



Testimony to House Education Committee
HB 2504 School District Realignment
February 3, 2016
Dave Trabert, President

Chairman Highland and members of the Committee,

We appreciate this opportunity to present neutral testimony on HB 2504 regarding the realignment of local school districts. The primary purpose of this bill seems to be a significant reduction in the administrative costs of operating so many small school districts and in turn make a lot more money available for student instruction, and we fully endorse that concept.

HB 2504 would provide considerable savings that could be put to better use but we take a neutral position because it would likely leave considerable savings 'on the table' and still divert money from Instruction.

The adjacent table shows that the price of operating very small districts is significantly higher across most cost centers. Some of the variance is undoubtedly due to choices made by individual school boards (some small districts have lower administration costs, for example, than many larger districts) but size is definitely a factor.

Assume, for example, that the number of districts is cut in half. The result would still be 134 separate systems for functions such as accounting, payroll, IT, HR, transportation, food service, and maintenance.

Alternatively, providing such functions through regional service centers and purchasing commodities at one price for all districts would produce greater savings.

2015 Spending Per-Pupil by FTE Enrollment Category - w/o Special Education						
Cost Center	<500	500-999	1,000-1,999	2,000-4,999	5,000-9,999	over 10,000
Instruction						
Low	4,580	5,490	4,808	4,848	4,921	5,426
Median	8,242	6,844	6,159	5,907	6,129	6,225
High	14,042	8,835	7,357	7,100	6,827	7,039
Student Support						
Low	0	85	120	261	249	432
Median	300	349	384	375	391	578
High	1,688	861	1,170	931	732	695
Staff Support						
Low	3	16	119	119	215	369
Median	278	396	359	402	403	553
High	1,049	754	867	986	950	1,236
Administration						
Low	880	800	896	914	774	1,020
Median	2,006	1,480	1,190	1,178	1,143	1,303
High	4,317	2,214	1,626	1,452	1,557	1,878
Oper. & Maint.						
Low	67	660	828	586	842	878
Median	1,523	1,365	1,172	1,087	901	1,030
High	3,209	1,848	1,644	1,663	1,409	1,519
Source: KSDE, Comparative Performance & Fiscal System. Some small spending amounts (0.3% of total) are not listed in CPFS so the variances may be very slightly different than actual. Capital expenditures are all reflected in Capital Outly and not allocated to other cost centers.						

Combining administrative functions rather than consolidating districts would also avoid legal and other complications associated with the disposition of real estate and other property as set forth in the bill.

Thank you for your consideration of these thoughts.

2015 Spending Per-Pupil by FTE Enrollment Category - w/o Special Education						
Cost Center	<500	500-999	1,000-1,999	2,000-4,999	5,000-9,999	over 10,000
Transportation						
Low	276	176	171	129	157	84
Median	735	473	362	362	303	229
High	1,757	1,085	883	529	362	637
Food Service						
Low	337	318	418	449	382	455
Median	894	694	608	621	551	589
High	1,630	1,003	868	846	776	858
Capital Outlay						
Low	0	75	203	77	159	637
Median	983	662	634	532	824	1,035
High	10,538	3,539	12,805	1,817	3,481	2,247
Debt Service						
Low	0	0	0	65	379	574
Median	0	668	1,451	1,404	1,142	1,043
High	3,324	1,986	2,861	2,778	2,900	2,449
Source: KSDE, Comparative Performance & Fiscal System. Some small spending amounts (0.3% of total) are not listed in CPFS so the variances may be very slightly different than actual. Capital expenditures are all reflected in Capital Outlay and not allocated to other cost centers.						