## MINUTES OF THE HOUSE COMMITTEE ON EDUCATION K-12.

The meeting was called to order by Chairperson Kathe Decker at 9:00 a.m. on February 19, 2003 in Room 313-S of the Capitol.

All members were present except:

Representative Loganbill

Committee staff present:

Carolyn Rampey, Legislative Research Department Kathie Sparks, Legislative Research Department Jill Wolters, Office of the Revisor of Statutes Ann Deitcher, Committee Secretary

Conferees appearing before the committee: Supt. Bob Goodwin, Southeast of Saline USD 306

Supt. A.C. Bolund - Skyline USD 438

Robert Loftin, School board member - Weskan Dee McKee - Director of Spec. Ed. - Manhattan Laura Kelly - Ks Recreation and Park Assoc.

HB 2195 - Dissolving existing unified school districts.

HB 2209 - Relating to consolidation.

HB 2210 - Relating to consolidation of administrative services.

HB 2253 - Relating to disorganization and consolidation.

HB 2256 - Study of regional education districts.

The Chair introduced Superintendent Bob Goodwin who spoke as an opponent to HB 2256. (Attachment 1).

Supt. Bolund and Robert Loftin offered testimony in opposition to the consolidation bills. (Attachments 2 and 3).

Speaking as a proponent of the consolidation bills was Dee McKee. (Attachment 4).

Laura Kelly addressed the committee on the impact that consolidation would have on her organization. (Attachment 5).

The Chair informed the committee that HB 2229 and HB 2231 as well as other bills previously heard would be discussed when they next convened.

The meeting adjourned at 10:30. The next meeting is scheduled for Thursday, February 20, 2003.

PRESENTATION BY:

Dr. Robert Goodwin

Supt. of Schools

Southeast of Saline, USD #306 (Part of proposed Central

Regional Education District) bgoodwin@usd306.k12.ks.us

The regionalization concept for reorganization of Kansas School Districts has been introduced to the legislature as a way to save money and increase services to children in Kansas schools. In reality the concept will probably cost more money to fund and might not be helpful to public school students in Kansas.

Dale Dennis, Deputy Commissioner of Education, informed a group of educators at a consolidation meeting in January that in the 1960s the number of school districts in the state was reduced from 1200 to 300. While 900 districts were being eliminated the education budget in the state went up. Would a forced consolidation actually result in a decrease in expenditures or would it simply redistribute money from rural school districts to urban districts?

What support has the plan received beyond the support of the three superintendents who presented it? The forced consolidation plan has not received backing from the Kansas National Education Association, United School Administrators of Kansas or the Kansas Association of School Boards.

The plan identifies a number of regions for consolidation. In the central regional education district which includes five counties that surround the Salina area there are 15 districts which would be reduced to one district under the current plan. It seems fair to assume that the one district would be centered in Salina. During the 2001-2002 school year the Salina School District had the highest mill levy of any district outside of the Kansas City metropolitan area. With this high mill levy Salina was able to build a teacher salary schedule that was one of the most expensive in the state. If this salary schedule was adopted when the 15 districts consolidated it would generate an additional cost to the state of approximately \$4,500,000. The other districts in the area have much lower cost salary schedules and that is why the cost of education in this area could actually rise instead of falling if consolidation were to occur. According to the Augenblich and Myers study commissioned by the legislature last year, teacher salaries in larger school districts in Kansas were 14% higher than in smaller districts.

The cost of district level administration in the 14 smaller districts around Salina does not add up to the increased cost for a new salary schedule for teachers. In fact, the highest expense for salaries in the area goes to Salina. There are many administrators in Salina and eight of them make in excess of \$81,000 with one administrator in Salina making \$114,000. There is just one administrator in the other 14 districts who makes over \$81,000. The Salina School District has approximately 7,000 students and seeks to add

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9,000 students from other districts. Will more district level administrators be needed in this new district and will their salaries inflate to the level of the administrator salaries in the Salina district?

What impact would forced consolidation have on regional schools. Would these schools' drop out rates increase to that of Salinas', would their graduation rate fall to that of Salinas' and would their state assessment scores also drop to that of Salina schools? Would there be more or less participation by students in school activities? Most studies confirm that a lower percentage of students participate in activities in larger schools. Student participation in activities has a positive correlation to success with grades.

School districts across the state are making painful decisions about closing schools and consolidating with others. It would be a mistake to force this consolidation on other districts if the decision is being made based on data received from three school districts that stand to build small empires at the expense of others.

Chairperson Decker and Committee Members,

I am A. C. Boland, Superintendent of USD 438, also known as Skyline Schools, located in Pratt County about 80 miles west of Wichita on Highway 54. My testimony today will express various concerns and considerations that my Board of Education, my school district patrons and myself have about consolidation. I thank you for that opportunity.

What is the hardest animal to kill in any state? A school mascot

Consolidation has been, off and on, a hot topic in rural Kansas and Pratt County for many years. In the middle 60's, efforts were made to create basically one district in Pratt County. Representatives of the rural community school districts in Pratt County were unable to reach agreement with school district representatives from the city of Pratt. The people in 4 small communities in the southern and western parts of Pratt County then decided to consolidate their school districts into one. They built Skyline Schools, a K-12 facility, to serve the students from those four small districts.

In my unbiased opinion, Skyline serves its students well. Our students excel in academic competition with other schools. We fully provide the courses necessary so students can meet the Regents curriculum and qualify as state scholars. Skyline requires three units of math for high school graduation, offers both chemistry and physics as well as Advanced Biology. We work in cooperation with Pratt Community College to provide both higher level academic courses and vocational courses for our high school students. Two foreign languages are offered. Our state assessment scores, achievement test scores and ACT scores are all well above average.

Recent overtures from the Pratt city school district to consolidate have been rebuffed by the Skyline Board of Education because of the Skyline Board's satisfaction with the present academic excellence, the safe, wholesome atmosphere, the clean, well-kept facilities and the participation opportunities available for Skyline students. The patrons and Board of Education of the Skyline Schools district view the recent talk of forced consolidation; that is, having county or regional school districts, as the **hostile takeover** of a facility paid for entirely by Skyline patrons.

School consolidation will **not** save money. To quote information from the Montana Rural Education Association, "**NOT ONE** study of consolidation in other states has shown a significant savings." Here are some quotes from the Performance Audit Report entitled "Exploring Options for Consolidating Kansas School Districts: An Overview." This study was commissioned by the Kansas Legislative Post Audit in 1992.

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"The states we surveyed and the articles published on this subject generally reported that consolidating school districts **may** result in minor savings in administrative costs, but significant savings will occur **only** when schools are closed, class sizes are increased, and the number of teachers is reduced. The states we surveyed had not required districts to consolidate, but had encouraged consolidation through financial incentives or through expanded curriculum and staffing requirements." End of quote.

A further quote from that study: "Our analyses showed that **average teacher salaries and average class sizes** were the two primary factors influences expenditures per student on a national level." Small schools typically have higher student achievement than larger schools.

Other research indicates that school consolidation dramatically **INCREASES** expenditures in other areas such as transportation and facilities construction/renovation. Compared to WalMart and McDonald's who build in specially selected locations, school facilities are not usually located to make consolidation advantageous.

The latest figures from the proponents of Regional Education Districts indicate a savings of \$1500 to \$2000 per student. Why has no other study ever done anywhere even get close to such/savings figures?

School consolidation would negatively impact **Economic Development** throughout the state. The loss of jobs and spending on schools at the local level could be dramatic. The amount cited in the first version of the Regional Education District proposal was to save \$11.6 million in the Rural Education District centered in Pratt. What a devastating blow that would be to the already struggling economy of that area! **Multiply that across the state and what happens to the state's income and sales tax receipts will be uglier than it is today.** 

School consolidation is a direct assault on **LOCAL CONTROL** which is the primary reason for the strong local support and positive feelings that voters continue to have about their schools. Having two seven-member Boards of Education in Pratt County provides much better representation than one seven-member Board. The governance concept advocated by the Regional Education District group would dilute this representation even more. **The best government is the government closest to the people.** 

One of the criticisms of small districts is the higher cost of administration. Administrators make it possible for teachers to teach. Administrators can make a tremendous positive difference in academic/instructional matters and, if cost efficiency is what consolidation is all about, I feel I offset much of my salary costs by protecting the legal and business interests of my district. This is done by comparison shopping/bidding and by making do and repairing instead of throwing away and buying new, by close oversight on costs such as utility consumption, supplies, equipment and staff.

Perhaps we should take note of what happened in the State of Illinois several yeas ago. In 1985, the Illinois state legislature passed legislation requiring school consolidation in 70 regions. A year later, lawmakers rescinded that legislation and have not seriously addressed consolidation since.

In summary, thank you for your kind attention. Consolidation of schools is not what people want because it does not save significant money. Patrons love and appreciate the advantages of smaller schools.

Consolidation destroys the economic vitality of communities already stressed and takes away from local control. To quote further from the 1992 Performance Audit Report, "While large classes and larger schools reduce the amount spent per student, most of the literature in the field says that smaller classes and smaller schools **improve** the quality of education provided to children."

Still quoting from that report: "The work done in this audit suggests consolidating school districts can save administrative costs, but more significant savings occur only when schools are closed and average class sizes are increased. Those kinds of changes take time to accomplish, and could cause significant social and economic consequences."

The **Conclusion** page from the Performance Audit Report entitled "Exploring Options for Consolidating Kansas School Districts: An Overview" is on the back of this page.

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### Conclusion

All Kansas taxpayers have an interest in seeing Kansas' school districts operated efficiently and effectively. Larger school districts generally educate students at a lower cost per student, because larger districts have more flexibility to establish larger classes and larger schools. In 1990-91, the most cost-efficient school districts in Kansas had enrollments between 1,600 and 4,300 students. While larger classes and larger schools reduce the amount spent per student, most of the literature in the field says that smaller classes and smaller schools improve the quality of education provided to children.

In Kansas, as in other states, the most likely candidates for school district consolidation are districts with low enrollment and high cost per student. More than 100 of Kansas' 304 school districts have fewer than 400 students each, and those districts spend substantially more per student than larger districts spend. However, the districts with fewer than 400 students had only 6.2 percent of the Statewide enrollment, and spent only 8.1 percent of all operating funds in 1990-91. Therefore, even if savings could be realized through school district consolidation or school consolidation in those small districts, those savings would not likely have a significant effect on the overall State funding for primary and secondary education.

Consolidating school districts is a complex matter, involving a variety of issues, especially when accompanied by the closure or consolidation of schools. The work done in this audit suggests that consolidating school districts can reduce administrative costs, but more significant savings occur only when schools are closed and average class sizes are increased. Those kinds of changes would take time to accomplish, and could cause significant social and economic consequences. There is more at stake than cost-efficiency alone, even though that is a major consideration for State and local elected officials. Individual case studies would have to be done to determine whether cost savings in one areas (such as administration) would or would not be offset by higher costs in other areas.

It is clear that the Kansas Legislature has the power to change the requirements imposed on school districts, or to establish a minimum enrollment level that every district must have. In many of the low-enrollment school districts, having larger school districts and higher enrollment levels would provide a greater opportunity for district to become more efficient - meaning larger school and larger classes - over a period of time. Whether that opportunity is exercised would be up to local school boards, operating within legal mandates and political realities.

Testimony before the House Education Committee, concerning House Bills #2195, #2209, #2210 and others relating to forced consolidation of school districts in the State of Kansas.

Presented by Robert Loftin, member, Board of Education, USD #242, Weskan, Kansas.

I am here today to speak in opposition to these bills that would force consolidation of many small school districts in the state, Districts such as the one in Weskan that I have the pleasure to represent.

The citizens of our small community take great pride in our school, and rightly so, if I do say so myself. Our dropout rate is zero, and has been for almost as long as I can remember. One of the things that I attributed this to is our smaller class size, providing more one-on-one instruction for our students.

Now I am not a professional educator, and when I talk about such things as class size and dropout rate, I admit to flying by the seat of my pants as it were. But I have been a member of the Weskan Board of Education for 16 years, and I do pride myself for paying attention to what is going on.

Those hypothetical "cracks" that school children fall through can be tightened up so much more easily in a smaller school system, with our shorter chain of command. It is very easy for parents to get together with their child's teacher, or vice versa.

Many people continue to attend the various activities offered at our school even though their children graduated years ago. The school is the heartbeat of the area.

There are graduates from Weskan High School working all across the United States as Doctors, Lawyers, Corporate Leaders, Laborers, Soldiers, Business Owners, both small and large. Typically more than 75%, (sometimes 100%) of a particular graduating class will go on to pursue higher education. Many of them are listed on Dean's and President's Honor Rolls from Colby Community College to Kansas State University.

Although larger in the 1920's, 30's and 40's, Weskan Consolidated School has had about 120 students, give or take 15 or so. This year our FTE is 126.5

I am aware that the impetus for this talk of consolidation is to save money spent on education in the State. Speaking from my standpoint in Wallace County, I fail to see how even pennies can be saved, much less thousands of dollars, without closing buildings and firing teachers. And if the number of students remains the same, the class sizes rise. At the same time educational opportunity is diminished. Pretty soon the failure rate rises, and there goes that 100% graduation rate. What is the cost of that?

When our closest neighbor, USD #241 – Wallace County Schools in Sharon Springs, built their new building 5 or 6 years ago, they did not make it large enough to

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accommodate the students from Weskan. Therefore if we were forced to consolidate, an attendance center would remain open in Weskan, requiring a principal. Since our current administrator is the Superintendent, K-12 Principal, and Activities Director, the savings in administrative costs would be very small. I think transportation costs of bussing children from both attendance areas back and forth would soon negate any savings.

Yes, I do believe that there is a time to start conversation with our neighbors about what we can do to save money by sharing resources and personnel, and that dreaded topic, consolidation. Over the last several years we have had a dialog with our colleagues in Sharon Springs addressing those topics. Well, maybe not the last one, but I believe we were being realistic in our conversations.

And yes, I believe that there is a time to realize that the best interests of the children would dictate consolidation. I think the school boards in Utica, Morland, and Herndon recognized that time had arrived. They had a decision to make, and they made it. They made the decision. I think that is the key. The leaders in every school district in our great state are elected to chart the course for the schools in their hometowns. They are elected by the citizens of those towns and townships. If a decision is made to close the school in Weskan, the Board of Education in Weskan should make it.

Now I admire the job that those of you in the legislature are doing, at least most of the time. And I know that we in education are not allowed to spend money needlessly. However, I think in this instance you are trying to repair something that is not broken. We can, and we will, make the decisions that are best for the school children in our districts. Even if that decision means closing, and ceasing to operate as a Board. **But let US decide when that is.** Do not throw the towel in for us.

### Framework for Restructure

To: Chairman Decker & Members of the House Education Committee

Presented by: Dee McKee, Director of Special Education / Special Services

USD 383 Manhattan, KS

2301 Poyntz Avenue

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785-565-1026 cell

Date: 2-19-02

# I. History

- Ford County City/County law and emergency blending
- 6 years collaborative restructure work USD 300 Cooperative to Interlocal (Dr. David Self)
- Carried change in Interlocal education governance law to governor's signature
- Currently working with administrators who have moved through the process
  in the past to make a 'how to' manual of resources and needed information to
  approach the challenges of restructure in education. (The following is from a
  part of that draft).

Needed support as an incentive to restructure from the state because:

- Small district often have beginning superintendents who also serve as principals or in other capacities.
- Emotional challenges
- Limited resources to plan develop
- Local support does not always have the experience to advise

Recommendation 1 Provide financial incentive/ support for auditor or accountant type who is neutral and acceptable to participants

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- To spreadsheet the data which is collected from participants
- To maintain neutrality to the discussions
- Track the data and numbers and provide results. Also to document the changes over time for evaluation and decision making
- To develop and operational budget and cost analysis as needed

Issues to be considered in planning (not intended to be all inclusive)

- Contracts, supplemental compensation, Retirement plans, early out provisions.
- Reserves, capitol outlay, contingencies
- Benefit differences, health insurance, esp. carrier, premiums & deductibles,
   Retirement programs, sick leave, personal leave, other negotiated items of interest to each staff.
- Calendars, Contract days,
- Buildings, infrastructure, support facilities, age, condition
- Transportation, routes, vehicles
- Grants and audit obligations for other arrangements and contracts
- Recreational Districts, Museums, Headstart or other agreements
- Enrollment projections
- Probationary staff/ tenure/ RIF agreements and policy
- Sick leave Personal leave Special Education agreements, and alignments.
- Sports and extra curricular participation. KHSAA implications
- Mascots, color changes, modifications costs and related issues
- Reserve differences
- Salary Schedules
- Bonded indebtedness
- Workman's Comp performance

<u>Recommendation 2</u> Provide resources for support an experienced attorney. Identify ones with successful experience in Kansas's school restructure laws and options. Individual boards may need their own attorney in the process.

- Prepare needed resolutions prepare State Board requirements
- Develop new Contracts Resolutions. Individual board actions
- Advise on issues Dispersal of property, sales, titles, past or future liability
- Assist with mapping legal time lines- create matching work flow time lines
- Reduction in Force assistance
- Explore available options for other local interests

Review options available by law including, but not limited to

- A. Charlie Angle's two non-contiguous districts collaborating by contract without dissolving
  - B. Consolidation
  - C. Interlocal structure for educational services rather than the "consolidation" approach

Recommendation 3 State could provide financial support for needed mediators or expert advisors. This to assist and also help 'insolate' local boards from emotional repercussions. Not available in rural areas, and may help boards to miss a few of the pit falls experienced by others in the past Expert resources on areas such as:

- 1. Conflict resolution
- 2. Interest Based Bargaining
- 3. Building studies
- 4. Special Education -

# KRPA

#### KANSAS RECREATION AND PARK ASSOCIATION

House Committee on Education February 19, 2003

Testimony on School Consolidation Bills Laura Kelly, Executive Director Kansas Recreation and Park Association

I am Laura Kelly, Executive Director of the Kansas Recreation and Park Association. Thank you for the opportunity to appear before you today.

The Kansas Recreation and Park Association (KRPA), established in 1948, is a private, non-profit membership organization representing public park and recreation agencies, professionals, citizen advocates and commercial vendors. Current membership stands at over 900 with services provided to approximately 240 agencies. Of the 240 agencies, approximately 160 are recreation commissions.

School consolidation, in whatever form it takes, will have an impact on recreation commissions. Recreation commissions are units of government voted into existence by the citizens residing within a specific city or school district boundary for the purpose of providing recreation programs. Since the issue at hand here is school district consolidation, this testimony will be relevant to only those commissions formed by the school districts or jointly by the school district and the city.

When a recreation commission is created, a five member commission is formed and a tax is levied on the households within the boundaries of the school district. The funds generated by the levy are separate and distinct from school district funds and are passed through the school district to the recreation commission.

When school districts consolidate, it is possible for some residents of the newly formed district to have voted to tax themselves for recreation services, and some to have not. Last legislative session, this issue was adequately addressed in HB 2878 (relevant portion attached).

There are other scenarios that could occur depending upon the scope of the consolidation. For instance, it is possible that there will be more than one recreation commission already operating in the newly formed school district. Would they all continue to operate autonomously? If not, would the commissions consolidate? If so, how would the new commission be configured, what levy would apply, who would serve on the commission?

We believe that there are more questions than answers at this time. As the issue of school consolidation goes forward, the Kansas Recreation and Park Association would welcome the opportunity to work with this committee and others to ensure the ongoing provision of recreation services to Kansans in affected districts.

Thank you.

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subsection shall become a lien upon the property from the date of assessment thereof.

[(20) Take any other action necessary to carry out and execute the general powers granted by this section.]

Sec. 5. K.S.A. 12-1922 is hereby amended to read as follows: 12-1922. When used in this act:

(a) "City" means any city in the state of Kansas;

(b) "School district" means any unified school district in the state of Kansas:

(c) "Recreation system" means any system of public recreation and playgrounds established pursuant to this act; and.

(d) "Taxing district" means (1) the area within the corporate limits of a city in the case of a city-established recreation system; (2) subject to the provisions of section 6, and amendments thereto, the area within the boundary lines of a school district in the case of a school district-established recreation system; or (3) subject to the provisions of section 6, and amendments thereto, the area within the corporate limits of a city or the area within the boundary lines of a school district, whichever has the greater assessed valuation, in the case of a jointly established recreation system.

New Sec. 6. Unless the boundaries of a taxing district are expanded as provided by section 7, and amendments thereto, whenever a school district which has established a recreation system or which is part of a joint recreation system established under K.S.A. 12-1922 et seq., and amendments thereto, consolidates with another school district which has not established a recreation system or which is not a part of a joint recreation system, the "taxing district" of the recreation system shall mean the area of the taxing district as it existed on the day immediately preceding the effective date of the consolidation of the school districts.

New Sec. 7. (a) The provisions of this section shall apply only to those recreation systems with taxing districts as defined in section 6, and amendments thereto.

(b) Whenever a petition signed by at least 5% of the qualified voters of a school district of which only a portion is included within the taxing district of a recreation system is filed with the clerk thereof, requesting the governing body of the school district to extend the boundaries of the taxing district to be coterminous with the boundaries of the school district, the governing body of the school district shall submit the question to the qualified voters thereof. Such election shall be called and held in the manner provided by the general bond law, and the cost of the election shall be borne by such school district.

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- (c) The governing body of any school district may initiate the extension of the boundaries of the taxing district to be coterminous with the boundaries of the school district by adopting a resolution proposing to extend the boundaries of the taxing district. The proposal shall be submitted for approval by the voters of the school district, at an election called and held in the manner provided by the general bond law, and the cost of the election shall be borne by the school district.
- (d) Upon approval of the proposition by a majority of those voting on it at the election, the governing body of the school district, by appropriate resolution, shall provide for the extension of the taxing district to be coterminous with the boundaries of the school district.
- (e) When used in this section, "qualified voter" means a registered voter of a school district who is a resident of that portion of such school district which is not included in the taxing district of a recreation system following the consolidation of such school district with a school district which has established a recreation system or which is a part of a joint recreation system.

[New Sec. 8. (a) In accordance with the provisions of this section, the North Topeka drainage district, located in Shawnee county, Kansas, may present to the board of county commissioners of Shawnee county, Kansas a request for transfer of certain territory from the Kaw River drainage district, also located in Shawnee county, Kansas.

- [(b) The petition for transfer of territory shall be addressed to the board of county commissioners of Shawnee county, Kansas and shall:
- [(1) Describe the territory to be transferred by metes and bounds, or, if platted, by appropriate descriptions as lots or blocks or parts of lots or blocks;
- [(2) state that the proposed transfer has been recommended by at least one of the drainage districts affected by resolution duly adopted by the board of directors of such district;
- [(3) the district requesting the transfer of territory is obligated to operate or maintain one or more dikes, levees or other flood control works previously constructed by the United States army corps of engineers or other agencies of the United States government on the territory requested for transfer, which have been completed and turned over to the requesting drainage district for the purpose of maintaining and operating any dikes, levees or other flood control works heretofore or hereafter constructed for the purpose of protecting such drainage from floods;

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