

Board & Administrator

FOR SCHOOL BOARD MEMBERS

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Know major revenue, cost areas to grasp district finances

The ins and outs of school funding are not getting any less complicated. That can present a challenge to board members because understanding the district's finances is not as simple as balancing your own checkbook.

But if board members learn concepts important to the district's budget, they start building a foundation for better understanding its financial picture. Here are some tips on learning the key concepts that are essential to school funding.

- **How additional funds affect the district's overall spending picture.** In California, for example, with more money going to districts with more non-English speakers, it is important for board members to know that just because you may receive a big influx of money, it still has restrictions and is not necessarily available to pass on as salary increases to bargaining groups.

This kind of new money always creates a pressure point for board members when they begin hearing from employees who believe that all new money belongs to them, and if the board just shifts its priorities, they will receive the funds.

- **How staffing ratios affect the budget.** Poor management of staffing sends districts into trouble quicker than anything. One teacher too many on the staff at each of the district's schools might mean \$1.5 million in expenses without any revenue to offset that cost.

- **Transportation and special education costs vs. reimbursement.** Transportation and special education generally cost well in excess of any revenue they bring in. The board needs to accept this

because they are services the district is obligated to provide.

- **Food services and technology.** Both areas must be managed carefully because the costs can create severe problems for the district's budget.

- **The impact of political decisions on local budgets.** The rise and fall of state finances and the resulting political decisions can impact the local budget — particularly in bad times — so it is important for the board to understand their implications.

Your state may promise local schools a certain revenue amount, but by the end of the school year, the state may not keep that promise. It will still fall on the superintendent to figure out how to avoid a negative budget scenario at year's end. That's why a district needs to keep adequate reserves, possibly even above what your state requires.

- **Declining enrollment's crippling effect on a district.** Low birth rates, a transient population, and competition from other schools can all impact district funding. The board should understand these challenges so that it can plan adequately to meet them.

Here are a few tips for understanding your district's finances.

1. Take advantage of your state school boards association for financial education. This is time well-spent as it gives board members information that helps them consider the district's financial issues.

2. Learn three or four key points about your district's financial circumstances that can be used to explain district finance to patrons. ■

Set standards to expect top commitment

In a sense, school board members must be their own watchdogs when it comes to the standards they expect of their board teammates. That's because there really are very few, if any, legal requirements to serve as a school board member.

Consider adopting standards that your board determines are important to effective board service so that the board clarifies expectations for all its members. Some ideas include:

* Have faith in public education and the belief that service on a school board is a public trust.

* Show courage in the face of pressure from interest groups that would weaken the district's commitment to all children.

* Maintain an open mind, and do not serve on the board to pursue a single agenda.

* Make the time commitment necessary to serve the board and district effectively.

* Make a commitment to improve your effectiveness as a board member by attending state and national educational opportunities.

* Maintain the confidentiality of sensitive matters that come before the board. ■

Board service requires a time commitment

The New Mexico School Board Association's *Framework of Responsibilities* discusses in detail the commitments it takes to be an effective school board member. Here's what the framework says about the time board meetings can require.

"Years ago, when the role of the board member was perceived more as a 'trustee,' the current legal requirement of holding at least one regular board meeting per calendar month may have been

realistic. Today, however, most boards hold more than one meeting per month, with some holding weekly meetings."

These meetings can include regular board meetings, special or emergency meetings, work sessions, public hearings, and planning retreats, according to NMSBA.

For more information, visit www.nmsba.org/nmsbaframeresp.htm. ■

Prep public for the board's meeting

Some stakeholders will show up at a board meeting convinced that "public meeting" means they get to make their views known to the board as they please. Including the following statement on the board meeting agenda is a tactful way to solve that problem.

"This meeting is a meeting for the school board in public for the purpose of conducting the school district's business and is not to be considered a public community meeting. There will be time for public participation under the agenda item titled 'Public Comment.'" ■

Dream big to plan for the district's future

These days, when school boards plan, they often work with consultants, rely on surveys, and meet with interested stakeholders to gather information before setting the school district's strategic direction.

These are all good tools, but the best strategic plans are crafted by board members who dream about creating a better district for the community and its children.

Dreaming should be a part of the process your

board uses to develop its plans for the district. Your board should pause frequently to discuss where it is going and how it is going to get there. Make time to discuss each board member's thoughts on the following.

1. My dream for this school district is ...
2. My greatest concern for this district is ...
3. The thing that impresses me most about this community is ...
4. Our school district's greatest strength is ... ■