



Rockwood School District Guiding Change FY12 Budget Process Project Summary

Research

History of Budget Cuts:

- Rockwood has cut more than \$22 million from its budget in the last five years with a focus to keep the impact away from the classroom by reducing departments and supporting programs.
- This strategy has left departments, programs and services stretched. Rockwood administrators forecasted that upcoming budget cuts would have a greater impact on the classroom and students.

Audiences/Main Stakeholders:

- Board of Education: Board members shared the need for a data-driven, decision-making model that they could trust, support and defend.
- Staff members: Employees had much at stake in relation to potential job losses and salary freezes.
- Parents: Parents showed a high level of concern for education and maintaining the quality of schools.
- Patrons: While demographics indicate many residents do not have children in Rockwood schools, their home values and local property taxes are impacted by the quality of the district.

Survey Data:

- To determine the stakeholder opinion and support of more budget cuts, a tax increase referendum and spending from fund balances, an independent consultant was hired to conduct a scientific telephone survey of 500 registered voter households.
- Respondents were asked a series of questions that involved different options for dealing with the budget shortfall, including the possibility of a tax referendum to increase revenue instead of making additional cuts.
- When asked their level of support for a tax referendum, 44.2 percent of the respondents answered that they would “strongly favor,” “favor” or “lean” toward favoring the proposal. In contrast, 51 percent said they would not support a tax referendum.
- Because the survey data indicated a lack of support for a tax referendum, the district proceeded with the creation of budget options based on stakeholder input that would allow the district to trim nearly \$7 million from its budget.

Planning/Analysis

- **Desired Outcome:** A balanced budget for FY12 that is consistent with Board policy and developed after soliciting stakeholder input - both qualitative and quantitative and representative of the district’s demographics.
Objective 1: Engage district stakeholders in the budget planning process through the solicitation of input.
Objective 2: Develop options for the Board of Education’s deliberation that address the budget shortfall in a strategic, transparent way.

Implementation/Communication

- **Timeline:** This process was implemented during a four month period from August to December 2010.
- **Community Town Hall meetings:** Three community meetings were held to reach parents and patrons. The Design Team presented information regarding the financial state and allowed attendees to make comments and ask questions about the budget. At the conclusion of the meetings, attendees were asked to provide their input by completing a stakeholder input form.
- **School meetings:** Communications provided a “meeting in a box” to principals and department managers and trained them to hold budget meetings with their staff members. Staff members were invited to share their feedback by completing a stakeholder input form.
- **Budget Task Force:** Thirteen key opinion leaders in the community served on a budget task force. These parents, staff members and patrons were asked to attend the community Town Hall meetings as well as three separate meetings with the Design Team. Following the collection of the input, the Design Team worked with the budget task force to review the comments and identify the most frequently suggested budget options.
- **Websites:** Dedicated Guiding Change Websites were created to communicate pertinent budget information with the public (www.rockwood.k12.mo.us/guidingchange) and Rockwood staff members (<http://insider.rockwood.k12.mo.us/guidingchange>). These sites included the following features:
 - An overview of the Guiding Change process and timeline
 - Handouts explaining the district’s revenue, expenditures, cost savings actions, fund balance history, tax rate history and fingertip financial facts
 - A calendar of stakeholder meeting dates with access to download meeting handouts
 - Videos explaining the complexity of school district finances including an overview of the budget process, clarification on where Rockwood receives its revenue and an update on how decisions would be made
 - Contact information to get answers to specific budget questions
 - Link to the online survey
 - Verbatim summaries organized by the online survey data, telephone survey data, community Town Hall meeting data and staff input meeting data
 - Proposed options for cost reductions, spending out of district fund balances and revenue generation
 - Board of Education’s final direction
- **Parent communication:** Tactics included district and school newsletters, electronic newsletters, Facebook, Twitter, principal blogs, AlertNow parent notification emails and a print advertisement promoting the Town Hall meetings.
- **Media:** Communications leveraged relationships with media contacts to obtain coverage of the budget planning process in local print and online newspapers.
- **Superintendent messages:** The Superintendent sent weekly budget emails to staff members to explain components of the process, and answer questions before they snowballed into rumors and misinformation.

Evaluation

Overall, this process successfully engaged district stakeholders as more than 200 individuals attended the Guiding Change community Town Hall meetings and more than 4,000 stakeholder input forms were collected. In addition, the Guiding Change website was visited by more than 3,500 visitors and received more than 37,000 page views. With regard to developing options for the Board of Education’s deliberation, the Design Team was able to use stakeholder input to create a list of 44 options that included combinations of cost reductions, spending from district fund balances and revenue generation. The list was presented to the Board of Education and the Board ultimately provided direction on 35 cost reductions totaling \$5,342,660. In addition, the Board provided direction on three options to generate \$440,000 in revenue and also decided to spend \$2,092,930 from fund balances.

Through this process, the district was able to achieve its goal of developing options based on stakeholder input that addressed the \$6.8 million budget shortfall.

Stakeholder feedback regarding the Guiding Change FY12 Budget Process was positive. Anecdotal comments included:

- *The cuts are consistent with the feedback*
- *No surprises here*
- *Looks like the district listened*

When the budget options were presented to the Board of Education, there were no patron comments about the options list. This is a common way for stakeholders to express their disapproval of district plans and initiatives. Additionally, there were no negative comments submitted to the district's "askthesupt" email account. This account is regularly used by stakeholders and staff to voice concerns and complaints.

While budget cuts are a sensitive topic, parents, patrons and staff members agreed that they appreciated the opportunity to share their input during the FY12 budget process. Because of the success with FY12, Rockwood is using this same format to address the projected \$8 - \$16 million budget shortfall for FY13.