

## SCOPE STATEMENT

### **K-12 Education: Reviewing the Potential for Cost Savings From Reorganization of Kansas School Districts**

The last major reorganization of Kansas school districts occurred in the 1960s. As a result of the actions the Legislature took at that time, the total number of school districts was reduced from about 2,600 in 1960 to 304 by 2000.

The 1999 Legislature passed K.S.A.72-7533, requiring the State Board of Education to undertake a comprehensive boundary study of Kansas School districts to determine if the public school system could be more efficiently and effectively operated under a different configuration. The Board contracted with the education consulting firm of Augenblick and Myers to conduct the boundary study, and the final report was released in January 2001. In its report, Augenblick and Myers proposed three plans for realigning school districts – one plan identified districts for realignment based on their spending and student performance, another plan identified districts based on size, and a third plan combined the first two approaches. After looking at potential merger candidates, Augenblick and Myers concluded that the total number of districts Statewide could be reduced to somewhere between 255 to 284 districts depending on the approach taken.

Also in 1999, the Legislature passed K.S.A 72-6445, providing financial incentives for school districts to voluntarily consolidate. That law has been modified several times since it was passed, but essentially it allows districts that consolidate to receive additional funding for several years after the consolidation. Since the passage of that law, several voluntary consolidations have reduced the number of districts from 304 in 1999-2000 to 295 in 2008-2009. However, a number of districts with very low enrollment still exist. In 2008-2009, 10 districts had fewer than 100 students enrolled.

With recent budget shortfalls, the Legislature has again become interested in looking at school boundaries to determine whether there are less costly ways to configure school districts in Kansas.

A performance audit of this topic would answer the following question:

- 1. What opportunities exist to restructure Kansas school districts to more cost-efficiently educate students?** To answer this question, we would review the 2001 Augenblick and Myers boundary study and other literature as necessary to compile criteria for identifying specific situations where schools districts should be split into smaller districts or consolidated into larger ones. We would look at per-pupil costs across school districts to determine whether particular district sizes tend to produce lower overall costs. We would develop one or more possible realignment scenarios, using the realignment plans proposed by Augenblick and Myers as a starting point, and also attempt to identify other opportunities to realign districts based on enrollment, geography, or other factors. We would interview officials from the districts that would be involved in any realignment scenarios we identified, to identify impediments they see to realignment. For the realignment scenarios we develop, we would calculate the demographics of the realigned districts for such things as student counts, square miles in the district, student density, and the like, to ensure they are reasonable compared to other Kansas school districts. Also, we would estimate how realignment scenarios that appear feasible would affect the State

aid received by the realigned school districts, and local mill levies in those districts. We would conduct additional work as needed.

**Estimated Resources: 16-18 weeks**