



# Where Excellence Is Tradition

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## **Key Habits of Fiscally Responsible School Districts**

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The recent news of the various pension reform proposals being presented in Springfield reminds me of the importance of fiscal stability within a public sector organization. Just what are the fiscal practices and actions of a public-funded institution that result in balanced budgets and solvent position, despite the challenging fiscal climate? When confronting a revenue shortfall or sudden increases in expenses, how do some public sector organizations experience duress and "meltdown" while others are buoyant and able to navigate through the financial challenges?

As the new superintendent, it's clear to me that Glenbard District 87, along with its feeder districts, have enacted key fiscally responsible habits to ensure a position of stability. These "habits of fiscally responsible public school districts" include:

**Habit 1: Minimize Administrative Costs:** The first hallmark of fiscal responsibility starts with the central office functions. District offices clearly are doing more with less staff by leveraging technology and streamlining processes; in other words, increasing operating efficiencies and optimizing resources wherever possible.

**Habit 2: Drive Cost Savings from Outsourcing Non-Instructional Services:** Glenbard and its feeder districts run a broad range of necessary non-instructional services, such as janitorial, food service, security services and transportation. These services have been competitively bid and operate effectively and efficiently, providing more dollars to classroom instruction.

**Habit 3: Financial Reviews/ Financial Projections – Due Diligence:** Each month, District 87 reviews financial performance in committee. Variances are reviewed and explained. The district also prepares five-year financial projections to ensure that the future financial outlook is favorable. If deficits are projected, actions are taken early to reduce costs, as necessary, to ensure that this situation does not occur.

**Habit 4: Structure and Manage Capital Costs Effectively:** The buildings within Glenbard District 87 are safe, functional and provide value to the programming provided to our students and families. District 87 prioritizes capital renovation projects annually, within an established budget target. Our recently completed Master Facility Plan indicates that significant capital investment is required. We continue to evaluate project priorities and funding options.

**Habit 5: Enacting an Energy Management Program:** Each school district implements key energy cost saving strategies, which includes using energy management systems, staff focus and locking in favorable energy rates.

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**Habit 6 - Leverage Community Partnerships:** Each district has numerous intergovernmental agreements that leverage the use of key facilities and venues and provide measurable cost savings. These include gyms, pools, athletic fields and performance venues. This sharing allows for optimal use of the venues and increases programming.

Yes, good stewardship and fiscal stability within any organization takes careful planning, focus and the discipline to follow key habits and practices. I am impressed with Glenbard districts and their commitment to fiscal solvency by following these key habits.

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