



# 5 Hidden Costs School Districts Incur without a Facilities and Maintenance System

Educational organizations are constantly looking to save money without forgoing a safe and productive learning environment for their students. As a facilities leader, you can positively impact this initiative in a variety of ways. Between productivity boosts, increases in labor efficiency, and decreases in utility bills, your team has the ability to cut costs while maintaining your district's standards. But failing to initiate proper facilities and maintenance plans actually puts you at risk of increasing expenditure. Here are 5 hidden costs that many school districts incur without proper procedures in place.



# 1. Productivity costs

Many analyses and independent studies have noted that facilities management solutions increase productivity between 10–50%. Without a solution in place, you are losing money due to unproductive processes.

Let's say, at the very least, a school district is able to increase productivity by 10% with a facilities management system in place. If there are 12 maintenance staff across the district and they each get paid \$34,000 annually (industry standard), the district would be able to save approximately \$40,800 each year.

To calculate your district's potential savings:

**(Sum of maintenance staff's salary) x (predicted increase in productivity)**



## 2. Spare parts costs

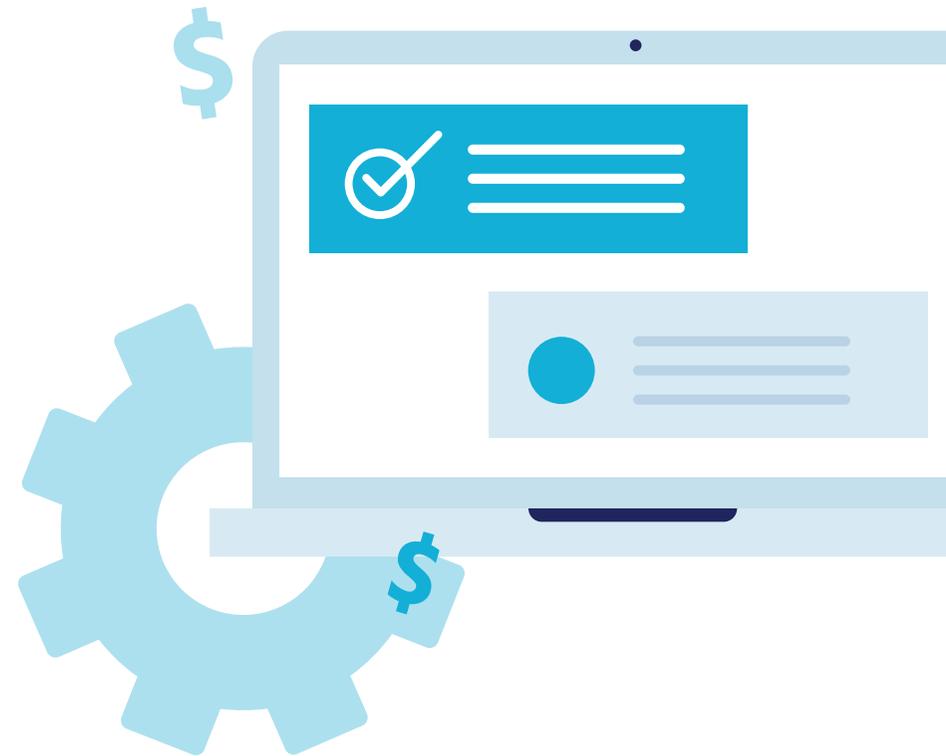
A schools' inventory supply is very diverse and can include items such as student supplies, computers, spare parts for equipment, health and safety equipment, food, and more. Each of these is extremely important for the safety and education of your students, but you may be incurring costs from carrying too much or too little of each of these items.

Most organizations overstock about 29% of their inventory, which is money that could be reallocated to other needs in your department. On the other hand, an organization that doesn't have enough inventory might be faced with shortages. This often leads to high ordering costs and the variable cost to your school of not having that particular item in stock (safety hazards, equipment downtime, educational risks, etc.).

To calculate your district's potential savings:

**Overstock savings: (Total inventory value) x (.29)**

**Out-of-stock savings: (Number of out of stock occurrences per month x 12 months) x (Average cost per occurrence)**



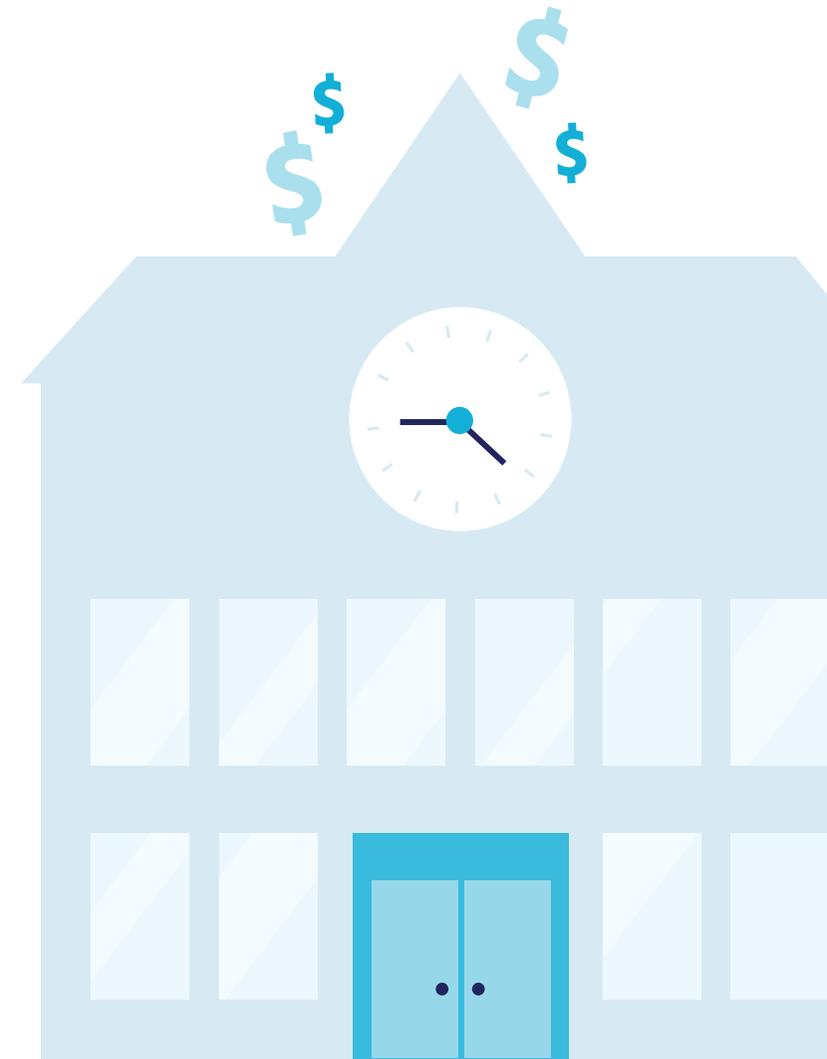
### 3. Facility rental costs

Many schools rent out spaces in their facilities for community use, but many of these schools either don't properly charge renters for using the space, or they don't have the means to. Facility rental revenue that is not collected properly could mean thousands of dollars per month in lost income.

Many schools also rent out classrooms, auditoriums, gymnasiums, and even athletic fields to their community. Schools charge anywhere from \$5/hr to \$150/hr depending on the space, the size of the group, and the day of the week. Even if your school only rents out spaces three times a month, there are monetary gains to be made.

To calculate your potential monetary gains:

**(Average number of facility rentals each month) x (12 months) x (Average cost to rent a space in your facility + Average custodial and staff charges)**



## 4. Labor costs

With several maintenance staff on your team, ensuring everyone is working efficiently is of utmost importance. With a facilities management system in place, less time is required to find work orders, gather information, communicate with requesters, and resolve tasks. Because of this, each team member tends to save about 2 hours each week, which can be allocated to other work requests.

Using the example from before, if there are 12 technicians on your team and they each make \$34,000 annually, your team can save about \$20,400 each year.

To calculate your potential savings:

**(Average technician hourly salary) x (number of technicians)  
x (2) x (52)**



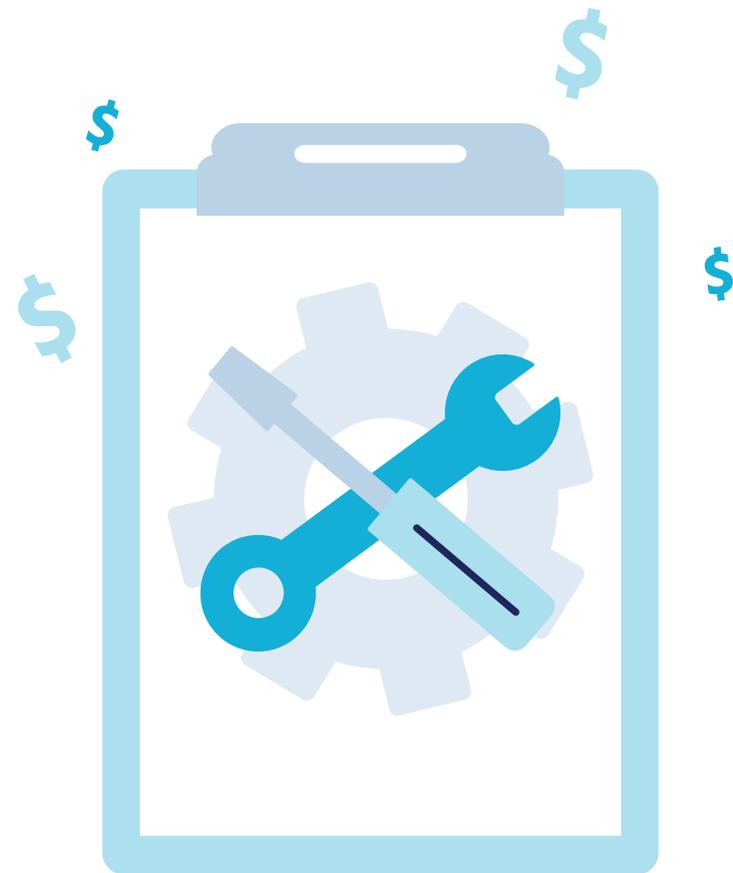
## 5. Utility costs

U.S. schools spend more on energy than they do on any other expense, and the worst part is that 1/3 of the energy consumed in these schools is consumed when the building is not occupied. Imagine the amount of money your department could save if you were able to properly monitor, manage, and decrease your energy consumption.

K-12 schools are saving upwards of \$60,000 annually since implementing a system that outlines areas for improvement.

To calculate your potential savings:

**(Your monthly utility costs) x (12) x (.33)**



# Don't wait to find a solution!

By waiting to implement a facilities management solution, you are losing time and money. FMX is a facilities management system that allows your district to streamline processes, increase asset productivity, track, manage, and improve the metrics that matter most to your organization. See why hundreds of schools have chosen FMX as their solution and how it has improved their lives.

[Learn more today!](#)

