

Office of Performance Evaluations

News Release: Feasibility of School District Services Consolidation

February 23, 2009

(BOISE)— The bipartisan Joint Legislative Oversight Committee of the Idaho Legislature released its performance evaluation report on the feasibility of school district services consolidation today. The study was conducted by the Office of Performance Evaluations—an independent, non-partisan agency of the Idaho Legislature.

The report concludes that consolidation of services alone will not be enough to find significant savings for the state or school districts. To potentially achieve greater savings, the report recommends the Legislature consider a review of major expenditure areas such as administration salaries, which may lead to a discussion of the feasibility of consolidating district administration or districts themselves.

In his response to the evaluation, Governor Otter wrote, “In today’s economic climate it is prudent to ensure that state and local governments are using Idahoans’ hard-earned dollars most effectively. That is particularly important when it comes to public school districts.” He added, “I am pleased and encouraged by the recommendations addressed in the audit, which reflect some of the same principles in which I believe.”

Idaho has 115 school districts and 32 charter schools. In fiscal year 2007, districts and charters spent over \$1.5 billion.

In 2007, 81 (about 70 percent) of Idaho’s school districts had student enrollment under 1,500, including 49 districts with less than 500 students. The average per pupil expenditures by district size in fiscal year 2007 ranged from \$8,447 for very small districts (student enrollment less than 500) to \$5,372 for large districts (student enrollment between 5,000 and 14,999). The two very large districts, Boise and Meridian (student enrollment of more than 15,000 students), had a combined average per pupil expenditures of \$6,578.

“Considering the political nature of any consolidation study, we sought input from key stakeholders to make sure we understood the study context and to learn from them the services they perceived to be likely candidates for consolidation,” said Rakesh Mohan, director of the legislative evaluation office. Stakeholders provided input through two rounds of focus groups in all six regions and in a survey of all superintendents, principals, and business managers.

Results of the study, which included a detailed review of district expenditures, showed that the state and the school districts could benefit from consolidation of three service areas: purchasing of supplies and materials, professional development, and pupil transportation. For these areas, the report recommends that the Department of Education assist districts in developing and implementing ways to consolidate services. The report provides examples of successful models already in place in Idaho: Canyon-Owyhee School Service Agency (COSSA), Idaho School District Council, League of Schools, food cooperatives, and professional-technical schools.

The report has three recommendations for the Legislature to consider: (1) provide incentives to school districts for consolidating services similar to those offered for consolidating districts, (2) create transportation cooperatives, and (3) consider further studies to determine potential consolidation of district health insurance, special education services, and maintenance and custodial services.

In his written response to the study, the state's Superintendent of Public Instruction Tom Luna said, "The findings and recommendations in this report are a good start towards identifying additional cost savings by consolidating administrative services so that more dollars can be directed to classrooms."