



## School District Consolidation Issue Brief

- **The decision to consolidate must reside with the local communities which are directly impacted by the decision.**
- **Studies from around the nation have documented NO inherent improvement in academic achievement through consolidation and many have confirmed adverse impacts on student achievement.**
- **Consolidations often do not produce savings and many result in an increase in total salary and expenditures. Therefore, the Legislature should support functional consolidation of school district services.**

Current economic conditions have created pressure to explore school district consolidation. Proponents of consolidation argue that money can be saved and pressure on the property tax base can be eased where the merger of small districts and schools can remove duplication of functions, unify resources for a stronger education program and achieve economies of scale, including reduced costs of serving multiple boards, multiple superintendents and other staff positions. It is also claimed that consolidation can positively affect bond ratings and costs for taxpayers in the poorest districts, and allow for facilities and equipment sharing and bulk purchasing.

There are many key factors that must be addressed in any effort to consolidate school districts; however, in all instances the decision to consolidate must be made at the local level. Numerous studies reveal that there are many offsetting costs involved in the consolidation process which can exceed the perceived savings. In addition, there is a lack of follow-up financial analyses that actually show financial savings from consolidation/merger. Some of the offsetting costs to consolidation include:

- **Transportation costs** – Geographic barriers and the resulting larger geographic area means greater distances and longer travel times for students that must be bused, with additional fuel costs and potential lost staff time and expense to travel to a unified school building or central office.
- **Increased operational costs** due to the need to level up salaries and benefits.
- **Additional costs for hiring** more staff to accommodate larger administrative units (assistant superintendent, assistant principal, etc.)
- **Possible costs for a superintendent contract buy-out.**
- **Transition costs**, such as purchasing common text books and achieving computer software compatibility.
- **Facility costs** for expansion to accommodate larger student enrollments in shared buildings.



Although it would also seem that consolidation would benefit student achievement by providing a larger financial base, more staff and program resources to provide a broader range of student course offerings and extra-curricular activities – more often this is not the outcome. **Studies show that decreasing the size of school districts has a positive effect on graduation rates and smaller schools/districts are more likely to produce better results for students from low-income families and narrow the achievement gap.** The American Legislative Exchange Council found that on average fewer students per school and fewer schools per district are associated with higher SAT, ACT and NAEP scores<sup>1</sup>. To the extent that consolidation produces larger schools, the increase in size in remote areas does not always result in the attraction of subject area teachers needed – and may have a negative impact on some students who can become “lost” or unable to access opportunities to participate in extra-curricular activities that support academic and personal development.

Functional consolidation, where school districts typically share non-instructional services, has emerged as an efficient alternative to district consolidation. Here, the proposed benefits of consolidation can be achieved in areas such as cooperative purchasing, contracting for services with neighboring districts or BOCES and the expanded use of technology and sharing of facilities, teachers and resources.

Beyond the impacts that consolidation can have on student achievement and district costs there are a number of issues and repercussions on the lives of families, school personnel, taxpayers and communities that must be considered, which include:

- The impact on possible local property taxes (increases) due to one district subsidizing a leveling-up of school spending for the poorer district with which it is merged or of setting a common tax rate across the new district.
- Political and legal issues relating to the allocation of funds among schools especially where there is a disparity of local tax commitment between merging districts.
- Revising collective bargaining agreements.
- Impacts on housing values.
- Impacts of school district dissolution, especially in small/remote communities where the school is the center of civic life.
- Creating longer bus rides to school for students and taking out more time of their daily lives for study, rest and play.
- Resistance by communities to consolidate because the school district provides a source of pride in the residents and binds the community together.

---

<sup>1</sup> See Andrew T. LeFevre, The American Legislative Exchange Council, Report Card on American Education: A State-by-State Analysis, 1983-1984 to 2004-2005 (2006).