



# FY23 School Budget Development Process

## Using the Strategic CFO Guide

Select Components of Strategic CFO Core Functions	Strategic CFO Practice	FY23 Pain Points	Imperatives for Approaching FY23 School Budget Development
4.1 Annual School Budgeting: Strengthen School Support	<p>The district has outlined a set of school design practices that align with system-wide strategic priorities — for example, a model for teacher collaboration time that schools could use to address a goal around improved instructional practice.</p> <p>The school budget process is intentionally designed to help school leaders implement school design practices. For example, principals use a scheduling and staffing template that enables them to design what the district’s recommended form of teacher collaboration time looks like in their school.</p> <p>Central office departments — including HR, budget, academics, and school support — provide coordinated feedback to help principals achieve district priorities through common budget review meetings, common feedback forms, or designated coordinator staff. Principal supervisors are able to build on this feedback in their own work with principals.</p>	<p>In order to best support their schools, districts must have a vision for what they want their schools to look like, and what student and teacher experience they’re designing toward, after ESSER expire.</p> <p>However, demands of the pandemic and addressing learning and social-emotional needs of schools means that district and school leaders have had varying degrees of capacity to identify/ align on system-wide strategic priorities.</p>	<p><b>1. Get clear – and communicate about – the resources you plan to deploy centrally in support of your district’s “big bets”, with a focus on equity.</b></p> <p><u>Consider:</u></p> <p>Has my district outlined specific school design practices that align to the strategic plan?</p> <p>Is the budget process organized to encourage principals to implement these school design strategies?</p> <p>Do principals receive consolidated budget feedback from all relevant departments?</p>
4.2 Annual School Budgeting: Clarify Flexibilities	<p>The district has created clear guidelines for principals, including which resource decisions are “tight” vs. “loose” — and how these may vary based on school leaders’ needs or school performance.</p>	<p>Principals may feel overwhelmed by the investment options that they face, particularly if they are already facing a higher number of vacancies or turnover at their school this year. Capacity constraints may make it more difficult for school leaders to plan without clear</p>	<p><b>6. Create a streamlined budget form that brings together all funding sources (including ESSER) that explicitly connects to design choices related to the “big bets” and associated investment/ reallocation needed.</b></p> <p><u>Consider:</u></p>



	<p>The finance team works with other departments to resolve any policy or process barriers that hinder full, meaningful exercise of principal flexibility.</p>	<p>guidance from finance and other central departments.</p>	<p>Has my district articulated clear guidance for principal flexibility?</p> <p>How are these flexibilities clearly communicated with school leaders? How many principals last year exercised a given flexibility (i.e. position conversion)?</p> <p>In what ways has my district aligned policies with the theory of action for principal flexibility?</p>
<p>4.3 Annual School Budgeting: Integrate Decision-Making Inputs</p>	<p>The school planning process integrates all of the resources available to schools. Any centrally-controlled resources that will play out in schools — such as a centrally-based itinerant coach or therapist — are clearly communicated so school leaders can make informed decisions.</p> <p>Decision-making tools:</p> <ul style="list-style-type: none"> <li>• Integrate inputs across departments. For example, combining generally-funded positions and Title-funded positions.</li> <li>• Accurately reflect the district’s enrollment and revenue projections.</li> <li>• Benchmark any data against best practices or district expectations.</li> <li>• Help principals tie resource allocation decisions to school goals and needs.</li> </ul>	<p>Given the injection of ESSER funding (and other state funds in some cases), districts have more revenue sources to integrate across departments this year.</p> <p>In addition, many schools are facing declining enrollment. Districts therefore have to “right-size” to lower enrollment levels in a way that does not create fiscal cliffs for schools, particularly those with higher needs.</p> <p>Schools and districts are facing a key resource shortage, given the current labor market and hiring environment. This makes it difficult to allocate resources. Schools may know what they want to do and how they’d like to allocate positions, but have trouble filling those positions.</p>	<p><b>3. Have a clear plan for staffing down schools that experienced an enrollment decline or have a significant number of students in virtual models and communicate that plan to school leaders, making steps toward sustainability.</b></p> <p><b>4. Provide schools with guidance/visibility around multiyear trajectory.</b></p> <p><b>6. Create a streamlined budget form that brings together all funding sources (including ESSER) that explicitly connects to design choices related to the “big bets” and associated investment/ reallocation needed.</b></p> <p><u>Consider:</u></p> <p>Does my district provide principals with integrated data on student performance and school resource use — such as staffing, scheduling, and student grouping — to inform strategic resource allocation? Do principals receive consolidated information on all staff and funds that will play out in their next school year — including grant funds and any centrally-located funds or positions?</p>



			<p>Do school budgeting tools inform strategic decision-making? (For example, benchmarks against best practice or prompts to tie decisions to the strategic plan)</p>
<p>4.4 Annual School Budgeting: Coordinate Timelines</p>	<p>Budgeting, staffing, and scheduling conversations are cohesive so principals can continually adjust across all three areas as they develop their school designs.</p> <p>Budgeting starts as early as possible (after strategic planning and financial forecasting are complete) to enable sufficient time for district feedback and a more competitive teacher hiring timeline.</p>	<p>Schools are facing many staffing shortages and uncertainty. Budget processes must be able to adapt and evolve as more pain points reveal themselves, enrollment trends become more evident, and staffing levels start to solidify.</p> <p>Instead of one clear timeline, districts might be better served by multiple review cycles that allow for inputs from budgeting, staffing, and scheduling to inform decisions in other areas.</p>	<p><b>2. Have a clear plan for retaining talent while addressing vacancies and continuing hiring.</b></p> <p><b>5. Deliberately plan for navigating – and communicating about – uncertainty.</b></p> <p><u>Consider:</u> Is the school planning process integrated from needs assessment, priority setting, and strategy development to resource allocation via budgeting, staffing, and scheduling?</p> <p>When do principals confirm their final budget? Is this early enough to start hiring staff on competitive timelines relative to local and national peer districts?</p> <p>Do we need to provide principals moment(s) to adjust their budgets after “normal” timelines as more information becomes available through the year?</p>