



LAKE BLUFF  
SCHOOLS  
DISTRICT 65

# Information on School District Consolidation

*Presented to the Board of Education by  
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# What is Consolidation?

- Combining school districts
- Closing schools
- Sending students from closed schools to new schools
- Sometimes referred to as District Reorganization
- In our case, it is often discussed to combine Lake Forest 67 and Lake Bluff 65 and go into Lake Forest High School District 115. This would mean that we would have a dual consolidation of two elementary districts that would then consolidate with the feeder high school.

# The Purpose/Goal of Consolidation

- Stated from an article—“broad restructuring of public education is to improve the experience for students and provide a more cost-effective education.”



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# History

**In Illinois**—as immigrants came to IL they established and founded many small school districts. Also during this time period the populations were very spread out which made it difficult to merge districts.

**1909**—the General Assembly started a school consolidation movement when it allowed school districts to consolidate based upon a majority vote of the citizens in each affected district.

**1939**—first time the IL legislature started giving districts Transportation funds which helped in consolidation efforts

# Facts

- As of July 1, there were **852** public school districts: 368 elementary districts, 97 high school districts, 386 unit districts, and one Illinois Department of Juvenile Justice district.



# Facts Slide 2

- Only California and Texas have more school districts than IL and more than 200 of the districts here have just a single school.



# Facts—Slide 3

- From 2000-2011 57 districts were consolidated into 35 through consolidation or annexation

# History

- *There are currently 3 types of districts in IL*
  - *Elementary, High School and Unit (combined elementary and high school)*
- **1950**—approximately 5000 districts. State continued to offer financial incentives for districts to consolidate
- **1983**—one-time incentive that erased the “operational deficit” of combining districts. This incentive brought all combining districts to a zero level and enable the newly formed district to begin operations without a deficit in its main operating funds.
- **1985**—reform educational legislation that determined a minimal size for school districts and established in writing that unit districts were preferred over a dual district (elementary and high school) format.

# History

- **In July 1985**, local committees were formed across IL as directed by Governor Jim Thompson to recommend school consolidations based on minimum enrollment figures (1,000) and with the plan of reorganization plans then being submitted to voter referendum within two years. There was such a negative reaction that Thompson repealed these consolidation requirements within a year.
- **In 2012**, Governor Quinn and State Superintendent Christopher Koch again brought the same tenets forward saying that it would eliminate administrative overlap and provide additional resources to classrooms.

# Classrooms First Commission 2012

- Governor Pat Quinn—said IL should greatly reduce the number of school districts. At that time Illinois had 868 school districts. The proposal went nowhere. However, recommendations did result from the Commission.
- IL had 138 elementary districts with fewer than 500 students. It had 16 high school districts with fewer than 500 students. The ability to offer specialized courses was cited as a big roadblock in these districts.
- Commission was formed in 2012 to study concerns about school district reorganization and find ways to redirect administrative operations spending to classrooms. Headed by Sheila Simon. Recommendations—July 1, 2013. Public hearings across the state in 2012-2013. Sticker shock. The Commission found that merging separate elementary and high school districts into unit districts and thereby reducing 868 districts to approximately 300 districts—would cost the state at least \$3 billion. By far, the largest expense in reorganization is the equalization of salaries.

# Recommendations from Classrooms First Commission

- Allow non-contiguous reorganization
- Expedite district dissolution for districts with fewer than 750 students
- Link reorganization date to capital program
- Require efficiency and shared service studies for districts on state financial watch and warning lists and for districts in low and declining population counties
- Revise outsourcing restrictions
- Allow districts to opt out of unfunded mandates
- Pilot a reorganization school construction program
- Long-term—revise reorganization incentives

# NEPC Consolidation of Schools and Districts Research

- 2011
  - National Education Policy Center
  - Executive Summary states that “the review of research evidence detailed in this brief suggests that a century of consolidation has already produced most of the efficiencies obtainable”
- Recommendations:
  - Closely question claims about benefits of consolidation
  - Avoid state mandates for consolidation as well as minimum sizes for schools and districts
  - Consider other measures to improve fiscal efficiency or educational services

# NEPC Consolidation of Schools and Districts Research

- Findings—research does not support the position that schools and districts will reduce administrative costs
- “Accounts of educators suggest that consolidation may result in professional benefits (such as improved professional development opportunities, increased salaries and enhanced job security), but that it may also result in personal costs (including increased stress, loss of confidence and heavier reliance on support networks).”
- The research shows the “variable and even contradictory nature of its impact on students, families, educators, and community members.” Some cases even showed the infliction of harm.

# NEPC Consolidation of Schools and Districts Research

- “While costs analyses seem to validate predictions of increased fiscal efficiencies resulting from some consolidations, the opportunities are small and now involve only the smallest districts (those enrolling very few students).
- “Still more cause for concern comes from one very recent school-size study by an economist that did directly link the effects of changes in size to student achievement. This study .....found that increasing the size of Indiana elementary schools (partly by school consolidations) lowered student achievement significantly with a predictable future economic cost that, according to the researcher, far outweighed the marginal fiscal savings of sustaining smaller schools.”

# NEPC Consolidation of Schools and Districts Research

- "Finally, the results of consolidation need to be understood symbolically as well as literally. For instance, whether it plays out at the school level or district level, consolidation has both literal and symbolic importance. The literal results are very clear: school and districts get larger. District consolidation means schools are closed and children are sent elsewhere (most often to a different community). For local people, this literal result predictably carries substantial symbolic importance that policymakers must understand and take seriously.

# NEPC Consolidation of Schools and Districts Research

- Prospect of saving money by downsizing administration and streamlining operations sounds good but the actual rewards aren't always there the way people think they should be. A report published by the National Education Policy Center (University of Ohio) studied consolidation over 25 years and they reported that policymakers should be very discerning and “skeptical of its proposed benefits”



# Optimum District Size—another study

- Economy of scale and learning environment
- “Current educational researchers state that the optimum school district should house 300-400 students per building, or no more than 2,000 per building. Districts should attempt to keep a minimum 150 students per building. With the optimum size of between 300-400 students per building, districts are able to offer benefits in personal relationships, student morale, decreased discipline problems, increased collegiality between teachers and students, ease of manageability for administration, and learner-centered curriculum and instruction.
- 2009—Center for Education Policy at Illinois State University reported that districts that consolidate and would then have a student enrollment of 3000 or more students, the less savings the district would see. In 1989 study at University of California, Berkeley, concluded that smaller districts are more efficient than larger ones.

# Optimum District Size—another study

- “Larger school districts frequently require additional mid-level administrators, higher teacher salaries and greater transportation costs, all of which offset savings from fewer superintendents, the researchers found (Ends and Means—School district consolidation plan isn’t as simple as it may seem by Charles N. Wheeler III)”
- A 2009 report by the Center for the Study of Education Policy at Illinois State University found “Research indicates that student achievement in smaller schools is equal or better to that of students in large schools,” ....”small schools are equal or superior to larger schools in their ability to prepare students for college admission and completion”
- Ohio researchers were concerned about districts growing bigger “Larger school and district sizes can lead to lower student participation rates in extracurricular activities, less parental involvement in school affairs, more dangerous school environments and larger achievement gaps for low-income and minority students”

**Illinois Public School District Consolidation  
A Tiered Approach**

**Norm Durflinger, Ed.D.  
Lynne Haeffele, Ph.D.**

**Center for the Study of Education Policy  
Illinois State University**

**March 2011**

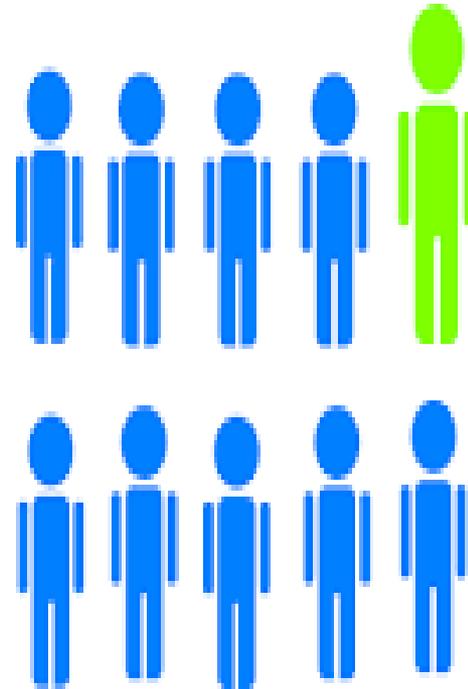


# Now What?



# Committee of Ten

- The Committee of Ten (representing the newly formed district) essentially determines whether consolidation would be good for students, parents, and taxpayers in the affected districts and recommends placing the issue on the ballot. This group also sets a tax rate for the consolidated district and determines how a new school board will be elected. Committee is made up of 10 individuals designated to act on behalf of all petitioners. Could be school board members, staff, or any other resident other of the affected districts



# Current Incentives to Re-Organize in IL

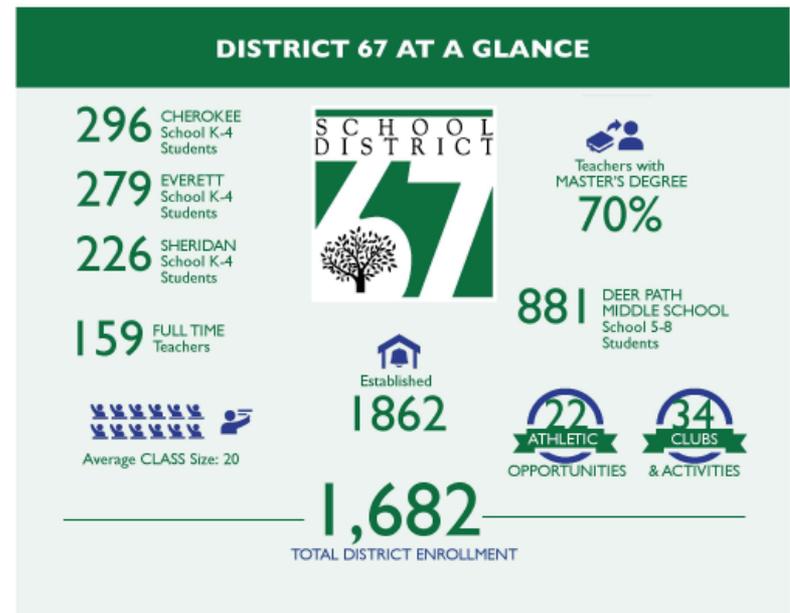
- Money to guarantee salary equalization for all full-time certified staff in a newly organized district was offered for three (now four) years
- General state aid (GSA) was "held harmless," in that ISBE calculated GSA for both the newly formed district and its separate components, after which the higher amount was awarded the new district for three (now four) years
- A one time payment was offered to erase the operational deficit of combining districts
- An annual payment of \$4,000 per full-time certified staff member for a period of one to three years, based on a formula called the "quintile system," essentially providing more dollars to smaller, poorer districts in EAV per student districts that reorganize

# Current Incentives to Re-Organize in IL

- Many school boards are worried about the sustainability of financial incentives and their reliability. Two exceptions have already occurred.
- 1996 ISBE did not have money to pay the incentives
- 2002 incentives were eliminated by Governor Rod Blagojevich. (they were later restored by the General Assembly).

# Lake Forest 67

- District 67 is one of the only charter communities in the state. The school board submits their budget to the Village and includes it in the levy to Lake County. City Council does not have the authority to change it--they have to accept it or not accept it.
- All of the elementary buildings are owned by the City of Lake Forest--67 has lease agreements with them
- 67 and the city have close relationships and share services



# Lake Forest 67

- Until the mid-90s the Lake Forest City Council appointed the school board. Back in the mid 90's or late 90s Susan Garrett (before she became rep and senator)—had issues in schools with the superintendent--relationship with principal at Cherokee School. There was then a push to get the school board elected separately from appointment of the City Council. Up until that time the Mayor and City Council appointed the school board and then they became separately elected by the voters.
- Shortly after that due to some superintendent issues they decided to merge 115 and 67 and implement the shared services model.

# Factors for Failure--Taxes

- 2016 Tax Rates
- LB65 = 2.61
- LF67 = 1.36
- LF115 = 1.32
- A combination would *not* impact the HS tax rate because the HS district boundary encompasses all of LB65 as well as LF67. The HS budget is already divided equally among the EAV of all the property in both elementary districts.
- Pro forma 2016 Tax Rates for a merged elementary district would be 1.63
- LB65 2.61 --> 1.63 (-38%)
- LF67 1.36 --> 1.63 (+20%)
- That represents a transfer of wealth of \$6.3 million from Lake Forest taxpayers to Lake Bluff taxpayers. Said another way, that shifts \$6.3 million of the tax burden from Lake Bluff to Lake Forest. You would have to find \$8 million dollars in savings to make this cost neutral to Lake Forest taxpayers.

# Factors for Failure—Employee Salaries

- Equalization issues. Move all salaries to the salary schedule of the highest paying district—usually the high school district.



# Factors for Failure

- Busing and Geography



# Factors for Failure

- Potential school closures



# Factors for Failure

- Stakeholders and protection of the local community. There is a need to protect the local community and identity.



**It is an overly complex process**



# Alternatives to Reorganization

- Shared services and alternatives to consolidation
- Shared administration



# Curriculum Considerations

- The ability to offer more specialized classes and opportunities as well as clubs
- For example, Foreign Language possibilities
- Ability to offer more specialized reading and math programs as well as after school programs, gifted, achievement level reporting for core subjects
- Special education services—this is pretty well taken care of because of our participation in NSSD
- Curriculum alignment with the high school for scope and sequence of curriculum

# Other Impediments to forming unit districts

- Law requires a majority of “yes” votes in each affected district in the referendum on the unit district formation proposition, rather than a majority overall. (this impediment was altered with the passage of SB 2795 (2006) which allows a unit district to be formed from a high school district and any one or more of its elementary feeder districts.
- Resistance to the loss of a board and superintendent oriented solely to elementary or high school programs
- The cost of bringing up salaries of elementary teacher to the level of the high school teachers.
- Fiscal and socioeconomic diversity among the districts that are consolidating.



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# Future Plans



- Continue to work with the high school on scope and sequence of curriculum, transition, placement, shared goals
- Use opportunities for shared professional development with 67 and 115
- Look for opportunities to share services when appropriate



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# Questions

