



# **Communicating & Investing in the Strategic Alignment of Academics & Finances**

# Presenters



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# Our Learning Objectives

1. Understand the need for communication, realignment, and strategic abandonment.
2. Connect and leverage your fiscal resources to enact your district's strategic plan.
3. Leave with tools and resources to succeed in this time of declining resources and increasing demand for student performance and accountability.

# Our Path & Resources

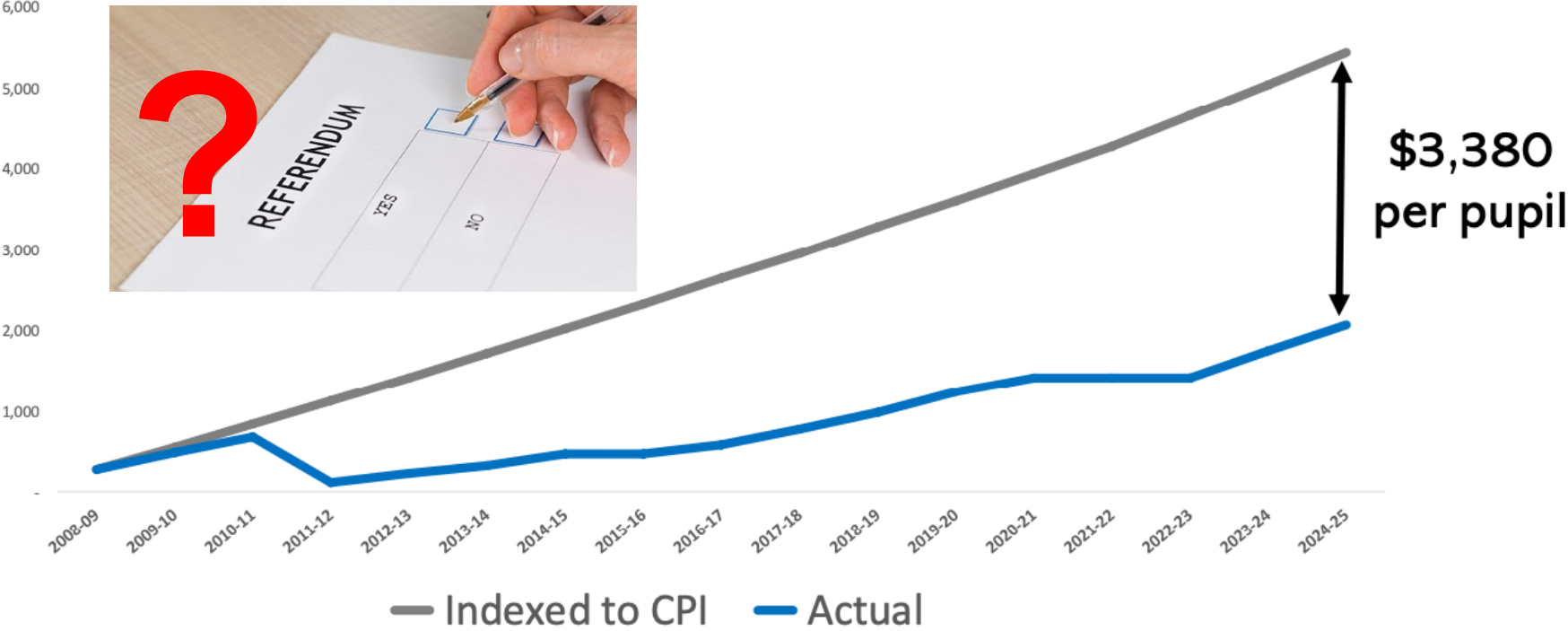
- Communicating your district's financial “story”
- Strategic plan connections
- Free tools and resources

## Resources:

- [GFOA's Smarter School Spending Framework](#)
- [GFOA Best Practices](#)

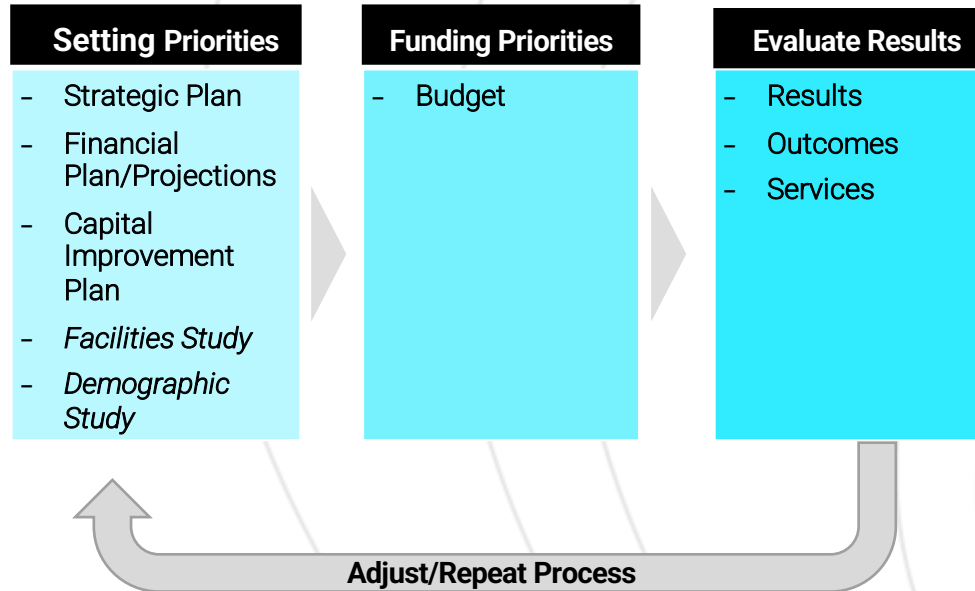


# General school district revenues per pupil lag inflation by more than \$3,300 since 2009



# Alignment of Plans & the Finances

- About making connections and being well informed



# Planning for the long-term



Historical activity →



Current budget →



Projected future →



Identify issues →



Propose solutions →



Stakeholder impact →



Implement solutions /  
monitor impact

# Key Elements of Alignment

- Need a strong Strategic Plan as a foundation
- Goals within the Strategic Plan need to have a measurability aspect
- Need to have good buy in from District leadership – especially Superintendent and hopefully Board
- Most importantly - what is the “Why?”
  - Financial imbalance?
  - Need better academic results?
  - Both?
  - Something else?



# The 'Why?'



## Reactive

- Struggling through day-to-day operations/constantly “fighting fires”
- Feeling of disorder/chaos, “who’s responsible for what?”
- Inability to realize strategic goals
- Revenues not aligned to expenditures



## Proactive

- Culture of continuous improvement
- Linked to:
  - The budget
  - Strategic planning
  - Workforce and succession planning
  - Other organizational planning efforts

# Making the Case for Collaboration, Better Alignment, et al...

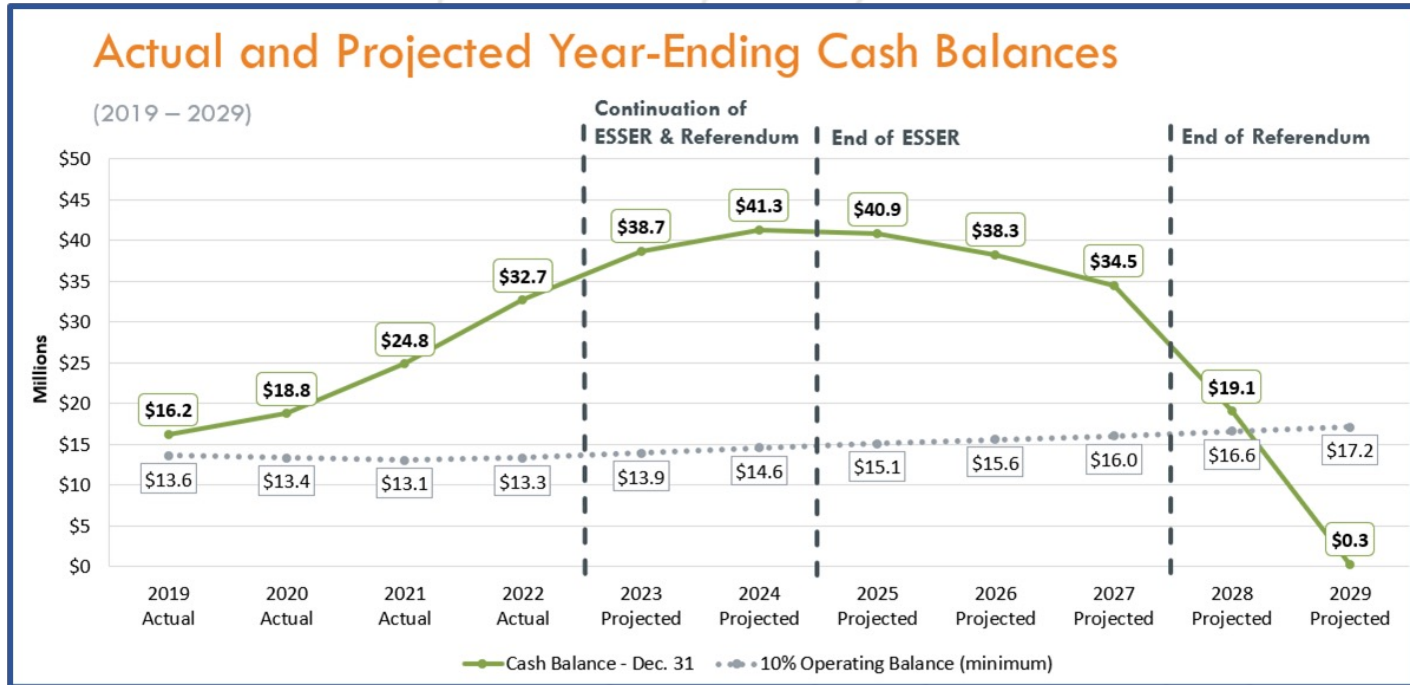
- Difficult to get non-financial stakeholders attention
- Information can certainly be complex, but...
- How to best break it down
- Focus more on what you as the finance director (or equivalent) want the audience to walk away with – what do you need them to know?
- So what, now what?





# Telling the 'Story'

- Informing the audience and driving the narrative



# Using Dashboards – a Fiscal Assessment



## Enrollment

K-12 student enrollment experienced some downward trends over last several years – possibly impacted in part by pandemic related pressures – but has seemed to stabilize.



## Fund balances

Experienced growth in operating funds from 2019 - 2021.



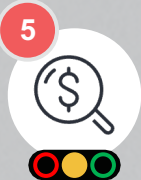
## Surplus/deficit

Fairly tight from 2019-2021 in terms of revenue covering expense – with slight deficit for current year.



## Fund balances as % of expenditures

Operating funds balances individually and collectively remain above industry recommended threshold of 15%.



## Revenue by type

Revenues fairly stable from 2019 – 2021 but not keeping pace with expenditures.

## Budget Levers

- Debt management
- Cash management

## Considerations

- Financial projections
- Budget enhancement opportunities
- ESSER sunset preparations

## Stop Lights

-  Concern
-  Caution/ investigate
-  Solid foundation

## SWOT

### Strengths

Fund Balances, Fairly Stable Enrollment

### Weaknesses

Expense growth outpacing revenues

### Opportunities

Explore Budget Levers, Budget & Strategic Plan Alignment

### Threats

Economic Pressures, End of ESSER funds

Sign Up with the QR Code for a Free Fiscal Assessment





# Leveraging SWOT

- Putting the projection in context - next steps

<b>S</b>	<b>W</b>	<b>O</b>	<b>T</b>
<b>Strengths</b>	<b>Weaknesses</b>	<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"><li>• Strong property tax base</li><li>• Healthy fund balances</li></ul>	<ul style="list-style-type: none"><li>• Expenses outpacing revenues</li></ul>	<ul style="list-style-type: none"><li>• Strong community support</li></ul>	<ul style="list-style-type: none"><li>• Changing demographics</li></ul>



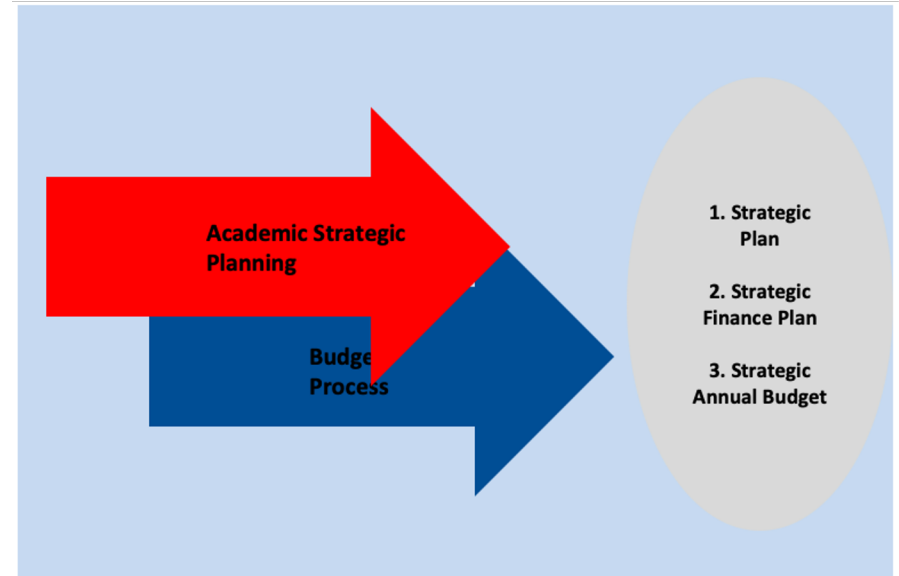
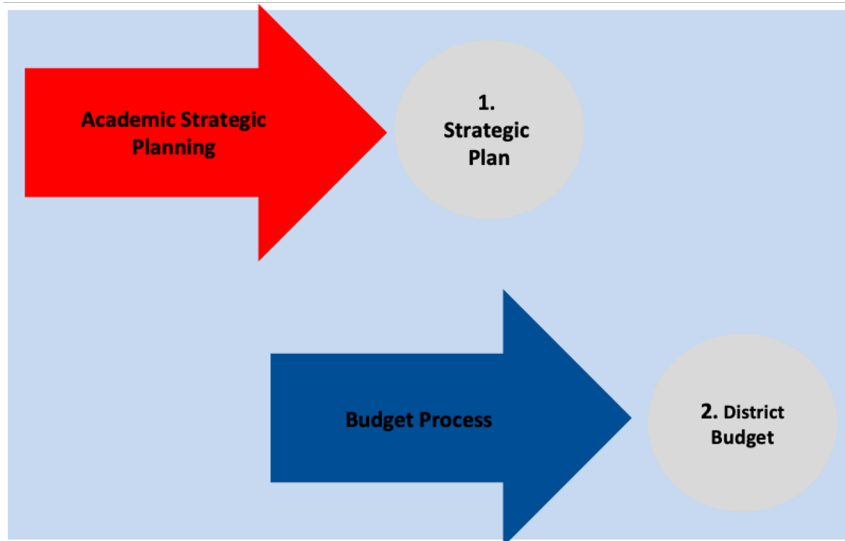
# Alignment versus Effectiveness

Keep in mind:

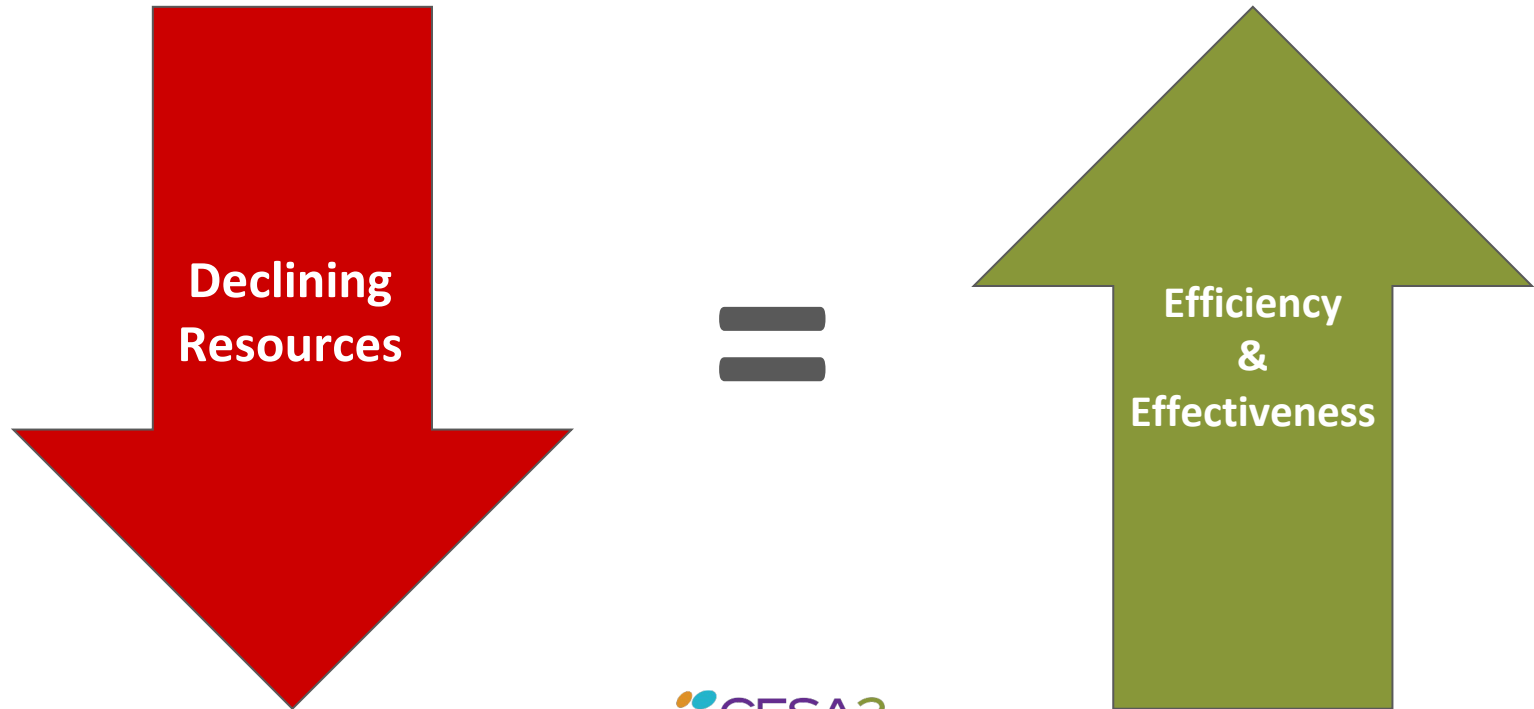
- Not synonymous terms
- Program/service can be highly effective/efficient and not aligned whatsoever
- Vice versa on alignment – well aligned but poor performance or execution
- Some overlap in strategies to evaluate – but want to be clear on intent of analysis



# Alignment of Academics & Finances



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- Focus on Collaboration
- Partner with Curriculum & Instruction
- Partner with Special Education & Pupil Services
- Partner with Human Resources & Communications
- Encourage Active Engagement by All Stakeholders
- Determine Baseline Academic Performance
- Determine Financial Projection
- Leverage the Data!
- Connect the Data!



# Reframing Our Role

- Facilitate v. Direct
  - Be the “**How Might We?**” person instead of the “Yes or No” person
- Deeply Involve Principals in Decisions & Recommendations
- Provide the Data Needed for Others to Learn & Make Decisions
- Share Information & Let Their Curiosity Drive Discussions
- Share Our Views Last
- Encourage Professional Disagreement (Cognitive Conflict)
- Entire Team Understands & Supports Decisions



# Root Cause Analysis

## 5 Whys

**PROBLEM: Lower-than-expected performance on a reading program**

1. Why? Teachers weren't using appropriate instructional strategies.

2. Why? Teachers did not receive appropriate professional development.



3. Why? Insufficient pupil-free days to complete all needed training.

4. Why? The days weren't budgeted.

5. Why? The budget didn't identify the full costs of implementing the instructional strategy.

**Solution: We need a Plan of Action that shows all the resources necessary to implement the strategy.**



3. Why? The teachers received insufficient coaching after the training they did receive.

4. Why? Principal diverted coaches to administrative tasks.

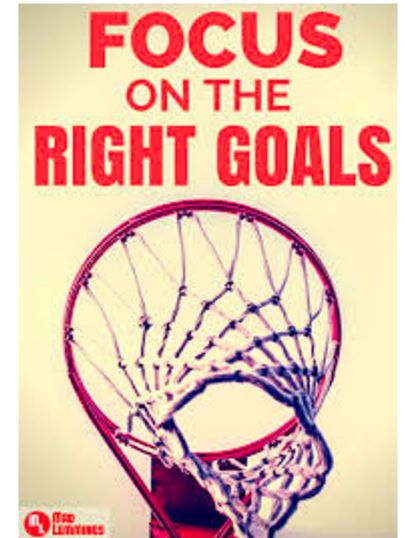
5. Why? Principals are tasked with administrative duties for which they are unsuited, so they require extra help.

**Solution: Redistribute responsibilities to other positions, freeing up principal time for instructional leadership.**



# Alignment of Academics & Finances

- Communicate That Consequences Do Exist
  - Potential impact on student learning and performance
  - Long-term affordability
  - Feasibility of implementation
  - Level of stakeholder support
- Engage an Evaluation Process to Identify Pressure Points
  - Pressures for time
  - Pressures caused by changing demographics
  - Pressures for lower taxes
- Drive Focus!





# Pay for Priorities



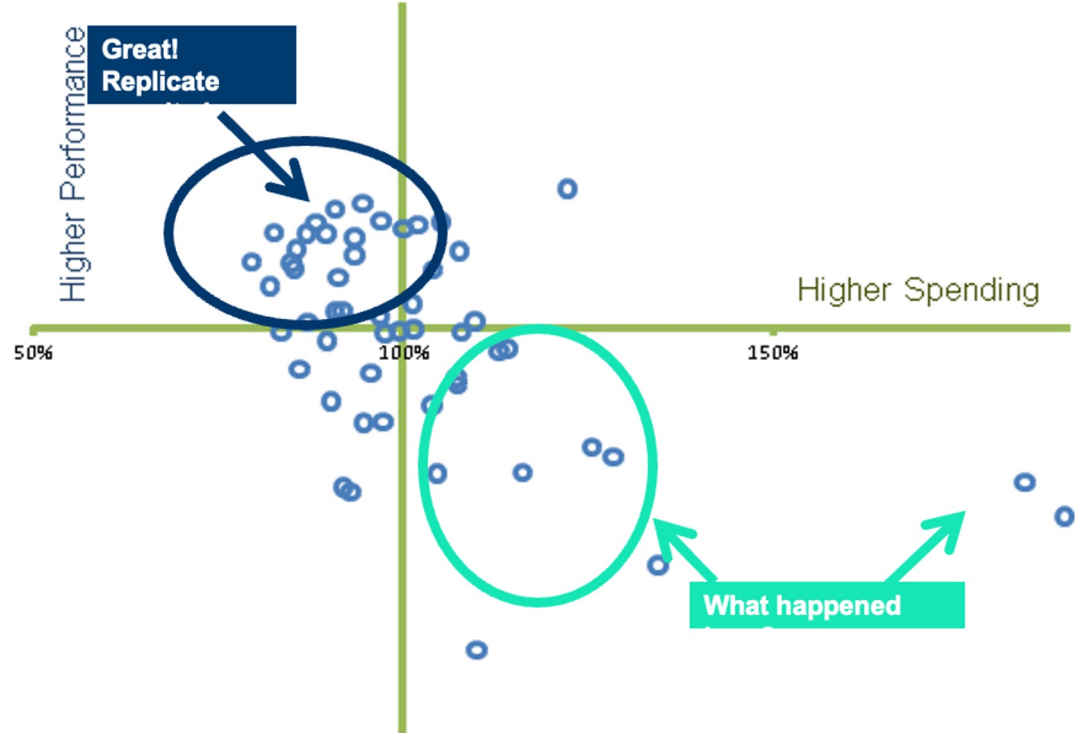
APPLYING COST ANALYSIS TO THE BUDGET  
PROCESS



EVALUATE & PRIORITIZE USE OF RESOURCES  
TO ENACT THE INSTRUCTIONAL PRIORITIES

# Alignment of Academics & Finances

- Finding Resources
  - Increasing Revenues
  - Sunsetting Existing Programs
  - Reinvesting
  - Operational Efficiencies
- Weighing Trade-Offs
- Overcoming Constraints
  - Funding Limitations
  - Culture
  - Contracts



# Strategic Abandonment

- “The Art of Letting Go”
- A process of closely examining all active plans, projects, and initiatives and determining whether they are making a lasting impact or should be deliberately stopped.
- Study Outcome Possibilities
  - Expand
  - Maintain
  - Redesign
  - Combine
  - Sunset

# Screening Summary

Input a value  
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  Do not edit: Calculation

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Category	#	Opportunity	Total Screening Points	Relative Size of Opportunity
Reducing operational costs	1	Can the district free up funds from <b>general education transportation</b> ?	0	Not worth exploring
	2	Can the district free up funds from <b>energy expenditures</b> ?	0	Not worth exploring
	3	Can the district free up funds from <b>maintenance services</b> ?	0	Not worth exploring
	4	Can the district free up funds from <b>custodial services</b> ?	0	Not worth exploring
	5	Can the district free up funds from <b>food services</b> ?	0	Not worth exploring
	6	Can the district free up funds from classroom and other <b>instructional technology</b> ?	0	Not worth exploring
Rethinking service delivery models for students who struggle	7	Can the district <b>address mild special needs</b> differently?	0	Not worth exploring
	8	Can the district free up funds from <b>paraprofessional positions</b> ?	0	Not worth exploring
	9	Can the district free up funds by increasing the impact of <b>intervention teaching positions</b> ?	0	Not worth exploring
	10	Can the district free up funds from <b>special education teaching positions</b> ?	0	Not worth exploring
	11	Can the district free up funds from <b>speech and language therapist positions</b> ?	0	Not worth exploring
	12	Can the district increase the impact of <b>Title I spending</b> ?	0	Not worth exploring
	13	Can the district free up funds by reducing reliance on <b>out-of-district special education placements</b> ?	0	Not worth exploring
	14	Can the district free up funds by reducing its reliance on <b>alternative schools</b> for students with behavioral challenges?	0	Not worth exploring
Maximizing revenue	16	Can the district increase federal <b>Medicaid</b> reimbursement for health-related student services?	0	Not worth exploring
Boosting the impact and cost-effectiveness of professional development for teachers	17	Can the district free up funds from <b>professional development expenditures</b> ?	0	Not worth exploring
	18	Can the district provide <b>more professional development opportunities</b> for core teachers at little or no additional cost?	0	Not worth exploring
	19	Can the district <b>increase the impact of the coaching model</b> at little to no additional cost?	0	Not worth exploring
	20	Can the district free up funds from <b>instructional coaching positions</b> ?	0	Not worth exploring

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<https://www.gfoa.org/smarter-school-spending---tools>

gfoa.org/smarter-school-spending---tools

ChatGPT Personal Spotify WhatsApp YouTube Smarter School Sp... Zoom Microsoft Teams ASBO Learn Google Cert 106.9 the Lodge

MEMBER COMMUNITIES LEARNING DASHBOARD EVENTS MATERIALS



FRAMEWORK

RESOURCES

CASE STUDIES

NETWORKING

DOWNLOAD TOOLS >

- Balance Tradeoffs Tool
- Budget Projection Tool
- Budget Roadmap Tool
- Cost Projection Tool
- Cost Saving Options Screening & Sizing Tool

MORE TOOLS >

- Introductory District Diagnostic Tool
- Program Evaluation Summary
- Program Success Tracker
- Strategic Abandonment Tool
- Strategic Financial Plan Template

GUIDES OVERVIEW >

- Instructional Priority Planner
- Measuring Impact
- Identifying Top Savings Options

RESEARCH AND PUBLICATIONS >



## Interactive tools to assist a district in developing a strategic finance plan, analyzing district finances, and examine cost savings opportunities.



**Balance Tradeoffs Tool** - Once your district identifies the specific areas for investment, based on the instructional priorities, and the ways in which you can pay for those investments, you

must determine weigh tl **Cost Saving Options Screening and Sizing Tool** - The goal of the Screening & Sizing Tools is in new instructional pric to help identify potential opportunities to reallocate resources to address the district's tool provides district lea strategic priorities. Together, they are meant to be a "quick and simple" assessment of a long between investments an list of potential opportunities. The Screening Tools guide districts to answer a few

**Strategic Abandonment Tool** - A simple tool that can be used to help districts to consider ning Tools can help when to discontinue a program. A program is given a score for each criteria (1, 2, or 3 points) e high potential, but and the total points indicate whether the program's degree of conformance with the criteria is unacceptable, questionable, or acceptable.

**Strategic Financial Plan Template** - A tool that you can use to communicate the district's priorities and financial plans over the next 3-5 years. Developing a strategic financial plan will provide your district with an important tool for communication.

# Staffing Analysis Basics

- By school site
- Group staff by major functions or programs they support
- Additional practices to consider for a staffing analysis:
  - What are you trying to accomplish?
  - Focus on actual compensation, not average compensation
  - Discuss how to account for centralized personnel
  - Include staff in all funding sources



# Staffing Analysis – Other Considerations

- Class size requirements/needs – start with students as opposed to current staff
  - State required levels?
  - District guidelines?
  - Contractual requirements?
  - Best practice?
- Peer comparisons?
  - Ensure apples to apples comparison

***BUT - Context is king, i.e. don't lose site of qualitative factors when developing/analyzing the quantitative factors***





# Academic Return on Investment (AROI)

- Basic formula:

$$\text{A-ROI} = \frac{((\text{Learning increase}) \times (\text{Number of students helped}))}{\text{Dollars Spent}}$$

- Or, more simply:

$$\frac{\text{Measure of Student Success (BANG)}}{\text{Amount Spent (BUCK)}}$$



# What is Success?

Program A	Program B
100 additional graduates	75 additional graduates
\$10,000	\$5,000
\$100/graduate	\$66/graduate
1% A-ROI	1.5% A-ROI

- Which do you go with?
- What additional information is needed?



# Key Considerations for Implementing AROI

- Why is your district pursuing AROI?
- Be sure you *fully* understand the data being used
- Stay focused on what is trying to be accomplished and goal of AROI
- Was the program being examined implemented well?
- What does the analysis mean?
- Be transparent about what is being measured and how it is being measured
- Ensure limitations of analysis are fully outlined before making decisions with the analysis



# How to Pick AROI Candidates

- Does the program consume a lot of staff time or money?
- Is the necessary data readily available?
- Are there plans to substantially expand the program?
- Does the program serve a large number of students?
- Is it politically feasible to make changes?
- Is there uncertainty about the program's effectiveness?



## Other Resources

[Your WASBO Regional](#)

[Your CESA](#)

[GFOA](#)

[Education Resource Strategies](#)

[DM Group](#)

**QUESTIONS??**

# Thank You!



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