

## 5 MINUTES WITH

Sara Kauffman and Heidi Vanderbilt-Brown, Milton Academy

# Data Agnostic: a New Perspective on the Numbers

*Going where few independent schools have gone (so far), Milton Academy brings on a full-time data analyst to ensure the consistent application of data — trends, assumptions, outcomes — in financial decision-making.*



**Sara Kauffman** is associate director of analytics at Milton Academy, where she analyzes data to support decision-making involving finances, admissions, advancement and strategic planning. She started in her role in September of 2016.



**Heidi Vanderbilt-Brown** is the school's chief financial and operating officer. Milton Academy is a K-12 day and boarding school with approximately 1,000 students in Milton, Massachusetts. [Milton.edu](http://Milton.edu)

**Net Assets:** We don't often see the word "data" in independent school job titles. What was the purpose in creating this position?

**Heidi Vanderbilt-Brown:** Fundamentally we wanted to make sure that our financial decision-making is based on data, benchmarks and best practices. I came here a year and a half ago from Harvard, where I oversaw a small group of analysts in the Office of Financial Strategy and Planning, which was in the CFO's area. These analytic duties typically fall to the CFO and controller in independent schools, but it can be challenging to launch a major analytical project when you get pulled into so many aspects of day-to-day operations. Our controller, Ed Donahue, and I felt we needed another person to take on that role and create more bandwidth for the business office, given that Milton is a complex institution.

It's also worth mentioning that Ed and I enjoy a good debate about how best to interpret and present numbers. Sara provides a third voice. Her role is to help us see the data from another perspective, to identify patterns and trends in the data that neither of us might otherwise see.

**Net Assets:** Was it challenging to get buy-in for the position?

**Vanderbilt-Brown:** Any time you're talking about adding a full-time employee, you have to be very clear about why and what the value-add will be. Fortunately, I think everyone was on board from the get-go in terms of recognizing this was a position we needed in order to be confident in our decision making. Given our trustees' understanding of the types of data I would be bringing to the board meetings, they also were supportive.

**Net Assets:** Sara, where were you before coming to Milton?

**Sara Kauffman:** I was working in finance and data science at Aetna, the health insurance company, where I did a lot of work involving business optimization and on HR programs. In college I studied math and economics, and I got my graduate degree in economics.

**"I can help people in other areas [of the school] with scenario-building. For instance, we know that something is true now, but what if we made this change? How might that affect our bottom line in future years?"**

—SARA KAUFFMAN

**Net Assets:** How much familiarity did you have with independent schools? Was that advantageous or not?

**Kauffman:** Not much familiarity! I took some weekend courses at Milton Academy when I was a kid, and I went to a private college, but I went to a public high school. I think my background is both an advantage and disadvantage. The disadvantage is the same as for anyone starting in a new industry; there's a learning curve in independent schools. But my background also offered some advantages in that I can bring some new ideas for creating models and approaching problems. The skills I brought from Aetna transferred quickly. Heidi was completely prepared when I started, and I feel that I was able to add value immediately.

Plus, I really like the independent school culture. From my first interview, I've appreciated how different the campus feels from a corporate environment. People are so friendly; I've gotten to know three times as many people as I knew at Aetna, and in a more personal way.

**Net Assets:** How has your work together helped educate faculty and staff about the school's finances?

**Vanderbilt-Brown:** One of the first things I did after starting at Milton, at the head of school's request, was to give a "finance 101" presentation. We wanted to give a sense of the school's finances, our revenue streams, what it means when the school receives a gift, and so on. The feedback was very positive. We have also talked about how to budget and plan for financial sustainability —

for instance, the kinds of outcomes we want to see in our 10-year plan and how that affects program investment cycles. I think it's important to lay the contextual groundwork so people understand that just as their work needs to support the school's core mission, it's our work to figure out how to do so in a sustainable way. We had — and continue to have — important planning conversations, especially with the head of school's direct reports.

On more of an ongoing basis, we recognize many people at the school have expertise specific to their areas, and we want to learn from that expertise as well. For example, while admissions already performs a lot of expert analysis involving financial aid, we can do additional analysis in collaboration with them for tuition-setting purposes.

**Kauffman:** I rely on the expertise of our partners in different departments. My work with the HR department is a great example. Our chief human resources officer knows the salary and benefit information inside-out. She also has the context for why certain things are near and dear to different people across the organization. But since I don't have any context for that data, I'm able to provide analysis of it without any bias. I just report on what the data is saying and is not saying. I try to be agnostic in how I use data.

I can also help people in other areas with scenario-building. For instance, we know that something is true now, but what if we made this change? How might that affect our bottom line in future years? I think I add value to their expertise by being able to manipulate the numbers and provide some sound analysis on the different decisions they might make.

**Net Assets: What short-term and long-term goals do you hope to help the school achieve?**

**Kauffman:** Over the short term I want to create a more systematic, and maybe in some ways automatic, way to analyze trends in Milton Academy's data over time. Over the long term this will lay the foundation to take a programmatic approach to analytics. Every conversation will take into account conversations from before and will speak more easily to the assumptions and actions from before.

**Vanderbilt-Brown:** Sara is very much focused on issues related to the school's strategic plan, as well as whether and how we can pursue certain programs. Even as my CFO responsibilities require me to say no to certain requests, data analytics can also give me the confidence to say yes in many circumstances.

**“Even as my CFO responsibilities require me to say no to certain requests, data analytics can also give me the confidence to say yes in many circumstances.”**

—HEIDI VANDERBILT-BROWN

**Net Assets: What types of data are most essential in helping you meet those goals?**

**Kauffman:** It really depends on the questions we're trying to answer. And then, any kind of data can be pivotal. Since I started here, most of the data we've used has come from either internal data the school has collected about students and finances and so on, or from online research that has helped with industry benchmarking.

**Vanderbilt-Brown:** That's another reason Sara's role is so important. My sense is there's much more data out there than we're making use of. We certainly have access to a lot of data from NBOA and other associations, and now we want to figure out how best to apply it. Is there another layer of understanding we can add to internal or board conversations? Or are we not aware of certain available data that can fill in a gap we have?

**Net Assets: What advice would you give other schools regarding their use of data?**

**Kauffman:** I haven't spent extensive time speaking with CFOs of other schools, but in general I think the biggest piece of advice I would give is to be sure you really understand the question you're trying to answer. Really try to analyze what the data you're looking at tells you or doesn't tell you. Finally, remember that different people are going to be experts at their own data. Learn from them, and help them see things differently. **N**