CSFP Interest in School District Organization
- Interested in how education services are delivered
- Recognizes that services can be organized in numerous ways
- Believes the issue of organization is extremely complex given:
  - Distribution of people in states
  - Existing geographical/political boundaries
  - Changes in technology
  - Multitude of roles played by schools

What CSFP Asked APA to DO
- Asked APA to examine the issue of school district consolidation
- Told us that CSFP had no specific objective in mind and that we should not reach a specific conclusion… particularly about Colorado
- Wanted us to focus on what research says about the impacts of organization structure and change in structure
Objectives of the Work

- Review the historical development of school districts
- Examine how the number of schools and school districts has changed over time
- Examine the research about school district consolidation:
  - Cost savings
  - Program scope
  - Impact on community
  - Alternative delivery approaches

How We Went About the Work

- Gathered and organized information about school districts
- Reviewed the literature (research and "research")
- Interviewed several people:
  - Tom Bilodeaux, Dir. Of Research, Montana Education Association
  - Jim Buckheit, Exec. Dir. of Pennsylvania State Board of Education
  - David Conley, CEO of Education Policy Improvement Center (Oregon)
  - Edward Eiler, Supt. of Lafayette School Corporation (Indiana)
  - Russ Inbody, Director of School Finance, Nebraska Dept. of Ed.
  - Michael Kirst, Stanford University
  - Marty Strange, Policy Dr., Rural Education and Community Trust

History

- 350 years ago, colonial towns were required to provide primary education; soon thereafter, towns were given the authority to collect taxes to support primary education.
- 150 years ago, states formed school districts (towns in North, counties in South), gave them authority to tax, provided state support, abolished tuition, and required compulsory attendance.
- 60 years ago, the consolidation movement dramatically reduced the number of districts.
Table 1: Change Over Time in Numbers of Students, School Districts and Schools in the United States

<table>
<thead>
<tr>
<th>Year</th>
<th>Students Number (In millions)</th>
<th>% Change from Prior Period</th>
<th>School Districts Number</th>
<th>% Change from Prior Period</th>
<th>Elementary Schools Average Size</th>
<th>% Change from Prior Period</th>
<th>Secondary Schools Number</th>
<th>% Change from Prior Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1919-20</td>
<td>21.6</td>
<td>--</td>
<td>187,948</td>
<td>--</td>
<td>47,548</td>
<td>--</td>
<td>11,392</td>
<td>--</td>
</tr>
<tr>
<td>1939-40</td>
<td>25.7</td>
<td>19.0%</td>
<td>117,108</td>
<td>190%</td>
<td>113,600</td>
<td>-39.6%</td>
<td>24,542</td>
<td>190%</td>
</tr>
<tr>
<td>1959-60</td>
<td>36.1</td>
<td>40.5%</td>
<td>40,520</td>
<td>-65.4%</td>
<td>640</td>
<td>-39.6%</td>
<td>25,784</td>
<td>5.1%</td>
</tr>
<tr>
<td>1970-71</td>
<td>45.9</td>
<td>27.1%</td>
<td>17,995</td>
<td>-55.6%</td>
<td>2,010</td>
<td>-91.0%</td>
<td>6,352</td>
<td>-13.7%</td>
</tr>
<tr>
<td>1980-81</td>
<td>40.9</td>
<td>-10.9%</td>
<td>15,912</td>
<td>-11.6%</td>
<td>2,890</td>
<td>-49.3%</td>
<td>6,013</td>
<td>-6.0%</td>
</tr>
<tr>
<td>1990-91</td>
<td>41.2</td>
<td>0.7%</td>
<td>15,358</td>
<td>-3.5%</td>
<td>2,670</td>
<td>-33.0%</td>
<td>5,804</td>
<td>-3.7%</td>
</tr>
<tr>
<td>1995-96</td>
<td>44.4</td>
<td>7.8%</td>
<td>14,766</td>
<td>-3.9%</td>
<td>2,800</td>
<td>-23.2%</td>
<td>6,687</td>
<td>1.4%</td>
</tr>
<tr>
<td>2000-01</td>
<td>46.6</td>
<td>5.0%</td>
<td>14,859</td>
<td>0.6%</td>
<td>2,990</td>
<td>-13.3%</td>
<td>7,506</td>
<td>13.9%</td>
</tr>
<tr>
<td>2005-06</td>
<td>48.0</td>
<td>3.0%</td>
<td>14,166</td>
<td>-4.7%</td>
<td>3,290</td>
<td>-18.5%</td>
<td>8,303</td>
<td>8.9%</td>
</tr>
</tbody>
</table>

Table 2: Distribution of All Districts in the United States (with Reported Size) and Students by District Size Group in 2005-06

<table>
<thead>
<tr>
<th>District Enrollment Size Group</th>
<th>Number of Districts</th>
<th>Percentage of All Districts</th>
<th>Number of Students</th>
<th>Percentage of All Students</th>
<th>Average Size of Districts</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;25,000</td>
<td>269</td>
<td>1.9%</td>
<td>16,376,213</td>
<td>34.1%</td>
<td>60,878</td>
</tr>
<tr>
<td>10,000-24,999</td>
<td>594</td>
<td>4.3%</td>
<td>9,055,547</td>
<td>18.9%</td>
<td>15,245</td>
</tr>
<tr>
<td>5,000-9,999</td>
<td>1,066</td>
<td>7.7%</td>
<td>7,349,010</td>
<td>15.3%</td>
<td>6,894</td>
</tr>
<tr>
<td>2,500-4,999</td>
<td>2,015</td>
<td>14.6%</td>
<td>7,114,942</td>
<td>14.8%</td>
<td>3,531</td>
</tr>
<tr>
<td>1,000-2,499</td>
<td>3,335</td>
<td>24.2%</td>
<td>5,442,588</td>
<td>11.3%</td>
<td>1,632</td>
</tr>
<tr>
<td>600-999</td>
<td>1,768</td>
<td>12.8%</td>
<td>1,391,314</td>
<td>2.9%</td>
<td>787</td>
</tr>
<tr>
<td>300-599</td>
<td>1,895</td>
<td>13.7%</td>
<td>835,430</td>
<td>1.7%</td>
<td>441</td>
</tr>
<tr>
<td>&lt;300</td>
<td>2,857</td>
<td>20.7%</td>
<td>403,887</td>
<td>0.8%</td>
<td>141</td>
</tr>
</tbody>
</table>

Table 3: Comparison of States in Terms of Number of School Districts, Number of Other Governmental Districts, Size of School Districts and Land Area of School Districts

- See Table 3 Handout
School District Consolidation

- Primary reasons
  - Achieve economies of scale
  - Improve academic offerings
  - Indirectly, close small schools
- Recent state activity
  - Arkansas (make all districts of a certain minimum size)
  - Maine (make all districts of a certain minimum size)
  - Nebraska (eliminate all elementary districts)
  - However, there are examples of an expanding number of districts (Colorado, Louisiana, New Mexico)

Research on Consolidation

- Research vs. advocacy for or against
- Overview
  - Optimal size of school districts
  - Costs and efficiency
  - Academic quality
  - Community impacts and governance

Optimal District Size

- Depends on goals and student needs
- Most studies identify a U-shaped cost (per student) optimization curve
- Recommended "optimal" size varies greatly among studies and among rural and urban communities
- The effects of district size are mitigated by a host of other factors, such as school size
Costs and Efficiency

- District size research provides some support for economies of scale
- Efficiency research (cost of achieving an outcome) suggests that costs per high school graduate are similar between large and small districts
- Research on costs before & after consolidation is mixed
- Long-term savings may be possible in some cases
- Potential economies of scale are often offset by post-consolidation increases in transportation, capital outlay, and average salaries

Academic Quality

- Studies of district size find that students in smaller districts often outperform students in larger districts
- Low-income students tend to benefit more than high-income students from small district size
- Academic and extracurricular opportunities are generally more extensive in larger districts
- Small remote districts can have trouble recruiting high quality teachers
- Larger districts tend to offer more opportunities for teacher professional development and collaboration

Community Impacts and Governance

- District consolidation often leads to school closure(s)
- Communities with schools tend to have notable economic advantages over those without schools
- School closures frequently have negative economic impacts on rural communities
- It does not appear that school closures have significant negative impacts on property values or tax rates
- School closures tend to decrease parent and civic participation
- Large or consolidated districts may be more bureaucratic and less responsive to citizens
Alternatives to Consolidation

- Intermediate Units
  - BOCS, BOCES, IUs, etc.
  - Providing services on an “as needed” basis with reimbursement by users of services
  - Academic, particularly for high-need students
  - Academic support (specialists, professional development, etc.)
  - Administrative support (accounting, purchasing, etc.)

Alternatives to Consolidation

- Technology
  - Delivery of services using virtual courses

- Regionalization
  - Multiple elementary districts belonging to a single secondary district
  - Multiple districts forming a technology service area

Conclusions

- Don’t use a “one size fits all” approach; develop a process and provide support (e.g., analysis, incentives).
- The use of intermediate units can provide better service and reduce expenditures in a variety of areas from low-enrollment courses, to serving high-cost student populations, to administrative support; interviewees universally noted the value IUs in staff development.