



**July 29, 2008**

FOR IMMEDIATE RELEASE

Contact Information:

Amy Vogt

703-875-0723

avogt@aasa.org

**AASA SURVEY FINDS RISING FUEL, ENERGY COSTS  
STRESSING SCHOOL BUDGETS**

ARLINGTON, Va. – Rising fuel and energy costs are taking a toll on school system budgets nationwide, according to the results of a new survey released today by the American Association of School Administrators. The eight-question AASA Fuel and Energy Snapshot Survey asked school superintendents about the effect of rising fuel and energy costs on their school districts. Ninety-nine percent of respondents reported these rising costs are having an impact on their school systems. Further, they reported that conserving energy, cutting back on student field trips and consolidating bus routes are among the top steps districts are taking to minimize the impact of rising fuel and energy costs. Meanwhile, few states are stepping forward to assist school systems struggling to meet escalating these rising costs.

“School systems are making tough and innovative budget choices to meet rising fuel and energy costs, but they need financial assistance,” said AASA Executive Director Daniel A. Domenech. “Education is an investment. State governments and the federal government must step in on behalf of the nation’s children to fill the gaps created by rising costs and shrinking school budgets, including reduced local property tax receipts.”

“Without adequate funding, our schools cannot fully meet children's needs,” said AASA President Randall Collins, superintendent of schools in Waterford, Conn. “While school systems are working hard to limit programming cuts, the sharp increase in costs will have a negative impact on children, especially disadvantaged children, unless the states and federal government act quickly to provide relief.”

Only three percent of superintendents responding to the survey said their districts are moving to a four-day school week, but 15 percent said their districts are considering moving to a four-day school week.

**Districts Address Rising Costs**

School systems are taking steps to minimize the impact of rising fuel and energy costs for the 2008-09 school year, according to the survey results. Respondents were given a list of actions and asked whether each action was in place or under consideration in their districts for the coming school year.

According to the results, the top 10 actions school systems are doing for the upcoming school year, and the percentage of respondents selecting this response, are as follows:

1. Implementing energy conservation measures – 59 percent
2. Cutting back on student field trips – 44 percent
3. Cutting back on heating and air conditioning use – 37 percent
4. Consolidating bus routes – 35 percent
5. Limiting staff business travel – 34 percent

6. Eliminating/modifying support personnel positions – 33 percent
7. Cutting back on purchasing supplies – 31 percent
8. Delaying non-essential facility upgrades and repairs – 29 percent
9. Eliminating/modifying instructional personnel positions – 29 percent
10. Eliminating/modifying administrative personnel positions – 21 percent

Only three percent of superintendents responding to the survey said their districts are moving to a four-day school week, but 15 percent said their districts are considering moving to a four-day school week.

The top 10 actions school systems are considering for the upcoming school year, and the percentage of respondents selecting this response, are as follows:

1. Consolidating bus routes – 35 percent
2. Eliminating bus routes – 32 percent
3. Cutting back on student field trips – 32 percent
4. Eliminating bus stops close to school sites – 27 percent
5. Eliminating/modifying athletic offerings – 27 percent
6. Eliminating/modifying extracurricular offerings – 26 percent
7. Limiting staff business travel – 26 percent
8. Implementing energy conservation measures – 21 percent
9. Changing fuel purchasing practices – 19 percent
10. Cutting back on purchasing supplies – 19 percent

A list of additional actions districts are taking and considering is provided in the [survey results](#) document.

### **Additional Steps**

The survey asked about other steps school systems are taking to minimize the impact of rising fuel and energy costs in the 2008-09 school year. The open-ended responses focused on conservation, facilities and transportation. The most common responses were as follows:

Facility-related actions school systems are taking:

- Installing energy-saving light fixtures
- Upgrading to more energy efficient heating, ventilating and air conditioning systems
- Converting from heating oil to natural gas, geo-thermal, wood chip or pellet systems
- Investigating alternative energy sources, such as solar and wind
- Conducting energy efficiency audits
- Limiting the use of facilities for after-hours activities
- Hiring energy managers to work with schools to cut energy use
- Running offices on a four-day week when school is not in session
- Purchasing natural gas and electricity through a broker to take advantage of market fluctuations
- Educating employees and students about energy conservation practices
- Applying for grants when the school budget cannot keep up with rising costs

Transportation-related actions school systems are taking:

- Purchasing fuel and natural gas through a cooperative or consortium
- Negotiating with fuel providers
- Pre-purchasing diesel fuel and propane to lock in prices for the upcoming year
- Purchasing more fuel-efficient vehicles for local travel and student transport

- Training bus drivers on fuel-efficient driving techniques, such as restricting speed to 65mph and limiting bus idling
- Increasing student fees for transportation to/from extracurricular/athletic activities
- Using GPS software to determine the most energy-efficient bus routes

### **Innovative Steps**

The survey asked about innovative steps school systems are taking to save money and/or conserve resources in the 2008-09 year. Open-ended responses included:

- Applying for community-based grants to collaborate with community organizations to install innovative energy solutions
- Lobbying the state legislature to allow for a four-day school week [Three percent of superintendents responding to the survey said their districts are moving to a four-day school week, and 15 percent said their districts are considering moving to a four-day school week.]
- Constructing a wind turbine to reduce energy costs
- Buying in on a wind energy farm that will be up and running within two years and will provide a small cash flow until it is paid off in 15 years
- Holding parent meetings via teleconferencing instead of face-to-face
- Planning on having school buildings equipped with solar panels within the next five years
- Considering a contest for bus drivers to develop economical driving practices
- Starting an on-line high school to reduce travel
- Converting buses to biodiesel

### **State Assistance**

When asked if their states are doing anything to assist their districts with rising fuel and energy prices, 77 percent of respondents said no, 14 percent said they were not aware of state actions and nine percent said yes. In open-ended responses, some noted that state action will be considered during the next legislative session. According to respondents, some states have offered:

- Increasing appropriation for transportation
- Special legislative session to allocate more funds
- One-time fuel allocation
- Supplemental funding for fuel
- Legislative reimbursement for fuel cost overage
- Elimination of state tax on fuel costs
- Reimbursement of student travel
- State pricing for fuel
- Transportation study by state legislature
- Credits for capital energy reduction projects
- Increased fuel support, but not to level needed

### **Snapshot of Superintendents' Responses**

When asked to share general comments about the effects of rising fuel and energy costs on their districts, a snapshot of responses included:

- “Three years ago it cost us about \$32,000 to heat our facility. Our costs for the 2008-09 year are estimated at over \$100,000. That does not include fuel increases for buses, which are more than double from three years ago.”
- “The cost of fuel has definitely forced us to take a closer look at all of our programs. We will do everything in our power to continue valuable programming.”

- “It is only a matter of time before the cost of energy and health benefits cause us to eliminate educational opportunities for students.”
- “Fuel and energy costs are not the only cost increases. Everything is going up -- paper, textbooks, wages and salaries, benefits, insurance, data processing and staff development. It is hard to isolate fuel and energy from the perfect storm of rising costs.”
- “Of greater concern at the moment is the rising cost of food items and the impact on our food service program; it is certainly linked to the fuel issue.”
- “We are at the very beginning of fundamental re-thinking of some transportation and energy uses that we have taken for granted as a way of life for years.”
- “Besides the financial stress on our district, we are seeing the stress on families so that they are impacted by their own ability to afford participation, etc.”
- “We've begun to explore alternative calendars but are now concerned with the fact that students may be in homes that lack adequate heat.”
- “It has had a negative impact on retaining staff that commute from neighboring communities.”
- “We are VERY worried. Overall funding is an issue and this is turning out to be the ‘straw that breaks the camel's back.’”

Additional open-ended responses are provided in the survey results, online at <http://www.aasa.org/content.cfm?ItemNumber=10639>.

### **About the Survey**

AASA invited 5,407 superintendents via e-mail to complete the eight-question AASA Fuel and Energy Snapshot Survey online between July 15 and July 18, 2008. A total of 546 completed the survey, yielding a response rate of 10 percent. Respondents came from every state, except Delaware and Hawaii, and the District of Columbia. Sixty-one percent of respondents reported they work in rural districts, 27 percent in suburban districts and 7 percent in urban districts.

### **About AASA**

The American Association of School Administrators, founded in 1865, is the professional organization for more than 13,000 educational leaders across the United States. AASA’s mission is to support and develop effective school system leaders who are dedicated to the highest quality public education for all children. AASA’s major focus is standing up for public education. For more information, visit [www.aasa.org](http://www.aasa.org).

###



## AASA Fuel and Energy Snapshot Survey Results

### July 2008

1. Are rising fuel and energy costs having an impact on your school system?			
Yes		542	99%
No		4	1%
<b>Total</b>		<b>546</b>	<b>100%</b>

### 2. If yes, what is your school system doing to minimize the impact of rising fuel and energy costs in the 2008-09 school year? (Please indicate whether your school system is doing or considering each item.)

<i>Top number is the count of respondents selecting the option. Bottom % is percent of respondents.</i>	<b>School system is DOING this</b>	<b>School system is CONSIDERING this</b>
Eliminating bus routes	82 15%	176 32%
Consolidating bus routes	189 35%	187 35%
Eliminating bus stops close to school sites	82 15%	149 27%
Converting buses to run on natural gas	7 1%	73 13%
Establishing "tripping" relationships with city or regional bus systems to transport students	20 4%	61 11%
Negotiating with transportation companies	59 11%	61 11%
Changing fuel purchasing practices	86 16%	103 19%
Cutting back on student field trips	240 44%	175 32%
Limiting staff business travel	184 34%	139 26%
Moving to a four-day school week	14 3%	82 15%
Cutting back on heating and air conditioning use	202 37%	95 18%
Implementing other energy conservation measures	318 59%	113 21%

Delaying non-essential facility upgrades and repairs	157	79
	29%	15%
Eliminating/modifying instructional personnel positions	157	85
	29%	16%
Eliminating/modifying support personnel positions	178	95
	33%	18%
Eliminating/modifying administrative personnel positions	113	84
	21%	16%
Implementing hiring freezes	60	69
	11%	13%
Eliminating/modifying academic offerings	56	85
	10%	16%
Eliminating/modifying extracurricular offerings	83	141
	15%	26%
Eliminating/modifying athletic offerings	81	144
	15%	27%
Cutting back on purchasing supplies	169	102
	31%	19%
Cutting back on purchasing textbooks	79	76
	15%	14%

### 3. Are there any other steps your school system is taking to minimize the impact of rising fuel and energy costs in the 2008-09 school year?

258 Open-Ended Responses

### 4. What innovative steps is your school system taking to save money and/or conserve resources in the 2008-09 school year?

219 Open-Ended Responses

### 5. Is your state doing anything to assist your district with rising fuel and energy prices, as far as you know?

Don't know	73	14%
No	414	77%
Yes (please specify):	51	9%
<b>Total</b>	<b>538</b>	<b>100%</b>

### 6. In which state is your district located?

Alabama	14	3%
Alaska	6	1%
Arizona	20	4%
Arkansas	2	0%

California	5	1%
Colorado	8	1%
Connecticut	10	2%
Delaware	0	0%
District of Columbia	0	0%
Florida	8	1%
Georgia	9	2%
Hawaii	0	0%
Idaho	3	1%
Illinois	28	5%
Indiana	14	3%
Iowa	38	7%
Kansas	18	3%
Kentucky	4	1%
Louisiana	3	1%
Maine	8	1%
Maryland	2	0%
Massachusetts	5	1%
Michigan	17	3%
Minnesota	39	7%
Mississippi	3	1%
Missouri	29	5%
Montana	9	2%
Nebraska	9	2%
Nevada	3	1%
New Hampshire	4	1%
New Jersey	16	3%
New Mexico	3	1%
New York	27	5%
North Carolina	5	1%
North Dakota	6	1%
Ohio	21	4%
Oklahoma	11	2%
Oregon	5	1%
Pennsylvania	11	2%
Rhode Island	1	0%
South Carolina	3	1%
South Dakota	8	1%
Tennessee	10	2%
Texas	26	5%
Utah	4	1%
Vermont	3	1%
Virginia	22	4%
Washington	16	3%
West Virginia	4	1%
Wisconsin	22	4%
Wyoming	4	1%

other	0	0%
<b>Total</b>	<b>546</b>	<b>100%</b>

<b>7. Is your district:</b>		
Rural	335	61%
Suburban	146	27%
Urban	40	7%
Other, please specify	25	5%
<b>Total</b>	<b>546</b>	<b>100%</b>

**8. Please share any general comments you have about the effects of rising fuel and energy costs on your district to date. (For example, have you seen an increase in ridership on school transportation as parents and students limit their driving?)**

222 Open-Ended Responses



## 2. If yes, what is your school system doing to minimize the impact of rising fuel and energy costs in the 2008-09 school year?

Ordered by number of respondents who selected "school system is DOING this"	School system is DOING this	School system is CONSIDERING this
Implementing other energy conservation measures	318 (59%)	113 (21%)
Cutting back on student field trips	240 (44%)	175 (32%)
Cutting back on heating and air conditioning use	202 (37%)	95 (18%)
Consolidating bus routes	189 (35%)	187 (35%)
Limiting staff business travel	184 (34%)	139 (26%)
Eliminating/modifying support personnel positions	178 (33%)	95 (18%)
Cutting back on purchasing supplies	169 (31%)	102 (19%)
Delaying non-essential facility upgrades and repairs	157 (29%)	79 (15%)
Eliminating/modifying instructional personnel positions	157 (29%)	85 (16%)
Eliminating/modifying administrative personnel positions	113 (21%)	84 (16%)
Changing fuel purchasing practices	86 (16%)	103 (19%)
Eliminating/modifying extracurricular offerings	83 (15%)	141 (26%)
Eliminating bus routes	82 (15%)	176 (32%)
Eliminating bus stops close to school sites	82 (15%)	149 (27%)
Eliminating/modifying athletic offerings	81 (15%)	144 (27%)
Cutting back on purchasing textbooks	79 (15%)	76 (14%)
Implementing hiring freezes	60 (11%)	69 (13%)
Negotiating with transportation companies	59 (11%)	61 (11%)
Eliminating/modifying academic offerings	56 (10%)	85 (16%)
Establishing "tripping" relationships with city or regional bus systems to transport students	20 (4%)	61 (11%)
Moving to a four-day school week	14 (3%)	82 (15%)
Converting buses to run on natural gas	7 (1%)	73 (13%)

2. If yes, what is your school system doing to minimize the impact of rising fuel and energy costs in the 2008-09 school year?		
Ordered by number of respondents who selected "school system is CONSIDERING this"	School system is CONSIDERING this	School system is DOING this
Consolidating bus routes	187 (35%)	189 (35%)
Eliminating bus routes	176 (32%)	82 (15%)
Cutting back on student field trips	175 (32%)	240 (44%)
Eliminating bus stops close to school sites	149 (27%)	82 (15%)
Eliminating/modifying athletic offerings	144 (27%)	81 (15%)
Eliminating/modifying extracurricular offerings	141 (25%)	83 (15%)
Limiting staff business travel	139 (25%)	184 (34%)
Implementing other energy conservation measures	113 (21%)	318 (59%)
Changing fuel purchasing practices	103 (19%)	86 (16%)
Cutting back on purchasing supplies	102 (19%)	169 (31%)
Cutting back on heating and air conditioning use	95 (18%)	202 (37%)
Eliminating/modifying support personnel positions	95 (18%)	178 (33%)
Eliminating/modifying instructional personnel positions	85 (16%)	157 (29%)
Eliminating/modifying academic offerings	85 (16%)	56 (10%)
Eliminating/modifying administrative personnel positions	84 (16%)	113 (21%)
Moving to a four-day school week	82 (15%)	14 (3%)
Delaying non-essential facility upgrades and repairs	79 (15%)	157 (29%)
Cutting back on purchasing textbooks	76 (14%)	79 (15%)
Converting buses to run on natural gas	73 (13%)	7 (1%)
Implementing hiring freezes	69 (13%)	60 (11%)
Negotiating with transportation companies	61 (11%)	59 (11%)
Establishing "tripping" relationships with city or regional bus systems to transport students	61 (11%)	20 (4%)



# AASA Fuel and Energy Snapshot Survey

## Snapshot of Superintendents' Responses

When asked to share general comments about the effects of rising fuel and energy costs on their districts, superintendents' comments included:

### General Comments

- The cost of fuel has definitely forced us to take a closer look at all of our programs. We will do everything in our power to continue valuable programming.
- We've begun to explore alternative calendars but are now concerned with the fact that students may be in homes that lack adequate heat.
- Besides the financial stress on our district, we are seeing the stress on families so that they are impacted by their own ability to afford participation, etc.
- We are at the very beginning of fundamental "re-thinking" of some transportation and energy uses that we have taken for granted as a way of life for years.
- We are VERY worried. Overall funding is an issue and this is turning out to be the 'straw that breaks the camel's back.'
- Fuel and energy costs are not the only cost increases. Everything is going up -- paper, textbooks, wages and salaries, benefits, insurance, data processing and staff development. It is hard to isolate fuel and energy from the perfect storm of rising costs.
- Of greater concern at the moment is the rising cost of food items and the impact on our food service program; it is certainly linked to the fuel issue.
- The biggest issue has been the short list of applicants who wish to travel 20-30 miles from their home for employment.

### Budget Impact

- We are anticipating the increase in fuel and energy costs to have at least a million dollar impact on our budget for next year. We are currently in the process of examining ways in which to address that significant deficit moving forward.
- Our costs have doubled in recent years with no additional revenue available to help pay for these expenses.
- It is only a matter of time before the cost of energy and health benefits cause us to eliminate educational opportunities for students.
- We are a small K-8 school district with an operating budget of just over \$10 million. Energy costs ( oil, gas and diesel) are expected to rise by 140 percent next year. As a consequence, we will be unable to expand educational opportunities for students.
- We have seen our fuel budget rise 59 percent in the last two years (for our small district that is a 250,000 figure). We are sacrificing instruction to pay for fuel. And, in Texas, we are still receiving transportation allotment that is based on 1990s calculations. This is a serious hit to our budget and our kids are paying for it.

- Three years ago it cost us about \$32,000 to heat our facility. Our costs for the 2008-09 year are estimated at over \$100,000. That does not include fuel increases for buses, which are more than double from three years ago.
- Our propane bid for next year has risen over 60 percent. We are hoping for a mild winter to help us get by.
- Increases in oil prices, particularly in terms of gas, has increased our transportation costs by 127 percent.
- With the length and severity of our winters and the fact that we rely largely on fuel oil for heat, the impact on us has been huge. We expect to have to radically change our thinking on energy consumption in the immediate future.
- We have seen over a 70-percent increase in fuel costs from last year.
- Rising fuel costs have had a tremendous impact on the pricing of everything we purchase, including food. We have raised our lunch and breakfast prices and still anticipate running in the red in our cafeteria.
- Our transportation contract will be bid for the 2009-10 school year. We are currently in the 3rd year of a 3-year contract.
- High concern, but we had an operating balance in transportation that will allow us time to plan and implement change.

### Transportation Impact

- Rural school districts will feel the crunch very hard with rising gas/diesel prices with the distance we travel to other communities/schools.
- We are anticipating an increase in ridership this coming year. We are involved in a pilot project on the benefits of going to a hybrid school bus (one of two districts in the state to be involved with the project) and hope this will help cut down on fuel usage.
- We have seen a sharp increase in the ridership on our bus routes as the price of fuel has increased.
- We are anticipating more students utilizing our transportation system and plan to offer these services to our employees if they are on an existing route.
- We will not know about increased ridership until school starts in the fall. Unless we can get some relief, the rising cost of fuels will compromise every facet of our operation.
- We expect an increase in ridership for next year. We are beginning a fee based transportation program for students not eligible for school bus transportation yet live close to existing school bus stops.
- Due to location of schools along highways and other hazardous routes, transportation is provided to almost all students in the district. Reducing or eliminating bus service is not an option due to safety concerns. Our fuel costs have increased over 40 percent.

### State/Federal Actions

- I am amazed that the federal government has not taken steps to help school district deal with unprecedented increase in energy costs.
- The government seems to have their heads in the sand. They want NCLB, but continue to tie our hands and bind our feet as we try to accomplish this goal. We should be working together. Why aren't the state and federal government concerned?
- Our district cannot continue without assistance from the state.
- The legislature gave Minnesota school districts an extra 1 percent in funding for the upcoming school year. This extra \$18,000 is just enough to cover the increase in diesel fuel costs from last school year.
- Kentucky has increased fuel taxes and requires school districts to pay the state tax on fuel while actually lowering transportation reimbursement.

- Although we are faced with large increases in costs, Illinois is not making its transportation payments to districts in a timely manner.
- Districts such as ours with extensive bus routes receive no additional funds to offset those costs to the general budget, so resources available for other general education purposes are more limited than in comparable districts without such busing costs.
- We are hoping our state legislature will eventually allow us to use alternative funding sources, other than the general fund, to purchase fuel. Currently it comes out of the same pool of money as texts, supplies, staff, etc.
- These costs need to be taken out of the education Operating Fund and placed in a fund that generates revenue based on costs to the school district... We should not be balancing fuel and transportation costs against the direct costs of educating our children.
- The state has reduced its funding for transportation by 5 percent, adding to the challenges faced by schools. The town's budget committee has voted to oppose any increase in school expenses in the coming year, so all increases in fuel and energy must be offset by reductions in programs and services.
- Rising fuel and energy costs are impacting local expenditures significantly enough to cause us to place a levy on the ballot next year when we originally thought it would be three years from now.