

District Perspectives on Engaging Stakeholders in Financial Transparency

Blog 1 – Why Engage Stakeholders in Local Financial Transparency Efforts?

Superintendent Fred Heid of Community Unit School District 300 in Algonquin, Illinois on the importance of communicating the return on investment of successful schools:

Jim Colyott: Mr. Heid, why do you believe it is important for school superintendent staff meetings with their school and community stakeholders regarding the topic of financial transparency?

Superintendent Heid: Well, in a state like Illinois the vast majority of the economic burden is actually passed on to local residents. In states like ours, it's incredibly important to show and be transparent with your finances, with your stakeholders, simply from the standpoint of even those who don't have a touch point in your schools. So when you look at a community that supports the school system through property taxes and other taxes and revenue where the local effort¹ is 60% or more, there are a lot of people within your community who don't have a child at school. And so when they look at their tax bills, they need to have an understanding of what's the ROI [return on investment]. So if I don't have a child directly benefiting from the school setting or the instructional setting, how does my community as a whole benefit? I think that's the ROI that we try and convey to our local stakeholders so that they get a solid sense that we're performing well, that we are maintaining our fiduciary responsibility. We do not have excessive expenditures. And we're able to show them exactly the breakdown of where we spend our dollars and what percentage of their tax dollars go where. I think that the importance is, again, to provide them with background because other than outside of that, they may not have any communication or interest in the local school system. But I think also for those who are within the school system, I think it's an indicator of your health. You know, how you're spending your money, how you make decisions to spend your money, and where that directly impacts staff or students or programs. Services are incredibly important. Especially thinking outside of what's apparent, again, if you're looking at business, local business leaders their only indicator of a school or district's overall health is the graduation rate. And how are those students benefiting or benefiting their organization by means of becoming a good recruitment base for employment. So I

¹ i.e., the percentage of school funding that stems from local taxes.

think from their perspective, they also need to hear not just necessarily where the money's being spent but how we're spending dollars that ultimately will benefit them in their organizations as well.

Blog 2 – How Can School Districts Engage Stakeholders in Financial Transparency?

Superintendent Fred Heid of Community Unit School District 300 in Algonquin, Illinois on strategies on information dissemination:

Jim Colyott: What strategies do you use to encourage the school and community stakeholders to actively participate?

Superintendent Heid: At the school level, we really support the school improvement plan template, and we actively promote that amongst the PTO, PTC, PTA [i.e., parent and family organizations], and we have all three in our school district, as well as other parents who have an interest. So when I talked about school improvement planning, they talk about where they currently are. They talk about where they're headed, and they're talking about the ad [advertising] dollars that will be allocated there to help support those programs at the district level.

I mean, obviously our strategy is to be as transparent as possible. We videotape and publish all of our district school board meetings. And then there are other community groups that we have. For example, we're between groups now because the last cohort just finished. But we have community leadership academy, so we ask for at least two representatives from each building to volunteer. They typically serve a term of two years, and during that two-year time they're given an incredible background on school funding and finance, and they also get to hear about initiatives and provide feedback and ask questions. So that we do face to face, but we also make sure that we send home, as I said before, print materials with summaries of our overall financial status and our stability. And we again provide regular updates to the community and to -- through the board via our board meetings.

Superintendent Fred Heid of Community Unit School District 300 in Algonquin, Illinois on engaging stakeholders beyond current families:

Jim Colyott: Who ideally, would you like to have attend any of these types of different meetings where financial information is shared about the district?

Superintendent Heid: I think if any stakeholder in the district who has a vested interest in how the school district's performing and how they're spending their dollars that's combined with not only our parents, but of other residents who are taxpayers of local businesses, realtors, um, community colleges. There's a lot of interests there, at times not always correct, but there's an argument to be made that where you're spending your dollars is considered to be a priority. Those priorities may or may not

align with your stakeholders and what their interests and needs are. I think that's why we would like, or we always encourage anyone to attend who is directly impacted by the local tax base or by the school system.

Blog 3 – What Can School Districts Do to Visualize Complex Financial Data for Stakeholders?

Superintendent Fred Heid of Community Unit School District 300 in Algonquin, Illinois on data visualization for stakeholders:

Jim Colyott: What strategies do you use for making what can be incredibly complicated information more digestible for the community members that you've targeted in these communications?

Superintendent Heid: If someone were to look at a school board meeting and look at one of Ms. Harkins' [Financial Chief of Staff] formal presentations, it could be 60 slides long, and there's a lot of language in there that's not everyday language, right? There's terminologies and most educators know we have our own language and our own acronyms that most people don't operate with. So I think we have to be careful first and foremost to present the information in a user friendly format, right? That, that terms are well defined and understood. It doesn't get too in the weeds but provides enough insight. There's a fine balance right between providing too much information or too little information. So we have to walk that fine balance there to make sure that we're completely defining something. So someone has an operating -- operational understanding of it to the point where they can actually understand what's being presented to them. But we also use a lot of graphics, a lot of visuals to show comparative analyses in different areas. And we find that that's by and large more successful. I mean school finance in any stage is complicated here, more so when you start talking about [local effort] and it just, you can very easily get lost in the topic of Illinois funding and school finance and funding. We do make a concerted effort to make sure that our data is user friendly, yet thorough. And then we are always responsive to questions that might come in as it relates to somebody who might want a deeper dive.