



Awards for Excellence in Government Finance

2009 APPLICATION

This application form must be completed and returned along with your entry in electronic form by **January 31, 2009**, to awardsforexcellence@gfoa.org. If any supplemental supporting materials are not in electronic form, please send five (5) copies along with a copy of this application to GFOA, Awards for Excellence Program, 203 North LaSalle Street, Suite 2700, Chicago, IL, 60601.

Title of Entry: _____

Category (Select only one):

Subcategory (Select only one):

- Accounting, Auditing, and Financial Reporting
 - Budgeting and Financial Planning
 - Cash Management and Investing
 - Capital Financing and Debt Administration
 - Economic Development
 - E-Government and Technology
 - Management and Service Delivery
 - Pensions and Benefits
- Policies and Procedures
 - Management and Policy Studies
 - Communications and Reporting
 - Training and Technical Guides
 - Other

Name of government submitting entry: _____

Population served: _____ % Number of employees: _____ %

Name of person submitting entry: _____

Title of person submitting entry: _____

Mailing address: _____

Telephone: _____

E-mail address: _____

If the person submitting the entry is not an active member of GFOA, an active member must sponsor the entry. If applicable, provide sponsor information below.

Name of sponsor: _____

Title: _____

Government: _____ Telephone: _____

Mailing address: _____

Please provide simple and direct answers to each of the questions below. If necessary, use additional pages.

A. Local Significance and Value (Background)

1. Please give a brief general description of the project or program being submitted.

The proposed project entails utilizing a community engagement tool/process to create learning around the financial and economic issues relevant to today's voters. The tool, *Financing Our Future* is a mapping exercise meant for small group discussion and "exploration." In this case, the exploration entails a small group spending nearly 90 minutes discovering and contributing to a search for information and knowledge not previously understood. The goal of the project is to:

1. Determine the tool's ability to "work" in Urban, Suburban and Rural settings. Is the tool effective in creating alignment and understanding of today's school stakeholders?
2. Will the methodology be acceptable to the public at large?
3. What challenges will there be in utilizing the tool on a broader larger scale basis.
4. What resources will be needed to make the effort successful?

Three districts each representing an Urban, Suburban and Rural setting are utilized. The districts were: Urban – Toledo City School District, Suburban – Westerville City Schools, and Rural – North Union Local Schools. The Financing Our Future map was utilized during the fall with both internal groups (staff) and the community. A common facilitator (this author) was utilized in all three districts to train facilitators to do multiple table meetings.

2. Describe the local events and/or problems that led to the undertaking of this project/program.

School leaders are faced with many issues that are the result of misalignment and misunderstandings within their community. An area of critical importance to all stakeholders is public school finance –how our schools are funded, who pays, how much, and how is what we pay determined, as well as where does all that money go? Over the years what was once a simple basic-aid funding formula of having both the state and the local community share in the cost to educate a child, has now become a polynomial equation that has resulted in confusion amongst all educational stakeholders. The lack of understanding by the community and the inability of educational leaders to properly create an understanding of school funding results in a gap or divide between those that lead the schools and those that the schools are ultimately dependent upon to help remedy school district financial shortfalls – the voters.

3. Describe the role the finance office/finance officers played in this project/program.

The Financing Our Future tool utilized was co-developed by Daniel M. Romano III, Treasurer and CFO of Toledo City Schools. Co-development included co-creating a learning flow, data gathering, extracting data and information from the District's CAFR, research in

Ohio Public School Finance, collaboration with artists and graphic artists, collaboration with writers to co-script dialogue questions.

Romano also designed community rollout sessions and trained facilitators to be coach's at the community forums.

4. How much time did each participant devote to this program/project? Were outside consultants engaged?

Time utilized and devoted to this project was primarily outside of the administrative working day. Romano collaborated with artists and writers to co-design, develop, and test the tool.

Romano also coordinated activities with two other school district Treasurers, one in each of a suburban and rural school district to ensure applicability across all district types.

B. Technical Significance

1. What financial concepts, standards, or techniques are displayed or advanced by this entry? Why is this important to the public finance profession?

There are three main concepts of importance to the public finance professional:

- a) *Authentic Community Engagement and Learning* – helping the community at large develop an understanding of Public School Finance – beyond the numbers.
- b) *Financial Reporting and Financial Literacy* – this application takes efforts beyond “popular” financial reporting (relaying numbers in community friendly way) to helping community members peel back to a core of understanding what is behind the numbers being reported. The district specific data utilized is the same as what is reported on the local school district’s annual financial reports as well as on the Ohio of Department of Education’s website. Participants are able to make connections to what drives revenues, expenses and how performance outcomes are thus impacted.
- c) *Understanding Community Feedback* – because the tool engages participants in dialogue, the facilitator or Public Finance Officer also becomes a learner, hearing and digesting the talk around the table enables the officer to grasp the why’s of a community’s sentiment.

The *Financing Our Future* module examines the basic revenue and expense elements of a district’s financial scorecard. It explores the measures of success and how all stakeholders can affect the financial well-being of schools.

Key Themes and Learnings:

- a) Who are our public school stakeholders? What do they contribute or provide to the schools and what do they expect of the schools?
- b) What are the various sources of public school funding (revenues)?
- c) What are the various expenses of public schools?
- d) What are the revenue and expense drivers and what forces are driving these trends?
- e) What are the ramifications of not having sufficient revenues? What are the methods for pursuing additional funding?

- f) How are external stakeholders (community) affected by the efficiency of public schools? What are the common “outcomes of education” and how are they impacted by the school funding mechanism?
- g) How would you approach shortfalls in funding? What actions or support can you provide to help ensure our schools are appropriately financed?

The Goal of the Project was to:

- a) Determine the tool's ability to “work” in Urban, Suburban and Rural settings. Is the tool effective in creating alignment and understanding of today's school stakeholders?
- b) Will the methodology be acceptable to the public at large?
- c) What challenges will there be in utilizing the tool on a broader larger scale basis.
- d) What resources will be needed to make the effort successful?

The importance of the above concepts, key learnings and project goals allows Public Finance Officers to gain greater connection to the community. It allows the Public Finance Officer to achieve *authentic* community -engagement, -learning and -connection.

C. Transferability

1. **How can this project/program be adapted for use by other organizations? Who else might benefit by its adoption? Would significant modifications be required for implementation?**

For school district Treasurer's/CFO's in Ohio the work is done...the learning module is developed, tested and proven to work. Financial numbers for the tool can be extracted directly from the Ohio Department of Education's website if not available at the district. There is also a template for a community meeting/forum available from Toledo Schools and Ohio Public School Dialogue (an organization that has since picked up on the Financing Our Future work and further developed other related tools. School districts in other states would only need to make modest modifications based on their revenue sources and formulas and their expenditure patterns.

For other government entities (City, County, State Agencies, etc...) a new module would need to be created including a visual metaphor, dialogue questions and card exercises. However the financial literacy learning flow can follow a similar pattern.

D. Documentation

1. **What documentation describes the entry (e.g., reports, forms, memoranda, software, audio-visual materials, etc.)? All materials must be provided, preferably in electronic format.**

Included with this application are the following electronic files in PDF format.

- Financing Our Future Research Paper

- Appendix A - Financing Our Future Visual (original visual is approx. 3ft. by 5 ft.)
- Appendix B1 – Financing Our Future Coach’s Guide.
- Appendix B2 – Financing Our Future Learning Outcomes.
- Appendix B3 – Financing Our Future Dialogue Cards.
- Appendix C - 10 Principles of Authentic Community Engagement.
- Appendix D1 and D2 Toledo Schools announcements and invitations.
- Appendix E - Published citizen’s article regarding participant’s experience.
- Appendix F – One Ohio Exchange 6 Phase Approach
- Appendix G – How the Financing Our Future Map Works

In addition, 5 complete Financing Our Future module map kits will be forwarded for review.

E. Cost/Benefit

1. Quantify the total resources (money and time) devoted to this project/program and identify the value added (tangible and/or intangible) as a result of its undertaking.

The school district’s external costs were three-fold and included the development of the Financing Our Future module with an outside consultant. This cost was packaged with other tools and was approximately \$6,000. The second cost was for the production of the map kits (visual, coach’s guides, card decks etc....) at approximately \$250.00 per kit. The final cost related to community meeting expenses and varied per location. These included room rental and food.

Internal resources were the Treasurer’s time in development and training of volunteer table coaches. And lastly the volunteer time of the table coaches themselves.

Benefits included the intangibles of increased community engagement (see Appendix E), increased understanding of the community’s positions, and greater collaboration to financial solutions.

An additional benefit was seen at Toledo Schools as the effort aided in the passage of three levies in less than 9 months of each other. An operating levy (\$16million) passed in March of 2008 adverse economic times. In November, 2008 the district passed both an operating levy (\$15.7 million) and a bond issue (\$37 million) in yet greater adverse economic times.

F. Complexity

1. Describe the complexity of the project/program. How much training and technical skill is required for employees to make use of this solution?

The tool is constructed so that the facilitator is “content neutral.” Table coaches need not be school finance officers. In fact it is preferred they not be. In Toledo’s situation, the table coaches utilized were parent volunteers who received approximately two hours of training. The skill needed is to keep people on time and engaged.

Note: In some school districts since the Toledo experience, high school students were the table coaches.

G. Originality, Creativity, and Innovation

- 1. To your knowledge, is this the first time this type of project/program has been implemented by a government entity? If not, identify previous work in this area and explain the uniqueness of your approach.**

School districts in Ohio have utilized the map methodology recently in a few other areas. All of which involved work with the Toledo Treasurer (Romano). Other applications included the “case for change” in education.

The Financing Our Future module has since been developed into a three part series to help districts and communities come together and brain-storm solutions for school finance reform. Romano has worked with Ohio Public School Dialogue to create these additional tools.

Aside from being a “first” for financial literacy, the tool was crafted to be leveragable across the state, and to other states.

H. Other Distinguishing Features (Optional)

- 1. Highlight any other noteworthy features about your project/program.**

The district will be utilizing the tool as a compliment to its CAFR and popular financial reports. It is believed that citizens will re-engage annually with the new financials.

The district is currently developing other modules through a strategic planning process. The Financing Our Future module will be a key component of these new map kits.

Romano is also currently working on two other school finance/business modules; one on mapping internal controls and a second on supplier diversity.

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