



In Barnstable, wall between schools and town crumbles

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By Julia Steiny

This is the third of three stories about how the pressures of Proposition 2 1/2 combined with creative management to improve schools in Barnstable, Mass.

In last week's episode of the Barnstable, Mass., saga, the fight within the school community was finally resolved. Those who wanted site-based control of the schools prevailed, and immediately tapped Tom McDonald to be superintendent. McDonald and his new administrative team wrote a memorandum of understanding that effectively "chartered" all the schools that were not yet state-chartered. And boom, just like that, all Barnstable schools could hire their own staff, manage their budgets and decide for themselves how they'll help their kids meet academic targets.

No more "us" versus "them" — school community against authoritarian central office.

However.

Creating faux-charter, contract schools was almost easy, or at least work that was well under way, compared with controlling the ever-strained town and district finances. The schools had suffered from relentless cuts to their programs. At least with site control, they could now decide for themselves how to manage their resources, instead of watching as the central office decimated their programs. But McDonald needed to find some money to help the schools be successful. Raising taxes was out, so he focused on liberating money from wasteful management practices.

An idea had been kicking around the district for years that the town and the schools should merge their business functions — finances and human resources. In New England's many tiny districts, schools and their towns have separate business offices even though the work itself is essentially the same — accounts payable and receivable, benefits management and so forth. Municipal governments pride themselves on running a tight fiscal ship because they're answerable to the public for their stewardship of tax dollars. On the other hand, finance and human resources are seen as necessary evils in school departments, which tend to do business in a more warm and fuzzy manner.

McDonald felt that this idea's time had come, so he and his new finance director, Kevin Harrington, approached the town with their merger proposal. The town said yes.

Harrington, a recently retired Boston financial consultant and former School Committee member, says, "The thing to remember is that these are public dollars. We wanted the schools to decide where the dollars went, but we didn't care who pays the bills or tracks the money. The town's financial capacity was clearly superior to ours, and in any case, the town is the employer. School Department employees are paid by the Town of Barnstable."

At the time of the consolidation, the schools and town together had 18 people working on finance and eight in human resources. All job descriptions were rewritten, and all employees had to bid back into the jobs. In the end, finance kept 16 positions — one dedicated exclusively to the schools — and human resources kept all eight. So the initial savings on personnel costs was only modest. But with the

work better distributed, the two offices became much more efficient, and they expect to see considerable savings as time goes on.

For example, Bill Cole, the human resources director for the consolidated departments, found the School Department wasn't sure how many people were working for them. And they were still paying family health-care bills for teachers who had switched to individual. And, as Cole says, "Lo and behold, there was the infamous dead guy. It shouldn't be funny, but someone had passed away months earlier, and the School Department was still paying full cost. We saved thousands of dollars just from the auditing."

Merging the finance systems was slightly trickier. Schools would be managing their own budgets henceforth, and couldn't be loaded down with accounting paperwork on top of their other new responsibilities. Fortunately, the town and School Department were already using the same financial and human resources software, so it was no big deal to install it in the schools, networked with the town. The old finance system had been labor and paper-intensive with redundant checks and balances that only created red tape. The new system is so transparent, it's easily overseen, whether by the school council, the superintendent or the town's finance office.

In fact, Frank Gigliotti, principal of Barnstable-West Barnstable Elementary School, reports that site-based financial management actually reduced his paperwork — as well as improved his academic program. "In the old days, say we put out a purchase order to be no more than \$2,000. Sometimes the object only cost \$1,800. I would let the central office know we received it, and they would pay the bill, but we had no idea we had \$200 left. Now the budget, pending bills, paid bills and the current balance all come right up on the computer. I have control of about 15 percent of the money, but that gives me and the council freedom to kick around ideas and solutions. If we save money, we can keep it, which is great. So, through savings, I could hire the part-time math teaching assistant that we've been wanting. Site-based management is a mindset, that we're not beholden to central administration but empowered to do something on our own. Of course, if the roof blew off, I would not be looking to us for the solution."

Sheila Burns, principal of Centerville Elementary, and her council also found ways to save money to get badly wanted extra writing instruction. Burns likes that the new finance tracking system helps the teachers understand how every dime is spent, so there's no more talk of conspiracies. The whole school community is starting to understand the business aspects of teaching and learning.

McDonald says, "Sure, not all principals have the same financial aptitude. But having said that, it's not rocket science. We trained the administrative assistants to take care of the details, so the principal could focus on the big picture. In my world, the role of central office is to set the vision and establish the system we operate under, so schools and school councils can make the best decisions for improving student achievement."

"It may not be nirvana, but we don't fight."

McDonald retired this past year. His goal was to dismantle the top-down authority in the superintendent's office, and he did it. The central office is now a support service to empowered schools. And in the end, everyone — the teachers, unions and town workers — feels the town's service to all employees is significantly better than it had been under the old dual regime.

Barnstable now has one comptroller, one set of books, one software system — all highly transparent. The war between the town and schools structurally evaporated because two sides no longer exist.

This idea for saving tax dollars is definitely one whose time has come.

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