

Finding Solutions for Funding Issues

When resources are limited, how those resources are used can make all the difference.

By Daniel G. Dowell



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Despite decades of decisions—and indecision—in the legislature and courts concerning the inequity and inadequacy of school funding, education leaders nationwide continue to face hard choices about resources for schools at the local level.

School budgets dominated by spending that's already allocated also leave district leaders fewer resources to quicken the pace of positive change. If school funding remains limited, districts must strategize to help schools benefit more from how those funds are spent.

Lack of equity in funding is leading to imbalances, including issues with teacher pay and insufficient capital for meeting the physical health and technological needs of a productive learning environment.

Unequal funding—due in large part to the continuing reliance of school budgets on local taxes—is the subject of legislative and legal fights nationwide, while local district leaders look for tools to address funding issues and achieve better equity for students.

Choosing to Close Schools

Connellsville Area School District in Pennsylvania is home to

six townships, six boroughs, and one city and serves 4,300 students across 250 square miles. District-wide, 70% of the students receive free or reduced-price lunch in a rural area where the local tax base is largely residential.

In Pennsylvania, 56.3% of education funding is local (compared with 45.3% for the United States as a whole). The debt margin for Connellsville is fully consumed, and the taxpayer burden on Connellsville area homeowners cannot be increased to meet needs.

A three-year strategic financial recovery plan is in place to address

declining enrollment, reduced state and federal funding, and other issues. To provide quality education across the district, the plan involves an unpopular decision: closing schools.

Although fiscal responsibility is central to the plan, quality in education remains the priority. District leaders needed a way to ensure that students and families affected by the closing schools were going to benefit. Equity in education for those students depended on the quality of school facilities and up-to-date technology. Yet, Connellsville had no extra operational budget or debt service available to meet those key needs.

How could that transition provide a better environment for all students without the discretionary funds to make needed changes?

When resources are limited, how those resources are used can make all the difference. For schools, that means a hard look at how spending best benefits students. Increasingly, the framework that school boards and district leaders are adopting to inform this analysis is a businesslike approach.

Funding a Turnaround Plan

Many believe that school boards and superintendents should focus beyond the business of budgets and bonds. However, by changing the way a district's dollars benefit schools, educators can win back time from tackling budget issues while improving the real bottom line: student achievement.

The strategy is to retain value in the learning environment so that value can be redirected to create benefits for the school.

District leadership didn't want to close schools, but key goals—such as improving test scores and increasing student access to technology—were taking a back seat to fund balances and bond statuses.

Town hall meetings were held to discuss closures and to hear community concerns. Educators stressed that the turnaround plan was an opportunity to address issues of equity in education, such as ensuring that students received the same quality math curriculum at each elementary school.

Connellsville leadership also examined maintenance records, reactive spending practices, and the information technology budgets of each school and determined that the infrastructure was consuming too much of the district's budget. Utility costs were eating up the budget, and that capital was needed for improvements elsewhere.

Leaders needed to change how resources were spent to better benefit students. The district determined that Connellsville would lose half of its elementary schools.

A Tale of the Right Tools

As part of their district-wide financial recovery plan, district leaders needed to improve the four remaining elementary schools. They met with a facility solutions provider to help them understand how school facilities can be a revenue center, not a cost center.

Step one for Connellsville was to develop a plan for upgrading facilities that would improve conditions for students and faculty while reducing operating costs. Step two was to find the financial solution that made those changes possible.

With a fully consumed debt margin and no ability to increase taxpayer burden, district leaders needed to assure parents that the changes would benefit their kids by improving the remaining schools for all students.

Consensus on a Solution

Over a 15-year period, Connellsville schools will save \$26.4 million in energy and operating costs. To an

educator, energy can't be the whole story. District leadership insisted that the Connellsville project go beyond upgrading school infrastructure and help accelerate a technology plan for all of the students.

In addition to energy and water conservation measures, several other changes helped the project meet Connellsville's goal of Wi-Fi in every school and a Chromebook for every student:

- LED lighting was upgraded.
- New heating and cooling equipment was installed or old units were rejuvenated.
- Windows, ducts, and roofs were improved.
- Smart building controls were installed.

Connellsville facilities didn't need every heating and air-conditioning unit replaced. Some units merely needed repair and improved maintenance, which reduced capital demands and increased financial performance.

By improving schools across the district and investing in a technology plan for students, the Connellsville community had a way forward. Closing schools involved change, but those changes led to improvements for all students: better facilities and better access to technology—adding up to better opportunities for every Connellsville student.

By consuming resources differently, school leaders can better ensure equity in education by using funds that are already spoken for to improve the educational environment for all students.

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