



CEAM Financial Transparency Project

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Summary: School leaders and decision makers rely on accurate data to plan for the future. A critical area of school management is financial oversight and spending, but often financial numbers end up being just numbers without context. Financial metrics need to be correlated to educational outcomes in a way that gives educators greater insight into the operation and management of their schools.

CEAM is launching an initiative to help identify tools and processes that will give schools and districts better insight into the finances of their schools. Identifying *how* they are spending money and connecting the spending to student performance provides a new point of reference for understanding and improving operations. Financial metrics will give principals, administrators and school boards additional decision support tools that can help them better meet their educational goals and provide a more nuanced understanding of where money is being spent on education.

Industry-Standard Metrics in the Private Sector: Industry-standard metrics are important tools for businesses and organizations in *any* given sector. Retailers track and compare inventory turnover and sales per square foot, restaurants food and labor costs. As technology and understanding evolve, increasingly sophisticated data capture allows organizations to correlate labor costs, production cycles, advertising and a whole range of other expenses. The metrics provide reference points, ways for business operators to better understand and improve their businesses.

Financial Metrics in Education: All schools and districts track grades and test scores. All schools and districts report spending per student. Schools must also track payroll and facilities costs. However, historically student performance data and financial data have been tracked in separate, non-integrated data systems. This lack of integration greatly complicates the task of pulling together data to present a meaningful *and accurate* picture to school leaders, district boards and state decision makers.

Over the last several years, educators have been working to address this gap. Organizations such as the Data Quality Campaign, Education Resource Strategies and the Teacher-Student Data Link project have been working on consistent data quality and capture and the use of data for educational decision support. Collectively, these different projects and initiatives hold the promise of a new generation of decision support tools for use by educators. Uniform financials metrics will become valuable data points for helping administrators better understand the operations of their districts and provide an “apples to apples” scenario by which they can compare their school or district to different schools and school districts. Uniform financial metrics will make it easier to identify what successful schools and districts do and identify ways that less successful districts can improve operations and focus more of their resources where it matters most. Extending the movement towards greater transparency to include uniform financial metrics will give us a more complete understanding of what it takes to successfully educate our children.

The CEAM Financial Transparency Project: CEAM has begun working with the existing initiatives to understand their methodologies and processes. CEAM’s goal is to engage Missouri educators and administrators in a dialogue about data and its uses and identify a small number of schools and districts that will participate in a data collection and analysis pilot. CEAM will work with the school’s technology departments to understand existing data systems, use the data assessment tools to identify gaps and opportunities for enhanced data capture and map the school’s data capture to the universal standard. At the same time CEAM will be working with administrators and educators to better understand their decision support needs, including the information they must capture and report. Ideally the project will identify opportunities for better analytics that will improve educational outcomes for our children.