

## Seattle School Board [Draft Financial Policy](#) Info Session, November 2, 2023 - FAQ

*SCPTSA has collated the following FAQ in order to ensure that this information is widely accessible to the community. The responses represented in this document are solely those of Seattle School Board Vice President Liza Rankin and School Board Director Chandra Hampson, the co-sponsors of this draft policy.*

### **1. What is the role of the school board? And how is that different from the role of the Superintendent when it comes to District finance?**

The job of school boards is to represent the vision and values of the community. Their job is to constantly be listening for the community's vision of what they want students to know and be able to do, adopting goals that describe what the community expects to see out of their school system, and then monitoring progress toward those goals, constantly trying to figure out, 'Are we actually producing the community's vision for our children?' Nobody else in the organization has that role of saying, 'What is the community's vision and how are we making sure that it is happening?'

Under State law, school boards are responsible for approving a balanced budget for the school district every year. This is one of the [four State-mandated duties of school boards](#). (The others are: to hire and evaluate the Superintendent; to adopt, revise and approve policy; and to serve as community representatives.)

Here is how it works in practice: The school board is elected by the community, and its job is to set priorities for the school district based on the vision and values of the community. It does this by directing the Superintendent to develop a budget for the following year that is based on that vision and promotes those values. The Superintendent and District staff use this direction to develop a budget, which they then bring to the school board for approval. That budget is then submitted to the State, as required by law.

A budget is simply a plan for spending the resources that the District has, so spending might not always track the budget exactly if significant changes happen during the year (a good example is the Covid-19 emergency of 2020). The school board has the opportunity to monitor and approve spending during the year. The school board also has ongoing opportunities to understand how spending and resources might be changing during the year during [budget Work Sessions](#), which are broadcast to the public via [SPS-TV](#).

A key responsibility of the school board is to monitor the District's progress toward its goals by checking that District spending is aligned to those goals. It does so by reviewing progress data provided by the Superintendent at progress monitoring sessions at [school board meetings](#).

### **2. Does this financial policy replace an existing policy?**

Policy is the tool that the school board uses to provide direction to the Superintendent about what outcomes the community expects for its children from the District; it is the Superintendent's job to implement that policy direction in managing the District. School board policies are collected in a Board Policy Manual, which is being reviewed right now by a committee of the school board ([the Ad Hoc Policy Manual Review Committee](#).) This review is necessary because there are a lot of old policies that have never been updated and some of them even conflict with each other. Going forward, all policies will need to be reviewed at least every four years, with some needing even more frequent review.

This policy would not replace an existing policy. There are already school board policies that relate to District financial operations, but they are mostly old, are not always consistent with one another, and are often either too specific or too general to be useful in making sure that spending aligns to the community's vision for public education. They are also not compliant with the model school board policies of the [WA State School Directors' Association](#) (WSSDA, a State agency), which set out best practice for school boards so that they can provide useful guidance for Superintendents in operating their school districts.

This policy would clear up some of the confusion created by existing policies and give community priorities for students a place at the center of financial decision-making. It would provide "guardrails" - that is, it would tell the Superintendent what values to prioritize and what approaches to avoid in financial reporting, planning and implementation. The Superintendent and the District's Chief Financial Officer will be able to use these directions to develop operational processes in the area of financial management and planning that serve the community's vision for the education of children. Because community values can change over time, this policy would also be reviewed every year to make sure that the direction it gives to the Superintendent in relation to financial matters really does reflect the community's current values.

This would be different from what happens now. Currently, there is no requirement for the Superintendent to take the community's vision and values into account when creating the budget or managing the District's finances. As a result, District budgets and financial operations usually comply with all relevant laws, but may not prioritize (or may actually conflict with) lawful things that the community clearly values. In the past, the only time that the school board had a chance to point these things out was right at the time that they needed to approve the final version of the District budget. This policy would put that process back at the start, so that the Superintendent and staff would be directed to develop a budget that not only complies with the law but also aligns with our community's priorities for education. That way, the school board can be proactive in giving direction to the Superintendent and District staff, rather than just reacting to decisions that have already been made without community input.

### **3. How would this policy help SPS to advocate for more State funding?**

This policy will help to ensure that the District's finances are being managed as efficiently and as effectively as possible to support positive student outcomes, in the most transparent way

possible. Right now, when advocates go to State legislators to advocate for more education funding, it's difficult to show that the District is legitimately short of funding and not just making poor decisions with the funding it has. This policy would support advocacy for greater State funding by showing that SPS is prioritizing effective, student-centered financial decision-making with existing resources, and by providing clear information to the public and to lawmakers about the way the District is using its resources.

#### **4. A deeper dive into specific provisions in the Draft Financial Policy**

**From the preamble: “Financial planning or budgeting for any fiscal year, or part thereof, shall be derived from a minimum four-year plan in full compliance with state law and shall not risk fiscal jeopardy or deviate materially from the Board's goals and resulting District strategic plan.”**

This provision is important because while the District knows what resources are available for the coming year, it can also make a good guess about what will be available for the coming four years. With this information, the District should not be thinking just about this year, but about the future, and making sure that decisions that are made for the current year won't have a negative impact on students and the stability of the District in the future.

**Section (6): “The superintendent shall not cause or allow Seattle public schools to utilize or agree to funding models and staffing ratios that 1) center adult over student need, 2) are not flexible enough to ensure alignment with established goals related to ensuring student outcomes, and 3) are inconsistent with the Board's policies and statement of values including the Board's goals and resulting District strategic plan.”**

This section would require the Superintendent and District staff to make sure that the mechanisms that are used to allocate resources to each school in the District are aligned to the needs of buildings and students. The mechanism that is currently used is the [Weighted Staffing Standards formula \(WSS\)](#), which was not primarily developed to meet the needs of schools and students, but rather to comply with the District's legal and accounting obligations. This section would require the Superintendent and staff to develop a mechanism for allocating resources to schools that isn't based solely on legal compliance but also aligns with community's goals for the education of children. For example, equity in education is something the community in Seattle values, but it is not meaningfully included in the current WSS allocation model, even though this could be done without putting the District in any legal danger.

*Example 1: October staffing adjustments.* This was an example of a compliance-driven decision, rather than a values-driven decision - a decision that was made to align spreadsheets as the easiest way to comply with a law, but with little acknowledgement of the real disruption and negative educational consequences that adjustment would have for actual students and staff on the ground. If this policy had been in place, that decision-making process would have been required to start with an awareness of community values such as centering student need, and stability for students and school-based staff. Then District staff would have had clear direction

from the school board that they should work to find a solution that prioritized student need and stability in school operations (and any other relevant community values and priorities), if any such solution was possible.

*Example 2: Inclusion of students with disabilities.* This policy would support the implementation of fully inclusive education for all students, including students with disabilities, by directing the Superintendent to create mechanisms for making sure District spending is aligned with student needs. It would require the Superintendent to make student needs the starting point for designing the process for getting resources to individual schools, which is not how the current process was designed.

**Section (9): “The Superintendent shall not cause or allow SPS to fail to disclose any legally allowed budget options which mitigate financial risk and or promise substantive fiscal improvements, and the district’s ability to serve students.”**

As things stand now, the school board and Superintendent often have conversations about specific issues that don’t include any information or discussion about their budget impacts. These issues include things like student transportation services and school bell times, student assignment to schools, attendance area boundaries, and school choice. This is a problem because the District doesn’t have infinite resources, so thoughtful choices need to be made about what gets prioritized. This section would make sure that whenever major changes to programming or services are needed, the school board has all of the necessary information about the financial impacts of each choice. That way, the school board can make sure that the use of limited resources is aligned with both the law *and* with community values for public education.

**Section (10): “The superintendent shall not cause or allow Seattle public schools to fail to propose and negotiate pay scales aligned with multi-year fiscal capacity so as to ensure equitable pay and benefits for all labor partners and other staff and mitigate the risk of compensation concentration in any class or sub-class of labor class.”**

Seattle Public Schools has 13 separate labor partners, each of which has its own [collective bargaining agreement \(CBA\)](#) with the District, and also has non-represented (non-union) staff and contracts. While the District is funded for one year at a time, each of those CBAs and contracts span multiple years, and each has a different time at which it needs to be reviewed and re-signed. This section would direct the Superintendent to take into account the interests of and obligations to all of those labor partners whenever the District renegotiates its agreement with any one labor partner. It would also direct the Superintendent to take care not to commit funds in one year that would limit the District’s ability to provide competitive and equitable compensation to all bargaining units in future budget years.

**Section (12): “The Superintendent shall not cause or allow SPS to fail to delineate in budget the fiscal mechanisms and data the District uses ensure ASBs, ASB Executive Committee, Boosters, PTAs, PTOs, funders and building leaders are supported with**

**pathways and processes that ensure equitable access, within and among buildings, to any and all curricular, extracurricular, athletic, social, equipment, materials and opportunities generated through the use of Seattle Public Schools resources, with the express goal of equalizing access while retaining relationships with diverse contributors.”**

This section would direct the Superintendent to ensure that the community value of *equity* is implemented in any budgeting or financial management of the District. The section does not tell the Superintendent how to go about doing that, just that it is an outcome that the community wants to result from whatever process he chooses to implement. Specifically, this section says that the Superintendent can continue to invite additional funding from various community sources, but that at the same time, he needs to ensure that doing so doesn't create inequities for schools or for students in terms of access to the services or opportunities that that additional funding makes possible. The Superintendent would also need to make sure that funding from various sources is being spent on things that are aligned with the community's priorities, which would in turn require that all funding coming into the District is carefully and clearly tracked and reported (which is not currently the case).