

Independent School Financial Worksheet  
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**Taking Stock:**

- A. Our school is spending \_\_\_\_\_ in total this year (e.g. total expenditures)
- B. We have a total of \_\_\_\_\_ students.
- C. Our current expenditure per student is \_\_\_\_\_. (A / B).
- D. If at full capacity, we would have \_\_\_\_\_ students.
- E. Would you have any additional expenditures if at full capacity? If so, how much?  
\_\_\_\_\_
- F. If at full capacity, our expenditure per pupil would be \_\_\_\_\_. (A+E)/D
- G. Our current advertised tuition rate per pupil is \$\_\_\_\_\_.
- H. We could bring in \$\_\_\_\_\_ more via tuition if at full capacity and if each new student paid full tuition. (D-B) x G
- I. Our total budgeted tuition *revenues* this year are \$\_\_\_\_\_.
- J. On average, we raise \$\_\_\_\_\_ per pupil in tuition revenues. (I/B)

**A Look at Cost Drivers:**

- K. Our school employs \_\_\_\_\_ FTEs (including me).
- L. There is one adult for every \_\_\_\_\_ students. (B/K)
- M. A total of \_\_\_\_\_ FTE are teachers, \_\_\_\_\_ are administrators, \_\_\_\_\_ are other instructional, and \_\_\_\_\_ are operations/other.
- N. There is one teacher for every \_\_\_\_\_ students. (B/M)
- O. Our average teacher earns \$\_\_\_\_\_ annually. (Be sure to include all spending on stipends, etc.)
- P. We are spending at total of \_\_\_\_\_ on benefits which amounts to \$\_\_\_\_\_ per employee.



- Q. A total of \$\_\_\_\_\_ is spent on items besides labor, which amounts to \$\_\_\_\_\_ per pupil.
- R. In fact, \_\_\_\_\_% of our total expenditures are on labor.



## Pay well for good people and keep costs in check

Strategy 1: Keep an eye on total staff counts.

Strategy 2: Offer extra work to existing staff as a way to raise pay. (Using stipends buys more staff time without adding a benefits load associated with a new FTE)

Strategy 3: Consider per-head costs of benefits and let staff choose between benefits and cash.

Strategy 4: Cover substitutes internally and share savings with staff.

Strategy 5: Rethink salary schedules.

## Examining the cost of specific programs/offerings to look for “out-of-whack” spending:

- A. Choose a program, course, or offering: \_\_\_\_\_ (e.g. an extracurricular, a class, learning lab, athletic offering, retreat, celebration, theater program, etc.)
- B. Compute the labor costs associated with the effort. E.g. 20% of a FTE (e.g. \$55K plus \$15K benefits =  $0.20 \times \$70K = \$14K$ ). Add in any materials/contracts if significant for a total cost of \$\_\_\_\_\_.
- C. Divide the cost by the number of students participating to get a per pupil cost of \$\_\_\_\_\_.
- D. Repeat for other offerings, particularly those with low participation, substantial staff time.
- E. Compare per pupil costs to explore alternative delivery models, assess value relative to cost, consider tradeoffs, communicate changes to parents, etc.

## Keep Doing the Math: Leverage limited programming funds to do the most for students

Strategy 1: Offset small classes with larger ones.

Strategy 2: Rethink frequency – parents value small sizes, but don’t question the frequency.

Strategy 3: Consider non-traditional providers or partnerships.

Strategy 4: Leverage learning labs (or other lower-cost offsets).

Strategy 5: Customize by allowing students to opt out of redundant requirements.



## Communicate with numbers: to explain tradeoffs to stakeholders

Messaging research finds the following:

- All financial communication should reference students (and what XX will do to improve the experience for students).
- Parents/communities respond best to info from their principals. Email works best and the preference is for short bullet points to communicate finance concepts.
- Teachers want to hear directly from their principals in a format that allows for them to discuss, weigh in, process.
- All tradeoffs must acknowledge the local context. (Don't be afraid to mention strengths in staff or desires of students as part of the context). "We have a world-class set of math teachers and know that more students can have access to those best teachers if we grow the class size and raise their salaries, instead of diverting funding to hiring more teachers."  
"Because of our students' appetite for athletics, and in particular hockey, we're shifting away from offering a swim team, so we can expand the hockey program."
- Parents and teachers will accept cuts (or reallocations) if they understand the tradeoff: "By eliminating the teacher aide position, we are able to raise our teacher salaries and keep our critical talent needed to teach students."

