

Fast Facts

Assessing the Policy Environment for School Corporation Collaboration, Cooperation, and Consolidation in Indiana

What —

This CEEP Education Policy Brief examines the potential advantages and disadvantages of school district collaboration, cooperation, and consolidation. In addition, the brief conducts an in-depth analysis of the current policy environment for such arrangements in the United States with a particular focus on Indiana schools.

Why —

In response to the proficiency mandates set forth under No Child Left Behind, school districts are facing greater pressure to reallocate funds from administrative to instructional expenses. As a result, schools and districts alike have explored innovative cost saving ideas to work with other districts to shed some administrative expenses, enabling more money to be infused into the classroom. Although research on the overall benefits of formal consolidation is mixed, there is growing support at the national and state levels for some form of cooperation among districts in order to operate more efficiently, save taxpayers money, and provide a higher level of service to students.

How —

Several states have responded to the recent consolidation and collaboration discussion by consolidating districts and sharing resources, personnel, etc. Indiana has heeded the call by convening a work group to examine school corporation central office consolidation, creating a subcommittee of the Indiana Government Efficiency Commission to examine K-12 education expenditures, passing legislation requiring the establishment of a new financial management and reporting system for school corporations (known as FinMARS), and providing \$100,000 for consolidation feasibility studies to be initiated by school corporations.

Recommendations —

- Consolidation efforts should focus on a direct increase in operational efficiency given that research shows improved academic outcomes may not be accomplished.
- School districts should strive to pool resources and share services.
- Financial incentives should be provided to school districts that demonstrate increased efficiency through consolidation or resource sharing.
- Smaller school corporations should be encouraged to explore further consolidation, collaboration, or cooperation efforts, and consider participating in the use of the \$100,000 grant for school corporation consolidation feasibility studies.
- The Indiana General Assembly should consider establishing and funding implementation grants for school corporations that move forward with consolidation initiatives after the initial feasibility study.
- The State of Indiana should empower Educational Service Centers to improve and expand services in the following areas: statewide video streaming and distance learning opportunities; targeted professional development and technical assistance services tied to school improvement planning for schools in need of improvement under federal and state accountability systems; expanded risk and liability insurance; the development of healthcare trusts for school corporations not presently part of a trust; and conducting statewide bids for school bus purchases.

To read this Education Policy Brief, go to:
<http://ceep.indiana.edu/>