.

## **Conclusion**

The District's certificated MA salary schedule and classified maintenance worker salary schedule have a higher 30-year career compensation than the local peer average. To achieve savings, PLSD should align these salaries with the local peer average. Though not calculated here, any future savings realized would affect forecasted funds.

## **Recommendation 7: Align Employer Insurance Costs with SERB Regional Average**

The District should align its employer costs for its administrative (single coverage) and classified (single and family coverage) high-deductible health plans (HDHP) premiums with the SERB regional average for other school districts.

### **Impact**

Aligning employer costs for its administrative (single coverage) and classified (single and family coverage) HDHP plans would reduce expenditures and result in average annual savings of approximately \$49,000 annually beginning in FY 2027.<sup>33</sup> This alignment could be accomplished by increasing employee premium contributions and/or adjusting plan designs. Due to union contracts which stipulate the employee cost share, these savings could not be implemented until FY 2027.<sup>34</sup>

### **Background**

The District is self-insured and offers two separate medical insurance plans with options for single or family coverage. One plan is a Preferred Provider Organization (PPO) plan, and the other is a High-Deductible Health Plan (HDHP). Certificated staff are not eligible to enroll in the HDHP plan. The District also offers one dental plan, with an option for single or family coverage, and two vision plans, with options for single, single plus child, single plus spouse, and family coverage. For both vision plans, employees are responsible for 100 percent of the monthly premium.

At the time of analysis, PLSD had 556 enrollees in its PPO family medical plan and 237 enrollees in its PPO single medical plan. PLSD had 12 enrollees in its HDHP family medical plan and 19 enrollees in its HDHP single medical plan. Prescription coverage is included in each medical plan. The District had 678 enrollees in the family dental plan and 206 enrollees in the single dental plan. Employee participation was not calculated for vision insurance due to it being fully employee-paid.

### **Methodology**

We compared the District's medical and dental insurance provisions and costs to the SERB regional average for school districts. Peer information was obtained from the 2025 SERB survey. The District's medical plans were compared to 147 plans, and its dental plan was compared to 83

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<sup>33</sup> Of this total, approximately \$3,000 in annual savings, beginning in FY 2027, would be applied to the Food Service Fund.

<sup>34</sup> Since this recommendation is unable to be implemented until FY 2027, the average annual savings throughout the forecast period are reduced to approximately \$36,000. Of this, approximately \$2,000 is applied to the Food Service Fund.

regional peers. The peer average excluded outlier districts whose plans were more than two standard deviations outside the mean. Using the District's assumptions for increases to annual insurance costs, we then projected potential cost savings over the course of the forecast period.

## **Analysis**

The District offers medical, combined with prescription, as well as dental and vision coverage to its full-time and part-time employees. Part-time employees are eligible for insurance benefits on a prorated formula based on the average number of hours worked per day. These insurance benefits are specified in the District's certificated and classified CBAs. The insurance premium, or cost of obtaining insurance, is split between the District and the employee on a percentage basis.

For eligible employees, the District covers 80 percent of the PPO plan premium for all enrollees, and 80 percent of the HDHP plan premium for administrative employees. The District covers 85 percent of the HDHP plan premium for classified employees. For eligible certificated and classified employees, the District pays a maximum fixed monthly dental premium of \$55.00, and employees are responsible for the remaining cost. For administrative employees, the District covers 80 percent of the monthly premium. As noted above, vision insurance is fully employee-paid.

### *Dental and Vision Insurance*

Our analysis of the District's dental insurance plan found that the single plan employer cost exceeded the regional peer average, but the family plan employer cost was less than the regional peer average. However, the total cost of the premium is the same for the District's single and family plans. In addition, the District's CBAs specify a maximum employer contribution for certificated and classified staff, who are the majority of enrolled employees. Due to this we did not calculate an adjustment of aligning this plan to the regional peer average. Further, due to employees covering 100 percent to the vision premiums, we also did not calculate an adjustment.

### *Medical Insurance*

Our review of the District's PPO plan found that the coverage and provisions, such as out-of-pocket maximums and some copayments, are lower and more generous than the regional peer average. Our review of the District's HDHP plan found that deductibles and out-of-pocket maximums are lower and more generous than the regional peer average.

Under the current PPO plan, the District pays slightly more for the total single monthly premium than the regional peer group, but pays less for the total family monthly premium than the regional peer group. The District's employees also contribute a greater percent of the premium than the regional peer group. As a result, we did not calculate an adjustment of aligning this plan to the regional peer average.

Under the current HDHP plans, as seen in the following table, the District pays more for the total medical insurance premium on a monthly basis than the regional peer group. While employer contribution rates are lower than the employer peer average for the administrative single and family plans, and the classified single plan, the District's employer cost is greater, with the exception of the administrative family plan. If the District were to maintain the current insurance plan, it would need an adjustment to shift a greater portion of the premium to employees to bring itself in line with the peer average employer premium cost and reduce insurance related expenditures. The results of this adjustment are calculated in the following table.

## 2025 Monthly Medical Insurance Costs – HDHP

		PLSD		Regional Peer Averages		PLSD Adjustment		
		Costs	% Share	Costs	% Share	Costs	% Share	
Admin	<b>Single Medical + Rx</b>	District	\$861.58	80.0%	\$778.02	86.5%	\$778.02	72.2%
		Employee	\$215.34	20.0%	\$121.82	13.5%	\$298.90	27.8%
Classified	<b>Family Medical + Rx</b>	District	\$1,968.14	80.0%	\$1,996.45	83.7%	N/A	N/A
		Employee	\$491.90	20.0%	\$387.97	16.3%	N/A	N/A
Classified	<b>Single Medical + Rx</b>	District	\$915.16	85.0%	\$778.02	86.5%	\$778.02	72.2%
		Employee	\$161.76	15.0%	\$121.82	13.5%	\$298.90	27.8%
Classified	<b>Family Medical + Rx</b>	District	\$2,090.86	85.0%	\$1,996.45	83.7%	\$1,996.45	81.2%
		Employee	\$369.18	15.0%	\$387.97	16.3%	\$463.59	18.8%

Source: PLSD and SERB

To align itself with the SERB regional average for employer cost, the District would need to shift a portion of the medical premium to its employees. As seen in the table above, employees enrolled in the single HDHP plan would need to pay 27.8 percent of the monthly premium and employees enrolled in the classified family HDHP plan would need to pay 18.8 percent of the monthly premium.

We identified potential cost savings associated with bringing the employer insurance costs for the HDHP plan in line with the regional peer average. The District has projected a 7.75 percent increase for FY 2027, an 8 percent increase for FY 2028, and an 8.5 percent increase for FY 2029, the last year of the forecast. The District could save approximately \$49,000 annually, beginning in FY 2027, by aligning the employer insurance costs with the regional peer group. Employees included in this savings calculation include 17 classified single enrollees, 8 classified family enrollees, and 2 administrative single enrollees. The District could pursue additional cost reductions by further shifting costs and/or adjusting plan designs.

The District's HDHP plan has limited participation amongst employees. The cost savings associated with this recommendation represent approximately 10 percent of total expenditures associated with the HDHP plan. While the overall cost savings for this recommendation are limited based on current participation levels, adjusting the plan would limit future liabilities should employees opt to switch insurance coverage.

## **Conclusion**

PLSD should work to bring its insurance premium costs for its administrative single and classified single and family HDHP plans in line with the SERB regional average. Doing so could result in average annual savings of approximately \$49,000. These savings can be realized by shifting premium costs and/or adjusting plan designs. It is important to note that shifting premium costs will require contract negotiations.

# Facilities

The changing landscape of education requires periodic reviews of facilities operations to ensure that a district is using limited resources wisely. We reviewed PLSD's building utilization, facilities staffing levels, facilities non-regular labor expenditures, and facilities expenditures in comparison to best practices and industry standards to determine if there were any areas for improvement.

Our analyses found that the District's facilities operations are efficient and consistent with best practices, and we did not identify any recommendations. The below analyses are presented for informational purposes.

## Building Utilization

### Background

PLSD has 15 academic buildings, including an Early Learning Center which opened in fall 2024, 7 elementary schools, 3 middle schools, 2 junior high schools, and 2 high schools. The District also has a new junior high school slated to open in January 2026, which will be the start of a series of relocations and renovations at the District.<sup>35</sup>

The District has experienced increased enrollment in recent years, with that trend projected to continue. Enrollment increased by 2.98 percent in FY 2023, by 1.44 percent in FY 2024, and by 1.58 percent in FY 2025. According to the District, peak utilization is anticipated by 2032 based on projected enrollment and the current number of buildings, which includes the new junior high school.

### Analysis

Benchmark criteria from DeJong & Associates (*Defining Capacity*, 1999) was used to calculate the functional capacity and utilization of each of the District's academic buildings, with the exception of the new Early Learning Center, which is a preschool. School districts should not plan for 100 percent utilization within academic buildings. *Defining Capacity* notes when utilization exceeds 90 percent, it becomes increasingly difficult to schedule students and space. As seen in the table below, the District's overall utilization rate is 94.8 percent.

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<sup>35</sup> The new junior high school is not included in the below table, as it was not open at the time of analysis.

## FY 2025 Building Functional Capacity & Utilization

<b>Building</b>	<b>Year Built</b>	<b>Classrooms</b>	<b>Head Count</b>	<b>Capacity</b>	<b>Utilization</b>
Pickerington Elementary School	1977	25	587	625	93.9%
Heritage Elementary School	1907	21	391	525	74.5%
Fairfield Elementary School	1980	23	512	575	89.0%
Sycamore Creek Elementary School	2008	27	735	675	108.9%
Toll Gate Elementary	2008	35	900	875	102.9%
Tussing Elementary School	1996	28	702	700	100.3%
Violet Elementary School	1977	22	612	550	111.3%
<b>All Elementary Schools</b>		<b>181</b>	<b>4,439</b>	<b>4,525</b>	<b>98.1%</b>
Toll Gate Middle School	2008	29	583	725	80.4%
Harmon Middle School	2000	19	613	475	129.1%
Diley Middle School	2000	26	565	650	86.9%
Pickerington Lakeview Junior High	2002	42	887	893	99.3%
Pickerington Ridgeview Junior High School	1968	43	889	914	97.3%
<b>All Middle/Junior High Schools</b>		<b>159</b>	<b>3,537</b>	<b>3,657</b>	<b>96.7%</b>
Pickerington High School Central	1991	93	1,740	1,976	88.1%
Pickerington High School North	2002	96	1,847	2,040	90.5%
<b>All High Schools</b>		<b>189</b>	<b>3,587</b>	<b>4,016</b>	<b>89.3%</b>
<b>Total</b>		<b>529</b>	<b>11,563</b>	<b>12,198</b>	<b>94.8%</b>

Source: PLSD and ODEW

PLSD is operating above the utilization benchmark and its enrollment, which has increased in recent years, and is projected to continue to increase.

## Facilities Staffing

### Background

PLSD currently employs 79.5 FTE facilities employees. Of that total, 62.5 FTEs are custodial staff, 11.0 FTEs are groundskeeping staff, and 6.0 FTEs are maintenance staff. These employees are responsible for maintaining approximately 522 acres of land and 1.7 million square feet of the District's property.<sup>36</sup>

### Analysis

We analyzed staffing levels that the District has in order to maintain the school buildings, district buildings, and the grounds that the District owns. When compared to industry standards, the

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<sup>36</sup> This does not include the square footage for the new junior high that is scheduled to open in January 2026.

District's combined number of custodians, groundskeepers, and maintenance workers is below the benchmark by 9.6 FTEs. PLSD is operating efficiently compared to the industry benchmark. See **Appendix D** for more information on the District's facilities staffing.

## Non-Regular Labor

### Background

The District's facilities salaries and wages are broken down into regular and non-regular hours. Non-regular hours include overtime, supplemental, and temporary labor. PLSD's facilities employees work overtime as needed. Custodians may work overtime during events or when facilities are rented. Maintenance staff may work overtime during emergencies or when urgent repairs are needed. Overtime is approved in advance.

### Analysis

We reviewed the District's facilities salaries and wages and compared it to primary peer districts for FY 2024, the most recent data available at the time of analysis. We compared the level of non-regular wages at PLSD to the primary peer average.

In FY 2024, the District's non-regular labor expenditures as a percent of total salaries and wages were 8.4 percent. This is generally in line with the primary peer average of 7.1 percent. Further, the District's overtime as a percent of regular salaries and wages is below the primary peer average by 3.0 percent.

## Facilities Expenditures

### Background

Facilities expenditures include all expenses related to a district's buildings. This would include, for example, the salaries and benefits of employees such as custodial or maintenance staff, supplies and materials necessary to keep buildings clean and maintained, and any contracted services such as mowing or snow removal. These expenditures are broken down by category for accounting purposes, and based on a district's operational decisions, categories may vary. For example, a district that chooses to contract for services may have lower salary expenditures due to fewer staff being necessary.

### Analysis

We compared the District's facilities expenditures to those of its primary peers for FY 2024, the most recent data available at the time of analysis. PLSD spent approximately \$13.9 million on facilities in FY 2024, or \$7.98 per square foot. The District exceeded the primary peer average for utilities expenditures by \$0.66 per square foot, or 58.4 percent, and exceeded the primary peer average for electric expenditures by \$0.60 per square foot, or 73.2 percent.

These higher expenditures may be due to opening the Early Learning Center in FY 2024, the absence of LED lighting and automatic lights in many buildings, and the absence of timers on water heaters, as examples. The District partners with a third-party company, which makes weekly visits to the District to monitor energy trends and HVAC schedules. The company conducted an after-hours audit of each building to assess performance and to identify opportunities to conserve energy. The audit resulted in suggestions to adjust scheduling and also identified issues which could improve operations.

The District's supplies and materials expenditures also exceeded the primary peer average by \$0.09 per square foot, or 15.8 percent. The District does shop for quotes and purchases from consortiums. While the District exceeded the primary peer average in these areas, in total facilities expenditures per square foot for the District is in line with the primary peer average of \$7.97 per square foot. See **Appendix D** for more information on the District's facilities expenditures.

# Additional Considerations

As discussed in detail throughout the preceding sections of this report, PLSD could gain efficiencies by aligning its operations with peer averages and industry standards and by implementing the previously identified recommendations. However, the identified recommendations, even if fully implemented, would not resolve the projected operational deficit in the most recent financial forecast or the projected negative ending fund balance in FY 2029. The following suggestions are additional actions that District leadership may need to consider to prevent a worsening fiscal condition.

Implementing the following additional actions could have a significant impact on the District's operations and instructional activities. However, without additional revenue, the District will likely need to consider the implementation of one or more of the following suggestions in order to remain fiscally solvent and reduce the projected operational deficit or the projected negative ending fund balance in FY 2029.

## Additional Staffing Reductions

The District's current staffing levels exceed the primary peer average in 11 categories. The District could consider the impact of further reductions to meet state minimum requirements. This could include aligning with OAC 3301-35-05 for building administrators and educators. The state minimum requirement for building administrators includes just one principal per building, which would lead to a potential reduction of 15.5 additional FTEs beyond what is identified in the standard recommendation (see **Recommendation 3**). The state minimum requirement for teachers includes one classroom teacher per 25 students, which would lead to a potential reduction of 121.62 additional FTEs beyond what is identified in the standard recommendation (see **Recommendation 4**). Such reductions could have a substantial impact on District operations and instructional activities.

While a reduction to state minimum standards may not be necessary to address the projected operational deficit, PLSD could choose to strategically implement staffing reductions to maximize savings while minimizing the impact on the District's operations. Ultimately, the total cost savings realized from staffing reductions would be dependent on a variety of factors including the number of positions eliminated, the tenure of the individuals, and the impact of other potential cost saving measures.

If the District decides to pursue reductions to state minimum requirements, it should work with ODEW to ensure compliance with state minimum requirements in OAC 3301-35-05 before reducing staffing levels, especially if the enrollment grows as projected. It is important to note that the District's certificated CBA includes a provision which states that regular instructional classes are not to exceed an identified maximum number of students. The maximum ranges from 26 to 32 students depending on grade. In the event that class sizes exceed the identified maximum number of students, class overage payments will be provided. The District should consider its CBA provisions before making staffing reductions.

## **Implement Base and Step Salary Freeze**

We compared the District's certificated and classified salaries to the local peer averages (see **Recommendation 6**). The results of the analysis indicated that the District is above the peer average for the master's salary schedule and the maintenance worker salary schedule. In order to achieve additional savings, the District could consider implementing a base and step salary freeze for additional positions, which would result in savings.

## **Reduce the General Fund Subsidy for Extracurricular Activities**

In order to reduce expenditures, the District could reduce the General Fund subsidy of extracurricular activities. In FY 2024, the District's General Fund subsidy was approximately \$1.6 million, or approximately 44 percent of total expenditures, compared to the local peer average of 57.8 percent of total expenditures. While the District's General Fund subsidy for extracurricular activities as a percentage of total expenditures was below the local peer average, to achieve additional savings, the District could consider reducing the subsidy or fully eliminating the subsidy.

# Client Response Letter

Audit standards and AOS policy allow clients to provide a written response to an audit. Throughout the audit process, staff met with District officials to ensure substantial agreement on the factual information presented in the report. The District was provided an advanced copy of the report to review and provided no suggested revisions. The District declined to make an official statement in regards to this performance audit.

# 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:

### Summary of Objectives and Conclusions

Objective	Recommendation
<b>Financial Management</b>	
Are the District's forecasting practices consistent with leading practices and is the five-year forecast reasonable and supported?	<b>R.1</b>
Are the District's budgeting practices in line with leading practices?	<b>No Recommendation:</b> The District's budgeting practices align with leading practices.
Are the District's planning practices consistent with leading practices?	<b>R.2</b>

Is the District's General Fund subsidy of extracurricular activities appropriate in comparison to local peers and the District's financial condition?	<b>No Recommendation:</b> The District's subsidy is below the local peer average.
<b>Human Resources</b>	
Are the District's staffing levels appropriate in comparison to primary peers, state minimum standards, demand for services, and the District's financial condition?	<b>R.3, R.4</b>
Are the District's collective bargaining agreement provisions appropriate in comparison to local peers, minimum requirements, and the District's financial condition?	<b>R.5</b>
Are the District's salaries and wages appropriate in comparison to local peers and the District's financial condition?	<b>R.6</b>
Are the District's insurance costs appropriate in comparison to other governmental entities within the local market and the District's financial condition?	<b>R.7</b>
<b>Facilities</b>	
Are the District's facilities staffing levels appropriate in comparison to leading practices, industry standards, and the District's financial condition?	<b>No Recommendation:</b> The District's facilities staffing is in line with the industry standard.
Is the District's building utilization appropriate in comparison to leading practices, industry standards, and the District's financial condition?	<b>No Recommendation:</b> The District's building utilization is appropriate compared to leading practices, industry standards, and the District's financial condition.
Are the District's facilities non-regular labor expenditures appropriate in comparison to primary peers, leading practices, industry standards, and the District's financial condition?	<b>No Recommendation:</b> The District's facilities non-regular labor expenditures are in line with the primary peer average.
Are the District's facilities expenditures appropriate in comparison to primary peers, leading practices, industry standards, and the District's financial condition?	<b>No Recommendation:</b> The District's facilities expenditures are in line with 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 objectives:<sup>37</sup>

- Control environment
  - We considered the District's control of its EMIS and payroll systems.
- Risk Assessment
  - We considered the District's activities to assess fraud risks.
- Control Activities
  - We considered the District's compliance with applicable laws and contracts.

Internal control deficiencies were not identified during the course of this audit.

## Audit Methodology

To complete this performance audit, auditors gathered data, conducted interviews with numerous individuals associated with the areas of District's 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, two 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 the general fund subsidy of extracurricular activities, 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.

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<sup>37</sup> 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.

## Peer Group Districts

### Primary Peers

- Beavercreek City School District (Greene County)
- Fairfield City School District (Butler County)
- Gahanna-Jefferson City School District (Franklin County)
- Hilliard City School District (Franklin County)
- Lakota Local School District (Butler County)
- Mason City School District (Warren County)
- Sylvania Schools (Lucas County)

### Local Peers

- Bloom-Carroll Local School District (Fairfield County)
- Canal Winchester Local School District (Franklin County)
- Groveport Madison Local School District (Franklin County)
- Liberty Union-Thurston Local School District (Fairfield County)
- Reynoldsburg City School District (Franklin County)
- Southwest Licking Local School District (Licking County)

Where reasonable and appropriate, peer districts were used for comparison. However, industry standards or leading practices were used in some operational areas 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 Systems

In addition to the financial analyses previously presented throughout the report, we conducted additional review of the District's finances compared to peers. This information is provided to give a deeper understanding of the current financial condition of the District.

## May 2025 Forecast

The Board approved its May 2025 forecast which showed a worsened financial condition and increased projected deficit spending compared to the November 2024 forecast. A summary of the information contained in the forecast is shown in the table below.

### Financial Condition Overview (May 2025 Forecast)

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Total Revenue	\$159,033,311	\$166,002,081	\$172,178,094	\$177,405,210	\$184,080,034
Total Expenditures	\$162,469,772	\$172,570,577	\$180,235,105	\$190,034,061	\$200,266,278
<b>Results of Operations</b>	<b>(\$3,436,461)</b>	<b>(\$6,568,496)</b>	<b>(\$8,057,011)</b>	<b>(\$12,628,851)</b>	<b>(\$16,186,244)</b>
Beginning Cash Balance	\$26,697,382	\$23,260,921	\$16,692,425	\$8,635,414	(\$3,993,437)
<b>Ending Cash Balance</b>	<b>\$23,260,921</b>	<b>\$16,692,425</b>	<b>\$8,635,414</b>	<b>(\$3,993,437)</b>	<b>(\$20,179,681)</b>
Encumbrances	\$2,555,351	\$2,560,206	\$2,565,070	\$2,569,687	\$2,574,827
Cumulative Balance of Replacement/Renewal Levies	\$0	\$0	\$0	\$0	\$0
Cumulative Balance of New Levies	\$0	\$7,788,958	\$23,441,401	\$39,235,397	\$53,435,853
<b>Ending Fund Balance</b>	<b>\$20,705,570</b>	<b>\$21,921,177</b>	<b>\$29,511,745</b>	<b>\$32,672,273</b>	<b>\$30,681,345</b>

Source: ODEW

## District FY 2025 Financial Accounts

The following table shows the District's FY 2024 financial activities by fund. The District operated with 29 funds in FY 2025. Within this table, recorded receipts, or revenues, and expenditures are identified. In any given year, a particular fund may operate at a deficit or surplus. Further, operating at a deficit may not result in an actual fund deficit due to existing fund balances. By reviewing revenues and expenditures at the fund level, a district can have a more comprehensive understanding of its financial condition.

## FY 2025 All Funds Activity

Fund	Fund Name	Receipts	Expenditures
001	General	\$144,803,056.75	\$146,656,300.10
002	Debt Retirement	\$13,443,936.19	\$15,367,454.03
003	Permanent Improvement	\$2,322,573.29	\$2,522,328.98
004	Building	\$4,063,567.42	\$20,906,598.32
006	Food Services	\$6,434,149.97	\$5,320,239.16
007	Special Trust	\$15,654.38	\$6,412.02
008	Endowment	\$9,500.00	\$11,000.00
009	Uniform Schools Supplies	\$718,215.47	\$654,708.32
018	Public School Support	\$83,103.43	\$49,245.60
019	Other Grants	\$951,735.50	\$853,077.08
022	District Custodial	\$5,245.88	(\$85,195.71)
024	Employee Benefits Self-Insurance	\$19,350,949.63	\$19,504,873.69
027	Workers' Compensation Self-Insurance	\$0.00	\$106,951.90
034	Classroom Facilities Maintenance	\$741,367.25	\$672,243.20
035	Termination Benefits	\$300,000.00	\$628,990.24
200	Student Managed Student Activity	\$235,124.06	\$293,290.74
300	District Managed Student Activity	\$922,530.93	\$947,740.30
451	Data Communications for School Buildings	\$28,011.52	\$28,011.52
460	Student Intervention	\$0.00	\$0.00
499	Miscellaneous State Grants	\$111,037.32	\$93,656.43
507	Elementary and Secondary School Emergency Relief (ESSER)	\$663,653.09	\$871,470.43
516	IDEA, Part B Special Education, Assistance for All Children with Disabilities Ages 3-21	\$2,578,945.41	\$2,532,487.90
536	Title I School Improvement A	\$43,105.59	\$43,105.59
551	Title III - Language Instruction for English Learners and Immigrant Students	\$197,339.54	\$193,358.64
572	Title I - Disadvantaged Children/Targeted Assistance	\$922,095.79	\$1,005,486.70
584	Student Support and Academic Enrichment Programs	\$138,908.05	\$137,404.05
587	IDEA Preschool Grant for the Handicapped	\$55,927.77	\$55,927.77
590	Improving Teacher Quality	\$205,336.55	\$205,336.55
599	Miscellaneous Federal Grants	\$0.00	\$1,223,363.19
<b>29</b>	<b>Total Funds</b>	<b>\$199,345,070.78</b>	<b>\$220,805,866.74</b>
	<b>Count of Funds with Activity</b>	<b>26</b>	<b>28</b>

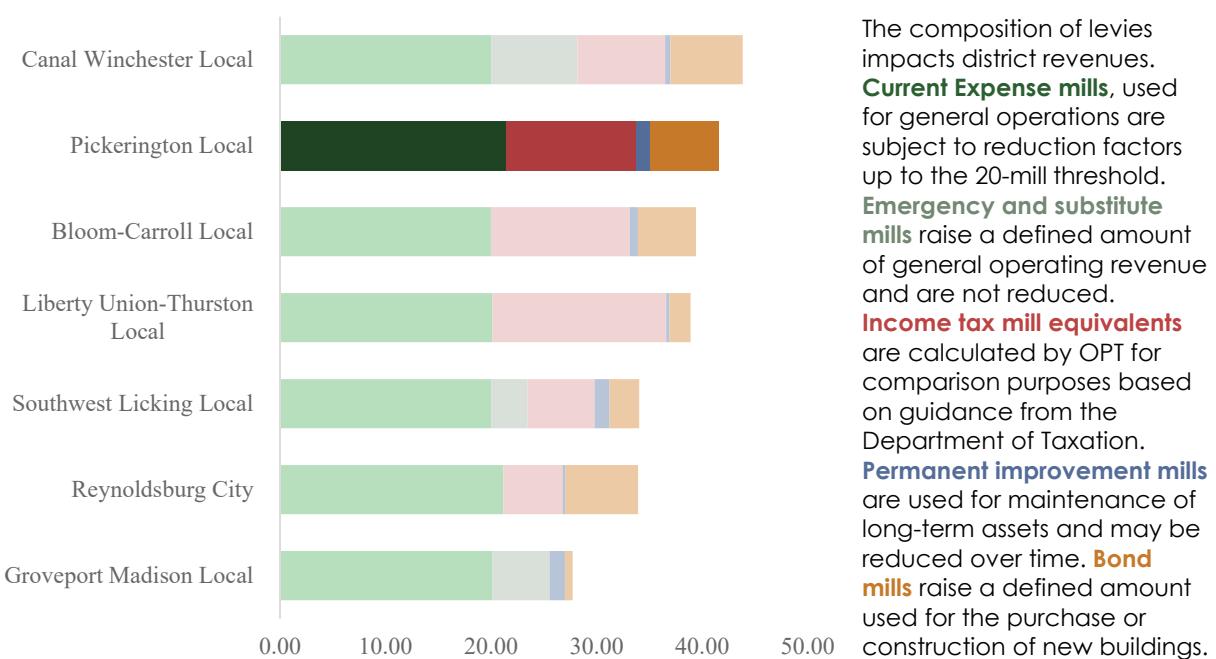
Source: PLSD

Note: Excludes advances

## Local Revenue Comparisons

Since 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 local peers. This comparison is found in the chart below. The green portion of the bar represents the current expense millage rate, where two of the local peers are at the 20-mill floor. Because the District is not at the 20-mill floor, it will not see continued growth from current expense mills as property value increases.

### 2024 Millage and Millage Equivalents | Local Peers



Source: Ohio Department of Taxation

The District's effective millage rate, which includes income tax millage equivalents, is among the highest in comparison to the local peer districts. In Tax Year 2023, one mill of property tax generated approximately \$189 in revenue per pupil, falling below the local peer average by approximately \$65, or 34.3 percent.

The following tables show the income tax revenue for primary peer districts and local peer districts. None of the primary peers collect revenue from an income tax, but five of the local peers do.

## 2024 Income Tax Revenue and Millage Equivalents | Primary Peers

District	Tax Rate	Income Tax Revenue	Estimated Millage Equivalents
Pickerington Local	1.00%	\$26,607,733.34	12.36
Beavercreek City	0.00%	-	0.00
Fairfield City	0.00%	-	0.00
Gahanna-Jefferson City	0.00%	-	0.00
Hilliard City	0.00%	-	0.00
Lakota Local	0.00%	-	0.00
Mason City	0.00%	-	0.00
Sylvania Schools	0.00%	-	0.00

Source: Ohio Department of Taxation

## 2024 Income Tax Revenue and Millage Equivalents | Local Peers

District	Tax Rate	Income Tax Revenue	Estimated Millage Equivalents
Liberty Union-Thurston Local	1.75%	\$5,074,759.99	16.48
Bloom-Carroll Local	1.25%	\$7,923,806.79	13.13
Pickerington Local	1.00%	\$26,607,733.34	12.36
Canal Winchester Local	0.75%	\$7,215,135.85	8.30
Southwest Licking Local	0.75%	\$9,421,478.47	6.34
Reynoldsburg City	0.50%	\$7,283,306.58	5.62
Groveport Madison Local	0.00%	-	0.00

Source: Ohio Department of Taxation

The following tables show the local tax effort (LTE) comparison between PLSD and the primary peer districts and the local peer districts. ODEW 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 within the Ohio Department of Taxation and 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. Districts are ranked from 1 to 606 with 1 being the highest level of effort and the 99<sup>th</sup> percentile and 606 being the lowest level of effort and the 1<sup>st</sup> percentile.

## 2024 Local Tax Effort Comparison | Primary Peers

District	LTE	Rank	Percentile
Pickerington Local	0.9832	307	49.3%
Hilliard City	0.8112	433	28.5%
Beavercreek City	0.7885	451	25.6%
Fairfield City	0.7554	476	21.5%
Gahanna-Jefferson City	0.7549	477	21.3%
Sylvania Schools	0.7078	509	16.0%
Mason City	0.5574	575	5.1%
Lakota Local	0.5443	578	4.6%
<b>Primary Peer Average</b>	<b>0.7028</b>	<b>513</b>	<b>15.3%</b>

Source: ODEW

## 2024 Local Tax Effort Comparison | Local Peers

District	LTE	Rank	Percentile
Liberty Union-Thurston Local	1.4550	82	86.5%
Canal Winchester Local	1.3215	127	79.0%
Groveport Madison Local	1.2269	174	71.3%
Reynoldsburg City	1.1775	192	68.3%
Southwest Licking Local	1.1593	207	65.8%
Bloom-Carroll Local	1.0493	267	55.9%
Pickerington Local	0.9832	307	49.3%
<b>Local Peer Average</b>	<b>1.2316</b>	<b>172</b>	<b>71.6%</b>

Source: ODEW

# Appendix C: Human Resources

## Staffing Comparison Tables

The following tables illustrate the District's employee FTEs compared to calculated benchmark FTEs.

The enrollment benchmark FTEs represents the FTEs the District would need to align with the *primary peer average FTEs per-1,000 student ratio*. Normalizing data on a per-1,000 student basis, as seen in the calculation below, allows for a more precise comparison between districts when student counts differ. This primary comparison is shown in each of the following staffing comparison tables.

$$\text{Enrollment Benchmark FTEs} = \text{Peer Avg. FTE per 1,000 Students} * \left( \frac{\text{Client Enrollment}}{1,000} \right)$$

The building benchmark FTEs represents the FTEs the District would need to align with the *primary peer average FTEs per building ratio*. Normalizing data on a per-building basis, as seen in the calculation below, allows for a more precise comparison between districts when building counts differ. This secondary comparison is shown in select staffing comparison tables.

$$\text{Building Benchmark FTEs} = \text{Peer Avg. FTE per Building} * \text{District Building Count}$$

## Central Office Administrator Staff Comparison

Position	PLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Assistant, Deputy/Associate Superintendent	2.00	1.82	0.18
Supervisor/Manager	5.00	8.17	(3.17)
Coordinator	8.00	6.76	1.24
Education Administrative Specialist	3.00	0.86	2.14
Director	6.00	10.06	(4.06)
Other Official/Administrative	3.00	1.73	1.27
<b>Total</b>	<b>27.00</b>	<b>29.39</b>	<b>(2.39)</b>

Source: PLSD and ODEW

## Building Administrator Staff Comparison (per 1,000 students)

Position	PLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Assistant Principal	24.00	15.39	8.61
Principal	15.00	14.25	0.75
Dean of Students	2.00	0.81	1.19
<b>Total</b>	<b>41.00</b>	<b>30.45</b>	<b>10.55</b>

Position	PLSD FTEs	Building Benchmark FTEs	FTEs Above/(Below) Benchmark
Assistant Principal	24.00	22.55	1.45
Principal	15.00	17.32	(2.32)
Dean of Students	2.00	0.77	1.23
<b>Total</b>	<b>41.00</b>	<b>40.64</b>	<b>0.36</b>

Source: PLSD and ODEW

## Teaching Staff Comparison

Position	PLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
General Education K-12	453.75	448.39	5.36
Gifted and Talented	10.00	5.87	4.13
Career-Tech Programs/Career Pathways	4.00	4.69	(0.69)
Teacher - EL Instructional Program	24.00	11.03	12.97
<b>Total</b>	<b>491.75</b>	<b>469.98</b>	<b>21.77</b>

Source: PLSD and ODEW

We further analyzed the District's English Learner staffing below (see **English Learner Staffing Comparison**).

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## K-8 Teaching Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Art Education K-8	12.50	10.37	2.13
Music Education K-8	14.87	16.22	(1.35)
Physical Education K-8	15.50	13.44	2.06

Source: PLSD and ODEW

## Non-Teaching Educational Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Curriculum Specialist	21.00	17.50	3.50
Counseling	26.00	25.50	0.50
Remedial Specialist	-	15.60	(15.60)
Tutor/Small Group Instructor	24.00	13.02	10.98
Full-time (Permanent) Substitute Teacher	-	2.10	(2.10)
Teacher Mentor/Evaluator	-	0.80	(0.80)
Other Professional-Educational	8.02	12.99	(4.97)

Source: PLSD and ODEW

## Professional Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Audiologist	-	0.04	(0.04)
Dietician/Nutritionist	-	0.28	(0.28)
Psychologist	-	6.42	(6.42)
Publicity Relations	1.00	0.71	0.29
Social Work	2.00	4.11	(2.11)
Intern Psychologist	1.00	0.34	0.66
Other Professional	-	1.19	(1.19)

Source: PLSD and ODEW

## Technical Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Computer Operating	-	4.60	(4.60)
Computer Programming	-	2.18	(2.18)
Other Technical	12.00	3.66	8.34
<b>Total</b>	<b>12.00</b>	<b>10.44</b>	<b>1.56</b>

Source: PLSD and ODEW

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## Central Office Support Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Administrative Assistant	4.00	3.34	0.66
Accounting	-	1.30	(1.30)
Bookkeeping	5.00	3.11	1.89
Clerical	14.00	16.82	(2.82)
Records Managing	-	1.15	(1.15)
Telephone Operator	-	0.79	(0.79)
Other Office/Clerical	0.75	2.82	(2.07)
<b>Total</b>	<b>23.75</b>	<b>29.32</b>	<b>(5.57)</b>

Source: PLSD and ODEW

## Building Office Support Staff Comparison (per 1,000 students)

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Bookkeeping	-	0.64	(0.64)
Clerical	35.35	31.48	3.87
Records Managing	-	1.29	(1.29)
Other Office/Clerical	2.00	11.34	(9.34)
<b>Total</b>	<b>37.35</b>	<b>44.75</b>	<b>(7.40)</b>

<b>Position</b>	<b>PLSD FTEs</b>	<b>Building Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Bookkeeping	-	0.74	(0.74)
Clerical	35.35	45.90	(10.55)
Records Managing	-	1.46	(1.46)
Other Office/Clerical	2.00	10.72	(8.72)
<b>Total</b>	<b>37.35</b>	<b>58.83</b>	<b>(21.48)</b>

Source: PLSD and ODEW

## Library Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Librarian/Media	4.00	3.52	0.48
Library Aide	10.00	8.80	1.20
<b>Total</b>	<b>14.00</b>	<b>12.33</b>	<b>1.67</b>

Source: PLSD and ODEW

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## Nursing Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Registered Nursing	8.00	10.52	(2.52)
Practical Nursing	7.83	1.17	6.66
<b>Total</b>	<b>15.83</b>	<b>11.69</b>	<b>4.14</b>

Source: PLSD and ODEW

## Classroom Support Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Instructional Paraprofessional	-	59.99	(59.99)
Teaching Aide	25.08	31.49	(6.41)
<b>Total</b>	<b>25.08</b>	<b>91.48</b>	<b>(66.40)</b>

Source: PLSD and ODEW

## Other Clerical Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Messenger	0.62	0.69	(0.07)
Parent Mentor	-	0.09	(0.09)
<b>Total</b>	<b>0.62</b>	<b>0.78</b>	<b>(0.16)</b>

Source: PLSD and ODEW

## Extracurricular/Intra-Curricular Activities Staff Comparison

<b>Position</b>	<b>PLSD FTEs</b>	<b>Enrollment Benchmark FTEs</b>	<b>FTEs Above/(Below) Benchmark</b>
Advisor	-	0.21	(0.21)
Coaching	-	0.41	(0.41)
Athletic Trainer	-	0.20	(0.20)
Other Extra/Intra-Curricular Activities	-	0.52	(0.52)
<b>Total</b>	<b>-</b>	<b>1.33</b>	<b>(1.33)</b>

Source: PLSD and ODEW

## Other Support Staff Comparison

Position	PLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Attendance Officer	-	0.18	(0.18)
Monitoring	42.09	20.44	21.65
Other Service Worker/Laborer	-	0.19	(0.19)

Source: PLSD and ODEW

## English Learner Staffing Comparison

We further analyzed the District's English learner teaching staff and EL data compared to the primary peer districts.

State funding for EL services is defined in ORC § 3317.016. English learners are placed in one of three categories, depending on their current level of need, with funding for Category 1 being the highest and funding for Category 3 being the lowest. In FY 2025, PLSD had 1,247 EL students, while the primary peer average was 1,398 EL students, as seen in the table below. Of PLSD's total EL students, 13.9 percent were in Category 1, 58.7 percent were in Category 2, and 27.4 percent were in Category 3. The primary peer average was 18.3 percent in Category 1, 61.1 percent in Category 2, and 20.7 percent in Category 3. Therefore, the District exceeds the primary peer average in Category 3.

### Percentage of English Learners

District Name	English Learner ADM	Enrolled ADM	% English Learner
Pickerington Local	1,246.8	11,184.9	11.1%
Peer Average	1,397.8	10,508.8	12.4%
<b>Difference from Peer Avg.</b>	<b>(151.0)</b>	<b>676.1</b>	<b>(1.3%)</b>

Source: ODEW

According to the District, EL services are provided to students speaking 59 different languages at all of the District's academic buildings. Of the six primary peers who responded to information requests, the average number of languages served is 55. The primary peers also offer EL services at all of their academic buildings. In addition, PLSD has a contract for an additional two full-time and five part-time bilingual liaisons. These contracted staff were not included in our analysis. None of the peers contract for EL services.

In addition to our standard teaching staff analysis, in order to further analyze the District's EL staffing we assessed EL staff per-1,000 students. Within this analysis, EL staff includes all staff designated with the EL assignment area, which includes more than teachers. As seen in the table below, PLSD has 31.35 FTE staff coded to the EL assignment area. The benchmark, or the total FTEs the District would need to align with the primary peer average on a per-1,000 EL student basis, is 15.56 FTEs. As a result, PLSD exceeds the primary peer average by 15.79 FTEs.

## EL Teaching Staff Comparison

Position	PLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
All Positions Assigned to EL	31.35	15.56	15.79
<b>Total</b>	<b>31.35</b>	<b>15.56</b>	<b>15.79</b>

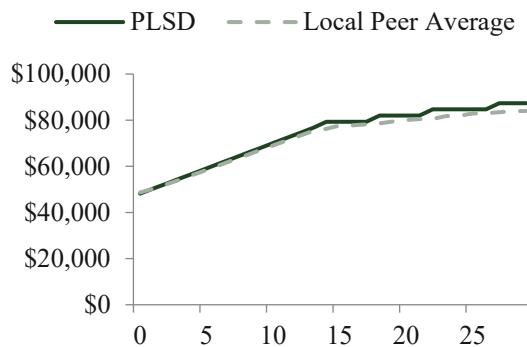
Source: PLSD and ODEW

Given the District's similar EL student population, similar funding by category, similar languages served, and similar methods of serving EL as the primary peers, as well as exceeding the primary peer average on a per-1,000 EL student basis, we confirmed the results of our initial analysis of teaching staff, which indicates that the District does exceed peer staffing levels for this position category.

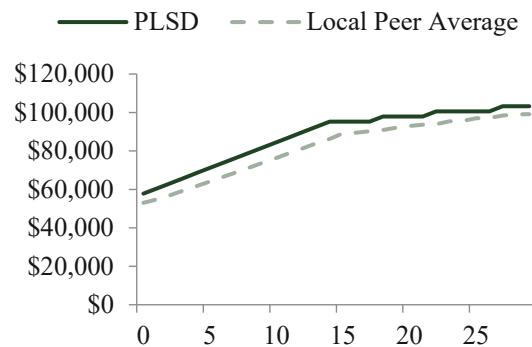
We also looked at annual salaries for certificated employees on the BA and MA salary schedules, and the hourly wage rates for various classified employee positions over the course of a career, as seen in the following charts.

## Certificated Career Compensation

### Bachelor's



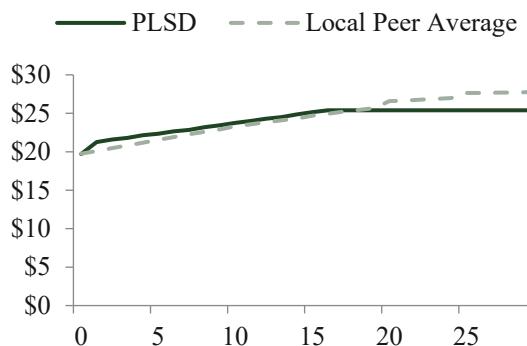
### Master's



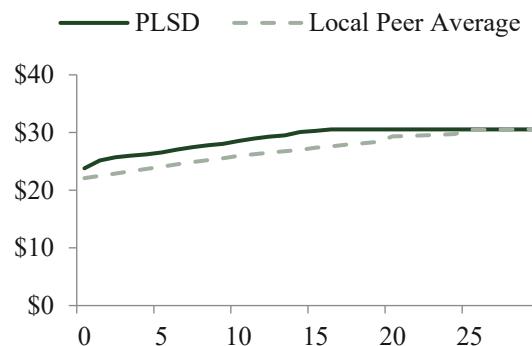
Source: PLSD, Local Peers, and SERB

## Classified Career Compensation

### Custodian



### Maintenance



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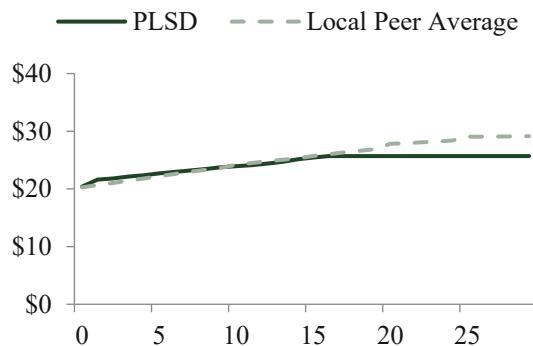


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## Secretary



Source: PLSD, Local Peers, and SERB

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# Appendix D: Facilities

Our review of the District's facilities staffing found that the District is staffed efficiently compared to the benchmarks.

## Buildings & Grounds Staffing Comparison

<b>Grounds Staffing</b>	
Grounds FTEs	11.0
Acreage Maintained	522.8
AS&U Benchmark - Acres per FTE	40.2
Benchmarked Staffing Need	13.0
<b>Grounds FTEs Above/(Below) Benchmark</b>	<b>(2.0)</b>
<b>Custodial Staffing</b>	
Custodial FTEs	62.5
Square Footage Cleaned	1,705,647
NCES Level 3 Cleaning Benchmark <sup>1</sup> - Median Square Footage per FTE	29,500
Benchmarked Staffing Need	57.8
<b>Custodial FTEs Above/(Below) Benchmark</b>	<b>4.7</b>
<b>Maintenance Staffing</b>	
Maintenance FTEs	6.0
Square Footage Maintained	1,738,249
AS&U Benchmark - Square Footage per FTE	94,872
Benchmarked Staffing Need	18.3
<b>Maintenance FTEs Above/(Below) Benchmark</b>	<b>(12.3)</b>
<b>Total Buildings &amp; Grounds Staffing</b>	
Total FTEs Employed	79.5
Total Benchmarked Staffing Need	89.1
<b>Total FTEs Above/(Below) Benchmark</b>	<b>(9.6)</b>

Source: PLSD, AS&U, and NCES

<sup>1</sup> According to NCES, Level 3 cleaning is the norm for most school facilities. It is acceptable to most stakeholders and does not pose any health issues.

Our review of the District's facilities expenditures found that while the District exceeded the primary peer average in select categories, overall, the FY 2024 facilities expenditures were in line with the primary peer average.

## Facilities Expenditures per Square Foot Comparison

	<b>PLSD</b>	<b>Peer Average</b>	<b>Difference</b>	<b>% Difference</b>
Salaries and Wages	\$2.35	\$2.59	(\$0.24)	(9.3%)
Employee Benefits	\$0.96	\$1.14	(\$0.18)	(15.8%)
Purchased Services (Excluding Utilities)	\$1.78	\$1.74	\$0.04	2.3%
Utilities	\$1.79	\$1.13	\$0.66	58.4%
Water & Sewage	\$0.15	\$0.16	(\$0.01)	(6.3%)
Sub-Total Energy	\$1.64	\$0.97	\$0.67	69.1%
Electric	\$1.42	\$0.82	\$0.60	73.2%
Gas	\$0.22	\$0.15	\$0.07	46.7%
Other Energy Sources	\$0.00	\$0.00	\$0.00	0.0%
Supplies & Materials	\$0.66	\$0.57	\$0.09	15.8%
Capital Outlay	\$0.44	\$0.66	(\$0.22)	(33.3%)
Other Objects	\$0.00	\$0.14	(\$0.14)	(100.0%)
<b>Total Expenditures per Square Foot</b>	<b>\$7.98</b>	<b>\$7.97</b>	<b>\$0.01</b>	<b>0.1%</b>

Source: PLSD and Peers

# OHIO AUDITOR OF STATE KEITH FABER



PICKERINGTON LOCAL SCHOOL DISTRICT

FAIRFIELD 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 12/23/2025

65 East State 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](http://www.ohioauditor.gov)