

BUILDING SUSTAINABILITY:
A Strategic Look at Optimizing District
Budget Resources
- Part II -

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The New Normal...

Continued spotlight on constantly improving student outcomes and college/career readiness, while managing with:

- Multi-year level or reduced state/federal grant and municipal budget funding.
- Annual increases in health, pension and benefit costs.
- Fluctuating/declining enrollments.
- Ongoing infrastructure improvement and investment needs.
- Increasing numbers of students with higher needs.



The Opportunity and Goal

- Inability to rely on increasing revenues to meet current and increasing needs...Planning for sustainability is paramount!



- Realigning budgets by taking a strategic approach to analyzing, evaluating, and implementing more optimal and synergistic approaches to school and district operations in order to maximize available resources for student learning impact.



Overview – Utilizing Existing Resources to Maximize Results

Topics ranking highest in overall impact and feasibility *within an academic/programmatic context* (vs. solely operational):

Part I – Presented at 10/8/15 Alliance District Convening

1. Calculating an Academic Return on Investment (A-ROI)
2. Managing to Enrollment Targets
3. Adding Precision to Remediation and Intervention Staffing Levels
4. Optimize Class Enrollment for All Academic Programs
5. Strategically Spending Federal Entitlement Grants

Part II – Today

6. Ensuring More Students Read on Grade Level
7. Ensuring Cost-Effectiveness of PD
8. Rethinking Purchasing
9. Lowering the Cost of Extended Learning Time
10. Targeting New Investments



Today's Format

- **Presentation: Strategies and Ideas for Consideration** (45 minutes)

Adapted from District Management Council's "Spending Money Wisely: Getting the Most from School District Budgets," N. Levenson et al., District Management Council, 2014.

- **Discussion: Idea-sharing and Best Practices** (20 minutes)
- **Grant and Bond Funding Updates** (15 minutes)



Guiding Factors

- Build on existing district strategies and direction.
- Moving from anecdotal and professional judgement driven decision making to data-driven decisions that have budget impact.
- Incorporating and balancing operational analysis with academic/pedagogical priorities.
- Recognizing many sustainability practices already exist, but to varying degrees across districts, and that no “one size fits all.”
- Multiple stakeholder considerations and trade-offs.



Guiding Factors *(continued)*

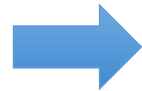
- Concept of compounding impact from small changes for significant overall total dollar impact.
- Don't disqualify potential ideas based on perceived pushback until fully evaluated.
- Consider only one or a few ideas to get started.
- Think of related exemplar ideas you can share with the group!



Idea Assessment

Top 10 opportunities for resource realignment, assessed by DMC on:

- Financial benefit
- Student achievement impact
- Political feasibility
- Certainty of gain



**Opportunities and strategies are
“Tools for your toolbox”**



#6: Ensuring More Students Read on Grade Level

- Substantial resources dedicated to reading as a top priority; challenge is to spend differently.
- 1st step is to understand all current spending on reading from all budgets, including % of all staff time.
- Limited student outcomes drive spending “fixes”
➔ Reallocate existing resources for better student results and improved efficiency.



Potential Strategies

1. Focus on teacher quality, not quantity or small group size (eg. risk of overuse of undertrained non-certs/paras even when less expensive)
2. Shift resources to improve core reading instruction, especially for urban districts where the bulk of students may struggle.



Potential Strategies (con't)

3. Integrate other existing systems, departments, and spending. Scrutinize schedules:
 - Protect reading blocks.
 - Analyze all reading resource spending under a reading leader.
 - Identify, expand and monitor common approaches to teaching reading.



#7: Ensuring Cost-Effectiveness of PD

Issues: Providing effective PD that raises student achievement, and understanding its true cost.

- Total PD cost is often not well understood.
- Buried costs across multiple departments and funding sources.
- Many costs not labeled as PD.
- Lack of comprehensive systems to measure effectiveness.



Steps Forward

- Know full PD costs to measure and drive action, including:
 - Teacher time (S&B, stipends, sub coverage)
 - External (tuition, consultants, travel, fees)
 - Pay increases directly tied to PD (salary bumps)
 - Other (Principal/AP evaluation time, coaches, central office PD staff, supplies & equipment, facilities)



Steps Forward (cont'd)

- Measure effectiveness
 - Teacher behavior – observation rubrics, pre/post surveys
 - Student learning – aligned to specific goals of the PD, use control group vs. baseline



Recommendations

1. Don't pay for time that can be had for free.
 - Assess cost info, especially for teacher time.
 - Use expert scheduling for in-school PD time.
 - Tight use of “non-teaching” and summer days.
2. Free up funds to invest in coaching.
 - Shifting funds to high-value coaching from workshops and other PD.



Recommendations (cont'd)

3. Target PD strategically.

- Target resources differentially to teachers based on experience and effectiveness.

4. Consider evaluation systems as PD, not separate.

- An opportunity to connect evals and PD for specific feedback to improve teaching.

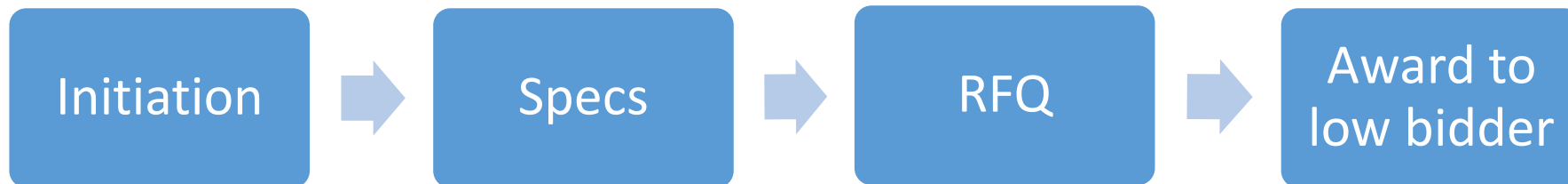


#8: *Rethinking Purchasing*

It's not just what gets purchased, but how.

- Can reduce costs and increase value (~20%)
- Savings can be redirected to learning initiatives

Typical process is tight and regulated:

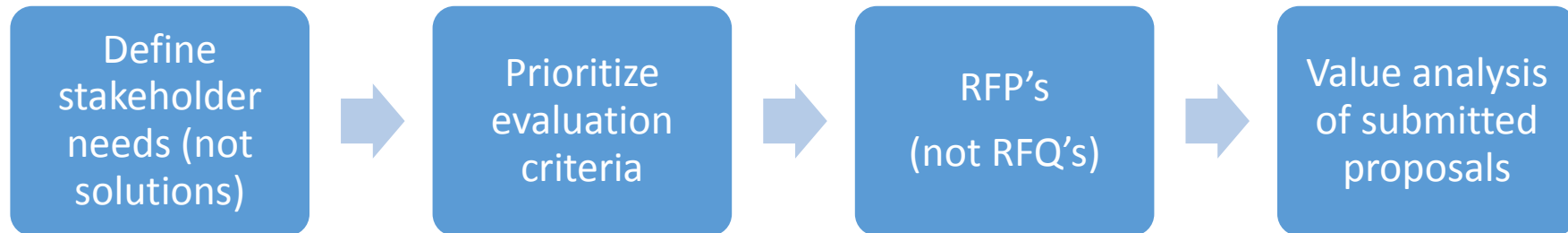


Rarely provides sufficient flexibility to consider trade-offs and alternative solutions.



Framework

- Districts can incorporate elements of value and trade-offs while staying compliant, fair, and transparent.
- Purchasing dept. not as “experts,” but as facilitators of a team creating a weighted valuation rubric.
- Create an RFP with statement of need versus unchangeable specifications.
- Shift burden of advancing solutions to vendors.
- Requires mindset shift and comfort with ambiguity.
- Balances strategic approach with public reqt's.



Other Expensive Purchasing Pitfalls

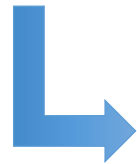
- Vendor contracts with lopsided language
- Uncapped services (include “not to exceed”)
- Inflexible termination language
- Vendor indemnification at district expense
- Allowing diffuse (non-expert) district contract signatories
- Blindly accepting S&H charges
- Failing to negotiate hard with sole-source vendors



#9: Lowering the Cost of Extended Learning Time

Challenges:

- Increasing student learning time and teacher planning cost-effectively
- Sustaining a grant-initiated program long-term once grant funding declines.



Options that extend time for student, but not for teachers are lower cost alternatives.



Ideas:

1. Staggered teacher start times; staggered teacher vacation time to extend year
2. Blended learning supported by paras (also increases utilization rate of technology)
3. Better use of existing school day hours
4. Reallocate teachers' extra non-teaching duties to paras



Ideas (cont'd)

5. Longer regular school day (negotiated extra cost may be less)
6. Lengthen class periods (from transitions, lunch, homeroom, dropping a period)
7. Target pay increases strategically (understanding precedent effect)
8. Lower cost enrichment options (external)
9. Engage scheduling expertise



#10: Targeting New Investments

Ineffective mindset: Minimizing the constant pain of cuts – “survival” vs. “mission”

New mindset: Finding and funding improvement efforts while simultaneously and courageously cutting the budget, programs and/or staff →
Leadership mindset



Guiding Principles

1. Believe doing more with less is possible (utilize performance measurement, data, and benchmarking)
2. Saying “you believe” – advocacy messaging
3. Zero-based budgeting approach
4. Smart out-of-classroom investments
(eg., clerical time which frees up P/AP, data analysts, instructional coaches, purchasing management skill set)



In Summary...

- Every district's needs and implementation history differ.
- Consider undertaking one strategy with a high likelihood of success and build on that success.
- Multiple considerations, including academic, political and contractual, but offers an analytical approach to maximizing limited resources.
- Need appropriate staff expertise to implement.
- Need right type of data.
- Different time horizons for different initiatives.
- Managing pushback:
 - Set appropriate targets and abide by them.
 - Keep student needs front and center.
 - Encourage creativity, flexibility, and collaboration from stakeholders.
 - Change isn't always easy, but can be done thoughtfully and fairly.



Grant and Bond Funding Updates

- Low-Performing Schools Bond Funding
 - Now open to all Review/Focus/Turnaround schools in Alliance Districts, on a competitive basis
 - New application and process
 - Greater shift toward projects for student learning
 - Timeline



Grant and Bond Funding Updates *(continued)*

- DAS Grant Opportunity
 - Determinations and remaining deadlines
- Priority School District Grant Distribution
 - Release of holdback funds and potential carryover
- Alliance District Grant
 - Drawdowns, including Summer School
 - 3% carryover limitation
- Commissioner's Network and SIG Funds

