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State Approaches to Addressing Small or Isolated Schools and Districts

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Presentation to the Senate Committee on Education
and the House Committee on Education

Little Rock, Arkansas

July 6, 2020

Issues Related to Size and/or Isolation

- Small or isolated schools and districts face increased cost pressures and diseconomies of scale for reasons including:
 - Necessarily lower student-to-staff ratios
 - Minimum staffing needed to offer similar education opportunities
 - Face fixed costs for operations and administration
 - Required shared facility spaces (main office, library, cafeteria, gym, etc.) and having few students in classrooms means operations costs are higher per student
 - Required minimum administration staff at each school and district level
 - Such as having a principal at each school, superintendent and staff to fulfill essential district functions
 - Difficulty sharing staff positions due to distance from other schools
 - Higher transportation costs and costs to get goods to remote areas
- Also face limitations due to operational efficiencies in terms of personnel and educational opportunities

Approaches to Address Size and/or Isolation

- There are several types of formula adjustments intended to address the differing costs of education for schools and districts based upon size and/or isolation:
 - District size adjustments
 - District density/isolation adjustments
 - Necessarily small school adjustments (often geographically isolated)
- States often have separate transportation funding approaches to recognize how transportation costs vary between districts due to density/ isolation

State Approaches to Addressing Size and/or Isolation

- District Size Adjustment
 - 20 states adjust for district size
- District Density/Isolation Adjustments
 - 12 states adjust for district density, usually based upon students per square mile
 - Density adjustments are usually in place of a district or school size adjustment, or a requirement to receive district size funding
 - Some provide additional funding if both small and sparse
- Necessarily Small Schools
 - 12 states adjust for schools that are small, primarily due to geographic isolation

Adjustments for Size and/or Isolation, SREB States and Massachusetts

	District Size	Density/Isolation	Necessarily Small Schools
Alabama			
Arkansas		x	
Delaware			
Florida		x	
Georgia	x		
Kentucky			
Louisiana	x		
Maryland			
Massachusetts			
Mississippi			
North Carolina		x	
Oklahoma	x	x	
South Carolina			
Tennessee			
Texas	x	x	
Virginia			
West Virginia	x		

Alabama, Delaware, Kentucky, Maryland, Massachusetts, South Carolina, Tennessee and Virginia do have adjustments.
 No comparison states adjust for necessarily small schools independent of being in small or isolated districts.

Approach in Arkansas

- Arkansas districts tend to be small- an average about 1,000 students- and experience less variation in size between districts
 - Districts range from about 300- 22,000 students
 - 25% have less than 600 students
 - 50% have less than 1,000 students
 - 75% have less than 2,000 students
- Arkansas adjusts for small and isolated districts specifically through the following allotments:
 - Isolation Funding
 - Special Needs Isolation Funding
 - Special Needs Small District Funding
 - Special Needs Isolation Transportation Funding
- Arkansas uses a more robust set of criteria for determining isolation compared to other states for Isolation Funding

Isolation/ Density Criteria in Arkansas

- Arkansas defines an "isolated school district" for Isolation Funding as one that meets any **four** of the following five criteria:
 - There is a distance of twelve miles or more by hard-surfaced highway from the high school of the district to the nearest adjacent high school in an adjoining district
 - The density ratio of transported students is less than three students per square mile of area
 - The total area of the district is ninety-five square miles or greater
 - Less than 50% of bus route miles are on hard-surfaced roads
 - There are geographic barriers such as lakes, rivers, and mountain ranges that would impede travel to schools that otherwise would be appropriate for consolidation, cooperative programs, and shared services
- District must also have less than 350 students or be in consolidation/annexation district for Isolation Funding
- Criteria vary for Special Needs Isolation/ Small District/ Transportation Funding

Examples of Density/ Isolation Criteria in Comparison States

- North Carolina
 - Districts with fewer than 3,200 students are eligible to receive additional funding based upon the number of students per square mile and total district enrollment
- Oklahoma
 - Districts with above average square mileage and number of students per mile that is one-fourth of the state average or less
 - Districts also must have fewer than 529 students
- Texas
 - Districts with fewer than 130 students that are at least a 30-mile bus ride from the nearest high school district



Questions?