

SCHOOL + STATE
FINANCE PROJECT

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REGIONALIZATION AND SHARED SERVICES

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About Us



Statewide
organization
founded in 2015



Nonprofit,
nonpartisan policy
organization



Trusted resource that
works **collaboratively**
with policymakers,
school district
officials, community
leaders, and all
individuals



Develops data-
driven solutions to
ensure **ALL public**
school students
receive **equitable**
education funding
that supports their
learning needs

Our Priorities



Students



Schools



Communities

Our Achievements

With the support of community members, we have...



Secured additional
\$1.2 billion in
equitable education
funding



Fully funded the
state's main
education funding
formula for the first
time in state history



Implemented
need-based funding
for ALL public school
students

SCHOOL DISTRICT TYPES

Connecticut's School District Types

Traditional Public Schools

Local School Districts

Regional School Districts

Choice Districts

Regional Educational Service
Centers (RESCs)

State Charter Schools

Traditional Public Schools

Local School Districts

- Maintained by a single municipality to primarily educate students residing within the municipality.
 - May also educate students residing outside of the district through interdistrict magnet schools, ASTE programs, and the Open Choice program.
- Fiscally dependent on municipalities through budget appropriations.
- Administered by elected or appointed boards of education.

Regional School Districts

- Created by two or more municipalities to jointly educate student populations.
- Administered by regional boards of education composed of members from each municipality.
- Regional boards of education approve budgets and bill member municipalities based on their share of resident students enrolled.

Note: Agricultural Science and Technology Education (ASTE) programs are operated in both local and regional school districts across the state.

Schools of Choice

Regional Educational Service Centers (RESCs)

- Regional partnerships composed of local and regional school districts created to provide cost-effective education resources, programs, and services.
- Offer fee-based services and programs to public and private school districts, municipalities, and nonprofits.
- A majority of RESCs operate interdistrict magnet schools and special education schools.
- Governed by a board of representatives from participating boards of education.

State Charter Schools

- Public schools established under a charter, operated independently of any local or regional board of education.
- Authorized and funded by the State and governed by a nonprofit board of directors.
- Student enrollment is determined through an application and lottery selection process.
- State charter schools not meeting performance standards are subject to not having their charters renewed by the State.

SMALL AND RURAL CHALLENGES

Diseconomies of Scale

- **Small districts face high per-pupil costs due to small student populations**
 - Fixed costs are spread across a smaller number of students.
 - 4 of the 5 highest spending local school districts on a per-pupil basis have less than 150 students.
- **Small districts also face significant staffing challenges**
 - Many districts have part-time administrative staff and/or have staff members covering multiple roles.
 - Often small districts cannot offer competitive wages resulting in staffing shortages.
 - Some small districts have multi-grade classrooms, reducing the number of teachers required.

Transportation Impacts

- **Small and rural districts often face increased costs related to transportation**
 - Districts may not be able to run full buses, resulting in higher per-student costs.
 - Small districts may also have lower negotiating power with bus companies.
- **Students in small districts are also impacted by transportation**
 - Smaller, more rural districts consolidate bus routes to save money, resulting in significantly longer bus rides for students.
 - Longer distances and smaller, less maintained roads can result in school closures in the winter.

EXISTING REGIONAL COLLABORATION

Regionalization

What are regional districts and how are they created?

- Districts created by two or more municipalities to jointly education student populations.
- Creating a regional school district is a multi-step process that includes the formation of a study committee, the creation and state approval of a formal report, and public meetings and referendums.
- To be approved, all member towns must have successful referendums. If one town does not have a majority vote, then the referendum fails.

How are regional districts administered?

- Regional districts are administered by a regional board of education that consists of at least five members, with each member town electing at least one member.
- Regional boards of education have the same powers and duties of local boards of education.
- Regional school districts may take over all educational programs and schools overseen by member towns, or may only oversee a regional high school.

How are regional school districts funded?

- Regional school districts are funded primarily by member towns, though they can receive some direct state and federal support.
- Regional boards of education determine the district's annual budget and then bill municipalities based on the ratio of net expenses to student count.
- Member towns receive Education Cost Sharing (ECS) grants for the students who reside in their town, and receive an additional bonus for students enrolled in regional school districts.

Drawbacks and barriers to regionalization

- The process to regionalize is complicated and long, and is not supported by the State.
- Once regional districts are formed, it is extremely difficult for a municipality to leave.
- Municipalities in regional districts have less control over education costs, and contributions are based only on student counts, with no consideration for town wealth.

Other Regional Collaboration

Regional Educational Service Centers (RESCs)

- Established to help districts collaborate and realize efficiencies through shared services and programming.
- Provides fee-for-service assistance to districts within their operating region, offering administrative and technical support services and specialized programming.
- Enabled to operate interdistrict magnet school programs.

Designated High Schools and Endowed Academies

- Connecticut law allows for local boards of education to not maintain a high school and instead designate one or more local high schools as the public high school(s) of the town.
- Local boards of education pay the tuition of all resident students attending the designated high school, typically at a rate negotiated by the sending and receiving districts.

Shared Services

- Arrangements between districts to share the cost of services, and reach economies of scale.
- The full range of arrangements between districts is unclear as the State does not track these agreements. However, there are a number of examples from across the state.
 - East Hampton and East Haddam have a cooperative agreement to provide a specialized learning program called The Learning Center.

PEER STATE PROGRAMS AND OPTIONS

Regional peer states may offer potential ways to recognize efficiencies and cost savings

- There are a wide variety of ways regional peer states support districts in recognizing efficiencies and cost savings.
- Potential opportunities include state coordinated services, incentivization of service sharing, and regionalization changes.
- These are just a few examples of potential methods to increase fiscal efficiencies.

New York:
Boards of
Cooperative
Educational
Services (BOCES)

Rhode Island:
State coordinated
transportation

Massachusetts:
Supervisory Unions

Vermont:
School district
consolidation study

New York BOCES Program

- BOCES in New York were established by the State to provide **shared educational programs and services** to districts, with the goal of providing cost savings and expended programs to districts and students.
- Districts that join their regional BOCES organization pay an annual fee and then have the opportunity to purchase programs and services.
 - BOCES services are developed when two or more member districts request support.
- **The State incentivizes districts** to participate in BOCES services by reimbursing districts for a portion of costs paid for some purchased services through a need-based formula.
 - For 2025-26, the state budget includes **\$1.5 billion** for BOCES Aid reimbursements.

Rhode Island State Coordinated Transportation

- The Rhode Island General Assembly created the **statewide student transportation system** to increase the efficiency of out-of-district transportation.
- Students can receive State **coordinated transportation to choice program schools** outside of their resident district but within their transportation region.
- The **State coordinates** bus routes across multiple municipalities to reduce duplication of routes and improve route and cost efficiency.
- **Districts are billed** for the cost of transportation.
- The long-term goal of the statewide student transportation system is to expand the program to all student transportation, both in and out of districts.

Massachusetts Supervisory Unions

- Massachusetts state law allows two or more towns to **join together to share some administrative services** to create cost efficiencies without full regionalization.
- **Unions have limited authority** to employ a single superintendent and employ school nurses, administrative personnel, special program teachers, and supervisors.
- **All other powers remain** with local school committees of member towns.
- This arrangement allows districts to **share the cost of central offices**, while retaining local control over other aspects of education.

Vermont School District Consolidation Study

- Vermont **convened a redistricting task force** to develop redistricting map proposals and examine options to increase educational equity, quality, and fiscal sustainability.
- The task force found there was **no evidence that large scale mergers would result in desired outcomes** and that there was not significant public support for forced mergers.
- The final report from the task force recommended developing regional shared service structures, allowing voluntary mergers, and the development of regional high schools.

OTHER CONSIDERATIONS

There is no one way to increase efficiency or to recognize cost savings

- Districts across the state are **already utilizing a variety of methods** to reduce costs and increase efficiency, including contracting with RESCs, creating regional districts, and sharing services with neighboring communities.
- These efforts often come with **significant upfront administrative costs** and require districts to spend time and energy identifying opportunities for collaboration and service provision.
- **The State could help districts** in their efforts by becoming a coordinating entity for services, creating incentives for districts to study and implement shared services, and/or by modernizing the regionalization process.