

ILLINOIS 1-26-05

Since 1984, 103 districts have received consolidation funding from the state. Consolidation affords school districts greater flexibility in the services they offer students, increased administrative efficiency, and a means to address underlying financial problems. School districts that consolidate are eligible for the following grants from the State Board of Education:

- For four years the consolidated district receives General State Aid at the level of the district receiving the most State Aid prior to the consolidation.
- For four years the consolidated district receives a grant to pay the difference in teacher salaries, allowing salaries in the combined districts to be increased to the same level.
- The consolidated district receives a one-time grant to cover some of the negative fund balance that one district brought to the consolidation.
- The consolidated district receives \$4,000 per certified staff person, which includes all teachers and administrators holding certificates.

ILLINOIS 10/22/2010

By Kevin Ryden

GateHouse News Service

Posted Oct 22, 2010 @ 05:06 AM



OLNEY —

There are state incentives for school districts involved in consolidation or annexation. East and West Richland Boards of Education learned during a special meeting Tuesday evening at The Holiday the state provides funding to districts that decide to, and are approved by voters to, consolidate or form an annexation agreement.

Consultant Dr. Nick Osborne, a former superintendent and current professor at Eastern Illinois University in Charleston, said there are four areas in which the state provides funding if there is some type of merger between districts. The state makes up the difference in state aid and teacher salaries for four years. Osborne said the highest salary schedule is usually what is used for a merged district. The deficit balance is reimbursed for one year by the state and it provides \$4,000 per certified employee.

Michelle Heninger, of Illinois State Board of Education, said the amount of time the \$4,000 is provided is determined by the assessed value per pupil and average daily attendance data. East Richland board member Dr. Gerald Mastio asked where the state would get the money for the incentives if it is not paying districts now. Heninger said one district did have delayed payments on its incentives, but that it was eventually paid in full before the end of the fiscal year.

She said \$3.4 million has been funded to pay for Fiscal Year 2011 incentives and for feasibility studies. She noted that Illinois State Board of Education has no control over when funds are released.

KANSAS

Choosing consolidation

Incentives for dwindling districts to consolidate are already in place, school leaders said. The Kansas State Board of Education approved requests last week from four districts to merge into two. The consolidations must still be approved by voters in those districts on April 6. Claflin superintendent Jane Oeser, whose district would merge with Lorraine, said declining enrollment and dwindling state funds led to the consolidation proposal.

Her district has been losing students for at least 10 years, she said. The high school had 26 students graduate last year, and the district has only six kindergartners this year. Read more:

<http://www.kansas.com/2010/02/14/1180733/report-savings-from-school-district.html#ixzz13PGMlrYZ.....>

state incentives

Nineteen school districts have voluntarily consolidated or dissolved since 2002. Several have been in rural northeast Kansas, where enrollments have fallen rapidly with the total population. "Survival is what it was," said Bill Walker, superintendent of Rock Hills district, which was the result of a voluntary consolidation between the White Rock and Mankato school districts in 2006.

The consolidation plan took about a year, Walker said, as both boards agreed it was the only way they could afford to operate either district. Voters approved the consolidation 82 percent to 18 percent. Among other incentives, consolidated districts receive state funding as if they were separate districts for the first three years, ensuring a relatively stable source of revenue.

When districts with few students combine, for example, they could lose state funding for districts with low enrollments if such incentives were not available. "The incentive ... was one of the deciding factors of the vote," Walker said. The resulting boost in state money has allowed the 310-student district to save money for the time when the incentives expire and the schools face the full brunt of state cuts. Walker said Rock Hills has the maximum allowed in its contingency fund.

One school was closed, and six staff positions were cut, but he said the consolidation saved just enough to keep the districts afloat. A neighboring district, Jewell, was invited, but didn't join the consolidation. It dissolved last year, giving Rock Hills a chunk of its territory worth \$5 million, plus an infusion of students. The report doesn't recommend forcing schools to consolidate, but it stated incentives for voluntary consolidations could be increased. Even if the consolidations are labeled "voluntary" by the state, legislators' decision to cut school funding is forcing districts to consider options they never have, Walker said. "Ultimately, the decision should be local," he said. "Right now it isn't."

Read more: <http://www.kansas.com/2010/02/14/1180733/report-savings-from-school-district.html#ixzz13PFzUVZf>

MICHIGAN

A plan to offer \$50 million in incentives to consolidate school districts and share services is dead, an influential state senator says, because Gov. Jennifer Granholm didn't give lawmakers details on how the plan would work.

But Granholm aides said she still backs the plan and hopes money can be authorized by the end of her term.

Under the proposal, school districts would be eligible for competitive grants to cover expenses created through efforts to either share services or even erase district boundaries.....

The MASB liked the idea behind the incentives because districts need some financial help to consolidate services, such as purchasing business software that would be used by all districts within a county, Wotruba said.

"The problem is that districts have been making so many cuts," he said. "If you're a superintendent and just cut your early childhood program, and people see you spending several million on software, they're not going to understand that the money for that is coming from the state."

But he said that's preferable to a one-size-fits-all mandate that could come down if schools don't start to make some moves and the Legislature decided to take the lead.

Lawmakers could approve a supplemental appropriation to resurrect the grant money but would need to find the \$50 million.

In August, State Superintendent Mike Flanagan said he looked at the plan as "an investment of \$50 million to save hundreds of millions of dollars," and cited The Press' [Michigan 10.0 series](#)

MISSISSIPPI

DATE: Sept. 10, 2010

COMMISSION ON MISSISSIPPI EDUCATIONAL STRUCTURE SUBMITS FINAL REPORT TO GOV. BARBOUR

JACKSON – The Commission on Educational Structure, chaired by BancorpSouth Chairman and CEO Aubrey Patterson of Tupelo, today released its final report of criteria to be used when considering school district consolidation to Gov. Haley Barbour.

The commission was charged with examining how school district consolidation can best be achieved and calculating the savings that would result from consolidation, under an executive order by Gov. Barbour. The recommendations were required to detail standards and priorities to be used in selecting school districts for consolidation. The report was presented to Gov. Barbour, signaling the completion of the work of the Commission. "These common-sense solutions are a good first step toward improving the educational and financial conditions of Mississippi schools," Gov. Barbour said. "I appreciate the months of hard work by the commission. Through innovative approaches to education, we can improve the efficiency of our districts and quality of opportunities for Mississippi children."

The report includes four recommendations:

Recommendation 1

Lower the overall cost of doing business and encourage the economies of scale by amending Mississippi Code Section 37-7-345 to structure statewide consolidation of procurement of certain items. Potential items include those that are used in all school districts, such as buses, copy paper and janitorial supplies.

Recommendation 2

Recommend that, augmented by incentives listed below, school districts consolidate using a data-driven model. This approach will demonstrate how the quality of educational services will be improved through consolidation based on the statistical correlations drawn regarding enrollment, student achievement, number of courses taken, ACT college and career readiness data, district administration spending and/or other factors as designated by Legislature.

Legislature provides the following incentives for districts to voluntarily consolidate under existing law.

- Financial incentives: additional resources, issuing bonds to provide for building and renovating facilities, and providing no-interest loans; provide a percentage of the base student cost greater than 100 percent for each student in the consolidated district.
- Accreditation/accountability incentives: holding consolidated districts harmless from receiving an accountability rating for a set period of time; successful districts that receive failing districts will receive an accountability rating based only on original student population, unless the new students help the district improve its accountability rating; remove districts from the accreditation audit schedule for a period of time to allow the consolidated district to gain sure footing.
- Technical assistance: provide external facilitators to guide the districts through the consolidation process and remain as an adviser for the first two years of operation as a consolidated district. The external facilitator would ensure a smooth transition and that all voices, including those of all districts being consolidated, would be heard and recognized. The Mississippi Department of Education staff members would also assist in managing the process to the extent possible based on funding and staffing levels. In addition, the technical assistance includes developing guidelines for optimal performance based on best practices. The guidelines would address issues such as optimal size of schools and districts and caps on administrative costs.

Recommended model timeline for implementation:

September

Accountability Results released

October

Run model based on data

November

List of potential districts released

January-April

Legislature considers incentive package available to districts listed

July 1

Deadline for acceptance of incentive package

July 1-June 30

Planning Year(s)

July 1

New consolidated district is established, former districts abolished

Recommendation 3

Provide the State Board of Education full authority to dissolve districts that are placed in conservatorship or the Recovery School District and reconstitute them as a new district with new district lines and new governance structure.

Recommendation 4

Using successful models based on businesses and districts in other states, require through legislation that all districts within a county consolidate support services and back-office operations and allow school districts from multiple counties to use a centralized system for shared services and back-office operations voluntarily. Through a joint outsourcing agreement and selecting the vendor through a Request for Proposals process, services that may be shared include purchasing, transportation, child nutrition, payroll and personnel. The vendor selected may be one of the school districts, a Regional Service Agency or a business. The consolidation of services may be phased in over a three-year period or a period of time specified by the Legislature.

“I believe these four recommendations provide the Legislature with some excellent options for consideration,” said Aubrey Patterson, Chair of the Commission on Mississippi Educational Structure. “The Commission examined the issue from every angle and developed recommendations that address the consolidation of both school districts and services. I appreciate their hard work and dedication to the task.”

The Commission held six meetings from January through June. A public hearing was also held to gain feedback on the issue from stakeholders.

“The most crucial factor when considering consolidation or any other initiative impacting education is to examine how it will help improve educational outcomes for children,” said Dr. Tom Burnham, State Superintendent of Education. “We must look for the solutions that provide greater opportunities for students and improve teaching and learning in the classroom. Finding ways to do this more efficiently and effectively will free up resources to help school leaders meet increasingly rigorous standards.”

Other members of the committee include: House Education Chairman Cecil Brown, Senate Education Chairman Videt Carmichael, Rep. Robert Johnson, Sen. Sampson Jackson, State Superintendent Tom Burnham, Commissioner of Higher Learning Hank Bounds, State Board of Education member Howell Gage, State Board of Education member and Pass Christian Superintendent Sue Matheson, Barksdale Reading Institute CEO Claiborne Barksdale, Jackson businessman Socrates Garrett, Madison County Superintendent Mike Kent, South Delta Superintendent Katherine Tankson, Gulf Coast businessman Stephen Renfroe, Meridian businesswoman Mary Peavey, Senate Universities and Colleges Chairman Doug Davis and Rep. Herb Frierson.

A copy of the full report is available on the Mississippi Department of Education Web site at http://www.mde.k12.ms.us/Extrel/leg/Ed_Structure2.pdf

http://www.ruraledu.org/articles.php?id=2034#Sticks_and_Carrots**RURAL SCHOOL AND COMMUNITY TRUST - MARCH 2006**

Most states that decide to ignore the research and push district or school consolidation usually use some combination of incentives and negative pressures. These may include legislative mandates to force consolidation or state education requirements that are very difficult for small schools or districts to meet. Pressures can come in the form of school finance formulas that fiscally starve small schools or districts or when states require, but do not fund new programs. Some states offer direct or indirect financial incentives.

Some of the more common sticks and carrots used by states to promote consolidation:

- *Size limits.* The most direct approach to consolidation is simply to create a minimum size and legislate out of existence any school or district that falls under that limit. **Arkansas** has been employing this method for the past several years, forcing districts with fewer than 350 students to merge with another district-regardless of the

academic effectiveness or fiscal viability of the district or the hardship or distance imposed on students through the merger.

- *Eliminate specific types of districts.* Similar in process to size limits, this approach eliminates certain kinds of districts, usually by legislative mandate. The Nebraska legislature has attempted to force all Class I-Elementary-Only districts to merge with a district that includes a high school.
- *Fiscal starvation/differentiated funding.* Some states structure the school funding formula in ways that directly or indirectly provide more money for larger districts or for larger schools within districts. It's an approach that forces communities with small schools or districts to provide a larger share of school funding if they want to maintain their school. This can put enormous pressure on the local tax system, and in some cases, pit communities against each other.

A proposed "local option" bill in **Nebraska** would reduce state per pupil funding to K-12 districts with fewer than 390 students. **Maine's** Essential Programs and Services funding formula provides state funding on the basis of student-staff ratios that do not account for actual need in small schools and districts. In addition, some costs, such as transportation, are funded on a per-pupil rather than a cost basis, a situation especially difficult for sparsely populated rural areas. As a result, nearly half of Maine's districts with fewer than 300 students and more than a third of districts with 250 to 500 students are losing funding. By comparison, less than 10% of districts with more than 2,000 students are losing funding.

- *Unfunded mandates.* One of the more subtle approaches, the unfunded mandate seems to affect all schools equally, but in fact it often impacts small and low-wealth schools or districts more severely. For example, sometimes states add requirements for specific staff positions like full-time counselors or for facility features like specific kinds of science labs that large schools typically have or that the finance formula makes possible only in large settings.
- *High School curriculum.* Similar to the unfunded mandate, additions to the required high school curriculum (and sometimes elementary or middle grade curriculum) force schools to hire additional staff or offer specific courses in specific ways. Frequently, local districts are restricted from developing alternative delivery routes or interdisciplinary approaches that could be more appropriate to their situation and more educationally sound. Some states simply add additional years of specific courses-like requiring four years of math instead of three. A number of states including **Florida, Idaho, Illinois, Iowa, Michigan, New Mexico, and Ohio** have raised or are considering raising graduation requirements; not all states are giving equal consideration to providing additional funding to meet those standards. These requirements can stress low-wealth schools and districts in additional ways. For example, raising the number of math and science courses required for graduation increases the demand for certified and Highly Qualified math and science teachers across the state and gives a competitive advantage to high-wealth districts that can offer higher salaries to lure teachers away from other districts. Interestingly, research in Nebraska indicates that although larger schools offer more courses than smaller ones, student participation in the curriculum is actually both relatively and absolutely lesser.
- *Construction policies/State Building Authorities.* One of the more common ways that states force consolidation is through capital outlay and finance arrangements that only fund schools of minimum enrollments or square footages. To make matters worse, states often neglect to provide enough funding for routine maintenance, thereby forcing districts to defer maintenance until catastrophic problems arise. Many states also have policies that favor new construction over renovation. Some states have a central authority that governs school contracts and decides which schools in the state will be repaired, replaced, or consolidated. **West Virginia's** School Building Authority has near-total control of school building policy in the state and has disproportionately targeted small schools in poorer communities for closure. **Kentucky** only provides bonding capacity for districts that will build schools of a particular size, forcing school systems to consolidate buildings in order to address facilities needs. Rural communities face additional problems because they typically have few high-value properties, business establishments, and sales centers that can generate significant tax revenue. Twin, but divergent, problems further complicate matters: some states cap or place other restrictions on the ability of local jurisdictions to tax themselves, thereby limiting access to local revenue for local projects. Some states, by contrast, require local jurisdictions to carry a portion of school or facility funding that it is beyond the revenue-generating capacity of some low-wealth rural districts.
- *Financial Inducements.* A number of states offer financial incentives to districts that merge with another district or to districts that eliminate some of their schools. Oftentimes these incentives are one-time cash infusions and sometimes they are multi-year installments designed "to cover the costs of merging." **New York** provides hefty financial incentives, paid over several years, to newly merged districts. **Kansas** provides incentives and allows newly-merged districts to retain a portion of their small district aid for several years to help cover the costs of district consolidation.

Current State Consolidation Proposals or Initiatives, Winter 2006

The following states have active proposals or initiatives to consolidate rural districts and/or schools.

- **Arkansas.** Following the State Supreme Court ruling in 2002 that the state's method of financing public education was unconstitutional, the legislature responded with a plan to force the consolidation of small school districts. Currently, districts with enrollment below 350 students for two consecutive years must find another district with which to merge. Since the rule was put in place, 57 small rural districts have been consolidated out of existence; and a number of newly merged districts have since closed all or part of the school in the former small district. In addition, the state can force the merger of districts that it deems to be in academic or fiscal distress.
- **Illinois.** The governor and State Superintendent of Education have put forth a proposal to "make voluntary district consolidation easier." Illinois has 889 school districts, 404 of which are K-12 districts. The proposal would allow elementary-only districts to merge with their high school district if voters in their district approve. Currently, all elementary-only districts that feed the same high school must vote to approve a merger. However, under the new proposal, if one or more elementary-only district involved in a merger vote does not approve the merger, they would have five years to change their minds or find another high school to attend. The proposal would also allow elementary-only districts that feed the same high school district to merge with each other even if the districts are not contiguous. While the proposal governs district consolidation, some members of the state legislature are referring to it as a school consolidation measure.
- **Iowa.** Widespread declining enrollment, very small districts, and pressure to improve high school test scores (especially ACT) in a state with historically high scores and a rapidly changing demographic base has sparked talk of consolidation in Iowa. The state has encouraged inter-local cooperation (locally known as "sharing") in many ways for a long time, including adding pupil weight counts in the aid formula for districts that share administrators, teachers, or students. That provision, however, will phase out this year, and a temporary "budget guarantee" that holds districts with declining enrollment harmless will end this summer. Governor Vilsack is pushing tougher graduation requirements, as well as a statewide core curriculum authorized in the 2005 legislature and scheduled for definition and adoption by the State Board of Education this May. Both the governor and the Institute for Tomorrow's Work Force are pushing regional high schools. Most of the criticism of very small schools is based on ACT scores lower than the state average. But one-third of the public schools ranked in the top 50 in AP test scores have fewer than 100 graduates per year. In addition, a higher percentage of students in small districts than in the state as a whole take the ACT even though small districts have higher rates of poverty than all but the very largest districts. And, only six of the 94 schools failing the Adequate Yearly Progress requirements of NCLB this year are located in rural communities or towns with fewer than 25,000 residents.
- **Kansas.** The Kansas Legislative Post Audit Committee and the Legislative Division of Post Audit, the audit arm of state government, released in January a report that presents two new alternatives for funding schools. Both methods eliminate or reduce weights for most small district size, add significant weights for urban poverty but not rural poverty, and create a cost of living adjustment for salaries that increases funding for many urban and suburban districts. The net result in both cases is a reduction of state funding to rural small schools and districts. When compared to these formulas, 174 of the state's nearly 300 districts appear to be "over-funded." Almost all of these districts are small and rural. Some observers challenge the basic assumptions of the study, which was conducted as part of the legislative response to a state Supreme Court order to improve the way Kansas finances schools. The study has intensified calls for measures to reduce the number of school districts in the state. However, the state has already reduced school district numbers dramatically: in the 1960s, Kansas initiated a massive round of consolidation and eliminated several thousand districts.
- **Kentucky.** While there are no current legislative initiatives regarding consolidation, mechanisms are in place to coerce district and school consolidation. The majority of districts are countywide and while counties are relatively small in Kentucky, difficult terrain in the mountainous eastern third of the state makes them effectively much larger. Since enactment of the Kentucky Education Reform Act (1990), considerable funding has been available for both direct grants and bonding capacity for local school construction projects. However, these projects must be approved through a state process that has effectively forced consolidation in a number of instances. In addition to 120 countywide districts, there are 56 "independent" (city) districts in Kentucky, physically located within a county but autonomous. These include some large and medium size towns, but most are small and many are rural. The smaller independent districts are being fiscally starved under the current funding formula, and there's been much talk in recent years that some independent districts might be forced to become part of their surrounding county district. This issue is one thread in the current school finance debate.
- **Maine.** In November 2005, a "select panel" commissioned by the Maine State Board of Education released a draft of a report designed to improve education. This draft report includes recommendations for administrative consolidation that would reduce Maine's 286 School Administrative Districts to 35. In addition, the report recommends creating elementary/middle schools of 350 students and high schools of 450 students. Currently as many as 460 of Maine's 645 schools are under these size recommendations. Recent changes to the school funding formula, known as Essential Programs and Services, have reduced state funding to a large percentage of Maine's small and rural districts and many rural advocates view the formula as a means to pressure small districts into consolidation.
- **Nebraska.** The Nebraska legislature has introduced a variety of initiatives to force and to induce consolidation among the state's approximately 500 school districts. In 2005, the legislature passed a bill requiring all 209 elementary-only Class I school districts to consolidate with a K-12 district by June 1, 2006. Opponents successfully

won the right to put the initiative to statewide referendum in November 2006. A court injunction stayed the legislation until after the November election, but the State appealed and a decision is pending from the State Supreme Court. Also pending is a bill to alter the state's school funding system. If approved, the bill would provide additional funds to meat-packing towns with high poverty and high percentages of English Language Learners. But it would shift money away from small school districts in remote areas to other small school districts.

Two other provisions would hurt small rural districts; one, a euphemistically named "local choice" provision, would reduce state per pupil support to districts with fewer than 390 students. The second would increase support to districts with above average percentages of teachers with advanced degrees. This second provision would harm rural districts located far from colleges where teachers can earn advanced degrees, and it would harm those low-wealth districts (where pay is also usually low) that have high levels of teacher turnover and high percentages of teachers who are new and, therefore, less experienced and less credentialed. It would reward high-wealth districts with older and more experienced teachers and those close to urban centers and teacher training institutions. The Education Committee of the unicameral legislature has killed several bills that would have helped rural school districts, including bills that would add a "size adjustment factor" to districts with fewer than 900 students; a bill that would hold harmless from the previous year districts with rapidly declining enrollment; and, a bill to determine the actual costs of achieving Nebraska's "essential education" mandates.

- **South Carolina.** Following a court order to provide high quality preschool programs and improve education for poor children in grades K-3, some South Carolina legislators have proposed consolidation of school districts as a way to save money that could be spent for these court-ordered purposes. They propose a commission to recommend which of the state's 85 districts to consolidate. The proposal was put forth even though a 2004 Legislative Audit Committee study reported that little would be gained by consolidation and a 2003 Education Oversight Committee report that concluded consolidation might improve efficiency, but also might lower student achievement.
- **South Dakota.** A number of proposals pushing consolidation of school districts were introduced in the South Dakota legislature in the 2006 session. Most were defeated, but many observers think that similar proposals will be introduced next year. Some of the measures have been recommended for inclusion in the Education State Aid Task Force Interim Study by the State Department of Education that is expected to file a report later this year; that report is widely expected to introduce changes to the formula that would spur consolidation. The measures introduced this session included a bill that would end state funding altogether of school districts with fewer than 100 high school students (over 40% of districts), unless the district was at least 600 square miles in size and located more than 30 miles from the nearest high school. This particular measure would not only have forced districts to merge, it would also have required the consolidation of high schools. Other defeated measures would have: reduced the number of districts from 168 to 10; created a special state commission to develop a statewide school consolidation plan; and, ended the ability of districts to cooperate in offering athletic programs unless they were more than 20 miles apart.
- **Texas.** The state House Committee on Education is currently studying district consolidation and is scheduled to present a report by July 4, 2006. The study, one of several undertaken in response to a State Supreme Court ruling that the state's tax system for financing schools is unconstitutional, will look at the possibility of reducing the number of districts in Texas from the current 1,031. About two-thirds of those districts are located in rural areas or small towns, and about half have enrollments under 700.
- **West Virginia.** The School Building Authority controls school construction in West Virginia and has pursued one of the nation's most aggressive school consolidation policies. It provides funding only for schools of 1,000 or more students; if the district doesn't have 1,000 students, funding will only be provided for a school that serves all the district's students in that grade span. Nearly 400 schools have been closed since 1990 in West Virginia's 55 countywide school districts. More than 100 more are currently targeted. Consolidation of rural schools continues, despite the governor calling for an end to consolidation, citizens' groups in several counties suing to block the consolidation of schools, and education writers Eric Eyre and Scott Finn at the Charleston Gazette winning awards for their investigative reporting documenting the harmful impact of consolidation on rural students and refuting the claims of consolidation advocates for wider course offerings and financial savings.

Misc.

School District Consolidation in Other States

The scale at which school services are provided varies across the country. Some states, including Maryland, Virginia and many other southern states, have countywide school districts. Other states, like New York, operate on a district or municipal scale. Research has indicated that there may be cost savings and improved services if small school districts were consolidated. As a result, many states with school districts operating at a sub-county level are looking at school district consolidation as a means to save money and improve the amount of services offered to students. Maine is in the midst of a dramatic reform and changes have been made in Arkansas. Proposals are also being considered in New Jersey, Indiana and Vermont.

Maine

At the end of 2006, three different reports came out on high per pupil spending in Maine schools being driven by administrative costs. The Governor proposed and the Legislature enacted a massive restructuring program for schools in June 2007. This law requires all school districts to work together to reorganize into larger, more efficient units. Where consolidation would be impractical, these units would have to look for internal administrative efficiencies to reduce costs.

By December 2007 school districts had to submit a reorganization plan for approval by the Education Commissioner. These plans had to reorganize school districts to contain at least 2,500 students with a few exceptions, including if surrounding districts would not merge with them or if they were highly efficiently and high performing. The goal was to reduce the number of school districts from 290 to no more than 80 school districts. 85% of school districts were in reorganization plans that complied with the requirements. Once approved by the Commissioner, these plans are to be submitted to referendum and approved by November 4, 2008. If a school district fails to adopt the reorganization, it would face strong aid punishments, including a 50% reduction in some aid streams and less favorable consideration for school building aid. All school districts are to be reorganized by July 1, 2009.

More information on this restructuring is available at:
<http://www.maine.gov/education/reorg/lawssummary.html>.

Arkansas

In November 2002, the Arkansas Supreme Court ruled that the education provided to students was inadequate and ordered that reforms be in place by January 2004. In response to this, Governor Huckabee proposed legislation consolidating all school districts with fewer than 1,500 students – two-thirds of Arkansas' school districts. In 2004, the Legislature instead enacted legislation that consolidated school districts below 350 students. This legislation along with other funding reforms went into effect, and the State was found to be in compliance with the ruling for that year. In October 2005, the special Supreme Court masters overseeing the reforms reported that the State was no longer in compliance with the ruling and suggested further consolidation.

New Jersey

As part of the New Jersey Legislature's 2006 Special Session on Property Taxes, the Joint Committee on Government Consolidation and Shared Services issued recommendations on school districts. They recommended a pilot program for a countywide school district. This would allow the State to get a sense of the advantages and disadvantages of countywide administration. A bill to enact this change was introduced and passed in one house, but it is unlikely to be enacted due to local opposition in the pilot county.

In addition, the Legislature also recommended and enacted a bill giving county school superintendents (a position that is appointed by the Governor in each county to oversee school districts) more authority including: eliminating non-operating school districts; creating K-12 school districts; providing administrative services to school districts; and approving certain expenditures of school districts. A recommendation was also made to move school board elections to November but was not acted upon.

The full report is available at:

http://www.njleg.state.nj.us/PropertyTaxSession/OPI/jcgo_final_report.pdf with the schools recommendations on pp 55-63 and 80-84.

Indiana

Indiana's Commission on Local Government Reform offered four recommendations on schools in the report they issued in December. They called for school districts to be reorganized so that all have a minimum student population of 2,000 and a process for this reorganization that sets straightforward state achievement standards, creates local plans for reorganization, and gains approval from the State Board of Education.

They also recommended: requiring all purchasing be done through their BOCES-like entity, unless additional savings through independent purchasing can be documented; holding all school elections at either the primary or general elections; and requiring the

municipal government in which the school district primarily resides approve any bonding.

The full report is available at:

http://indianalocalgovreform.iu.edu/assets/docs/Report_12-10-07.pdf with the schools recommendations on pp. 27-31.

Vermont

In December, the Vermont Education Commissioner issued a report called for by the Vermont Legislature on recommended changes to the current structure of the education system. The Commissioner recommended requiring school districts with fewer than 1,500 students to collaborate with other school districts to become part of a larger school district. If the school districts did not comply by a certain date, the State would force a merger.

The report also called for funding to pay for transitional costs of mergers, polling Vermonters on the need for educational governance change, allowing school choice for all high school students, and allowing new school districts to decide how to best engage citizens.

The full report is available at:

http://education.vermont.gov/new/pdfdoc/dept/ed_governance/act_82_governance/report_act82_sec19.pdf

WISCONSIN

2008-09 School District Consolidation Feasibility Study Grants

General Information

Appropriation. The 2007-09 biennial budget bill (2007 Wisconsin Act 20) included a new appropriation (s.20.255 (2) (bs)) of \$250,000 for one-time grants of up to \$10,000 per each consortium for school district consolidation feasibility studies. The funds were only available in the 2008-09 fiscal year.

Statutory Authority. The law describing the Consolidation Feasibility Study Grants is in Section 9137 (3k), the non-statutory provisions related to the Department of Public Instruction in 2007 Act 20.

Funded Consortiums.

- Chetek and Weyerhaeuser - [Report \(pdf\)](#)
- Glidden and Park Falls
- Bruce and Ladysmith-Hawkins - [Report \(pdf\)](#) - [Table of Contents \(pdf\)](#)
- Benton, Cuba City, Southwestern, and Shullsburg - [Report \(pdf\)](#) - [Appendix A \(pdf\)](#) - [PowerPoint Summary \(ppt\)](#)
- Montello and Westfield - [Report \(pdf\)](#)
- Prairie Du Chien and Wauzeka-Steuben
- Cornell and Gilman - [Report \(doc\)](#)
- Pecatonica and Argyle - [Report Summary \(pdf\)](#) - [PowerPoint Presentation \(ppt\)](#)
- Belleville, Monticello, and New Glarus- [Executive Summary \(pdf\)](#) - [Report \(pdf\)](#)
- Boscobel and North Crawford
- Wabeno and Laona - [Report \(pdf\)](#)

Grant funds are no longer available.

For questions about this information, contact [Janice S. Zmrazek](#) (608) 266-2803

Last updated on 12/18/2009 5:28:04 PM