



Board Meeting Date: 01/21/2025

Title: DISCOVER Operational Costs

Type: Discussion

Presenter(s): Dr. Stacie Stanley, Superintendent; Nate Swenson, Assistant Superintendent; Anne Marie Leland, Director of Strategic Partnerships; Jody De St Hubert, Director of Teaching and Learning; Mert Woodard, Director of Finance & Operations; and Paul Paetzel, Edina High School Principal

Description: We will be providing an overview of the operational costs for DISCOVER in Edina Public Schools.

Recommendation: No recommendation is being made at this time. This item has been prepared for board discussion.

Desired Outcome(s) from the Board: Please review the full report of information and come prepared with your initial reactions (comments/questions).

Attachment(s): NA
Report follows

Introduction

We're here to continue discussing expanding educational opportunities for our students through DISCOVER at Edina Public Schools. After careful analysis and feedback from the Board, our team recommends implementing these programs within our existing facilities to maximize cost efficiency. We've determined that purchasing or renovating additional buildings would significantly increase both capital and operational costs without proportionate benefits to our students at this time.

The DISCOVER pathways - focused on Aviation & Aeronautics, Finance, and Health Sciences - represent a strategic investment in our students' futures. By utilizing our current spaces, we can direct resources toward program quality rather than facility expenses such as the procurement of a new or existing building. This approach allows us to launch high-quality pathways promptly while maintaining flexibility for future facility planning.

Our team firmly believes implementing this model is crucial for Edina students. It aligns with our mission of delivering educational excellence and preparing all students to realize their full potential. DISCOVER also aligns with multiple aspects of our strategic plan. First, it advances academic excellence (Strategy A) by providing differentiated educational experiences through three focused options that effectively engage and challenge students. By implementing these programs within existing spaces, we create learning environments conducive to constructive student interaction (Strategy C) while maintaining operational efficiency. The program supports equitable school culture (Strategy B) by providing all students access to industry-recognized credentials and authentic learning experiences. Through partnerships with industry professionals and credential opportunities, DISCOVER addresses enrollment and demographic trends (Strategy D) by offering attractive educational options that help retain students. Finally, the initiative supports community engagement (Strategy E) by creating clear options that connect student learning to real-world opportunities, helping community members understand how their expertise can contribute to our collective success.

By launching these programs within our existing facilities infrastructure, we can begin transforming student opportunities immediately, with the flexibility to scale based on student interest and program success.

Operational Costs vs Capital Costs

Operational costs are the day-to-day, recurring expenses that come from the general operating budget. These include staff salaries, utilities, regular maintenance, transportation, instructional materials, and insurance. They are typically handled through annual budgeting and are funded through tax revenue and state funding.

Capital costs, on the other hand, are long-term investments in physical assets that have a useful life of several years. These include major expenses like new building construction, renovations, land acquisition, large equipment purchases (like HVAC systems), technology infrastructure, and major safety upgrades. Capital costs are usually funded through special mechanisms like bonds or levies and often require voter approval.

The key distinctions between operational and capital costs can be seen across several dimensions. Operational costs occur regularly and repeatedly, while capital costs represent one-time or irregular major investments. Where operational costs come from the general fund through tax revenue and state funding, capital costs typically require special funding mechanisms like bonds or levies. Operational expenses are used up within one fiscal year, while capital investments create assets that last for multiple years. Finally, operational costs are

part of annual budgeting cycles, while capital costs require long-term planning and often need voter approval. Regardless of whether an expenditure is classified as operational or capital, ultimately any cost that isn't financed by a new funding source or offset by reductions in other areas will result in a reduction to the District fund balance. This fact should be considered by the Board and administration when evaluating whether or not to access voter-approved debt.

For the DISCOVER initiative, the operational costs focus primarily on personnel (including program coordination and professional development) and program-specific costs like certification fees, while avoiding major capital expenditures by utilizing existing spaces and infrastructure.

Personnel Operational Cost

These projections reflect a comprehensive approach to implementing and sustaining the program, with the primary costs centered around personnel and program-specific needs. While we believe dedicated program coordination would provide the strongest foundation for DISCOVER's success, we are attentive to our budget constraints. The projection includes 0.6 FTE for program coordination at \$72,000, which could be reduced in the initial phase to help launch the program. The remaining operational costs focus on essential elements that will directly support student learning and program effectiveness.

Personnel	Estimated Annual Cost
DISCOVER Coordination (0.6 FTE)	\$72,000
Professional Development	\$5,100
Memberships, Subscriptions, & Conference Attendance	\$10,000
	TOTAL = \$87,100

Examples of Potential Curriculum Costs

When evaluating potential DISCOVER options, it is helpful to understand typical course adoption costs in our District. While DISCOVER costs will differ based on their unique requirements for specialized equipment, industry partnerships, and credentialing, these recent course adoptions provide a baseline reference point for understanding the scale of operational curriculum investments.

Personnel	Estimated Annual Cost
AP English Literature and Composition and College in the Schools Intro to Literature	\$6,000.00
Introduction to Statistics	\$15,000.00
AP Human Geography	\$65,000.00

Credential Operational Cost

Costs associated with students who want to pursue a credential within a DISCOVER area are based on the assessment cost or course related to earning the credential. The following table provides an annual estimated operational cost of credentials, the Discover area, credential

name, cost per student, and estimated number of students taking the credential per year. These credentials have been researched using information gathered from our partners who work within these Discover areas or costs provided by the Minnesota State Workforce Solutions website. This table estimates 120 students pursuing a credential based on 2025 cost data.

Discover Area	Credential Name	Cost per student (minimum)	Estimated # of Students/ Year	Estimated Annual Cost
Aviation & Aeronautics	Drone Operation Basics	\$175	10	\$1,750
Aviation & Aeronautics	FAA written knowledge exam	\$175	10	\$1,750
Aviation & Aeronautics	Practical flight test	\$550	10	\$5,500
Aviation & Aeronautics	Medical exam	\$125	10	\$1,250
Aviation & Aeronautics	FAA-approved aircraft dispatcher certification	\$5,000	5	\$25,000
Aviation & Aeronautics	Airframe & Powerplant (Airplane Mechanic) licenses	\$2,350	5	\$11,750
Finance	Financial Literacy Certification	\$10	10	\$100
Finance	Entrepreneurship and Small Business (ESB) certification	\$2,795	5	\$13,975
Health Sciences	Infection Control	\$49	10	\$490
Health Sciences	Medical Terminology Basics	\$250	10	\$2,500
Health Sciences	First Aid and CPR certifications	\$37	10	\$370
Health Sciences	EMT certifications	\$1,800	5	\$9,000
Health Sciences	CNA exam	\$115	10	\$1,150
Health Sciences	Basic Life Support	\$85	10	\$850
		TOTAL =	120	\$75,435

Conclusion

Through thoughtful implementation of DISCOVER within our existing spaces, we can deliver innovative educational options for students while maintaining operational efficiency. This approach allows us to launch these valuable programs promptly, maximize our current resources, and maintain flexibility for future growth. Most importantly, it enables us to focus our investments on student learning and industry-recognized credentials that will help prepare our students for future success.