Colorado School Finance Project

1200 Grant Street – Denver, Colorado – 80203 303-860-9136 – Fax: 303-832-1086 – www.cosfp.org

School District Organization: Status and Research Highlights

The Colorado School Finance Project (CSFP) asked Augenblick, Palaich and Associates (APA) to examine the issue of school district consolidation, focusing on the research, with no specific objective or conclusion in mind.

Summary of Study

True research on the subject of district consolidation is limited. The majority of work is in newspaper articles, most often opinions focused with a specific goal in mind. Subjective views rather than objective. Very little passes the scientific, statistical data perspective. APA interviewed seven people from a number of states with first-hand knowledge of district consolidation, including a Superintendent, CEO, Director of School Finance, Executive Director of Pennsylvania State Board of Education, and Policy Director of Rural Education. Neither the studies nor the interviewees made it clear how to consolidate districts, there is no one size fits all model.

Need to decide upon the goal(s) of consolidation before deciding upon the approach.

School districts and the education services they provide are complex:

- 1. Role of school in rural or small community, schools often a community center.
- 2. Often reflects geographic and political boundaries from the past, difficult to change.
- 3. Population of an area.
- 4. Changes in technology are taking place quickly.

Historical:

- 1. 150 years ago the state began to form districts with taxing authority
- 2. 60 years ago consolidation began.

Nationally:

- 1. About 14,000 school districts today. Average size over 3,000 kids per district.
- 2. 2,857 districts with less than 300 students, 20.5% of districts
- 3. Over 1/3 of all districts have less than 600 students.
- 3. Over half of all districts with less than 1,000 students both nationally and in Colorado
- 4. 1/3 of all students are in districts with over 1,000 kids.
- 5. 5% of students are in the smaller districts.

Academic Quality topics:

- 1. The quality of opportunities is larger in larger districts.
- 2. Some difficulty attracting quality teachers in smaller districts (math, science, foreign language)
- 3. Larger districts have more opportunity for teacher collaboration.

June 2009 Page 1 of 3

Colorado School Finance Project

1200 Grant Street – Denver, Colorado – 80203 303-860-9136 – Fax: 303-832-1086 – www.cosfp.org

4. However: Small districts spend most of their time doing things they get tested on, as a result they perform well on tests. "Our kids are doing fine on state tests. Why would you close us? Are you going to save money at the cost of student performance?" It is difficult to change something that works.

Splitting large districts

- 1. May be too costly to split even though large districts loose some efficiency being large.
- 2. Less citizen representation per board member.

Studies tended to focus on consolidating small districts. Tendency to show that certain costs will increase, such as transportation and modifying existing facilities for new students.

In all states, many districts look to combine on their own without threatening the community. Successful models:

- 1. Combine without threatening their communities.
- 2. Communities have something in common and tend to focus around socio economic, shopping areas, etc.
- 3. Perform (and pay for) a study before trying to combine: Can they save money? What will the effect be on the communities?
- 3. Provide incentives to combine. For example: two districts with different PPR, don't go to the lowest PPR of the two. Hold harmless for a specific number of years.
- 4. Biggest issue: What do we do about athletic teams from two different districts?

Impact on Community from District Consolidation:

- 1. Often leads to school closure. Larger district annexes and closes schools.
- 2. Communities with schools have higher per capita income, higher housing prices.
- 3. Rural area districts and schools are often a major source of employment, economic engine in area, community gathering spot.
- 4. School closure does not have a huge impact on housing values.
- 5. Decreases parent and community participation in schools, community will put efforts into other things.

BOCES – All seven interviewees stated BOCES are a good resource.

- 1. Provide services as needed, reimbursed by users of services.
- 2. Not a lot of information. Services vary, most often SPED. Some academic support, specialists, professional development, administrative support, accounting, alternatives, virtual classes, regionalize the services.

State can encourage consolidation:

- 1. Provide incentives
- 2. Pay for study for districts that may want to combine
- 3. Hold harmless for period of time

June 2009 Page 2 of 3

Colorado School Finance Project 1200 Grant Street – Denver, Colorado – 80203 303-860-9136 – Fax: 303-832-1086 – www.cosfp.org

June 2009 Page 3 of 3