



Iowa School Districts Should Consider Administrative Privatization and Consolidation

by John R. Hendrickson

The State of Iowa has 364 school districts and an estimated 478,319 students are enrolled in those districts.¹ The common per-pupil expenditure for Iowa students is about \$7,610 and the districts employ an estimated 34,697 fulltime teachers.² Districts also have to have administration and administrative support staff to operate the school bureaucracy. For fiscal year 2007, for example, the Iowa City Community School District employed 55 full-time administrators (in 2003 the District had 52), with the maximum salary of \$152,000.³ Overall, 346 superintendents serve the 364 school districts, which means that at least 18 districts share superintendents.

The issue of school consolidation, whether it is in regard to district consolidation or administrative consolidation, is often controversial. Many communities do not want to lose their district or to be swallowed up by a larger neighboring district, but funding and lack of students to fill school houses often creates scenarios for consolidation. Education budgets, even with increases in spending from both federal and state sources, are still tight with every dollar in competition for resources.

Districts often share superintendents for two reasons. The first relates to a possible merger or consolidation with another district, which will allow both schools to see if consolidation will work.⁴ The second reason is budget considerations that could possibly save a small district from being forced to consolidate.⁵

Iowa tends to have a higher number of “dual superintendents” because of the “incentives offered in the 1980s by the Iowa General Assembly.”⁶ School Districts, who were struggling financially, could “investigate sharing resources and possibly reorganizing.”⁷ “By the 1991-92 school year, 119 school districts shared superintendents.”⁸ Currently, as mentioned above, 18 districts share a superintendent, which means that Iowa school districts tend to only view sharing administration during difficult financial times.

In writing his History of North Dakota, historian Elwyn B. Robinson wrote about seven themes of North Dakota history, one of which was the “too-much mistake.” Iowa also suffers from the “too-much mistake,” when it comes to government. Current revenues for Iowa coffers currently look good, but that does not mean that storms are not on the horizon. Both state and federal government will be faced with the problem of health care, education, transportation and infrastructure development, and other programs, which will create demands on budgets.

School districts, especially small districts, should embrace administration consolidation not only to reduce administration costs, but to make more resources available for education. Often critics of the dual superintendent system argue that although it saves money in the short-term but does not save money in the long-term, and it creates more paper work and confusion as a superintendent has to focus on two different schools.⁹

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Consolidation and a dual superintendent do not necessarily mean more efficient schools. The Maine Heritage Policy Center recently published a policy brief titled, *Education Service Districts*, which called for “achieving school administrative cost savings while protecting local control and parental involvement.”¹⁰

“Educational Service Districts (ESD) are regional cooperative associations that allow local schools and school districts to share various educational services in order to cut costs and improve quality.”¹¹ Iowa has fifteen ESD’s, which allows districts to cooperate in their respective area.

In addition to ESDs, districts can also outsource or contract-for-hire certain administration tasks: payroll, accounting, and information technology, among others. This would allow administration costs to be reduced and more resources spent in the classroom.

The concern with ESDs, consolidation, and even dual superintendents is the fact that they may not do what they intended, that is, reduce administration, save money, and most importantly, improve education. Sharing superintendents may be cost effective, but in the long-run it may not achieve the desired result because of increased salaries for both administration and support staff because of more job-related responsibilities.¹³ Some analysts predict that cost savings may even fizzle out by the fourth or fifth year.¹⁴

The most cost-effective way to bring improvement to education through an idea proposed in the 1950s by Milton Friedman. Friedman championed the idea of school choice and opening the government-run educational system to competition through school vouchers. In fact, “school choice programs have saved a total of about \$444 million from 1990 to 2006, including a total of \$22 million saved in state budgets and \$422 million saved in local public school districts.”¹⁵ Iowa is on the right path with its school-choice friendly tax-credit scholarship program.

Districts should consider administration consolidation, but in order for it to work, the district needs to reduce administrative tasks and focus strictly on education. The primary task for schools is providing high quality education, which does not necessarily come from higher budgets or more administration.

(Endnotes)

¹National Center for Education Statistics, “State Profiles: Iowa,” <<http://nces.ed.gov/nationsreportcard/States/profile.asp>> (July24, 2007).

²Ibid.

³Iowa Department of Education, “School District Financial Report Card: Iowa City Community School District, FY 2007,” <<http://www.dinfo.state.ia.us/data/financereport.asp>> (June12, 2007).

⁴Kate Beem, “In the Name of Survival: The Dual Superintendency,” *The School Administrator*, March 2006, <<http://www.aasa.org/publications/saarticledetail.cfm?mnumber=&nnumber=&it>> (August 13, 2007).

⁵Ibid.

⁶Ibid.

⁷Ibid.

⁸Ibid.

⁹Ibid.

¹⁰Stephen L. Bowen, “Education Service Districts,” *The Maine View*, The Maine Heritage Policy Center, Vol. 5, issue No.1, January 25, 2007.

¹¹Ibid.

¹²Ibid.

¹³Beem.

¹⁴Ibid.

¹⁵Susan L. Aud, “Education by the Numbers: The Fiscal Effect of School Choice Programs, 1990-2006,” *School Choice: Issues In Depth*, Milton & Rose D. Friedman Foundation, April 2007, p. 5.

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