



EXPLAINING THE NUMBERS, BUILDING THE TRUST

BY WILLIAM SCARBOROUGH, SINGAPORE AMERICAN SCHOOL



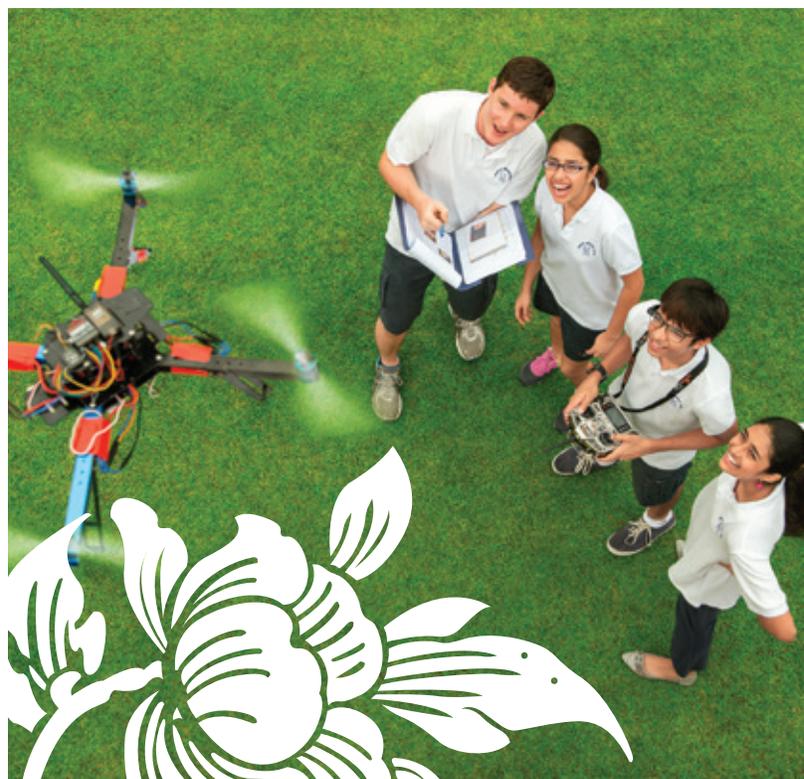
Financial rumors, speculation and grumbling can harm community morale. With students from nearly 50 countries, this school's commitment to financial transparency builds trust, support and confidence among parents and staff.



LIFE at Singapore American School is different in many ways from most independent schools. There is the turnover: Reflecting the country's highly globalized economy, our families stay an average of only four years, and it's not uncommon for parents in high-mobility jobs to move their children after just a year or two. There's also the diversity: Our nearly 4,000 students come from 50 countries, and parents' expectations of the school, its programs and its teachers vary widely.

Then there's the fact that Singapore American School is a member-based organization. Unless they formally opt out, all current parents and employees are members. As such, they participate in the school's governance by electing 12 fellow members to the board responsible for the school's strategic oversight. Moreover, the school is "limited by guarantee" through this structure, which means that all members are liable to pay up to a set amount if the school encounters financial difficulties. Current membership stands at more than 4,900.

Given that we are "all in this together," Singapore American School has perhaps an even greater interest than most independent schools in helping its community understand the administration's financial decisions. I saw this early in my SAS career when I was chatting with a parent as we waited for luggage at the airport. He disapproved of some recent financial decisions, but it quickly became clear that his criticisms were based on misinformed rumors circulating among some parents. After I explained the actual situation, his view of the school seemed to brighten considerably. From that simple conversation, I set out to seek ways we could more effectively communicate SAS financial policies and decisions to the broader community.



GETTING THE WORD OUT

During the 2011–2012 school year, I began writing a column entitled "Finance at SAS" (go.nboa.org/SAS-Finance) once or twice a month in the school's weekly *eNews*, which is sent to around 5,500 people. Articles address a range of topics, such as annual budget figures, new programs, school investments, major facilities projects and the latest student demographics and enrollment numbers. At times I address more philosophical topics, such as the fiscal implications of environmental initiatives or the differences between nonprofit schools (like SAS) and for-profit schools (like many of the newer private schools in Singapore). I have also written about nuts-and-bolts topics like lunch menu upgrades, arrangements with housekeepers and changes in student uniforms. In addition, the column periodically explains SAS's relationships with partner institutions such as the Singapore American Community Action Council, a similar member-based organization offering extracurricular programs and family counseling.

"Finance at SAS" is beneficial for the SAS business office in several ways. It can alert parents to changes that require their attention, such as the new re-enrollment process we piloted during the last school year. It also allows us to be proactive in explaining decisions. Before our bus company raised its fees, for instance, we were able to show that labor constraints and government regulations were pushing up costs for all private bus companies in Singapore; perhaps that article was one reason we received little negative feedback about the increases.

Moreover, our admissions and advancement directors use the column to help prospective families and donors





understand the school's operations. Both have told us that new and current families alike are impressed that this information is readily available.

Most importantly, the column is a way to demonstrate confidence in our financial management and show a good-faith effort to keep the community informed about financial decisions. Not all parents have the time or interest to read them, but others have told me they value the content and have even suggested new topics. The articles are archived on the school website, so members can consult them any time they have a question.

AN OPEN DOOR ON SCHOOL FINANCES

The finance series is just one way SAS communicates financial decisions to the community. *Crossroads*, the school's quarterly print publication (go.nboa.org/SAS-Crossroads), can accommodate more in-depth articles, along with pictures. A recent article covered the summer renovation of our school auditorium, including an explanation of the bid process, project budget and schedule, and specific improvements. *Perspectives*, the school blog (go.nboa.org/SAS-Perspectives), provides insights into the school from different individuals involved in decisions. *Journeys*, our alumni publication (go.nboa.org/SAS-Journeys), has explained how philanthropic giving and volunteerism help give students the "above and beyond" experiences that make an SAS education special.

Face-to-face explanations of school finances are also important, and SAS administrators provide these formally

twice each year, along with inviting questions and comments year-round. In October all members are invited to the Annual General Meeting, where the superintendent reviews the school's budget, reserves, endowment and investments, as well as its record of academic results from the previous year. In January, another meeting presents the budget for the upcoming school year and focuses on the school's current situation and upcoming challenges and priorities. At both meetings, members are encouraged to ask questions and express opinions. Those unable to attend may view videos of the meetings on our website.

Like independent schools everywhere, we at SAS want to promote confidence within our community. By communicating frequently and openly about financial decisions, we have created strong trust and support among parents for our financial decision-making. In addition, we have benefited from thought-provoking questions, valuable suggestions and a greater sense of involvement in all aspects of school life. Finally, our commitment to financial openness has cut down on the rumors and speculation that can be so detrimental to school morale. ■



William Scarborough is assistant superintendent for finance and business operations at Singapore American School, a day school serving nearly 4,000 students in preschool through 12th grade in Singapore. He lives in downtown Singapore during the school year and spends part of each summer at his home in North Carolina, 25 hours away by plane.