



A Case Study in Smarter School Spending

www.smarterschoolspending.org – A service from the Government Finance Officers Association

The Evolution of Smarter School Spending in Beaverton School District

Beaverton School District, in Oregon, has a successful first year of with Smarter School Spending. The District made strategic investments in programs that would help students who needed it most and built a coalition of supporters among the District's central office leadership. However, if Smarter School Spending was to go further at Beaverton it would need to evolve in a way that made it more broadly appealing. Beaverton was able to broad the reach of Smarter School Spending with a structured communication strategy and by making the linkage between better planning and budgeting and better results for students more apparent.

Beaverton School District, in Oregon, made important gains from its first year of Smarter School Spending, including making what the district termed “strategic investments” to help bring up its graduation rate and close its achievement gap. These gains helped to convince the superintendent, cabinet, and other leadership positions of the central office that the new way of planning and budgeting was very valuable. However, if this new planning and budgeting method was to realize its full potential, it needed to be supported and practiced by a larger group of people.

The district faced a problem: It needed to evolve in a way that made it more broadly appealing. The term “strategic investments” had two important limitations that prevented the district from gaining wider support.

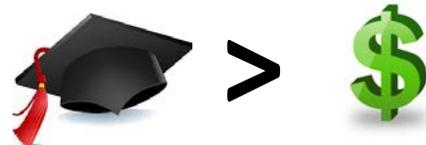
First, the phrase “strategic investments” was rooted in the language of finance. The word “investment,” in particular, did not resonate with the majority of the district’s stakeholders, who felt that the focus should be on educating children, not money. The district was, in fact, trying to deliver an integrated academic and finance strategic planning process, but the language of finance obscured those efforts.

Second, “strategic investment” did not imply a systematic way of looking at the district’s entire budget. Rather, it implied that the district would pick and choose specific areas to direct additional funding to, based on high priority needs and goals. However, it was the district’s goal that the entire district budget would be aligned with the district’s student achievement goals – not just that investments would be made in discrete areas to achieve goals that were otherwise isolated from the bulk of the district’s budget.

To develop a better communication strategy, the district needed to show its stakeholders that the new planning and budgeting approach was more than just about finance, and that it had significant positive implications for the entire district, not just certain programs. At the same time, the district needed to demonstrate to stakeholders that these new methods were an evolution of the district’s academic and financial planning methods, not a complete overhaul of everything the district was currently doing.

Lead with Academics

Smarter School Spending will be more compelling when discussed in terms of the inspiring implications for student achievement, rather than the financial implications.



Accomplishing these two imperatives required the district leadership to show how the new planning and budgeting method built on the good things that the district had already put in place. First among these was the district’s widely supported strategic plan. The strategic plan helped Beaverton define the



A Case Study in Smarter School Spending

www.smarterschoolspending.org – A service from the Government Finance Officers Association

instructional priorities to which it would direct funding. Second, the district already had a detailed staffing allocation model that provided clear comparisons of how much different programs would cost and thereby compare alternatives. Third, though the new planning and budgeting method fostered much better collaboration between the finance and academic staff, these two groups did have a good working relationship before. Finally, the district also had a cooperative relationship with its labor groups, which did help make discussions on new ways of doing things easier. All of these existing strengths helped the district leadership to show that the new planning and budgeting method was a continuation of Beaverton’s journey, mitigating the perception that it was a radical departure from the past.

In order to demonstrate to stakeholders the path forward and fully engage more of the district in the work planning and budgeting, the district needed a comprehensive communication strategy. For communication, Beaverton used the “4 I’s” framework found within Smarter School Spending. The 4 I’s describe four levels of communication, of increasing levels of intensity.

	Inform. One-way communications, such as emails, PowerPoints, press releases, etc.
	Inquire. Two-way communications, using listening tools such as surveys, focus groups, and other feedback loops.
	Involve. A deeper level of engagement that gives stakeholders a chance to shape policies or programs by serving on advisory committees and the like.
	Inspire. Stakeholders become owners and champions of the policies or programs as a result of meaningful efforts to inform, inquire, and involve.

The centerpiece of the district’s communication strategy was its “7 Key Efforts.” The 7 Key Efforts articulated the overarching instructional objectives of the district in plain English, free of education jargon. They were to establish that better planning and budgeting is necessary to for the district to reach its student achievement goals. They were to provide a common language for everyone in the district and develop an understanding of the district priorities. They also showed how many of the values the district held in the past and how they fit into the new way of planning and budgeting.

In accordance with the 4 I’s “involve” component, the superintendent and his cabinet could not just establish the 7 Key Efforts by decree and expect meaningful support from others in the district. To encourage engagement, the first draft was developed at a retreat with approximately 40 key leaders from the district’s central office, including curriculum, instruction, finance, HR, IT, transportation, nutrition services, maintenance, and facilities staff. This draft of the 7 Key Efforts went to 150 additional district leaders for further refinement, including principals, assistant principals, and managers and supervisors (e.g., support services and student discipline). Lessons from the first year of the district’s new planning and budgeting process carried over to the discussions of the 7 Key Efforts. For example, one of the district’s 7 Key Efforts was “Advancement Via Individual Determination” (AVID). AVID is a system of specific practices and methodologies to develop students’ critical thinking, literacy, and math skills. Before committing to AVID, the district had lively and in-depth discussions about the evidence that AVID works and how Beaverton would demonstrate that AVID was or was not working in Beaverton, if Beaverton were to adopt it. A summary of the final product of these deliberations is shown in the table below.



A Case Study in Smarter School Spending

www.smarterschoolspending.org – A service from the Government Finance Officers Association

Summary of Beaverton School District's 7 Key Efforts

We Expect Excellence
<ol style="list-style-type: none">1. Standards-Based Learning System. We have high expectations and clear and consistent standards to ensure all of our students are successful.2. Educator Effectiveness. Our staff is supported, accountable, and passionate about our students' success.
We Innovate
<ol style="list-style-type: none">3. Future Ready Schools. We are reimagining our teaching and learning environments.
We Embrace Equity
<ol style="list-style-type: none">4. Advancement via Individual Determination (AVID). Every student can be successful if they are provided quality academic and social supports.5. Culturally Responsive Practices. Every child learns differently and they bring unique gifts to our schools and community.
We Collaborate
<ol style="list-style-type: none">6. Learning Teams. The most effective teaching and learning happens when teachers work together.7. Community Partnerships. It takes everyone in the Beaverton community to help our students be successful. Schools cannot do it alone.

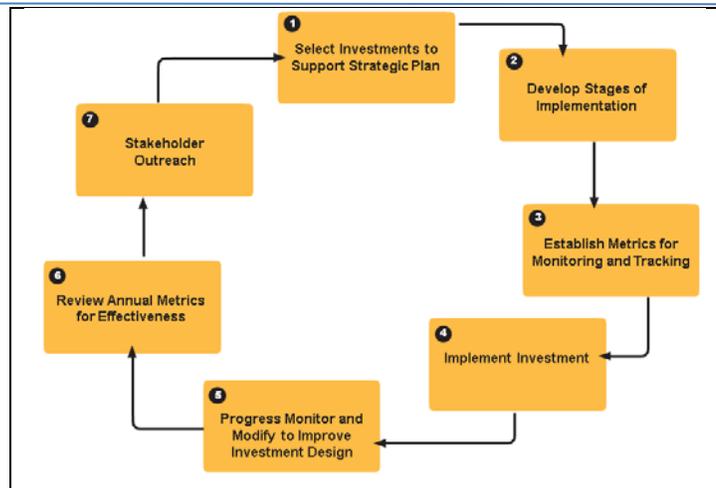
Beaverton's Strategic Financial Planning Cycle



A Case Study in Smarter School Spending

www.smarterschoolspending.org – A service from the Government Finance Officers Association

Building upon the guidelines established by the 7 Key Efforts, the district intends to develop a strategic financial plan as one of its next steps. The plan would support a complete decision-making cycle as shown in the diagram below. The cycle starts with selecting investments to support the district's strategic plan. The second step is to describe different possible levels of spending on strategies to reach the district's performance goals. For example, a lower level of spending on one particular goal or strategy will result in less student achievement, but would provide additional resources to spend in other areas. This will allow the district to have a more informed discussion about its strategies and options. The third step is to establish the sources of evidence that will be used to tell if the strategies that the district has chosen to fund are having their intended effect. In the fourth step the strategy is implemented, while the fifth step provides for short-term modification to the strategy as early results, obtained through a pilot or other feedback channels, might suggest is necessary. In step six, the results are reviewed to see if the investment has generated the expected return. The final step, seven, the district will reach out to stakeholders to share results and modifications. This informs the first step of the next cycle, where the district would decide whether to continue funding the strategy or not, based on its past performance.



Benefits

Though Beaverton is still evolving its instructional and financial planning process, it has already experienced encouraging results. First, in 2015, Beaverton School District's students outperformed the entire state in every student group, in both English and math. All student subgroups include Hispanic, students with disabilities, African American, Native American, the economically disadvantaged, and English language learners. This puts Beaverton on the path towards closing its achievement gap.

There are promising signs in graduation rates as well. Data available in early 2015 showed that graduation rates for four-year cohorts had hit an all-time high of just under 80 percent. For the three years prior to this graduation rates have hovered around 77 percent.

On-Going Monitoring of the Plan

Part of the Smarter School Spending Process is to monitor the plan and budget after it has been adopted in order to ensure that the intent behind the plan and budget is realized. To do this, Beaverton has a Multiyear Finance Team consisting of the Deputy Superintendent, CFO, Chief Communications Officer, Administrator for Fiscal Services, and Chief Academic Officer. They meet every Monday



A Case Study in Smarter School Spending

www.smarterschoolspending.org – A service from the Government Finance Officers Association

Finally, the community appears to have recognized what the district is doing. Community satisfaction survey shows that, as of May 2015, 71 percent of the community was satisfied with the quality of education that the district was providing. This is up from 66 percent in November 2013, and is the highest rate of satisfaction since 2005.

morning for 90 minutes. They analyze how the district is progressing and then act accordingly. The group also meets monthly with the Superintendent's Cabinet and with the district's 14 Teaching & Learning Administrators to keep them apprised.

Of course, the hard work of sustaining and building upon these results lies ahead, but it is an encouraging start.

The Lessons Learned by Beaverton School District

In working through Smarter School Spending, Beaverton School District has learned many valuable lessons that can help other school districts improve their own planning and budgeting processes.

Lead with academics (not finance). Because the Best Practices in School Budgeting and Smarter School Spending connote finance in their very names, it is perhaps natural that a conversation about the ideas they advocate would begin with finance. However, the audience that these ideas must appeal to often has very limited interest in financial issues. Proponents must find a way to make the ideas more interesting to this audience. Beaverton used the 7 Key Efforts to ground the new planning process in academics.

Plans are nothing; planning is everything. When General Dwight D. Eisenhower coined this phrase, he meant that the process of planning is what is valuable, not producing a plan document. Similarly, Beaverton did not focus on producing a strategic financial plan or a budget document that matched the guidelines provided by the Best Practices right away. The initial focus was on getting everyone on board with the decision-making process and making sure they saw value in it. The documents could come later, after the process has been cemented.

Make Smarter School Spending your own. Though the Smarter School Spending website provides detailed guidance on how districts can design a planning and budget process, districts also should design their own methods that align with the broader design principles that the Best Practices in School Budgeting offer. Some people respond better to ideas that have been invented "in house," so putting your own spin on the implementation of the Best Practices is encouraged in order to make the methods as useful and attractive as possible to your stakeholders. For example, Beaverton's strategic planning cycle is broadly consistent with the Best Practices in School Budgeting, but is also a distinct interpretation of the ideas within the Best Practice. The result is a system that is uniquely Beaverton's, but also is true to the ideals espoused by the Best Practices. All of this makes for a process that is more sustainable within Beaverton.



A Case Study in Smarter School Spending

www.smarterschoolspending.org – A service from the Government Finance Officers Association

Acknowledgments



Claire Hertz has been Beaverton's Chief Financial Officer since 2008. She has over 25 years of experience in school finance leadership. Claire leads financial planning, budgeting, financial reporting, and capital construction bond issuance for the District. She has held leadership positions in the Association of School Business Officials International.



Carl Mead has served in the Beaverton School District since 1986. Before becoming a Deputy Superintendent in 2010, he was a Regional Administrator, a Principal, Assistant Principal, and a teacher for Beaverton. He taught grades three and six, and also served as an English teacher for eighth and ninth graders.



Dr. Jeff Rose served as Beaverton's superintendent from 2011 until 2016. During his 21 years in education, Jeff has served as a teacher, principal, director of school improvement, and the superintendent in three school districts. He has a proven track record of innovation and an unrelenting focus on student achievement. Jeff led Beaverton through the most difficult financial times in the district's history.



Shayne Kavanagh (author) is the Senior Manager of Research for GFOA. He led the development of GFOA's Best Practices in School Budgeting. He has worked with school districts across the United States to put the GFOA Best Practices into action.

To learn how Smarter School Spending can benefit your students, email Matt Bubness at MBubness@gfoa.org or visit the website at www.smarterschoolspending.org.