

Community Finance Committee  
**Agenda for 2007 Work and Beyond**  
Recommendations to the Board of Education April 2, 2007

**Background**

- ◆ CFC appointed in 2004 to evaluate revenue options, assess expenditure patterns relative to peer districts, and recommend education finance communications plan
- ◆ CFC recharged in 2006 to make financial structure recommendations, particularly with respect to a referendum to raise the limiting rate, make spend management recommendations, and help execute the education finance communications program
- ◆ CFC reaffirmed in 2007 to continue to provide analyses and recommendations to the Board on education finance issues

**Purpose for Tonight**

- ◆ Recommend an outline for the next 2-3 years
- ◆ Recommend first year priorities
- ◆ Get Board feedback and direction

**Long-Range Themes**

- ◆ Independent financial analysis and review
  - External resource available to the Board, Superintendent, and Business Manager
  - Financial analysis, presentation, and execution “best practices”
- ◆ Spend management analysis and practices
- ◆ Revenue enhancement opportunities
- ◆ Community communications
- ◆ Additional analysis projects to support the Business Manager

**Projects for 2007**

***Spend Management***

- ◆ Assist with RFP development and supplier review this year
- ◆ Develop three-year plan for bidding out professional services
- ◆ Review return on investment for fund balance
- ◆ Update expense analysis: review and categorize 2005-06 expenses and revenue offsets

***Revenue Enhancement***

- ◆ Document Financial Structure brainstorming sessions, summer, 2006
- ◆ Assess and prioritize high-potential ideas

***Education Finance Communications***

- ◆ Continue developing web-based Education Finance Fact Book chapters
- ◆ Develop one or two themes, such as Special Education or Educational Ends
- ◆ Help refresh next year’s State of the District content and “personal touch” delivery
  - Consider “2<sup>nd</sup> Cup of Coffee” administrator sessions
- ◆ Identify key financial metrics to be benchmarked as part of a “scorecard”

### **Additional Projects (post-2007)**

#### ***Revenue and Expense Alternatives***

- ◆ Recommend process to systematically evaluate benefits of spending and insurance cooperatives
- ◆ Assess student fee calculation process
- ◆ Assess financial implications of curriculum reviews: costs, methods, and frequency relative to benefits
- ◆ Examine opportunities to enhance the grant-seeking process
- ◆ Explore distance learning benefits, costs, and trends

#### ***Business and Financial Management***

- ◆ Advise on methods to systematically track budget cuts
- ◆ Suggest approaches to improve forecasting and analysis
- ◆ Provide independent review and analysis of the annual budget
- ◆ Assess and recommend how to develop a Financial Reporting database
- ◆ Assess and recommend a consistent method of calculating FTE labor costs, and tracking/reporting these numbers.
- ◆ Consider benefits of an “Activity-Based Costing” pilot

#### ***Communications***

- ◆ Revise and update existing Fact Book chapters
  - Cross-district comparisons
  - More recent data
- ◆ Support periodic community surveys:
  - Public understanding of District 64’s financial situation
  - Post-referendum accountability
  - General satisfaction with District performance

#### **Suggested Next Steps**

- ◆ Working session first week of April to plan Spend Management approach
- ◆ Create a CFC “work plan” to guide recruiting and committee structure
- ◆ Recruit community members to carry out the work plan