

# DDESS Transfer Study Report

## Book One (Narratives): Chapters 1-14

Prepared for



DEPARTMENT OF DEFENSE EDUCATION ACTIVITY

by



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## University of Massachusetts Donahue Institute DoDEA/DDESS Transfer Study

### I. Project Overview

*The University of Massachusetts Donahue Institute has been conducting an objective and impartial evaluation of the feasibility of transferring 58 Domestic Dependent Elementary and Secondary Schools (DDESS) operated by the Department of Defense Education Activity (DoDEA) to the Local Education Agency (LEA) in the vicinity of the DDESS military installation. This study incorporates the results of a facilities study conducted by Parkhill Smith & Cooper, Inc. regarding costs of needed building repairs or replacement. This Overview summarizes the study's purpose and scope, feasibility rules, assumptions and alternatives, as well as the analytical components and methodology used.*

#### 1. Purpose and scope

The study has included an analysis of the associated costs to the federal government of transferring students, facilities and operations to local control. A comprehensive set of transfer alternatives (summarized in Section 3 below) was developed and analyzed for each of the DDESS schools located within the continental United States.

Rather than producing particular recommendations, the purpose of the study team's activities was to design and develop a systematic, thorough and objective data collection and cost benefit analysis to assist a panel of leading national experts in educational administration and finance. Using the cost benefit analysis and other data collected by the study team, this three-person expert panel will recommend the most cost-beneficial transfer alternatives to DoDEA.

#### 2. Feasibility Rules and General Assumptions

##### 2A. Feasibility rules

*The deeper the study team got into the data collection and site visit process, the more evident it became that a limited set of universal principles or rules was needed to help all parties achieve two important and complementary purposes. The first purpose was to assure basic equity and fairness for the students, families and communities that might be affected by the outcomes of particular transfer alternatives; the second was to assure that the panel of national experts ends up with a package of findings and analysis that is sufficiently manageable for them to be able to produce their recommendations.*

While exceptions may be appropriate on a case-by-case basis, applying the following rules to all installations helped achieve these dual ends of equity and practicality:

- It would be unfair for some students at the same grade level to transfer to the LEA district while other students in the same grade remain on base. **Therefore, at any installation, any decision affecting one DDESS school shall apply to all DDESS schools with the same or overlapping grade levels;**
- To maintain continuity and effectiveness of education, it is not feasible to transfer students at a particular grade and then return them to the DDESS curriculum at a higher grade. **Therefore, if a transfer is made at one grade, all succeeding higher grades must transfer as well;**

- If a DDESS elementary school with a pre-K program is transferred to an LEA that does not offer a pre-K program, **DDESS will continue to offer pre-K services, using either on-site or off-site resources;**
- It would be both inefficient and detrimental to educational consistency to have some DDESS schools run under contract with the LEA while others on the same installation do not. **Therefore, if a contract or coterminous alternative is chosen for any DDESS school, that alternative should apply to all schools on the installation.**

While these universal principles were designed mainly to ensure equity and curricular consistency, they were also critical to narrowing the range of alternative outcomes for each school. (Appendix A contains a list of school transfer possibilities for each installation after the application of these rules). Without any rules, for example, the study team calculated nearly 500,000 possible alternative arrangements for the 58 schools on 14 military installations. Even after applying only the first rule, the number of possibilities remained in the thousands. By applying all of the above rules, the team has left the panel of experts with more than 150 possible alternative arrangements for the 58 schools, a number that, while still large, is manageable. As a practical matter, these rules need not limit the alternatives considered by the panel of national experts. If DoDEA or one of the experts deems it productive to do so, an individual alternative eliminated by the application of one of the universal rules could still be examined on an ad-hoc basis.

*In addition to the above universal rules, principles that were designed to apply to particular installations are detailed in the individual installation chapters that follow. These local rules, which will apply to all DDESS schools on the installation, fall mainly into these two major categories:*

- **Legal:** State and local laws might prohibit particular alternatives;
- **Logistical:** Factors such as travel time, local school capacity and security concerns may limit alternatives at a particular site.

## 2B. General assumptions

*While other assumptions that apply to particular installations are listed in each installation chapter, the following assumptions were applied to all 58 DDESS schools:*

- School districts, zones and facilities will not change from their current configurations in the foreseeable future. The analysis of local installations is based upon appropriate demographic data and trends;
- Consistent with current DoDEA policy, only children living on a military base or possessing a waiver, 90- or 180-day housing letter, to attend DDESS schools before they live on a base will attend DDESS schools;
- If already allowed to enter and leave installations, LEA buses will continue to do so in accordance with routine installation procedures.

## 3. Alternatives

*A comprehensive set of reasonable alternatives was developed and considered on a school-by-school basis at each installation. The alternatives, and the key assumptions behind each, were:*

- **Status Quo:** Under this alternative, the DDESS schools continue to operate as they have in the past, with DoDEA retaining responsibility for maintaining current

standards of education at the base schools. Current teacher/student ratios and staffing levels are preserved. Because DDESS teachers and staff are federal employees, they are eligible for federal employee and retirement benefits. DoDEA fully funds school operations and building maintenance and repairs, as well as costs necessary to upgrade school facilities to bring them in line with state and federal codes as outlined in the civil engineers' study. The LEAs have neither operational nor financial involvement with the DDESS schools.

***Assumption:***

DDESS per pupil funding will remain at the same levels with growth for inflation for the years being examined.

- **Transfer with facilities:** DDESS students and the school facilities are transferred to the LEA and integrated into the school district. The LEA – rather than DoDEA -- accepts full responsibility for educating military children and for the future upkeep of the school facilities. The LEA remains eligible for state and federal aid, but any additional costs associated with educating military children that are not subsidized through aid programs must be funded through the local tax base or the per pupil expenditures across the LEA will be reduced. DoDEA does not provide ongoing financial support to the LEA. The LEA hires any teachers, administrators or staff needed to work at the schools on the installation. While former DDESS school employees can be experienced candidates, they will no longer be federal employees entitled to the corresponding benefits. The LEA will have control over the student assignment process and therefore civilian students may be assigned to this school. LEA district boundaries will include the installation.

***Assumptions:***

1. Installation school facilities will be brought up to LEA maintenance and building standards prior to LEA occupancy;
  2. The LEA will provide transportation in accordance with local and state guidelines and regulations;
  3. Former DDESS students will be taught under the LEA's system and curriculum.
  4. DoD will provide LEA with fee simple title of DDESS facilities (exceptions to this assumption are identified when appropriate in the report);
- **Transfer without facilities:** DDESS students are transferred to the neighboring LEA and integrated into the existing school facilities. The LEA, rather than DoDEA, accepts full responsibility for educating military children. The LEA continues to be eligible for state and federal aid as in the past, but any additional costs associated with educating military children that are not subsidized through aid programs must be funded through the state or local tax base or the per pupil expenditures across the LEA will be reduced. DoDEA does not provide ongoing financial support to the LEA. The LEA hires any additional teachers, administrators or staff needed to work at the schools. While former DDESS school employees can be experienced candidates, they will no longer be federal employees entitled to the corresponding benefits.

***Assumptions:***

1. The LEA will provide transportation in accordance with local and state guidelines and regulations; former DDESS students will be taught under the LEA's system and curriculum;

2. Student assignment will be the responsibility of the LEA. DDESS students may not necessarily attend the nearest LEA school.
- **Contract with the LEA to provide educational services on the installation:** Under this alternative, DoDEA negotiates contractual agreements with the LEA to administer and manage curriculum and daily operations at the DDESS schools. The terms of the contracts may vary from LEA to LEA, but LEA teacher/student ratios and staffing levels will apply. All military students currently educated at the DDESS schools continue to be educated on the base, and no additional students from the LEAs are bused onto the base. However, since teachers and staff are no longer federal workers employed by DoDEA, school employees lose their rights to federal benefits, instead receiving employment benefits under state and LEA benefit plans. DoDEA continues to be financially responsible for updating the school facilities to bring them into compliance with state and federal guidelines and maintaining the facilities in the future. The LEA takes over management and curriculum and instruction oversight.
 

***Assumptions:***

    1. Only children living on an installation or possessing a waiver, 90- or 180-day housing letter to attend DDESS schools will attend schools on the installation;
    2. School level analysis will not be needed, because the alternative is an installation level alternative.
  - **Create a public school district within the installation, coterminous with its existing boundaries (coterminous alternative):** This alternative creates a new, state-recognized public school district within the limits of the military base. DoDEA shifts its financial and oversight responsibilities to the newly created LEA, completely eliminating its educational obligations. The new LEA does not have any financial impact on the neighboring LEAs. There is no tax base to support the new school district, but it is eligible for state and federal aid, including maximum funding for Impact Aid since 100 percent of the school population qualifies as federally-connected children. However, because schools apply for Impact Aid in the fall and receive the funds in the spring, additional funds may be needed to support the coterminous school district during the year of transition.

Only federally-connected students are educated at the LEA and no outside students are bused from neighboring communities. The teachers and staff working on the base are LEA employees and are not eligible for federal employee benefits. Because several states have enacted regulations prohibiting the creation of new LEAs, this coterminous alternative is not available in all situations.

***Assumptions:***

1. Under the coterminous alternative, all DDESS schools on the base will be included in the newly created LEA. The coterminous alternative is not combined with other alternatives;
2. Only children living on an installation or possessing a waiver, 90- or 180-day housing letter to attend DDESS schools will attend schools on the installation<sup>1</sup>;
3. Staffing, teacher requirements and per pupil expenditures will remain at current state and LEA levels;

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<sup>1</sup> State law or regulations regarding school choice may override this assumption.

4. DoD will provide LEA with fee simple title of DDESS facilities (exceptions to this assumption are identified when appropriate in the report);
5. Buildings and facilities would be brought up LEA standards before transferred to the LEA;
6. School level analysis will not be needed, because the alternative is an installation level alternative.

#### **4. Analytical Components**

Cost benefit and other data needed to be collected and presented in a way that could help guide the panel of national experts in its decision making process. The first step in accomplishing this was to narrow the range of alternative outcomes by applying the feasibility rules listed in Section 2 above, as well as any logistical, legal or other rules particular to the installation. Each study team conducted site visits and interviews and collected data to develop a comprehensive determination of the operational, facilities and other costs associated with each transfer alternative. The data and information collecting process was organized into these components:

- **Feasibility:** This component focuses on factors that could limit the viability of schools or districts as transfer alternatives, such as whether individual transfer alternatives are logistically or legally feasible. Several screening factors have been used to identify schools within individual LEAs that merit careful consideration because they may be heavily impacted in the event of a transfer of students. These factors include transportation time and security issues as well as local legal factors that may rule out certain transfer alternatives. School capacity issues, such as past and future student enrollment trends, have also been considered, as was the potential impact of new Department of Defense Residential Communities Initiatives (RCI), which will serve to replace and/or add new housing units and may add new students to the school systems.
  - **Financial factors:** A comprehensive analysis of major categories of costs and major sources of funding was conducted at each installation and for each school:
    1. ***Cost analysis:*** As a key element in our evaluation of all feasible transfer alternatives, the cost analysis incorporated several major categories of data, including recurring operational costs, non-recurring facilities costs, an expenditure analysis, staffing ratio policies and enrollment projections. These data served as the primary basis for our analysis of current school level costs as well as for future cost projections. Funding data for DoDEA headquarters purchases and district level costs for FY04 through FY07 were not available on a school level and are therefore not included in the reported figures.
    2. ***Revenue analysis:*** This component of our research considered each LEA's major funding sources: local taxes, state programs, federal sources that are passed through the state, and direct federal programs. These revenue data became the foundation of our analysis of district and school-level revenues and played an important role in the development of revenue projections.
- Assumptions:***
1. All financial data are FY 2002 based. FY 04 to 07 cost and revenue figures are extrapolated using changes in enrollment and the U.S. Office of Management and Budget Discount Rates for Cost Effectiveness Analysis of Federal Programs (OMB A-94);

2. LEA districts receiving transferring DDESS students will receive federal impact aid funding for the additional students based on the total number of enrolled eligible students in the LEA. Other federal aid will be based on current funding formulas for the next three years.

- **Programs and services:** Because of the unique educational program needs of the DDESS student population, our study component compared DDESS and LEA operations to determine whether needed program and services are available and comparable. Services reviewed included special education, ESOL and programs for gifted and talented and pre-kindergarten students. School records were reviewed for, among other things, services provided and student enrollment in programs, staff qualifications, service delivery policies, curriculum and graduation requirements, program integration and guidance services. On-site visits included observation and interviews regarding both curricular and extra-curricular opportunities for students in special programs and services.
- **Performance and quality:** This study component compared DDESS and LEA schools on school performance and quality. The quality component of the analysis considered various factors, including class size standards, teacher qualifications, and teacher to student ratio policies. School performance has been measured as student performance on nationally normed tests. In order to control for socio-economic and community factors that are known to have an impact on student scores, the study used a Performance Index, which is a methodology adapted from the Effectiveness Index developed by Dr. Robert Gaudet. [See Additional Resources (III. 1), for more detail about the Performance Index and how it was applied in this study.]

## **5. Methodology**

The study team's technical approach to its analysis of DDESS school transfer alternatives was based on the premise that the research should build upon, rather than reinvent, existing data sources. To establish a comprehensive data and research foundation, the team:

- Undertook a systematic review of relevant previous studies;
- Gathered and systematically reviewed both historical and current financial documents and demographic data pertaining to DDESS schools and their LEA counterparts;
- Researched and developed a comprehensive estimate of the additional federal impact aid and state aid each LEA could expect in the event of transfer;
- Created and implemented a sensitivity analysis to test vital assumptions and illustrate their effect on the alternatives.

Building on this foundation, the study team then worked to systematically examine the discernible costs associated with the feasible transfer alternatives on a school-by-school basis. This was accomplished through site visits, interviews with key personnel and consultation with University of Massachusetts finance faculty and other national experts. This examination included two separate but parallel categories:

### **1. Analysis of DDESS schools.**

This research component identified:

- Operational and personnel costs through financial records provided by DDESS and from additional structured surveys;
- Facilities costs, recurring and non-recurring, associated with DDESS schools, determined from budget and other financial documents. A facilities assessment survey conducted by Parkhill, Smith & Cooper was incorporated into the overall analysis of the costs and benefits of each transfer alternative.

## **2. Analysis of LEA costs and other issues relating to transfer.**

Two-person visiting research teams conducted on-site, in-depth interviews to assess LEA concerns and the extent to which each LEA was willing to accept transferred students, especially in view of the unique service needs of the DDESS student population that may or may not be currently provided by individual LEAs. The evaluation of each transfer alternative included:

- Comparison of the student performance outcomes achieved by a DDESS district to those achieved by the corresponding LEA;
- Comparison of programs and services offered by LEA to DDESS;
- Projection of the revenue and expenditure changes to the LEA of adding DDESS students;
- Development of DDESS student enrollment data and special needs profiles. The enrollment data allowed a projection of enrollment by grade to be based on historical enrollment and student turnover trends of this highly mobile population. Collecting current and historical special needs data for each DDESS school allowed the team to determine whether existing LEA services could adequately served the transferred DDESS population.

This financial and non-financial data collected by the study team was presented to the panel of national experts, who used it during their week of meetings in October. After those meetings, an additional verification process was undertaken. Financial data and non-financial information about their school districts was sent to appropriate LEA and DDESS officials, along with details about where the information was obtained and how it was calculated or assessed. Based on the LEA/DDESS response, any necessary changes were made. A section in the bibliography in Appendix D lists the LEA and DDESS officials involved in this verification effort.

## **6. Concluding statement**

As demonstrated by the above discussion of methodology, the research, analysis and other data collection efforts of the study team have been designed to reflect research that has shown that DDESS students have unique needs for school services due to their high mobility rate and other issues unique to military family life. At the same time, other factors beyond the scope of this study, such as particular federal-local relationships, may also ultimately figure into any DDESS transfer decision. As objective, third-party data collectors and presenters, the mission of our study team was to develop a comprehensive but focused guide to assist both the national panel of experts and DoDEA as they use their own expertise to make these important transfer decisions.

## ***II Report Guide: Introduction to the Installation Chapters***

As noted in the Overview, the purpose of this study was to provide a panel of leading national experts with the core results of an in-depth, systematic cost benefit analysis of various school transfer alternatives. The Overview noted how the study team, with the agreement of DoDEA, used a set of feasibility rules and general assumptions to narrow the otherwise enormous range of transfer possibilities. In this section, we briefly describe some installation-wide stipulations and other points that will further make the individual installation analyses that follow as complete yet succinct as possible.

In essence, we have sought to “de-clutter” these installation chapters in a variety of ways. Rather than repeat statements that apply to all installations or to a particular transfer alternative, such statements and points are specified and explained in this section. Any exceptions to or variations in such stipulations are noted in the appropriate place in the individual chapters. As an example, the following statement is presumed to apply to the Transfer with Facilities alternative for all installations: “The LEA will have the right to bus civilian children to schools located on the installation.” *But if security or other factors affect that assumption at a particular installation, an appropriate comment is made in that installation’s Transfer with Facilities narrative.*

Besides these stipulations that appear below, we have taken other steps to make this complex analysis more user friendly.

### **1. Structural approach:**

- **Report Book Two (Data):** The individual installation narratives that follow are each keyed to spread sheets, arrayed as tables, containing the supporting data for the installation. These charts appear in a separate companion volume so that the DoDEA staff and the national experts can easily refer to them as they read the accompanying narratives. The spread sheets consist of:
  - 1. Present Value 04 Installation Report:*

This chart shows the present value of operational and non-recurring expenditures from FY04-07 across the alternatives. Additional financial reports are provided in the financial appendix C;
  - 2. Installation Status Quo Report:*

This summary chart is used to compare the two locations (DDESS and the accompanying LEA or LEAs) on key data fields of interest. It offers the panel of experts a snapshot of how things currently operate without any effects from any transfer alternative;
  - 3. Alternatives Summary Grid:*

This chart offers a summary of what happens to the different analytical components (costs, capacity, transportation, programs and services etc.) under the various transfer alternatives.

***The charts offer much greater detail about each installation and the nearby LEA(s) than the narratives, which are intended to highlight only major points.***

- **Notes and references:** A wide variety of sources, from interviews with LEA and DDESS officials to financial records and testing results, have been utilized to develop the information contained in each installation chapter. These methodological and other references are detailed in the following Resources chapter and in appendices. They include the Parkhill, Smith & Cooper Facilities Report, referred to as “the Parkhill study,” which describes major expenditures to upgrade or replace schools prior to any transfer, and the Performance Index, which provides performance data in light of the socio-economic status of the student population.

*End notes are used in a particular chapter only when a reference is specific to that installation or LEA;*

- **Individual school profiles:** Profiles about individual schools (usually just one page) are presented in each installation section of the Report Book Two (Data). While profiles are presented for every DDESS school, they are offered only for LEA schools actually visited by the UMass study team. Similarly, while each chapter offers data for total LEA and total DDESS districts, breakdowns include only those individual schools still eligible for transfer alternatives after the application of the universal rules and any legal factors.

## **2. Stipulations for individual transfer alternatives:**

### **A. Facts and assumptions for all alternatives:**

- In the case of multiple LEAs based on county school districts, the Installation Status Quo and Alternatives Summary Grid present hypothetical enrollment and capacity projections for school year 03 – 04 assuming all schools on the installation would be included in that transfer scenario. In the case where two LEAs exist in different states, only those DDESS schools that are located within the state are included in the various transfer alternatives shown in the non-financial grids. However, in the financial reports, it is assumed that all of the students attend each LEA to show the maximum financial impact on an LEA. Under the Scenario View, the DDESS database can be manipulated to project the financial implications of transferring a portion of the installation’s school population to each LEA school district;
- Performance information was not included in some charts when we could not project such data across alternatives. Some feasibility criteria were also removed when they could not be properly applied across the alternatives;
- The DDESS student population is highly mobile and an array of services are provided to ease the transitions for students and families at DDESS schools;
- There is no federal impact aid for students who attend DDESS schools.

### **B. For the status quo alternative:**

- Only children living on an installation or those possessing a waiver (90- or 180-day housing letter) to attend will attend schools located on the installation.
- All revenue is received through federal appropriations.
- Though DDESS schools have been traditionally well funded relative to LEA schools, an across-the-board 10 percent reduction affected all non-pay categories in FY 2002.

- In some cases, schools collect funds from activities such as student stores; these funds generally go to support student activities.

**B. For transfer with facilities and transfer without facilities alternatives:**

- The LEA may need to acquire additional buses and routes and may have to rezone its schools or add portable classrooms to accommodate the additional DDESS students;
- Student assignment will be the responsibility of the LEA and will be made according to LEA assignment policy, usually based on residency. If school choice is offered in the district, military students may apply for “out-of-zone schools,” although transportation may not be provided out of zone for regular education students;
- The LEA will provide transportation in accordance with state guidelines and regulations;
- Student pickup/drop-off times from/to the installation may be adjusted to accommodate LEA schedules and the need for additional travel time;
- Under these alternatives, no significant comments are made under Programs and Services because the programs and services are assumed to be those already offered by the LEA. Similarly, no significant comments appear under Performance/Quality Comparison since it is not possible to empirically predict future performance or quality outcomes;
- All transferred DDESS students will be taught under the LEA’s system and curriculum;
- Any DDESS teachers hired by an LEA would no longer be federal employees with subsequent federal benefits;
- Staffing and per pupil expenditures for variable costs, such as books and supplies, will remain at current LEA levels.

**D. For transfer with facilities:**

- The LEA would have the right to bus civilian children to schools located on the installation or transfer title to the properties to the LEAs;
- Legal and other logistical arrangements would have to be made to lease the facilities;
- Costs to maintain facilities will be the same as those incurred by the DDESS.

**E. Contract and Coterminous:**

Detailed analysis of the other two transfer alternatives -- Contract with the LEA and the Coterminous Alternative – is presented in the charts in the Report Book Two (Data). *But consistent with the approach of presenting the panel of experts with a focused narrative of key points, discussion of these alternatives appears in the narratives only when a specific legal or other factor applies to these alternatives for a particular installation.*

*These points can be assumed to apply to all installations under the contract and coterminous alternatives:*

- Only children living on an installation or those possessing a waiver (90- or 180-day housing letter) to attend will attend schools located on the installation;

- Enrollment and capacity will be the same as the DDESS status quo since the student population and facilities remain the same;
- Under the coterminous alternative, the new LEA will receive the maximum allowable federal impact aid because all the students are “federally connected”;
- Under the coterminous alternative, funding for education will come from federal and state sources. Because there is no local tax base, local funds will not be available for education;
- Under the contract alternative, DDESS students will be taught under the LEA’s system and curriculum; staffing and per pupil expenditures will remain at current LEA levels;
- Under the coterminous alternative, the LEA will need start up capital to purchase equipment, supplies and buses. Assets that are currently used in the DDESS schools will not be available to the new LEA.

### **3. Financial Methodology:**

As part of the cost-effectiveness study, DDESS expenditures and revenues were compared to school expenditures in the neighboring LEA(s). Because of inconsistencies in the way each DDESS district reported its budget, all of the individual budgets needed to be re-categorized into a uniform budget format. Since most LEAs report their expenditures in greater detail, budget items were aggregated to conform to the format used with the DDESS district budgets.

The following details how the budget information was used to prepare the financial reports contained within the report.

#### **Financial Data:**

All financial projections with the exception of Beaufort County, SC, are based on FY02 actual data as reported by the educational entity. Financial projections for Beaufort County are based on FY01 actual data.

Both DDESS and LEA financial data were recategorized into common object codes to facilitate comparison.

The financial information included in this version of the reports does not include any overhead costs related to the both the DDESS and LEA superintendents’ offices or DDESS administrative offices in Arlington, VA or Peachtree, GA. Only school-related costs are reported to allow reviewers to compare DDESS schools and installations to the local school system.

Because DDESS is part of the Department of Defense, it does not incur all of the expenditures that are incurred by the independent LEAs. These items include non-benefit insurance (federal government self insures), debt service (the U.S. Department of the Treasury administers debt retirement), reserve funds, and sinking funds (DDESS receives annual and multiyear appropriations to be spent within a particular fiscal year or years). LEAs also offer additional programs that are not replicated by DDESS, such as summer school, adult education and social service programs.

Therefore, these expenditures have not been included in the LEA budget figures in order to present equal comparisons.

Some educational purchases are made at the DDESS Headquarters level and are not reflected in the school expenditures shown here. These include bulk purchases such as textbooks and computers.

DDESS Headquarters also funds educational programs through Program Objective Memorandum. Funding data for these programs for FY04 through FY07 were not available on a school-by-school basis and are therefore not included in the reported figures.

Once all of the financial data were gathered and the central or district office expenditures were isolated, the final school-level expenditure calculations were sent to financial personnel for verification. Representatives for the DDESS and LEA school districts were asked to confirm that the base budget, items that are not included in the DDSS school budgets (i.e. insurance, adult education, etc.), and district-level costs were accurately represented. Financial officers then verified that the resulting expenditures showed the amount that each district spent in its schools educating students. Confirmations were obtained through letters and e-mail correspondence.

**Present Value, Inflation and Discount Factors:**

Unless otherwise noted, all figures were inflated at 1.5 percent per year in accordance with OMB Circular A-94, Appendix C (Revised January 2003), "Discount Rates for Cost-Effectiveness, Lease Purchase, and Related Analysis." The inflation rate was calculated by subtracting the real discount rate from the nominal discount rate.

All DDESS salaries and benefits were inflated by three percent per year in accordance with the Master Labor Agreement.

Present value figures were calculated by discounting the FY04 through FY07 cash flows using a nominal discount rate of 3.1 percent as stated in OMB Circular A-94, Appendix C (Revised January 2003), "Discount Rates for Cost-Effectiveness, Lease Purchase, and Related Analysis." Beginning of the year discount factors were used, based on the understanding that both DDESS and LEAs receive most of their funding at the beginning of the fiscal year.

**Financial Database:**

During the data collection phase of the project, there were questions about storing and accessing financial information. A financial database was developed to address these needs.

FY02 financial data for each school district was entered into the database. By storing it here, we could be assured of consistent reporting. Updating any information could be handled with a single change instead of making changes in several locations.

FY02 data was inflated to FY04 through FY07 and adjusted for changes in enrollment. FY04 through FY07 data for the DDESS schools and installations are shown in the Cash Flow reports Status Quo alternative. The present value for these four years is shown in the Present Value reports.

FY04 through FY07 financial information across the remaining alternatives was calculated by using the LEA's average per pupil expenditure and multiplying it times the DDESS enrollment. These figures, therefore, only calculate the marginal increase of the additional DDESS students. It does not capture any additional costs that would be incurred at the district level for the additional students. Because district-level costs tend to be step costs, that is they do not increase with each additional student but as the enrollment hits a threshold, they could not be reasonably projected. Some of the LEA districts that would see a slight increase in student enrollment may be able to absorb the additional students with relatively little increase to the district budget. However, in smaller districts where the school population would increase dramatically with the additional DDESS students, district-level expenditures would be expected to increase significantly. The Present Value reports show the present value of the alternatives for the FY04 through FY07 period.

Projections for the alternatives were calculated as follows:

1. Transfer with Facilities: The average LEA per pupil expenditures were used to calculate all costs except facilities and transportation. Because students would likely be sent to the closest schools, transportation costs would likely be similar to the DDESS per pupil transportation expense. Because the LEA would operate the DDESS schools, the costs associated with the facilities would remain unchanged.
2. Transfer without Facilities: The LEA per pupil average expenditures were used in all calculations except facilities operations, since the students would be bused to and incorporated into the existing LEA facilities. It was assumed that the costs of operating the LEA facilities would remain relatively unchanged, because the additional DDESS students would be educated in current LEA school buildings. In several instances, the LEA would not be able to take on the additional students with its current school facility capacity. In these cases, the LEAs would need to construct additional facilities, which would increase the overall operating budget. However, it is impossible to determine how many schools would be constructed or what the operating costs for a new facility would be. In these cases, the potential additional costs were discussed in the narrative, but were not included in the database calculations.
3. Contractual: The LEA per pupil expenditures were used to calculate all school costs with the exception of student transportation and facilities costs. Because the LEA would run the daily operations of the schools, most of the expenditures would mirror the LEA costs. However, the DDESS per pupil expenditures for transportation and facilities reflects the projected costs of operating the DDESS schools and transporting students.

4. **Coterminous:** Because the coterminous option creates an entirely new school district, there is no historical information on which to base the financial projections. It was, therefore, assumed that the expenditures for the new district would be similar to the neighboring LEA because both districts would be pulling resources from the same labor pool, etc. The LEA average per pupil expenditures were used to project expenditures for the new school district.

The database produces all of the reports found in the blue and yellow books based on these calculations. Users, however, also have the ability to change some of the parameters, such as student enrollment or student assignment when two or more LEAs are involved, through the Scenario View. While the static reports are based on the financial and general assumptions stated throughout this report, the Scenario View allows the user to deviate from these assumptions and run “what if” scenarios. This option gives the decision-makers the flexibility to see the financial implications of numerous options.

#### **DDESS Facilities:**

Parkhill, Smith and Cooper provided financial information regarding costs to renovate or replace DDESS school facilities. The costs are shown in three categories: immediate costs that would be incurred in Year 1, intermediate costs that would be incurred in Years 2 through 4, and long-term costs that would be incurred in Years 5 through 10. All of the costs are presented in FY04 dollars. However, they have **not** been discounted to show how the funds would be expended throughout the construction projects, because of the uncertainty of when construction or renovations would begin or what portion of the expenditures would be incurred in each year. Also, in many cases, the bulk of the construction costs would be incurred in years that fall outside the time period that is being considered in this study. For these reasons, all costs related to renovations or replacement of facilities are shown as presented in the Parkhill report. (See Parkhill, Smith, & Cooper full report or Appendix C for Parkhill report summary.).

Facilities costs are shown as either replacement costs or costs for renovations, depending on Parkhill’s recommendations. If Parkhill has recommended replacing a facility, these costs are shown as immediate costs.

In the transfer without facilities alternative, the costs associated with operations and maintenance DDESS facilities is shown as \$0. If the DDESS school facilities are not used as school facilities, the buildings, in most cases, will revert back to the military installation. The installation command or DOD will then determine the best use for the facilities. In either case, the costs for operating and maintaining the facilities will be removed from DDESS’s budget. In the event of a school(s) closing there may be an offset in the installation Program Objective Memorandum for future years if the facility/facilities convert to another purpose. In addition, there may be costs associated with razing the facility/facilities in the event that the building(s) are not needed.

The LEAs will incur additional operation and maintenance costs if students are transferred to an LEA without the DDESS school facilities. With additional students, it can be expected that utilities, supplies and maintenance expenditures will increase. However, it is impossible to project these costs on a case-by-case basis.

**Financial Assumptions:**

**Expenditures:**

- Any DDESS programs that are currently funded and in place would continue for the years that were examined. No additional programs would be added.
- Any supplies/equipment or resources currently used by the DDESS schools will not be available to the LEAs if the DDESS schools are transferred. Any equipment, such as desks or computers, would be distributed among the remaining DODEA schools or turned in to the installation for reutilization. Therefore, the LEAs may need to purchase additional equipment to address a change in enrollment resulting from a transfer. These costs could not be determined without additional information, so they have not been included in the LEAs' costs.
- All costs shown for the LEAs to educate the DDESS students are based on a district-wide per pupil expenditure. In transfer, and contractual alternatives, the LEAs will continue to maintain the same per pupil expenditure for each of the cost categories shown, with the exception of facilities. In the coterminous alternative, a new per pupil expenditure will be established based on federal and state aid received.
- With all of the alternatives except Status Quo, DDESS would incur some costs related to personnel, such as early retirement, severance packages, or relocation expenses. DDESS may also incur expenses related to school district consolidations, depending on the final course of actions. These costs could not be estimated, and therefore not included in the financial reports.

**Revenues:**

- DDESS schools and districts will be funded at the same levels with growth for inflation and enrollment changes for the years examined.
- LEA, state and federal revenues are based on average revenue received for each student. The projections made across alternatives and for future years are based on the assumption that these revenues will remain constant, excluding adjustments for inflation and changes in enrollment.
- Federal impact aid projections are based on calculations done by the Department of Education. These projections consider the change in the number of federally-connected children as well as the effect on the school population as a whole. It also takes into account the number of federally-connected children with disabilities within

that total school population. However, funding for impact aid has not been consistent and is subject to an annual appropriation from Congress.

### **Report Book Two (Data) - Financial Charts:**

#### **DDESS Installation Present Values of Operational and Non-Recurring Expenditures by School:**

This primary report shows the FY04 present value of operational and non-recurring costs for all schools on an installation across all alternatives. These costs represent the total FY04-07 costs for each school discounted to FY04. In this way, the multi-year costs are reduced to a single figure to facilitate comparison across the alternatives. This report includes only school-related costs and does not show expenses associated with a DSO that may be housed on the installation. Installation costs by year can be found in Appendix C.

The Revenue section of the report shows the benefactors and how revenues would change depending on the alternative selected. Benefactors include DOD, federal, state and local funding sources. Impact Aid is highlighted under the federal revenue sources, as it will change dramatically under each alternative.

### **APPENDIX C – Additional Financial Charts:**

#### **DDESS Installation Operational Expenditures for FY04 – FY07 by Object Class:**

This report provides detail for the annual costs from FY04 through FY07, which were used to calculate the **DDESS Installation Present Values of Operational and Non-Recurring Expenditures by School** report shown in Book Two. Within each fiscal year, costs are broken out into the DoDEA approved object class categories. These categories are Salaries and Benefits, Special Education, student transportation, direct education, facilities and other. FY04 Teacher Salaries in this report, for example, equals the sum of all FY04 Teacher Salaries for all schools on an installation.

Details supporting this report are shown in the **DDESS School Operational Expenditures for FY04 – FY07 by Object Class** report where annual costs for each school are shown by object class.

#### **DDESS School Present Values of Operational and Non-Recurring Expenditures by Object Class and Category:**

This series of reports shows the FY04 present value of operational and non-recurring costs for each school. These costs represent the total FY04-07 costs for each school discounted to FY04. In this way, the multi-year costs are reduced to a single figure to facilitate comparison across the alternatives. Costs are broken out into DoDEA approved object class categories for operational expenditure and timing categories for non-recurring. For non-recurring, these are actual FY04 costs from the Parkhill study and not Present Value costs. The annual operating costs that were used to calculate

the present value are shown in the **DDESS School Operational Expenditures for FY04 – FY07 by Object Class** report.

**DDESS School Operational Expenditures for FY04 – FY07 by Object Class:**

This series of reports provides additional cost detail by breaking down the school-level operational cost into object classes. There is one separate report for each school located on an installation. The total costs for all schools on an installation are shown in the **DDESS Installation Operational Expenditures for FY04 – FY07 by Object Class** report. For example, each of the FY04 teachers' salaries and benefits reported on a school report are aggregated and shown on the corresponding FY04 teacher's and salaries benefits section of **DDESS Installation Operational Expenditures for FY04 – FY07 by Object Class**.

**DDESS School Non-Recurring Expenditures by Timing Categories:**

Non-recurring school facilities costs are shown in this report in three categories: immediate, intermediate and long-term costs. Facilities costs are aggregated and shown on the **DDESS School Present Values of Operational and Non-Recurring Expenditures by Object Class and Category**. As previously mentioned, these are actual FY04 costs from the Parkhill study and not Present Value costs.

#### 4. Federal Impact Aid information:

- While this study uses hypothetical calculations by the U.S. Department of Education about future federal impact aid payments to affected LEAs, various factors, such as unforeseen legislative changes and eligibility of the school districts, could alter future payment calculations. Also, because federal impact aid program funds are appropriated annually, there are no guarantees of appropriations of such funds for future years. Therefore, these amounts should not be used by any school district as an expectation of future payments by the U.S. Department of Education. (*Appendix B contains U.S. DOE hypothetical calculations for LEAs in this report*).
- LEAs receive federal impact aid for those federally connected students attending their schools, whose uniformed service parents work on federal property but do not live on federal property;
- LEAs also receive additional impact aid for those federally connected handicapped students attending their schools, whose uniformed service parents work on federal property but do not live on federal property;
- Eligibility for federal impact aid will increase for the LEA schools affected because the total population of “federally connected” students will increase at their schools. Because the students are living on base with their uniformed service parents and attending LEA schools, their percentage of impact aid will be higher than those “federally connected” children who have uniformed service parents living in the local community.

### ***III. Additional Resources***

#### **Major Research Study Components**

##### **Cost Analysis**

###### **Purpose**

The cost analysis component of our research incorporates several major categories of data including: recurring operational costs, non-recurring facilities costs, staffing ratio policies, average per pupil expenditures and enrollment projections. These data, which are the primary basis for our analysis of school level costs, are required for the development of cost projections and are a key element considered in our evaluation of all feasible transfer alternatives.

###### **Data Collection Methods**

During the data collection phase, we focused on the collection of actual historical expenditures and projected budgets at both the school and district level. We requested LEA budget data for FY01, FY02, and FY03. On-site interviews with LEA finance staff supplement the financial data collected by this survey instrument. With this information, our research team re-categorized or “crosswalked” the LEA budget data and the DDESS budget data into comparable object classes for comparison purposes and to conduct the cost analysis. The object classes are defined as:

###### ***DSO or Central Office Expenditures:***

- Salary & Benefits
- Non-Pay Expenditures

###### ***School:***

- Salary & Benefits
  - Teacher
  - Non-Teacher
- Special Education
- Student Transportation
- Direct Educational Support (materials, supplies, textbooks, etc.)
- Other
- Facilities
- Construction/Capital Projects

## **Revenue Analysis**

### **Purpose**

The Revenue Analysis component of our research considers each of the LEAs' major historical funding sources: local taxes, state programs, federal sources that are passed through the state, and direct federal programs. These data are the foundation of our analysis of district and school-level revenues and play an important role in the revenue projections.

### **Data Collection Methods**

We have collected historical revenues and revenue projections at both the district and school levels. Because changing federal and state regulations, economic growth or constriction and the general economic outlook all influence educational revenue streams, we also gathered data regarding the external factors that affect future revenues. We requested LEA budget data for FY01, FY02, and FY03. Information regarding revenue projections is based on reviews of regional economic conditions and enrollment projections. Data were obtained through interviews conducted at both the district and schools.

## **Feasibility Analysis**

### **Purpose**

The feasibility analysis of this project considers factors that could limit which schools or districts are considered as viable transfer alternatives and whether individual transfer alternatives are practically and legally feasible. Several screening factors have been applied to develop the list schools within individual LEAs that merit careful consideration because they may be heavily impacted in the event of a transfer of students. These include state and local legal factors that may serve to rule out certain transfer alternatives and the equity-based feasibility rules stated in the report overview. (*Charts showing the remaining transfer possibilities by school within Installations are in Appendix A*)

Several legal issues might preclude some alternatives from being considered. These factors include legal restrictions on the creation of new LEAs, access to fee simple titles, exclusive federal jurisdiction on the installation, and any residency requirements mandated by the LEA. We communicated with the legal staff of each SEA and/or LEA to determine whether any of these or other legal issues precludes individual transfer alternatives.

Transportation, security and school capacity issues will be presented in the narrative chapters for the panel to consider.

### **Additional Considerations**

Several of the Military Installations are planning new Residential Communities Initiatives (RCI). Under RCI, the military installation will transfer ownership and management responsibilities for on-post family housing to a private company for at least 50 years. This private company will be responsible for family housing development, new construction, renovation, maintenance and repair. Some RCI initiatives replace older housings while others provide expanded housing for the military installation. The DDESS transfer study includes the effect of RCI initiatives as appropriate in each of the transfer alternatives.

### **Data Collection Instruments**

- Detailed maps showing distance from each LEA school to the military installation
- Interviews with SEA legal staff regarding any legal obstacles to transfer alternatives.
- Interviews with LEA staff regarding travel time and capacity issues.  
Interviews with DoDEA staff, including local DDESS officials to identify any security issues.

## **Programs and Services Comparison**

### **Purpose**

In this section of the analysis, we compare DDESS and LEA programs and services, including services to Special Education, ESOL, Gifted and Talented and Pre-Kindergarten students. Previous studies indicated and our research confirmed that the DDESS student population has unique needs for services as a result of the mobility of the population and other issues related to military family life. Our programs and services comparison is designed to determine whether needed services are available and includes a review of school records regarding staff qualifications and services provided and staffing and service delivery policies wherever available.

### **Data Collection Methods**

Data were collected on school staff, curriculum, graduation requirements, and student support staffing. Information on special education staff and services, student enrollment in special programs and services was also collected.

On-site visits included observation and interviews regarding curricular and extra-curricular opportunities for students such as, gifted and talented programs, special academies, technology available, arts, sports, any other offerings. Extracurricular activities and programs offered are listed with school profiles.

## **Performance/ Quality Comparison**

### **Purpose**

In this section of the analysis, we compare DDESS and LEA schools on school performance and quality. The quality component of the analysis looks at various factors including: teacher qualifications, teaching experience, and teacher to student ratio policies. School performance has been measured as student performance on nationally normed tests. In order to control for socio-economic and community factors that are known to affect student achievement test scores, we are using a Performance Index methodology adapted from the Effectiveness Index, developed by Dr. Robert Gaudet<sup>1</sup>.

### **Performance Index Methodology**

Schools vary widely within a state or geographic region relative to the diversity of the student population served. Since performance level is often tied to student characteristics, some accounting for the performance of a school has to take into effect its socio-demographic advantage or disadvantage. In this section, the single factor of free and reduced lunch percentage is used as the marker for this socio-demographic effect.

Schools that have a high percentage of students on free or reduced lunch (used as a proxy for SES status) would be expected, on average, to score lower than schools with a low percentage of students on free or reduced lunch. However, the strength and robustness of the role that free and reduced lunch has on performance could vary by location, grade level, or test subject. Therefore, a regression approach was employed showing the effect of free and reduced lunch status on performance for each State -- by subject and grade level. On the school level, data were developed by using all of the schools within the state to predict the effect of free and reduced lunch on achievement test performance. The effect on the district level was generated by using all of the school districts within a particular state.

By using this approach, we generate a prediction equation showing what level of performance a particular school would be expected to perform based on that school's free and reduced lunch level. Then, we examine a single school and see if that school "under-performed" or "over-performed" based on the free and reduced lunch percentage within that school. Schools that over-performed had higher scores than one would expect based on their disadvantage level.

For DDESS schools, we are unable to use this methodology at the district level because there are not enough districts to support the regression equation. However, school based performance index measures are used to show over-performing or under-performing schools.

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<sup>1</sup> *Methodology for Deriving the Education Effectiveness Index*

The Effectiveness Index (EI) is derived by comparing actual scores on nationally normed standardized tests with scores predicted by a statistical model that factors in the role that community characteristics play in educational outcomes. The EI model examines the relationship between selected demographic characteristics and educational outcomes. These characteristics include: education level, median income, poverty level, single-parent status, and language spoken. These variables were chosen because they correlate with achievement and because the education literature identifies them as connected to academic performance. For more information see: <http://www.edbenchmarks.org/schoolimprovement/mcas2001e.htm>

## **Test Information used for Performance Index**

### **DDESS**

Students in the DDESS school system take the Terra Nova exams. This is a normed test that reports information in percentile scores. Information at the installation level is presented as the actual percentile scores reported from DODEA. Test information is available for the 2001 – 2002 school year. At the school level, the percentage of students who scored at the top percentile range (scored in the 75th to 99th percentile) was used for the performance index analysis.

### **LEAs**

#### **Alabama**

Students in Alabama are tested using the Stanford Achievement Test. All students in grades 3 – 8 are tested in the subjects of language, mathematics, and reading. The percent of students who were eligible for free and reduced lunches and federal data for schools in Alabama were provided for the 2001 – 2002 school year by the Alabama Department of Education. The SAT – 9 is a national normed test that reports achievement level per school in percentiles. These scores were converted to NCE scores (Normal Curve Equivalents) for use in statistical analysis.

#### **Georgia**

Students in Georgia are tested by an instrument designed to measure the particular curriculum standards in the State. The Georgia Criterion Referenced Competency Test (CRCT) is given yearly to all students in grades 1 to 8 in the subjects of reading, English/ language arts/ and mathematics. CRCT data are only provided for the 2001 – 2002 school year. Free and reduced lunch information was also provided for this school year by data files provided by the Georgia Department of Education.

#### **Kentucky**

Kentucky also uses a normed test called the Comprehensive Test of Basic Skills (CTBS). Student testing occurs in the subjects of mathematics, language, and reading. Mean NCE scores are reported for these subjects and grades that are provided from the Kentucky department of education. Test data used are for the 2001 – 2002 school year (spring 2002). Free and reduced lunch information for Kentucky was taken from the National Center for Education Statistics (NCES) data for the 2001 – 2002 school year.

#### **North Carolina**

“End of Course” (EOC) tests are given in North Carolina for grades 3, 6, and 8 for mathematics and reading. Test information used in from the 2001 – 2002 school year. The EOC is a criterion referenced test program reporting percentages of students at the school and district levels who fall within four categories of ability. Free and reduced lunch information was provided for the 2001 – 2002 school year by NCES data.

#### **New York**

New York tests students in grades 4 and 8 in mathematics and language using the Regents examination. This is a criterion-referenced test that was available for the 2002 – 2003 school year. Free and reduced lunch information associated with this school year was supplied by the State Education Department of New York.

**Tennessee**

Tennessee uses the TCAP (Tennessee Comprehensive Assessment Program) test. This is also a normed testing program that reports results in terms of percentile scores. Test information was supplied for the subjects of mathematics, language, and reading. Test data for Tennessee was available for the 2001 – 2002 school year. Free and reduced lunch information for Tennessee was supplied by the Department of Education in Tennessee.

**South Carolina**

South Carolina reports information in the Palmetto Achievement Challenge Test (PACT). This is a criterion-referenced test that is available for the school year 2001 – 2002. Information is reported for the subjects of mathematics and English for grades 3 through 8. Free and reduced lunch information was supplied by the NCES.

**Virginia**

Virginia uses the Standards of Learning (SOL) for student assessment. The SOL is a criterion-referenced test in the areas of mathematics and English for grades 3, 5, 8 and 11. Testing year that information is available for the 2001 – 2002 school year. Free and reduced lunch information for Virginia was taken from the NCES data files.

## Legal References

### Georgia's response to the legal questions:<sup>2</sup>

**1) Are there any legal barriers for the creation of a new LEA?**

Yes. No new independent school systems can be established.

Legal Reasoning:

According to Section V, paragraph I of the Georgia State Constitution, "No independent school system shall hereafter be established."

**2) Are there any legal barriers to transferring facilities?**

Yes. The consolidation or any combination of two or more school systems must be approved by a majority of the qualified voters in each separate school system proposed to be consolidated or combined.

According to Table 3.1, *Jurisdictional and Legal Impediments to State Education of Military Dependents and Maintenance of Section 6*: Georgia is "not allowed to expend revenue to construct or make improvements to school facilities without holding fee simple title to the structure and land."

Legal reasoning:

According to Section V, paragraph I of the Georgia State Constitution, "Existing county and independent school systems shall be continued, except that the General Assembly may provide by law for the consolidation of two or more county school systems, independent school systems, portions thereof, or any combination thereof into a single county or area school system under the control and management of a county or area board of education, under such terms and conditions as the General Assembly may prescribe; but no such terms and conditions shall become effective until approved by a majority if the qualified voters voting thereon in each separate school system proposed to be consolidated."

**3) Are there any legal barriers on contractual agreements made outside of the LEA?**

Yes. The General Assembly provides by law the terms and conditions for any consolidation or combination of two or more school systems. (See question #2 above.)

**4) Are there any residency requirements?**

Not specified.

According to Table 3.1, *Jurisdictional and Legal Impediments to State Education of Military Dependents and Maintenance of Section 6*: Georgia is "allowed to provide free public education to nonresidents of the state if parents are subject to various state taxes used to fund school operations."

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<sup>2</sup> Responses from phone conversation with Judson Turner, Director of Legal Services, Georgia Dept. of Education.

**Kentucky's response to the legal questions:<sup>3</sup>****1) Are there any legal barriers for the creation of a new LEA?**

Yes. The creation of a new LEA may only be done with the approval of the Kentucky State Legislature.

Legal Reasoning:

School districts are creatures of the Legislature, which has the power under Constitution to alter them or even do away with them entirely. This reasoning is to preserve the county school districts so far as possible and not to permit the changes in city boundaries to disrupt the existing system. Along these lines, an independent school district may not shift its boundaries to coincide with the expansion of the city limits.

Since by statute an independent school district must consist of at least a class five city, since by case law a shift to a class five city does not automatically create an independent school district, because "school districts are creatures of the Legislature," and excluding the statutory and case authority on mergers, a NEW, INDEPENDENT school district may only be formed after express authority is given by the state legislature.

**2) Are there any legal barriers to transferring facilities?**

There are State laws that require a Fee Simple Title for acquiring new education facilities.

Prior to contracting for the purchase of a school site, site expansion, or other real property, the local board of education shall follow the site selection process, involving a two-step approval of the proposed site location and size.

The location of a school site should be within the parameters established in the facility plan priority. A site not in the vicinity shall not be approved without written waiver by the chief state school officer.

The minimum size of a school site is:

- 1) Elementary School: Five acres plus 1 acre for each 100 or portion of 100 students projected for school capacity;
- 2) Middle, Junior and High School: Ten acres plus 1 acre for each 100 or portion of 100 students projected for school capacity. Consideration may be given to acquisition of adequate acreage to meet maximum capacity school size (elementary K-5/6 = 600; middle/junior = 900; and high = 1500 students.)

Legal reasoning:

Pursuant to KRS 162.010 a Fee Simple Title is required. The only exception would be Title received from the Federal government in other than Fee Simple with the approval of the Kentucky Attorney General. Also, the Kentucky Board of Ed

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<sup>3</sup> Responses from phone conversation with Anne Keating, Esq., Director of Legal Services, Kentucky Dept. of Education.

regulation in 702 KAR 4.050 allows for a forbearance agreement rather than Fee Simple if mineral rights are not acquired.

702 KAR 4:050 Section 3 & 4 govern the land size surrounding school locations [listed above.] Any deviations from [these requirements] shall be made only after a site inspection and investigation of all other circumstances, including a certification of support by the local education agency and approval by the chief state school officer.

**3) Are there any legal barriers on contractual agreements made outside of the LEA?**

No, unless you qualify as a first or second-class city.

Legal reasoning:

Laws KRS 162.020 and KRS 160.048 allow school districts to purchase and maintain school sites outside the district's limits. HOWEVER, first or second-class cities may not purchase/maintain school sites outside the county in which the independent district is located.

**4) Are there any residency requirements?**

Yes. KRS 158.100 requires that the student be a resident of the LEA. It does not matter whether the child resides on Federal land within a district, the obligation to educate applies to residents of the entire district.

KRS 159.010 requires that each student between ages 6 and 16 must attend a regular public day school within the district that they reside, for the full term that the school is in session. The Board of Education of that district may make a provision for the child to attend another public school.

KRS 158.120 allows a district to charge tuition for non-resident students, only if there is an agreement with the student's legal resident district.

Legal reasoning:

KRS 158.100 requires that the student be a resident of the district. KRS 159.010 on compulsory attendance requires "each parent, guardian, or other person residing in the state and having in custody or charge any child who has entered the primary school program or any child between 6 and 16 shall send the child to a regular public day school for the full term that the public school of the district in which the child resides is in session or to the public school that the board of education of the district makes provision for the child to attend."

KRS 158.120 provides that districts may charge tuition for non-resident students – however, schools only receive funds for nonresident pupils if there has been an agreement with the district of the pupil's legal residence (KRS 157.350)

**North Carolina's response to the legal questions:<sup>4</sup>****1) Are there any legal barriers for the creation of a new LEA?**

Not specified.

**2) Are there any legal barriers to transferring facilities?**

Yes – IF you are transferring between two different LEAs.

If you are erecting a school building within the same LEA, the local board of education cannot approve a contract for development **unless the site is owned in fee simple** by the board. (Section 115C-521 of North Carolina State Law.)

Legal Reasoning:

Local boards of education may acquire suitable sites for schoolhouses or other school facilities either within or without the local school administrative unit; but no school may be operated by a local school administrative unit outside its own boundaries. (Section 115C-517 of North Carolina State Law.)

**3) Are there any legal barriers on contractual agreements made outside of the LEA?**

Local boards of education may enter into operational leases of real or personal property for use as school buildings or school facilities. (North Carolina State Law, Section 115C-530 – However, all operational leases or contracts under this section are subject to approval by the Local Government Commission.)

Operational leases for terms of less than three years shall not be subject to the approval of the board of county commissioners. Operational leases for terms of three years or longer, including periods of time added through lease renewal or extension, are permitted if certain conditions are met.

**4) Are there any residency requirements?**

Yes. Local boards of education may charge tuition to the following (Section 115C-366.1 of North Carolina State Law):

- a. Persons of school age who are not domiciliaries of the State;
- b. Persons of school age who are domiciliaries of the State, but who do not reside within the school district;
- c. Persons of school age who reside on a military or naval reservation located within the state and who are not domiciliaries of the State. HOWEVER, tuition will be waived if federal funds are provided at not less than 50% of the total per capita cost of education in the State;
- d. Persons who are 21 years or older.

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<sup>4</sup> Responses from documents downloaded from NC legal website  
[www.ncleg.net/statutes/generalstatutes/html/bychapter/chapter\\_115c.html](http://www.ncleg.net/statutes/generalstatutes/html/bychapter/chapter_115c.html) 6 Aug 2003

**South Carolina's response to the legal questions<sup>5</sup>:****1) Are there any legal barriers for the creation of a new LEA?**

Not specified.

**2) Are there any legal barriers to transferring facilities?**

Not specified.

**3) Are there any legal barriers on contractual agreements made outside of the LEA?**

Not specified.

**4) Are there any residency requirements?**

Yes. Tuition fees may be charged \*under certain conditions to public school students residing on a military base or other federal establishment. [South Carolina State Law Section 59-73-160.]

\*Specifically, tuition will be charged if the federal government ceases to provide, or reduces the amount of, federal impact aid to those school districts who provide public school education to children who reside on a military base (or another federal establishment) within their district.

According to Table 3.1, *Jurisdictional and Legal Impediments to State Education of Military Dependents and Maintenance of Section 6*: South Carolina is “allowed to refuse admittance of any dependent if the parents do not pay tuition charges when impact aid is reduced or eliminated.”

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<sup>5</sup> Responses from documents downloaded from SC legal website: [www.lpitr.state.sc.us/](http://www.lpitr.state.sc.us/) by 6 Aug 2003

## Virginia's response to the legal questions<sup>6</sup>

- 5) **Are there any legal barriers for the creation of a new LEA?**  
No. The state Board of Education establishes the school divisions
- 6) **Are there any legal barriers to transferring facilities?**  
*Commonwealth of Virginia Code "§ 22.1-130.*  
***Authority to acquire property from United States or any agency thereof.***  
*A. Notwithstanding the provisions of any other law or of any charter or any ordinance, any school board may, by resolution, authorize the acquisition and purchase from the United States or any agency thereof of any equipment, supplies, materials, or other property, real or personal, in such manner as such school board may determine.*  
*B. It is the purpose of this section to enable school boards to secure from time to time promptly the benefits of acquisitions and purchases as authorized by this section, to aid them in securing advantageous purchases, to prevent unemployment and thereby to assist in promotion of public welfare and to these ends school boards shall have power to do all things necessary or convenient to carry out such purpose, in addition to the expressed power conferred by this section. This section is remedial in nature and the powers hereby granted shall be liberally construed. (Code 1950, § 22-151; 1980, c. 559.) "*
- 7) **Are there any legal barriers on contractual agreements made outside of the LEA?**  
Not that we could determine.
- 8) **Are there any residency requirements?**  
Yes, if you live on federal land or outside of the LEA boundaries you *may* be charged tuition. Otherwise, State law provides free and public education to all students who attend the public schools within their resident LEA. The school board would have to approve any out of district placement of students to their system. (Finley believes there are no State laws that would restrict the obligation to educate, however he believes there are State laws that require parents of military students to be charged tuition if the percentage of impact aid does not meet a certain threshold. Again, seek an attorney for clarification.)

According to Table 3.1, *Jurisdictional and Legal Impediments to State Education of Military Dependents and Maintenance of Section 6*: Virginia is "allowed to provide education to dependents if they receive not less than 50 percent of the total per capita cost of education in the local district."

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<sup>6</sup> Based on an interview with Charles Finley, Assistant Superintendent for Educational Accountability, Virginia Department of Education. 7 Aug 2003

**New York's response to the legal questions:<sup>7</sup>****1) Are there any legal barriers for the creation of a new LEA?**

Yes. The establishment of a new LEA may only come about with an act of legislature. A new LEA may exist on Federal property if it is on NY State land. An example of a successful creation of a new LEA is when a Hasidic community went to the Supreme Court to have a separate district created for their local community.

**2) Are there any legal barriers to transferring facilities?**

No, IF the facility is part of NY legal territory and within the boundaries of NY. This is not the case if the land is seeded (to the Feds, for example), then NY State has nothing to do with it, as the facility is not considered within a NY LEA.

The site standards for school land size are as follows:

Elementary school: Three acre base with additional acre for every 100 students or portion thereof. Thus, 650 students would lead to 10 acres total.

Secondary school: 10 acre base with additional acre for every 100 students or portion thereof. Thus, 650 students would lead to 17 acres total.

Fee simple title requirement depends on what the district will use the building for – i.e.: would it be used strictly for education, or for other activities as well (as this may be the case for a military facility.) According to Table 3.1, *Jurisdictional and Legal Impediments to State Education of Military Dependents and Maintenance of Section 6*: New York is “not allowed to expend revenues to construct or make improvements to school facilities without holding fee simple title to the structure and land.”

**3) Are there any legal barriers on contractual agreements made outside of the LEA?**

No, IF the facility is part of NY legal territory and within the boundaries of NY a contractual agreement may be made. This is not the case if the territory in question is seeded.

**4) Are there any residency requirements?**

Yes, a child has the right to attend a school system **only** where the parents have residency.

A district that cannot provide adequate K-12 schooling is required to “tuition out” the students to another district. The Board of Education for the district receiving the non-resident students can decide on a case-by-case basis whether or not to accept the non-resident students.

Busing of the students will be determined on a case-by-case basis by the LEA asked to do the busing. If children reside on NY State territory, they have the right to be educated.

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<sup>7</sup> Based on an interview with Susan Spear, Office of the District Superintendent, New York Department of Education 8 July 2003

## Collective Bargaining Legal Issues<sup>8</sup>

While individual agreements and contracts occur at the local school district level, State policy determines how contractual disputes can be handled. In general, states can be classified as those who have collective bargaining laws in place and those who do not. In certain situations, those states that do not have a law allowing collective bargaining may have collective bargaining arrangements at the local level. Some states exclusively prevent collective bargaining by enacting “right to work” legislation. Right to work legislation outlaws compulsive union membership and prevents unions from compulsively taking union dues from members. What follows is a state level policy summary for the eight states with DDESS schools:

### **Alabama**

There is no policy allowing teachers to collectively bargain. No local collective bargaining takes place because of a “right to work” law that prevents workers from sharing the cost of union representation.

### **Georgia**

There is no policy allowing teachers to collectively bargain. No local collective bargaining takes place because of a “right to work” law that prevents workers from sharing the cost of union representation.

### **Kentucky**

There is no policy that allows teachers to collectively bargain. However, there is no prohibition or limitation on local educational agencies from entering into agreements with teachers unions.

### **New York**

State law grants teachers the right to collectively bargain.

### **North Carolina**

There is no state collective bargaining law. However, there is no prohibition or limitation on local educational agencies from entering into agreements with teachers unions.

### **South Carolina**

There is no policy allowing teachers to collectively bargain. No local collective bargaining takes place because of a “right to work” law that prevents workers from sharing the cost of union representation.

### **Tennessee**

State law grants teachers the right to collectively bargain.

### **Virginia**

There is no policy allowing teachers to collectively bargain. No local collective bargaining takes place because of a “right to work” law that prevents workers from sharing the cost of union representation.

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<sup>8</sup> State Collective Bargaining Policies for Teachers, Education Commission of the States (ECS) June 2002, [www.ecs.org](http://www.ecs.org)

<b>Corporal Punishment Laws</b>	<b>State Statute</b>
States Ban Corporal Punishment	
New York	NY Penal Law Section 35.10
Virginia	VA Law Sec 22.1-279.1
Allows School Boards to Decide	
Georgia	GA. CODE ANN. Sec. 20-2-730, Sec. 20-2-731
Kentucky	KRS. Sec. 158.150, Sec. 160.290 and Sec. 160.345-2(l)(7)
North Carolina	N.C. GEN. STAT. Sec. 115C-391 (a)
South Carolina	SC CODE of LAWS Sec. 59-63-260
Tennessee	TCA. Sec. 49-9-103
No Laws Regarding Corporal Punishment	
Alabama	

## Impact Aid

### Procedure for Estimating Impact Aid Revenue

In reviewing previous transfer studies, it became evident that federal impact aid is a highly complex issue. LEA eligibility, for example, varied from zero dollars to \$40 million. This complexity and volatility was further confirmed when we visited the LEAs.

Actual FY02 data on impact aid to LEAs provided by US Department of Education were used as the “baseline data” for all status quo revenue analyses. To estimate future impact aid revenue, the following methodology was used:

First, we determined the number of federally connected students attending DDESS schools based on enrollment as of September 30, 2002. Because children with disabilities receive additional impact aid funding, we also determined how many of the total “federally connected” student populations were special education students.

In cases where multiple counties/states or multiple cities were involved, the locations of each DDESS school (state, county, city, etc.) were identified. According to state and county regulations, in most cases, DDESS students can only attend LEA schools in the state and county/city they reside and not attend a LEA school in another jurisdiction. Currently, the one exception to this is at Ft. Rucker, where LEA policies allow DDESS students to attend one of three city school systems.

These data were provided to Gregg Spencer, an impact aid statistician for the US Department of Education, who then estimated impact aid eligibility for each LEA based on:

1. Actual “federally connected” student enrollment (children with disabilities broken out) already existing in the counties/cities as of September 30, 2002 and;
2. The additional “federally connected” student enrollment (children with disabilities broken out) from the DDESS schools.

The following caveat applies to this impact aid data contained in this report:

These hypothetical amounts are based on restricted assumptions. Even if the school districts were to actually see the types of increases described, other factors that were held constant for purposes of these projections may change. Unforeseen legislative changes, for example, could alter future payment calculations as well as the eligibility of the school districts. Finally, because funds are appropriated for this program annually, there are no guarantees of appropriations of funds for this program for future years. Therefore, these hypothetical amounts should not be used by any school district as an expectation of future payments by the U.S. Department of Education. (*U.S. DOE hypothetical impact aid calculations for LEAs in this study are in Appendix B*)

## **Impact Aid Background**<sup>9</sup>

### **Legislative Citation**

Elementary and Secondary Education Act of 1965, *as amended*, Title VIII, 20 U.S.C. 7701-7714.

### **Program Regulations**

34 CFR 222

### **Program Description**

The Impact Aid program provides financial support to school districts affected by federal activities. The presence of certain children living on federal property across the country may place a financial burden on the school districts that educate them. The property on which these children live is exempt from local property taxes, denying districts access to the primary source of revenue used by most communities to finance education. Impact Aid helps to replace lost local revenue that would otherwise be available to districts to pay for the education of these children. Five different kinds of payments are supported.

Basic support payments provide direct assistance to LEAs that enroll significant numbers or percentages of federally connected pupils -- children who live on, or whose parents work on, federal property. Funds are intended to help LEAs meet the local costs of educating these federally connected children. In addition to the Impact Aid basic support payments, the program also provides direct assistance to help LEAs meet the increased local costs of educating federally connected children with disabilities.

Under the basic support payment formula, higher payments are made to certain LEAs that educate high percentages of federally connected children and that meet other statutory eligibility requirements.

The Impact Aid construction authority provides formula grants to LEAs with large percentages of federally connected students and provides competitive grants for emergency repairs and modernization of school facilities to certain eligible LEAs that receive Impact Aid funds.

Payments for federal property provide direct assistance to certain LEAs that have experienced a significant loss of real property tax base due to the acquisition of local property by the federal government since 1938. An eligible LEA must have experienced a loss of at least 10 percent of its tax base and must not have been substantially compensated for that loss in revenue by other revenues from activities conducted on the federal property.

### **Types of Projects**

*Basic Support Payments* are provided to approximately 1,300 LEAs across the country in FY 2003. Eligibility is determined on an annual basis through applications submitted by school districts. Payments generally are deposited in eligible LEAs' general fund accounts and are used for basic operating costs within the LEA, including teacher salaries, utilities, books, and supplies. Funding is not provided directly to private schools.

For *Payments for Children with Disabilities*, any LEA that is eligible to receive basic support payments on behalf of federally connected children may also receive a payment for children with

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<sup>9</sup> Catherine Schagh, U.S. Department of Education, OESE, Impact Aid Programs online at: <http://web99.ed.gov/GTEP/program2.nsf/b39cd123fd4a045b8525644400514f2b/702181c1a2dab726852563bc005404c6?OpenDocument> (last edited on 06/21/2003)

disabilities who are military dependents or who live on Indian lands. Eligibility is determined on an annual basis through applications submitted by school districts. Payments are used for the special education costs incurred by the LEAs. Some funding flows indirectly to private schools in those LEAs that pay tuition to private institutions for the education of disabled students whose Individualized Education Programs (IEPs) require such special services.

Under *Facilities Maintenance*, funds are provided for emergency repairs and comprehensive capital improvements to schools that the Department of Education owns but that LEAs use to serve federally connected military dependent students or for the transfer of these facilities to LEAs.

*Formula Construction payments* must be used to pay for construction-related expenses, such as developing drawings and plans for school buildings; building, purchasing, renovating, or expanding school buildings; inspecting and supervising the construction of school buildings; and paying the debt service for these activities.

The competitive *Construction grants*, which were new in FY 2002, fund school repair and renovation projects for approximately 10 to 30 eligible school districts.

Under *Payments for Federal Property*, approximately 250 LEAs receive Impact Aid payments for federal property annually. Payments generally are deposited in eligible LEAs' general fund accounts and are used for general operating expenses such as teacher salaries, utilities, administrative costs, books, and supplies. Funding is not provided to private schools.

<b>Education Level (by category)</b>	K-12
<b>Topical Heading</b>	Impact Aid
<b>Administering Office</b>	Office of Elementary and Secondary Education (OESE)
<b>CFDA #</b>	84.041
<b>Program Title</b>	Impact Aid
<b>Who May Apply (by category)</b>	Local Education Agencies
<b>Who May Apply (specifically)</b>	Local education agencies must meet the minimum eligibility requirements.
<b>Current Competitions</b>	FY 2003 application deadline for competitive Construction grants anticipated: November or December 2003.
<b>Type of Assistance (by category)</b>	Formula Grants, Discretionary/Competitive Grants

### **Appropriations**

<b>Fiscal Year 2001</b>	\$993,302,000
<b>Fiscal Year 2002</b>	\$1,143,500,000
<b>Fiscal Year 2003</b>	\$1,188,226,000

### **Awards Information**

#### **Number of New Awards Anticipated**

Basic Support--about 1,300  
 Children with Disabilities—850  
 Formula Construction payments—170  
 Competitive Construction grants--10 to 30  
 Federal Property--250.

# 1 Fort Benning

**INSTALLATION: Ft. Benning**  
**LEAs: Chattahoochee County, GA**  
**Muscogee County, GA**

## Introduction

Seven schools on the Ft. Benning installation serve pre-K to 8. Grades 9 to 12 are bused to Muscogee County high schools, primarily Spencer high school just outside the installation. Ft. Benning has a signed Secondary Education Transition Study agreement with Muscogee County and the installation commander sits on the Muscogee County school board as a non-voting member. A school liaison officer works with Muscogee County to improve relations with the installation. Muscogee County's superintendent said he would need the facilities to make any transfer work.

There is no school liaison officer for Chattahoochee County, which is smaller and generally less prosperous than Muscogee. Various DDESS officials questioned Chattahoochee County's ability to provide adequate education for students from the installation. With five of the installation's seven schools falling within Chattahoochee County, the LEA would need a significant increase in impact aid and sufficient time to enable any transfer. Chattahoochee County's superintendent said he favored transferring DDESS students to his schools.

**Local legal rules or barriers:** Georgia state law does not allow the creation of new LEAs, so the coterminous alternative is not possible.<sup>1</sup>

*Note: Like other installation chapters involving multiple LEAs, this narrative discusses and breaks down transfer alternatives and research components by individual LEAs when differences exist among them. Otherwise, comments should be assumed to apply to all LEAs near the installation.*

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Ft. Benning Status Quo Report on pages 1.3 & 1.4 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:**

Ft. Benning school-level salaries and benefits make up about 90 percent of the FY04 \$24.7 million budget (excluding DSO and HQ costs). Salaries have seen increases of about three percent and step increases of about the same amounts, which are expected to continue in the future. Salary growth is due in part to DoDEA-mandated reductions in the pupil teacher ratios at grades 1-3. The per pupil expenditure for FY04 is approximately \$8,244 (excluding DSO and HQ costs).

Chattahoochee County salaries and benefits make up approximately 86 percent of its FY04 budget. According to the Georgia State Salary Schedule, the LEA has lower salaries than the DDESS. The per pupil expenditure for school-level costs for FY04 was approximately \$7345;

Muscogee County salaries and benefits make up approximately 84 percent of its FY04 budget. There has been a 40 percent increase in expenditures over the last five years primarily due to salary increases and class size reductions. Teachers' salaries have been rising by 3.25 to 4 percent a year. The per pupil expenditure for FY04 was about \$5956. Like Chattahoochee County, salaries in Muscogee County are lower than DDESS salaries.

- **Transportation and Other Direct Expenses:**

Ft. Benning student transportation costs were over \$1 million, making it the largest non-pay expense in the DDESS. The installation paid Muscogee County \$46,000 for special education costs that the DDESS schools were unable to provide in FY 02;

Chattahoochee County: The county receives \$123,000 from the state for transportation, including \$23,000 for bus replacement, which will be carried over for three years and then used to purchase a bus. Chattahoochee County high schools students are bused to Muscogee County high schools. Transportation costs include a contract with Columbus, GA for twelve students who receive special education services not available within the county. The FY03 transportation costs are 25 percent higher than the FY02 costs;

Muscogee County is seeing its transportation costs outpacing the state budget allocation for transportation due to the district's student assignment plan and

declining reimbursement rates from the state. Muscogee County spent in excess of \$6.3 million for transportation in FY02.

- **Facilities:**

Ft. Benning has numerous plans to upgrade and renovate schools to add classrooms because of the DoDEA-mandated lowering of pupil teacher ratios in grades 1-3. These include \$4.2 million in planned renovations in FY03, and other work will be done by FY07. Non-classroom upgrades include HVAC, roofs, and parking lots;

Chattahoochee County has two schools in one building with shared staffing that serve grades PK – 8. The LEA hopes to build a \$7 million high school in FY05, though the county is \$2 million short in funding the project. If built, the high school will have a 1000-student capacity. Chattahoochee County recently built a \$2 million annex to its elementary school/middle school (which share a single site) and removed the portable classrooms. The elementary school and middle school share the media center, gym, and cafeteria;

Muscogee County has 33 elementary schools, 11 middle schools, 8 high schools, and 8 alternative schools. The county is holding a referendum in November 2003 on a one-cent SPLOST (sales tax) increase for five years to raise \$148.7 million to finance 12 renovation projects. The county has nearly completed a program of classroom additions, renovations, and modifications at most of its existing schools that was financed by the five year, one cent SPLOST approved in 1997. 3 new elementary schools, 4 new middle schools and 1 new high school were built with this sales tax revenue. The Muscogee County facilities director said six new elementary schools are needed, of which four will replace existing schools; two are now in the planning stages. The county has also prepared a list of \$1.3 million in renovations to be funded by non-SPLOST revenues.

**Revenue:**

Ft. Benning DDESS receives all of its funding through federal appropriations. In FY02, an across-the-board 10 percent reduction affected all non-pay categories, though DDESS schools have been traditionally well funded;

Chattahoochee County receives revenue from federal (14 percent), state (71 percent), and local (15 percent) sources. Currently, there is zero budget growth. The county received approximately \$8000 in federal impact aid for FY02.

Muscogee County also receives revenue from federal, state, and local sources and has seen a 36 percent increase in revenue over the last five years, due largely to a strong local economy. The county received approximately \$1.3 million in impact aid in FY02.

## B. Feasibility:

- **Transportation:**

Ft. Benning contracts with Muscogee County to transport special education students. The DDESS has 30 contract buses to transport 1315 regular education and other special education students. Muscogee County is able to transport students on and off the installation and plans are in place for procedures during elevated security conditions;

Chattahoochee County has 10 buses and 2 minivans that are used to transport regular and special education students. Though state transportation policy allows walkers within 1.5 miles, all LEA students who are not bused are driven by parents. The LEA does not currently bus on or off the installation;

Muscogee County transports about 10,600 students on a fleet of 186 buses and 775 bus routes. Muscogee County transports 460 students on 20 buses from Ft. Benning, most of them high school students going to Spencer high school. Pre-K busing is currently available on a space available basis in the county.

- **Capacity:**

Ft. Benning's current enrollment of 3,027 pre-K to 8 students is 626 under the total capacity of the installation's seven schools. Numerous classroom additions have been completed or remain to be done to meet DODEA's mandated pupil teacher ratio reduction for grades 1 to 3. Enrollment has been generally constant, except when the international student population increases by about 40 when a special annual program runs at the installation. Chattahoochee County is seeing little to no growth in its current enrollment of 493 with building capacity of 907;

Muscogee County serves 32,798 students in grades PK-12. Student enrollment has declined by about one percent annually over the last five years. Despite this slight decline, the county capital plan calls for additional schools.

- **Security:**

Ft. Benning has designated entry points and all DoD personnel must have photo ID cards and a vehicle registered with the installation. Depending upon the threatcon level, personnel are subject to auto searches and other security procedures. Arrangements are in place with Muscogee County in the case of increased security in the event of emergency or base shut down to ensure that students are returned home safely

## C. Programs and services:

- **Special education:**

Ft. Benning has 371 special education students served by 22 special education teachers and 11 paraprofessionals. Ft. Benning uses the DoDEA special education curriculum and has a full range of services, except some low incidence cases,

which are served by Muscogee County. The schools use the inclusion model and are moving away from self-contained classrooms, which are in limited use, as needed. Muscogee County consults with installation special education staff for transition preparation for 9<sup>th</sup> grade students;

Chattahoochee County uses a modified inclusion model. All 77 of its special education students participate in regular education classes. Chattahoochee County has four special education teachers and 3 paraprofessionals. Special education costs continue to rise because the special education student population is about 18 percent of the total population. There is some out of district placement in the Muscogee County LEA for high school special education students

Muscogee County includes 80 percent of its special education students in regular education classes and provides a full continuum of services. It has 334 special education teachers.

- **Other direct education programs:**

All three school districts offer regular pre-K programs. In Muscogee County, there is a waiting list. Fort Benning has no waiting list and there is a provision to allow pre-K attendance for four-year-olds. This early entry is contingent upon parent and staff agreement and testing of the student.

Muscogee County offers magnet programs at all school levels, while Chattahoochee County offers none.

## **D. Performance/quality comparison:**

- **Performance:**

District level performance information for Fort Benning, Chattahoochee County, and Muscogee County are provided for grades 3, 5, and 8. The test used at Fort Benning is the Terra Nova, while the test used in Georgia is the CRCT (Criterion Referenced Competency Test). Both the CRCT and the Terra Nova reports scores for the subjects of reading, language, and math. Performance Index information (under-performing or over-performing based on free and reduced lunch data) can only be done for the LEA districts. In Georgia, the CRCT is scored as the percentage of students who either meet or exceed standards.

Fort Benning: At the district level for grade 3 reading, Fort Benning scored at the 52<sup>nd</sup> percentile. For grade 3 language, Fort Benning students scored in the 63<sup>rd</sup> percentile. DDESS students scored at the 60<sup>th</sup> percentile for grade 3 math. At grade 5, the percentile scores for Fort Benning are 61<sup>st</sup> for reading, 58<sup>th</sup> for language, and 53<sup>rd</sup> for math. At grade 8, students scored at the 65<sup>th</sup> percentile for reading, 59<sup>th</sup> percentile for language, and at the 62<sup>nd</sup> percentile for math.

Chattahoochee County: In Chattahoochee County, 78 percent of students taking the grade 3 reading test met or exceeded the predicted score of 76 percent. For grade 3 language, the actual score was 78 percent versus a predicted score of 71 percent. The actual math score for grade 3 was 72 percent compared to a predicted score of 71 percent. For grade 5 reading, the actual percentage of 76

percent compared to a predicted score of 71 percent. For grade 5 language, the actual score was 65 percent compared to a predicted 66 percent and the grade 5 math score of 68 compared to a predicted score of 63 percent. For grade 8 students, the only scores available were actual scores, which were 66 percent for reading, 57 percent for language, and 65 percent for math;

Muscogee County: For grade 3 reading, the actual score was 86 percent compared to a predicted score of 83 percent. Grade 3 language was 82 percent actual compared to a predicted score of 79 percent. For grade 3 math, the actual score was 80 percent and the predicted score was 79 percent. Grade 5 actual reading was 83 percent and the predicted score was 80 percent. For grade 5 language, the actual score was 78 percent while the predicted score was 75 percent. For grade 5 math, the actual score was 71 percent compared to a predicted score of 72 percent. For grade 8, the actual reading score was 79 percent with a predicted score of 76 percent. For grade 8 language, the actual score was 70 percent with a predicted score of 69 percent. For grade 8 math, the actual score of 65 percent compared to a predicted score of 66 percent.

- **Quality:**

Ft. Benning has a pupil teacher ratio of 16.3:1, compared to about 16.5:1 in Chattahoochee County and 15:1 in Muscogee County. About 80 percent of installation teachers have an advanced degree, and nearly all teachers are teaching within their area of certification;

Chattahoochee County has a pupil teacher ratio of 16.5:1, compared to the state requirements of 22:1 for elementary school and 28:1 for middle school. About 72 percent of Chattahoochee County's teachers have an advanced degree. About 96 percent of the teachers are teaching within their area of certification;

Muscogee County has a pupil teacher ratio of 15.1:1, well below the state requirements of 22:1 for elementary school and 28:1 for middle school. About 63 percent of the teachers have an advanced degree. 99 percent of the teachers are teaching within their area of certification.

## II. Transfer with facilities

(Please refer to Ft. Benning Alternatives Summary Grid on pages 1.5 & 1.6 of Report Book 2 (Data) for this and subsequent transfer alternative discussions).

*(Unless otherwise noted, statements apply to all LEAs near the installation; where appropriate, the narrative is broken down by individual LEA.)*

### **A. Cost and revenue:**

#### **Costs:**

- **Salaries and benefits:** Teachers' salaries are lower than those at Ft. Benning. Former DDESS teachers hired by either LEA would no longer be eligible for

federal benefits. Salary and benefit costs would decrease by about 40 percent for this alternative for both Muscogee and Chattahoochee Counties,

- **Transportation:**  
Chattahoochee County would need to purchase additional buses to transport the additional students from five of the seven schools at Ft. Benning. Funding for operational costs would also be required. The additional mileage cost will be four times higher than the current cost;  
Muscogee County would need to purchase 20 new buses at about \$75,000 per new bus and add about \$720,000 in annual bus operating costs. The county could cover up to ten of the thirty routes at Ft. Benning without additional buses.
- **Facilities:**  
Neither county has the physical capacity to accept a transfer of all Ft. Benning students without the facilities;  
Muscogee County operates Spencer high school on federal property on a 99-year lease with the federal government. Loyd elementary school and McBride elementary school are the only two schools that fall within Muscogee County. Loyd elementary school is located on the perimeter of the installation, but in the event of a transfer, it would be possible to move the boundaries to set it outside the perimeter;  
Chattahoochee County, which has excess capacity at the elementary school/middle school, would still exceed its capacity if about 2321 students from the DDESS elementary schools and middle school were transferred. Even if built, the new high school would not alleviate the capacity issues. Additional facilities would be required to accommodate all students in the event of a transfer.

### **Revenue:**

**Federal Impact Aid:** In the event of a transfer, both counties would be eligible to receive impact aid.

Chattahoochee County could be eligible for approximately \$7.8 million and Muscogee County could be eligible for approximately \$2.2 million (based on U.S. Department of Education hypothetical calculations).

## **B. Feasibility:**

- **Transportation:** Because Ft. Benning does not own buses, a system to transport students would be needed under this alternative, though it is possible that the LEAs would bus students onto the installation. The LEAs would need to acquire additional buses and routes, and would have to rezone their schools to accommodate the additional students. Either transfer with or without facilities could result in significant capital and operational expense to the LEAs.
- **Legal issues:**  
Ft. Benning teachers and staff are unionized, while teachers in both LEAs are not; state law requires that the LEA own the property and building in order to spend funds on them.

- **Programs and services:** Under any transfer alternative, only those programs currently available in either LEA would continue to be offered to the former DDESS students. Chattahoochee County offers fewer programs and services than the DDESS or Muscogee County.
- **Capacity:** Chattahoochee County's total student population would become 3493 and its capacity would increase to 4560. This would create an under capacity of 1067. This does not include the 460 high school students that would continue to go to Muscogee County high schools. It also does not take into account the Chattahoochee County superintendent's observation that Chattahoochee County is already at full capacity based on a pupil teacher ratio of 16:1.

### III. Transfer without facilities.

#### **A. Cost and revenue:**

##### **Costs:**

- **Facilities:** Chattahoochee County: Chattahoochee County's superintendent said the LEA would not be able to accommodate the additional students without the Ft. Benning facilities or the time and funds to build new schools. The additional 2285 students (not including the 460 high school students) would put the county over capacity by 1,871 students;  
Muscogee County also could not take on the additional 742 students without facilities. Its new schools are intended to meet the LEA's own enrollment projections, not additional DDESS students.

Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison – see section 2 of the Report Guide.

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<sup>1</sup> Georgia General Assembly Unannotated Code 20-2-50 [cited 14 Aug 03].  
([http://www.legis.state.ga.us/legis/2003\\_04/gacode/20-2-50.html](http://www.legis.state.ga.us/legis/2003_04/gacode/20-2-50.html))

## 2 Fort Rucker

**INSTALLATION: Fort Rucker, AL**  
**LEAs: Enterprise City Schools, AL**  
**Ozark City Schools, AL**  
**Daleville City Schools, AL**

### *Introduction*

Located in a very poor, rural section of southern Alabama, Fort Rucker is a training installation, with many of its soldiers being enlisted or junior officers. There are two DDESS schools on the installation: a pre-K to 1 primary school and a grades 2 to 6 elementary school. Fort Rucker is unique in the fact that after DDESS grade 6, students who live on the installation can choose which surrounding school system they wish to attend for grades 7 to 12.

Officials of both the DDESS and all three city systems described their relationship as good or excellent. The installation and all three cities have signed Secondary Education Transition Study agreements, and Fort Rucker's school liaison officer works with the three city systems on a range of issues, including school curriculum and trying to unify the systems' varying graduation requirements and the academic calendars.

***Local legal rules or barriers:*** Potential legal impediments to certain transfer alternatives are described where relevant in the discussion of transfer alternatives that follows.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Ft. Rucker Status Quo Report on pages 2.4 – 2.6 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

***General note regarding the Alabama LEAs:*** Alabama's ongoing fiscal crisis has meant significant budget cuts and layoffs, including about 2000 teacher layoffs statewide this year and about 3200 expected layoffs in May of 2004. The state's current revenue stream depends mainly upon the sales tax to fund education. In September, Alabama voters turned down a proposed tax hike. All LEA salaries are based on state guidelines, though the local school districts have the option to supplement those salaries at their own expense.

#### **Costs:**

##### **Salaries and benefits:**

All three LEAs are non-union and have lower pay scales and provide fewer employee benefits than the DDESS.

**Ft. Rucker** salaries and benefits make up about 88 percent of its \$7.5 million budget (DSO and HQ not included). Its per pupil expenditure is approximately \$6679;

**Enterprise** salaries and benefits make up about 76 percent of its FY04 budget of \$30.7 million. Its per pupil expenditure is approximately \$5796 (central administration not included);

**Ozark's** FY04 salaries and benefits make up 76 percent of its total \$16.9 million budget. Its per pupil expenditure is approximately \$5,996 (district not included);

**Daleville's** FY01 salaries and benefits, which were among the lowest in the state, made up 74 percent of its total \$10 million budget. The per pupil expenditure was about \$5,171 in FY 01. FY 04 data were not available at this time.

##### **Transportation and other expenses:**

**Fort Rucker** contracts for seven buses to provide transportation for all students attending the primary school and all ES students beyond one mile. The DDESS pays the LEAs \$500 a month to cover transportation and other costs of special education students attending LEA schools. The transportation costs account for less than three percent of the total DDESS budget;

**Enterprise** provides transportation for students in grades 7 to 12 at Ft. Rucker. Its FY02 transportation budget of \$977,482 was 2.8 percent of the total budget. Special education costs are rising because of the increasing number of students who qualify for services under expanding special education guidelines;

**Ozark** buses about 50 percent of its students. It has 38 buses, of which two are special education buses. Bus drivers and bus maintenance are funded by the state.

The FY02 transportation budget of \$398,503 was 2.4 percent of the total school budget;

**Daleville** buses about 1100 students on 19 buses, of which two are special education buses. Four buses go onto the installation. Transportation expenditures account for 3.3 percent of the budget.

**Facilities/capital plan:**

**Ft Rucker** is going through a Public/Private Venture that will add about 30 housing units and increase enrollment by 50 to 60 students. An additional wing is needed but not yet funded for the primary school. A \$1 million media center was completed this summer. Facilities costs will continue to rise. In FY02, \$85,000 went to facilities maintenance. In FY02, operation and maintenance of facilities, which included utilities and communications expenditures, cost \$164.63 per pupil.

**Enterprise** spent \$2.8 million on capital improvements, such as electrical upgrades and new roofing in FY02. A \$1 million JROTC facility at the high school was completed earlier this year. The five-year capital improvement plan calls for a single complex to consolidate pre-K and K classes. In FY02, per pupil expenditure for operation and maintenance of facilities, including expenditures for utilities and communication, was \$350.80;

**Ozark** spent \$85,832 on school renovations in FY 02 and is seeking \$8 million for additional repairs, though state budget cuts make such funding uncertain. Ozark also wants to build a new high school within the next 10 years and add multi-purpose gyms at two other schools. In FY02, per pupil expenditure for operation and maintenance of facilities was \$379.47;

**Daleville's** five-year capital improvement plan included bathroom renovations, air conditioning and roofing and calls for a physical education complex at the high school and additional classrooms at the middle school and high school. It spent about \$480,000 on facilities maintenance and about \$250,000 in capital outlays in FY01.

**Revenue:**

**Enterprise** receives revenue from federal (7.5 percent), state (65.4 percent), and local (26.7 percent) sources. The school system received approximately \$505,162 in federal impact aid in FY02. Because of state funding cuts, Enterprise will use reserves, reduce programs and increase class sizes to balance its education budget;

**Ozark** receives revenue from federal (10.2 percent), state (69.3 percent), and local (20.4 percent) sources. It received approximately \$80,000 in federal impact aid in FY02. It expects a six to eight percent reduction in state revenue in future years;

**Daleville** receives revenue from federal (13.6 percent), state (71 percent), and local (15.4 percent) sources. The school system received approximately \$482,000 in federal impact aid in FY02.

*Note: Due to unavailable data, Daleville does not have a revenue breakout by benefactor in the PV report.*

## **B. Feasibility:**

### **Transportation:**

**Fort Rucker's** general policy is that no student should be on a bus for more than 60 minutes per trip. The DDESS contracts for seven buses that do multiple runs. The buses remain on base except for field trips. All primary students and all ES students who live more than a mile from school are transported. ES students who live within a mile either walk or their parents provide transportation. Fort Rucker has seven buses that do multiple runs;

**Enterprise** buses middle school and high school students off the installation.

Enterprise buses approximately 2300 students (more than 40 percent of the district's students live close enough to walk and many high school students drive);

**Ozark** buses students off of the installation and reports no problems in getting access to the installation. Security procedures have been worked out. Though the state has no formal travel time guidelines, Ozark policy is that no student should be on the bus longer than 75 minutes. All students within two miles must walk, though this policy is often waived because of highways that make pedestrian travel dangerous. About half of Ozark's students are bused on 38 buses, many of which have double routes;

**Daleville** buses 1100 of its 1682 students (65 percent) on 21 buses, many running more than one route. The LEA has no local travel time policy, and the longest travel time is now 50 minutes. Daleville picks up students on the installation and has no problems getting onto the installation (security procedures are in place).

### **Capacity/enrollment:**

**Fort Rucker's** combined DDESS school capacity is 1343, with a current total enrollment of 1063, leaving enough room to accommodate 280 additional students;

**Enterprise's** capacity estimate is 5400, with a current enrollment of 5296 students. There is presently enough room to accommodate an additional 104 students.

**Ozark's** current enrollment is 2820 students. According to the LEA's facilities master plan, the total district-wide capacity is 3547, which would allow room for an additional 720 students;

**Daleville** has a current capacity of 2200 students with an enrollment of 1682, allowing enough space to accommodate 518 additional students.

**Security:** The DDESS has an excellent relationship with the installation in terms of security procedures. MPs work as crossing guards and the installation advises the school on aspects of security threats, with protocols in place for changes in Threatcon levels. DDESS officials are concerned about similar cooperation if the status quo changed and another agency was running the schools. Though the outside LEA now picks up students, changes in threatcon could cause delays and disruptions in getting children to schools in the community.

**Legal:** DDESS teachers are unionized and have collective bargaining rights under the federal system, but Alabama does not allow its teacher to collective bargain.

### C. Programs and services:

**Fort Rucker** offers a pre-K program for regular education students as well as before and after school programs.

**Enterprise** has pre-K programs only for special needs students and offers before and after school programs as well as vocational education.

**Ozark and Daleville** each offer vocational education but do not have before or after school programs; they offer pre-K only for special education students.

### D. Performance/quality comparison:

#### **Performance:**

**Fort Rucker:** Because of the small sample size, no systematic consideration of test scores in light of socioeconomic composition of the student population can be made at the district level. For grade 3, students scored in the 74<sup>th</sup> percentile for math and the 67<sup>th</sup> percentile for language. For grade 6, students scored in the 70<sup>th</sup> percentile for both math and language;

**Enterprise:** For grade 3 math, the actual score of 57 compared to a predicted score of 55. For grade 3 language, the actual score of 55 compared to a predicted score of 56. For grade 6 math, the actual score of 67 compared to a predicted score of 57. For grade 6 language, the actual score of 60 compared to a predicted score of 55;

**Ozark** grade 3 math actual score of 53 compared to a predicted score of 51. Grade 3 language actual score matched the predicted score of 53. For grade 6 math, the actual score of 50 compared to a predicted score of 54. For grade 6 language, the actual score of 54 compared to a predicted score of 53;

**Daleville** grade 3 math actual score of 49 compared to a predicted score of 53. For grade 3 language, the actual score of 48 compared to a predicted score of 54. Grade 6 math actual score was 56 compared to a predicted score of 58 and grade 6 language actual score of 55 compared to a predicted score of 56.

#### **Quality:**

**Fort Rucker:** All teachers are fully certified in their field of instruction and more than half of all teachers hold a master's degree or higher.

**Enterprise and Daleville:** Nearly all teachers are fully certified and more than half of the regular education teachers have a master's degree or higher.

**Ozark:** Nearly all teachers are fully certified in their field of instruction and more than half of the regular education teachers and half of the special education teachers have a master's degree or higher.

## **II. Transfer with facilities**

(Please refer to Ft. Rucker Alternatives Summary Grid on pages 2.7 – 2.9 of Report Book 2 (Data) for this and subsequent transfer alternative discussions).

### A. Cost and revenue:

## Costs:

- **Salaries and benefits:** **Ft. Rucker** salaries and benefits average \$53,601 for school employees. Former DDESS teachers hired by the LEAs would no longer be eligible for federal benefits. Alabama provides state mandated salary guidelines to the three cities.  
LEA salaries and benefits are considerably lower:  
**Enterprise:** Teachers' salaries average \$37,500. Salaries and benefits will decrease about 30 percent from the Fort Rucker average salary. Salaries and benefits would make up 79 percent of the incremental school-level costs to educate the additional students.  
**Ozark:** Teachers' salaries average \$36,200. Salaries and benefits will decrease about 32 percent from the Fort Rucker average salary. Salaries and benefits would make up 80 percent of the incremental school-level costs to educate the additional students.  
**Daleville:** Teachers' salaries average \$36,400. Salaries and benefits will decrease by about 32 percent from the Fort Rucker average salary.
- **Student transportation:** All three LEAs would need to purchase additional buses (total costs unknown at this time, though new buses would cost approximately \$50,000 each) to transport the additional students from the installation. Enterprise's FY02 per pupil expenditure for transportation was \$184.57, in Ozark, it was \$141.13, and in Daleville it was \$196.27 in FY 01. Alabama pays fleet renewal costs if the buses are under 10 years old. The state covers the costs of bus drivers and maintenance for all LEAs.
- **Facilities:** All three cities would be unable to accept a transfer of all Ft. Rucker students without the facilities. In Enterprise, total capacity would be 6,743 with an enrollment of 6,419 (under capacity by 324 students); Ozark total capacity would be 4,890 with an enrollment of 3,943 (under capacity of 947 students), though the high school and middle school would be easiest to accommodate. The superintendent said the LEA would be willing to assume the facilities but potential maintenance issues and the number of students would determine whether or not they would need the facilities long-term. Daleville's total capacity would be 3,215, with enrollment of 2,805 (under capacity by 410 students).

## Revenue:

All three city school districts are anticipating cuts in state aid. In Enterprise, a tax referendum will be voted upon in May, with revenue to be used solely for the construction and repair of schools.

- **Federal impact aid:** Using hypothetical payment calculations provided by U.S. Department of Education and assuming all 1074 students could attend school in any of the three districts, Enterprise would be eligible to receive approximately \$3.4 million in federal impact aid if all of the Fort Rucker students chose this school district. Ozark would be eligible to receive approximately \$2.9 million in federal impact aid and Daleville would be eligible to receive approximately \$4.4

million in federal impact aid if all of the DDESS students chose to attend one district or the other.

## B. Feasibility:

- **Transportation:** All of the LEAs currently pick up students on the installation. Additional buses may have to be purchased by the LEA in the event of a transfer (either with or without facilities). Student travel guidelines would remain the same;
- **Capacity/enrollment:** **Fort Rucker** enrollment projections show an increase of 60 students overall on the installation. Since no new schools or additional capacity are planned, we assume that installation capacity will remain the same for the 03-04 school year. For each LEA, the enrollment and capacity projections assume all of the DDESS schools would be taken over by that particular LEA;  
**Enterprise:** Since projected enrollment will remain flat, the '02 enrollment is the predicted enrollment for the next school year. Under the transfer with facilities alternative, the total enrollment would become 6,419 students. Enough capacity is left to accommodate an additional 324 students;  
**Ozark:** Under this alternative, the projected enrollment would be 3943 students. The capacity estimate would be 4890 students, leaving enough space for an additional 947 students.  
**Daleville's** projected enrollment after a transfer with facilities would be 2805 students. With a total capacity estimate of 3215 students, Daleville would have enough room for 410 additional students.
- **Legal:** Alabama law separates county systems and city systems (which, by definition, operate within the confines of the larger county system). All three LEAs surrounding Rucker are city systems. State law (Section 16-11-11) says, "All property now held or acquired shall be "held in trust by the city board of education." Another section (Section 16-11-12) permits city school systems to purchase land and property for educational purposes. What is unclear is whether they must have guaranteed access to property to acquire title to that land. Another legal uncertainty is whether the section of land that is considered federal property is, by definition, beyond the confines of any school district. Alabama law does specify that it is the sole responsibility of the district to determine who can attend the school, though school boards can enroll non-resident students at their discretion on a case-by-case basis.
- **Programs and services:**  
**Enterprise** does not have a regular education pre-K program;  
**Ozark and Daleville** do not have before/ after school programs and do not offer regular education pre-K programs.

### III. Transfer without facilities.

*In the event of a transfer without facilities, all the DDESS students have the opportunity to choose which school district they wish to attend as long as the superintendent (of the requested school system) approves it.*

#### **A. Cost and revenue:**

##### **Costs:**

The same differences noted in salaries, and student transportation under the transfer with facilities would occur under this alternative.

#### **B. Feasibility:**

- **Transportation:** Transportation costs will be slightly more than transfer with facilities because of the additional distance required to bus the students to any one of the three city school systems;
- **Capacity/enrollment:** The capacity projections that follow assume each LEA would be liable for the education of all of the existing DDESS students. Without facilities being transferred, each LEA will be over capacity (Enterprise by 1,019 students; Ozark by 396 and Daleville by 933 students);
- **Possible legal issues:** While Alabama does not specifically have residency requirements, Section 16-28-3 of the state code provides that admission “shall be on an individual basis on the application of the parents, legal custodian or guardian ... to the local board of education ... under such rules and regulations as the board may prescribe.” It appears that each LEA could decide what child would be considered as residing in the school district.<sup>1</sup>

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<sup>1</sup> see [http://www.theaasb.org/education\\_law.cfm?docID=370](http://www.theaasb.org/education_law.cfm?docID=370)

### **3 Maxwell Air Force Base**

**INSTALLATION: Maxwell Air Force Base**  
**LEA: Montgomery Public School District, AL**

#### **Introduction**

Maxwell Air Force Base, located just southwest of Montgomery, Ala., is a highly academic installation, containing the Air Force's War College, Command and General Staff College and other schools and training institutions. Gunter Annex, an extension of Maxwell, is located on the other side of town to the northeast. School children from both installations attend the pre-K to 6 Maxwell Elementary School on the main installation.

The installation commander said the perception of LEA school quality impairs his ability to attract quality people for assignment to the installation. He said that many assigned military personnel do not come to the installation with their families because of the poor quality of Montgomery Public School District schools. The LEA superintendent himself alluded to poor financial and community support for LEA schools. The DDESS has signed a Secondary Education Transition Study agreement, but the LEA has not. The two districts work together to coordinate the transfer of sixth grade students from Maxwell elementary school to the LEA's McIntyre middle school, though many former DDESS students switch to private schools rather than attend LEA schools after the sixth grade.

Under a previous contractual relationship, the LEA provided special education services to DDESS students that the DDESS could not provide. However, the LEA, in part because of its own heavy special education load, no longer does so, leaving the DDESS to provide special education services to its students.

***Local legal rules or barriers:*** Potential legal impediments to certain transfer alternatives are described where relevant in the discussion of transfer alternatives that follows.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Maxwell Status Quo Report on  
Page 3.2 of Report Book Two (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

Because state funding is based on enrollment, which is declining in Montgomery Public School District, the LEA faces flat budget growth. It is considering cutting 500 to 600 positions (its total employment was 4118 in 2001-2003). This equates to a 12 to 15 percent staffing cut. The Maxwell elementary school is looking at an annual three percent increase in salaries while taking a 10 percent cut in non-salary funding.

- **Salaries and benefits:** At Maxwell, salaries and benefits comprise about 88 percent of the DDESS' FY 04 approximate \$3.7 million school-level budget. Salaries and benefits have increased by about 10 percent since FY01 due to pay increases and the additional staff required to meet DoDEA-mandated PTR reductions at grades 1 to 3. In the Montgomery Public School District, salaries and benefits comprise 86 percent of the total FY 04 budget of about \$163 million. Rising health insurance and pension costs have added to the local financial burden.
- **Transportation and other expenses:** Maxwell contracts out for its buses, with the current contract budgeted at \$62,000. No additional costs are incurred to transport special education students. The DDESS' per pupil expenditure in FY04 was about \$6643; Montgomery Public School District student transportation costs of \$6.6 million are fully funded by the state. The LEA provides busing for students living on Maxwell and Gunter who attend grades 7 to 12 in Montgomery Public School District. Of the LEA's 277 buses, 11 are for special education. The LEA's FY 04 per pupil expenditure of \$4935 was significantly lower than Maxwell's.
- **Facilities/construction:** The Maxwell AFB school needs renovation, with a roof, drainage, HVAC and other upgrade needs. Design has been completed for a renovation, but estimated costs of about \$3.5 million are not yet funded; Montgomery Public School District has a backlog of maintenance and repair estimated at over \$200 million, with an annual maintenance budget of only \$1.3 million. The LEA superintendent said the county needs funding to build five schools and to renovate 21.

##### **Revenue:**

Maxwell AFB receives all of its funding through federal appropriations. An across-the-board 10 percent reduction affected non-pay budget categories.

Montgomery Public School District receives revenue from state (60 percent), federal (13 percent), local (25 percent) and other (2 percent) sources. Federal impact aid was \$545,000 in FY02. As noted above, the LEA is facing cuts of up to 600 positions if a

proposed sales tax is not passed, which would also further defer maintenance of facilities.

## **B. Feasibility:**

- **Transportation:** Currently, 261 DDESS students in grades 7 to 12, including 138 from Gunter, are transported by the DDESS, which has a transportation policy that calls for pickup beyond one mile; Montgomery Public School District transportation policy, which is based on zones, calls for pickup outside 2.5 miles. The school district has 277 buses (11 special education), and 456 routes and transports nearly 15,000 students daily. Eight buses serve Gunter and three serve Maxwell.
- **Capacity:** Maxwell elementary school is under capacity by about 180 students, some of which is due to recently vacated housing units that are not being refilled on the installation. Enrollment is expected to rise slightly and the DDESS anticipates that more students from Gunter Annex, who were recently allowed to attend Maxwell elementary school, will choose to attend the DDESS school instead of an LEA school. Enrollment would increase further if additional housing units opened on the installation. Montgomery Public School District has extra capacity as its enrollment has been gradually decreasing. It had 183 fewer students last year; current district capacity is 36,000 students.
- **Legal:** The LEA permits corporal punishment, while the DDESS does not. DDESS teachers are unionized and have collective bargaining rights under the federal system while Montgomery Public School District teachers do not;
- **Security:** The installation has established procedures for allowing school traffic on and off the installation. During heightened security conditions, school personnel must meet visitors at the entrance and validate the visitors' needs to enter the installation. There are no written agreements on these procedures between the installation and the LEA.

## **C. Programs and services:**

- The DDESS school provides special education services to three-year-old students while the LEA does not;
- Nixon ES in the LEA provides pre-kindergarten service, while other LEA schools near the installation do not;
- The LEA's special education program is centralized for severely and profoundly impaired students at a residential facility and for severe behavioral problem students at a learning center. The LEA's gifted and talented program is conducted at a separate facility within the LEA to which gifted children are bused.

## D. Performance/quality comparison:

District level performance information for grades 3 and 6 in math and language is reported for Maxwell AFB and Montgomery County. DDESS schools use the Terra Nova (normed test) and reports scored in percentiles. District level performance index comparisons cannot be made for DDESS districts.

**Maxwell AFB:** For grade 3, students scored at the 74<sup>th</sup> percentile for math and at the 67<sup>th</sup> percentile for language. Students in grade 6 scored at the 77<sup>th</sup> percentile for math and at the 71<sup>st</sup> percentile for language.

**Montgomery County:** For grade 3 math, the actual score was 45, which compared to a predicted score of 49. For grade 3 language, the actual score of 48 and the predicted score was 51. For grade 6 math, the actual score was 48 and the predicted score was 50. For grade 6 language, the actual score of 50 compared to a predicted score of 49.

**Teacher certification:** The DDESS and LEA are closely matched when it comes to teachers who are fully certified and have advanced degrees. About 61 percent of DDESS teachers and about 60 percent of LEA teachers have advanced degrees. At the DDESS, 96.8 percent of the teachers are certified, compared to 94.2 percent at the LEA. Teaching experience averages 15 years in DDESS and 12 years in Montgomery Public School District.

**Teacher-student ratio comparison:** The maximum allowable teacher to student ratios in the LEA are 1:18 for grades K-3 and 1:27 for grades 4-6. The DDESS elementary school's maximum ratio for kindergarten is 1:24, though this can be exceeded if a kindergarten aide is present. For grades 4-6, the DDESS maximum is 1:23.

**Special education teaching qualifications:** At Montgomery Public School District, 97.9 percent of special education teachers are certified in special education and all DDESS special education teachers are certified in special education.

## *II. Transfer with facilities*

(Please refer to Alternatives Summary Grid on page 3.3 of the Report Book Two (Data) for this and subsequent transfer alternative discussions).

### A. Cost and revenue:

#### Costs:

- **Salaries:** LEA teachers' salaries are lower than those at Maxwell. Under this alternative, salary costs related to educating the DDESS students would be about 25 percent lower compared to the status quo;
- **Student transportation:** Montgomery Public School District would purchase additional buses to transport DDESS students under this alternative. Because

of the economies of scale that could be achieved, costs would likely drop compared to the DDESS status quo;

- **Facilities**: Since maintenance costs appear to be low in both the DDESS and the LEA, costs for facilities would probably remain the same.

### **Revenue:**

- **Federal impact aid**: Using payment calculations provided by US Department of Education, Montgomery Public School District may be eligible to increase its impact aid from \$545,000 to \$978,000 under this alternative. However, the LEA superintendent said that while it would likely increase, impact aid is not a significant issue because the additional students from Maxwell elementary school would also mean an increase in state aid.

## **B. Feasibility**

- **Transportation**: The LEA would have to assume responsibility from DDESS for providing bus transportation for all pre-K to 6 DDESS students. (The LEA already transports 7<sup>th</sup> through 12<sup>th</sup> grade DDESS students.);
- **Enrollment/capacity**: According to interviews, the LEA would use the extra capacity in the DDESS school by assigning civilian students from off the installation;
- **Legal**: Alabama law permits cooperative agreements, joint maintenance, or consolidation of schools within or between school districts. However, arrangements would need to be made for leasing the DDESS school property.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison -- see section 2 of the Report Guide.*

## **III. Transfer without facilities.**

### **A. Cost and revenue:**

State financial aid will increase because of the additional DDESS students enrolled in the LEA. Impact aid will be same as transfer with facilities.

### **B. Feasibility:**

- **Transportation**: The LEA transportation director estimated 10 more buses would be needed to provide transportation for all pre-K to 6 DDESS students. The LEA already transports grades 7 to 12 DDESS students.
- **Capacity**: Montgomery Public School District has extra capacity as its enrollment has been gradually decreasing. It had 183 fewer students last year. According to an interview with the LEA superintendent, the LEA could and would be willing to rezone the district to accommodate additional students.

## 4 Robins Air Force Base

**INSTALLATION: Robins**  
**LEA: Houston County, GA**

### *Introduction*

Excellent relations exist between the installation and Houston County, which is home to 7000 federally-connected children. The LEA and DDESS have a signed Secondary Education Transition Study agreement, and their superintendents meet once a month. In 2001, the DDESS transferred one elementary school to the LEA, leaving only one school – Robins elementary school – operated as a DDESS facility on the base. The school serves grades PK-6 and has a capacity of 482 and an enrollment of 466.

Houston County has 33 schools, 3000 employees and over 22,000 students. The county has three National Schools of Excellence and has strong community support like that which exists for the DDESS school at Robins. The county has extensive new development and has a local options tax that is used for new schools, easing the long-term debt burden.

***Local legal rules or barriers:*** Because Georgia state law does not allow for the creation of new LEAs, the coterminous alternative is not a feasible option. Any other potential legal impediments are described in the appropriate discussions of transfer alternatives below.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Robins Status Quo Report on page 4.2 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:** Robins: About 84 percent of the \$5 million school-level budget goes to salaries and benefits. Interview subjects reported that a rapid climb in costs in 2002 was a result of efforts to keep long-term salaried teachers when Linwood elementary school was transferred to the LEA at the end of FY 2001. This also contributed to a significant increase in the per pupil expenditure, which is approximately \$10,517 (excluding DSO/HQ) in FY04.  
Houston County: Salaries and benefits accounted for 82 percent of the FY02 budget. The LEA's per pupil expenditure was about \$6711 for FY04. An anticipated FY 03 budget reduction of \$3 million will result in deferred maintenance, unless it is safety related and critically needed. Also, there will be hiring restrictions and retention of many long-term substitutes. Special education and ESL costs are expected to continue to rise due to increasing numbers in both programs and because of more classifications of special education students;
- **Transportation and other expenses:** DDESS: Robins contracts out its transportation, with contract costs rising by 33 percent since FY01. The DDESS pays Houston County for two buses to transport special education students;
- **Facilities/construction/capital plan:** There are no new construction plans at Robins elementary school other than a four-classroom addition, completed in FY03 in response to DoDEA's lowering of pupil teacher ratios in grades 1-3. Houston County is using revenue from a SPLOST (Special Purpose Local Option Sales Tax) to modernize schools and to replace 162 trailers now used by the LEA. \$6.14 million is budgeted for FY02 SPLOST funding.

##### **Revenue:**

Robins elementary school is entirely funded through federal appropriations. Houston County has a strong economy and voters have approved the SPLOST for new school development. The county is funding 191 teachers above what Georgia mandates on its payroll. Federal impact aid was \$1.6 million dollars in FY02. The county is expecting an increase in local and state revenue due to student enrollment growing by 500 to 600 students a year.

## B. Feasibility

- **Transportation:** Robins contracts out for six buses and drivers to transport 180 students, including most of the installation's special education students and 60 pre-K students. The Pre-K students travel on a separate DDESS bus. Contracting costs have been increasing. The LEA presently transports students from the installation in grades 7-12 to their schools. Houston County transports 13,000 students to its schools, which includes the high school students from Robins AFB. In addition, Robins contracts with the LEA to transport 5 special education students, in two buses, at a cost for a school year of approximately \$2200 for each child. The maximum time allowed on the buses is one hour for DDESS and 1.25 hours for the LEA;
- **Capacity:** DDESS enrollment is nearing capacity (466: 482) and is expected to be at full capacity in two years. A new four-room addition to the elementary school was designed to lower pupil teacher ratio and has had little effect on capacity. Houston County is almost 1800 students over capacity (22,650:20,869). With a projected growth of 500 students a year, Houston County expects an enrollment of 24,069 by FY04. By 2007, Houston County intends to open two new elementary schools, two replacement middle schools, and additions to the high school and existing middle school. This will bring capacity close to enrollment but does not account for 162 portable classrooms that the county moves around to keep pupil teacher ratios within legal limits;
- **Security:** No major security issues were raised. LEA buses use a commercial gate, which is quicker and allows for undercarriage observations. A plan is in place for communications and control over students who are unable to leave the installation because of security circumstances.
- **Legal:** DDESS teachers are unionized and have collective bargaining rights under the federal system while the LEA does not allow collective bargaining.

## C. Programs and services:

- **Special education:** The LEA and DDESS special education programs work closely to smooth the transition from elementary to middle school for students and families. Special education services are very comparable between the two districts. Houston County serves about 3,000 special education children -- about 12 percent of its student population -- and Robins serves about 100 special education students;
- **DDESS programs and services:** Robins elementary school has Gifted and Talented grades 2-6, Pre-K (two sessions) and various after school programs and clubs. Strong parental support exists for DDESS activities;

- **LEA programs and services:** Programs and services at DDESS Robins and Houston County schools are comparable for regular education students, though services for students in transition are more individualized at Robins. The one exception is that pre-K in the LEA is all day and only half-day for the DDESS schools at Robins.

## **D. Performance/quality comparison:**

### **Performance:**

Achievement scores for Robins elementary school and for the LEA district (Houston County) will be presented for grades 3 and 5 in the subjects of math and language. DDESS uses Terra Nova scores, which compare results to a known reference group. Results on the Terra Nova are reported in percentiles. District level effectiveness scores can only be performed for Houston County.

**Robins:** For grade 3, students scored at the 58<sup>th</sup> percentile for math and at the 65<sup>th</sup> percentile for language. Grade 5 students scored at the 66<sup>th</sup> percentile for math and at the 74<sup>th</sup> percentile for language.

**Houston County:** For grade 3 math, the actual scores matched predicted values of 84. For grade 3 language, the actual score was 84 compared to a predicted score of 83. For grade 5 math, the actual score of 80 compared to a predicted score of 78 and the actual grade 5 language score of 82 compared to a predicted score of 80.

### **Quality:**

Currently the pupil teacher ratio at Robins is 19.4:1 and the Houston County pupil teacher ratio is 15.2:1. All regular teachers in both the LEA and DDESS schools are certified in their field of instruction and 84 percent of LEA special education teachers are fully certified in their field of instruction, compared to 100 percent of DDESS teachers. 74 percent of DDESS regular education teachers and 53 percent of Houston County teachers have advanced degrees, 64 percent of the DDESS special education teachers and 53 percent of the Houston County special education teachers have advanced degrees.

## **II. Transfer with facilities**

(Please refer to Robins Alternatives Summary Grid on page 4.3 of Report Book 2 (Data) for this and subsequent transfer alternative discussions).

### **A. Cost and revenue:**

- **Salaries and benefits:** Salaries and benefits will be in accordance with the Houston County salary schedule. DDESS staff and teachers that are hired will no longer receive federal benefits. All other costs are also the responsibility of the LEA. Salaries and benefits associated with educating the additional DDESS students would decrease by about 37 percent from the

status quo and make up about 83 percent of the expenditures to educate the DDESS students;

- **Facilities:** One time facilities cost could be needed to bring Robins elementary school up to Houston County school standards and maintenance costs would likely increase under this alternative;
- **Construction/Capital Plan:** Houston County's 10-year capital improvement plan calls for new schools and repair/restoration of existing schools as student enrollment is projected to increase by 28 percent in the district over the next ten years. Within the next two years, two new high schools and two new elementary schools will be completed, with the goal of replacing 162 trailers now in use in Houston County. FY 04 new projects alone account for over \$85 million, and repair and restoration spending is more than \$10 million.

## Revenue

Revenue will come from federal, state, and local sources. The US Department of Education has estimated that Houston County would be eligible for impact aid of approximately \$2.5 million, an increase of approximately \$0.9 million over FY02 actual payments, if all of the students from Robins AFB were transferred under this alternative.

## B. Feasibility:

- **Transportation:** Houston County, which currently buses grades 7 to 12 regular education and special education students from the installation to its schools, would become responsible for transporting the elementary school students as well. Bus routes already exist, though new routes and additional buses may be required to transport the additional elementary school students. Robins officials stated that security concerns could ensue if the LEA assigns non-DoD students to the school on the installation.
- **Capacity:** The total projected enrollment if the LEA took over Robins elementary school would be 24,760 students, with a total permanent facilities capacity of 24,551, creating an over capacity of 209 students. The county would need to continue to use trailers as classrooms to alleviate pupil teacher ratio issues. DDESS officials said the elementary school would have to be upgraded. In addition, the Houston County superintendent stated the Linwood ES, which was transferred in FY01, was not up to code, in poor condition, and needed a major overhaul. The Parkhill study summary provides detail regarding needed improvements in Appendix C and in the complete Parkhill study.
- **Legal:** LEA will have to lease the installation school facility from the US Department of Education.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison – section 2 of the Report Guide*

### III. *Transfer without facilities.*

#### **A. Cost and revenue:**

##### **Costs:**

The same differences noted in salaries, construction/capital plan and student transportation under the transfer with facilities would occur under this alternative.

- **Facilities:** If DDESS facilities are not transferred, an offset in the POM may be required if the installation wishes to use the school facilities for other mission support functions. This would allow the assigned funds to be used for this new purpose.

##### **Revenue:**

- **Federal Impact Aid:** Same as transfer with facilities.

#### **B. Feasibility:**

- **Transportation:** The same security and logistical concerns noted in the transfer with facilities alternative would apply. It should be noted that the LEA already has access to the installation, indicating that an access arrangement has been made with Houston County;
- **Capacity:** Enrollment projections would remain the same as under transfer with facilities. However, Houston County would lose the added capacity that would come with use of current DDESS facilities. This would result in an over-capacity estimate of 691 students;
- **Legal:** The only possible legal barrier would be laws that permit LEAs to charge for tuition or to otherwise hinder or limit enrollment from personnel who live on federal property and therefore do not pay taxes to the school system.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison -- see section 2 of Report Guide.*

## 5. Fort Campbell

### INSTALLATION: Ft. Campbell

LEAs: 1. Christian County, KY

2. Clarksville-Montgomery County, TN

#### Introduction

Fort Campbell is a major DDESS installation, with eight schools in two states. In Tennessee, there are two elementary, one middle and one high school, while in Kentucky there are three elementary and one middle school. Because of the location of housing on the installation, two LEAs (Christian County, KY and Clarksville-Montgomery County, TN) would have jurisdiction in the event of a transfer.

Most officials of both the DDESS and the LEAs cited a good or excellent relationship between the installation and the local communities, though some indicated that the relationship could be better. Clarksville-Montgomery County and the DDESS have a signed Secondary Education Transition Study agreement, but LEA officials say they have little regular contact with the installation school district. Christian County, KY, is also a signatory of the Secondary Education Transition Study agreement

**Local legal rules or barriers:** The coterminous alternative is not possible in Kentucky without an act of the Legislature. Any other potential legal impediments to transfer alternatives are described as appropriate in the discussions of transfer alternatives below.

**Note:** Like other installation chapters involving multiple LEAs, this narrative discusses transfer alternatives and research components by individual LEAs only when differences exist among them. Otherwise, comments should be assumed to apply to both LEAs.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Ft. Campbell Status Quo Report on pages 5.3 & 5.4 of Report Book Two (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

**Per Pupil Costs:** Ft. Campbell's per pupil expenditure, which is projected to be about \$7,962 in FY04, has been rising in recent years due to increasing costs and decreasing enrollment;

Clarksville-Montgomery County's per pupil expenditure for FY04 is about \$5166. Because of recent budget cuts, the per pupil expenditure will likely decline;

Christian County's per pupil expenditure is about \$6589, based on FY04 expenditures. Escalating salary costs coupled with relatively stable enrollment will likely lead to increased per pupil expenditure.

- **Salaries and benefits:** Salaries and benefits comprise about 88 percent of the DDESS school-level budget and about 64 percent of the school-level budgets of each LEA. In Clarksville-Montgomery County, some reduction will occur as a result of recent cutbacks. It is not known if salaries will be cut. In Christian County, staff and teacher salaries have been increasing.
- **Transportation expenses:** Fort Campbell spent 4.5 percent of its FY02 budget on student transportation. This translates into a \$346 per pupil expenditure for transportation. In Montgomery County, the per pupil expenditure for transportation in FY 02 is \$175 and comprises four percent of the operating budget. In Christian County, the per pupil expenditure for transportation in FY 02 was \$304 or five percent of the school-level budget.
- **Facilities/construction capital plan:**

Fort Campbell: In conjunction with the Residential Community Initiative, two additional elementary schools are planned, though information about capacity and costs of these facilities is not yet available;

Clarksville-Montgomery County: Capital requests for various repairs and improvements are more than \$2 million over the next three fiscal years. The LEA is also proposing a new elementary school and middle school, though budget cuts make funding for some of these projects unlikely;

Christian County: The LEA hopes to build a new elementary school with a capacity of 600 and a cost of about \$8 million. It is also planning another elementary school to replace two older schools.

##### **Revenue:**

DDESS: Approximately \$35 million annually in federal funds are needed to operate Fort Campbell schools. This does not include any revenue for facilities replacement/ repair or transfer;

Clarksville-Montgomery County: Almost all revenue derives from state (54 percent) and local (39 percent) sources. According to the LEA superintendent, these funding streams are based on a sales tax. Clarksville-Montgomery County schools received approximately \$2 million in impact aid in FY 02;

Christian County: Education is funded through several sources, primarily property taxes. The region's economic condition is generally good; home values are rising and the population is increasing. Christian County schools received approximately \$52,000 in impact aid in FY 02.

## B. Feasibility:

- **Transportation:**

Fort Campbell: The DDESS contracts out all student busing, including transportation of certain special needs children off the installation. A contractor does maintenance of the buses on the installation. DODEA regulations specify that no child should be transported longer than 60 minutes per trip;

Montgomery County: Elementary students who live within a half mile of the installation and middle and high school students who live within a mile are required to walk or provide their own transportation, though all students are provided transportation if there is a safety concern. The LEA operates and maintains its own buses;

Christian County: This mainly rural LEA transports about 6000 students daily on about 100 buses. Travel time guidelines are no more than 30 minutes for elementary school, 45 minutes for middle school and an hour for high school students for a one-way trip.

- **Capacity:**

Fort Campbell's enrollment of 4376 is split about equally in the two states. The total capacity of 5374 for the DDESS' eight schools means there is a current under capacity of 998. However, planned residential developments on the installation are expected to add 776 housing units and an estimated 1900 additional students, raising the enrollment to 6276. The two new elementary schools are being built to accommodate the additional enrollment brought about by the RCI initiative;

Clarksville-Montgomery County's schools currently enroll 22,766 students, with a capacity of 27,695, indicating that Clarksville-Montgomery County could accommodate an additional 4,929 additional students. However, several trailers are not included in this capacity data and several of the middle and high schools are at or over capacity;

Christian County currently enrolls 9000 students with a capacity of 9685, leaving space for 685 more students.

- **Security:** At Ft. Campbell, all civilians must have photo ID cards and a registered vehicle. Security above the threatcon level of Bravo would limit civilian access.

## C. Programs and services:

- **Special education:**

Fort Campbell DDESS: Fort Campbell follows the special education procedures and regulations of the DoDEA system. The installation has a high special education enrollment (554 students, or nearly 13 percent of the school population, have IEPs). The DDESS has 41 special education teachers, which corresponds to

a special education teacher ratio of 1:13.5. About 91 percent of all the DDESS special education teachers are fully certified and 67 percent have a Master's degree or higher;

Clarksville–Montgomery County: The percentage of students on IEPs in this school system is over 12 percent. Over 90 percent of the special education teachers are fully certified;

Christian County: Nearly 17 percent of the students in Christian County are special needs (either on a IEPs or a 504 plan). The special education teacher to student ratio is 1:12.8. In Christian County, 80 percent of the special education teachers are fully certified and about 80 percent have a Master's degree or higher.

- **Regular pre-K programs**

While Fort Campbell schools offer regular Pre-K programs, they are not offered by either of the LEAs.

## D. Performance and Quality

- **Performance:**

Fort Campbell: The actual normed Terra Nova scores for Fort Campbell show that DDESS students performed at or above the 60<sup>th</sup> percentile for most subjects and grades. For Grade 3, the percentiles were 61<sup>st</sup> for both math and language and 57<sup>th</sup> for reading. For Grade 5, the percentiles were 63<sup>rd</sup> for math, 67<sup>th</sup> for language and 65<sup>th</sup> for reading. For Grade 8, they were 69<sup>th</sup> for math, 60<sup>th</sup> for language and 66<sup>th</sup> for reading;

Clarksville-Montgomery County: When the socioeconomic status of students is factored, Grade 3 schools underperformed on math and language (math actual was 59 compared to a predicted of 61 and language actual was 59 compared to 60). Grade 3 actual and predicted scores matched for reading at 56. For Grade 5, actual and predicted scores matched for language (at 56) and Grade 5 schools over performed for math (57 versus 55) and reading (60 versus 59). Grade 8 schools matched on reading (at 56) and language (at 58) and over-performed on math (58 versus 56);

Christian County: Grade 3 under-performed on reading (53 versus 54), matched on math (at 54) and over-performed on language (53 versus 52). Grade 6 under-performed on math (49 versus 50 predicted), language (47 versus 50) and reading (48 versus 52). Grade 9 over-performed on reading (51 versus 50) and language (51 versus 47) and matched on math at 46.

- **Quality:**

Fort Campbell schools have a lower student to teacher ratio than either LEA. The average years of teaching experience on Fort Campbell schools is 15 years, compared to 11 years at the surrounding LEAs. A higher percentage of DDESS teachers (82 percent) have advanced degrees than at either Clarksville–Montgomery County (52 percent) or Christian County (68 percent).

## II. Transfer with facilities

(Please refer to Alternatives Summary Grid on pages 5.5 & 5.6 of Report Book Two (Data) for this and subsequent transfer alternative discussions).

### A. Cost and revenue:

#### Costs:

- **Salaries and benefits:** Salaries in both LEAs are less than the DDESS salaries; Christian County salaries and benefits for school employees will decrease about 40 percent from the status quo alternative and make up about 66 percent of the funds required to educate the additional students from Fort Campbell in FY04. Montgomery County salaries and benefits will decrease about 48 percent from the status quo and make up about 67 percent of the funds needed to educate the Fort Campbell students in FY04 under this alternative;
- **Transportation:** Both LEAs will require additional buses;
- **Facilities:** See capacity, below.

#### Revenues:

- **Federal impact aid:** Based on DOE hypothetical calculations, Montgomery County is projected to be eligible for \$6,731,264 in impact aid, an increase of \$4,735,416 over the 2002 actual amount, if all of the approximately 2101 students who live on the Tennessee side of Fort Campbell transfer to Montgomery County; Christian County is projected to be eligible for \$2,907,073 in impact aid, which would be \$2,855,317 more than it received in 2002 if the approximately 1881 students who live within Kentucky on Fort Campbell transfer to Christian County.

### B. Feasibility

- **Transportation:** Because neither LEA routinely operates buses on Fort Campbell, logistical and security arrangements will need to be negotiated under any transfer alternative. Transfer with facilities will mean increased transportation costs, such as buying new buses and hiring new drivers.
- **Legal issues:** Tennessee: There are no limitations on transferring facilities; Kentucky: Students must be residents of the county or else there is no obligation to educate. LEAs can charge tuition for non-resident students attending schools. (See KRS 158.120); There are land size restrictions on how much land schools must have to operate. (702 KAR 4:050 Sections 3 and 4 (1) B); There is also a fee simple title requirement that could prevent a school district from spending money on facilities and land that held a title outside of the school district.
- **Capacity: Ft. Campbell to Clarksville-Montgomery County:** The four DDESS schools in Tennessee have a total enrollment of 2154 students and a combined capacity of 2767. A transfer with facilities would produce a new Clarksville-

Montgomery County enrollment of 27,591 and a capacity of 30,462, leaving Clarksville-Montgomery County with room for an additional 2,871 students;  
**Ft. Campbell to Christian County:** The four DDESS schools in Kentucky have a total enrollment of 2222 students and a combined capacity of 2607. A transfer with facilities would produce a new Christian County enrollment of 11,311 students and a capacity of 12,292, leaving Christian County with room for an additional 981 students.

### III. *Transfer without facilities.*

#### **Feasibility:**

- **Enrollment/capacity:**  
**Ft. Campbell to Clarksville-Montgomery County:** If the DDESS students in Tennessee were transferred without facilities, Clarksville-Montgomery County would have a new student population of 27,591 students. Since it has capacity for 27,695 students, the LEA would have space for an additional 104 students;  
**Ft. Campbell to Christian County:** If the DDESS students in Kentucky were transferred without facilities, Christian County's new student enrollment of 11,311 would exceed Christian County's capacity by more than 1,600 students.

## 6. Fort Knox

### INSTALLATION: Ft. Knox

- LEAs: 1. Hardin County, KY  
2. Meade County, KY

### Introduction

Fort Knox and the surrounding LEAs are in a generally rural part of Kentucky. Fort Knox covers a large geographical area. Hardin County's schools are closer to the housing areas on the installation than Meade County schools, the closest of which is eight miles from the base. Because of its proximity, Hardin County has a closer relationship with Fort Knox. The installation superintendent meets monthly with his Hardin County counterpart, and the installation has a school liaison officer assigned to the LEAs. Meade County officials also report a good relationship, though they say they have less contact with the base.

**Local legal rules or barriers:** Any potential legal impediments to transfer alternatives are described in the appropriate transfer section below.

**Note:** Like other installation chapters involving multiple LEAs, this narrative discusses transfer alternatives and research components by individual LEAs when differences exist among them. Otherwise, comments should be assumed to apply to all LEAs near the installation.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Ft. Knox Status Quo Report on pages 6.3 & 6.4 of Report Book Two (Data).)

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:**

Ft. Knox hires 15 FTE substitute teachers – the DDESS relies heavily on substitutes because of its aging teaching staff (high sick leave) and the required reduction in Pupil Teacher Ratio. Salaries and benefits make up approximately 88 percent of the FY 04 budget, excluding DSO and HQ costs. FY 04 per pupil expenditure approximates \$8,454 for school-level expenditures, which also excludes those costs. Financial reports assume that salaries and benefits will continue to rise by 5.5 to 6 percent a year. (Because Ft. Knox does not track salaries and benefits for each type of employee, salaries and benefits were allocated based on the teaching roster and an average salary and benefit expenditure.);

Meade County: Salaries and benefits make up about 78 percent of the school-level budget. Per Pupil Expenditure is about \$5108. Meade County does not track special education teachers and staff separately, but special education teachers' and non-teachers' salaries and benefits and special education non-pay costs are increasing at a rate greater than the rest of the budget due in part to the severity of the special education cases, according to an interview with Meade County school district Superintendent.

Hardin County: Salaries and benefits increased by 5.85 percent in FY03. Salaries and benefits make up about 75 percent of the budget. Per pupil expenditure is \$5493. Financial reports assume that salaries will continue to increase by 5.85 per year until FY07. Even with this increase, Hardin County pay levels remain below those of Ft. Knox over the FY04-07 period. Hardin County does not track special education teachers and staff separately. According to an interview with Hardin County's school district fiscal officer, Hardin County expects overall enrollment to be stable over the next five years, but it expects the number of special education students, who are more costly to educate, to increase.

- **Transportation and other direct expenses:**

Ft. Knox: Student transportation is provided through a contract with a local bus company, accounting for about three percent (\$736,000) of the total school-level budget;

Meade County: Technology-related expenses continue to increase at a rate greater than the overall budget average increase;

Hardin County: According to an interview with the Hardin County school district fiscal officer, the number of ESL students, who are more expensive to educate because of their increased need for special services, are projected to increase at a rate greater than the overall school population.

- **Facilities:**

Ft. Knox: School administrators are planning three four-room additions at Mudge, Pierce and Kingsolver elementary schools in order to meet DoDEA's reduction in Pupil Teacher Ratio guideline. The projected cost for these building additions is \$1.9 million;

Hardin County is planning to replace two elementary schools (Sonora and Upton) with one centrally located elementary school. This would increase elementary school capacity in the district by 120 to 170 spaces. School officials plan that this new facility will alleviate the need for some of the LEA's 12 portable units;

Meade County has no plans for new schools due to flat enrollment.

## **Revenue:**

*Anticipated annual revenue increases*

Ft. Knox – four percent; Hardin County – two to three percent; Meade County – no revenue growth anticipated.

- **Federal:** Meade County does not currently qualify to receive federal impact aid for the federally connected children that it educates; Hardin County received approximately \$255,835 in impact aid;
- **State:** Meade County expects little growth in state funding. State revenues are flat and it has been assumed that will remain so. Local property taxes make up only ten percent of the LEA revenue base. Financial staff anticipate that this will have to increase in order to maintain per pupil expenditure. If they do not, per pupil expenditure will be reduced throughout the county; Hardin County's superintendent said Hardin County did not receive full funding for education from the state this year.

## **B. Feasibility:**

- **Transportation:**

Ft. Knox currently contracts out busing service. While no restrictions apply to buses leaving the installation, they are subject to search when returning to the installation;

Hardin County buses 76 percent of its nearly 13,000-student population, operating 160 buses and over 250 round trip routes. The average travel time in Hardin County is 20 to 30 minutes (there are no formal state guidelines on bus travel time). The longest route is about 70 minutes, though most students ride for no longer than 45 minutes. Hardin County does not pick up students on Fort Knox, but does occasionally arrive on the installation for special events, such as sports. Procedures are in place to allow LEA buses entry to the installation;

Meade County's 61 buses transport 81 percent of the LEA's 4680 students. The LEA tries to keep travel time for its 56 routes less than 45 minutes (the local guideline is one hour). Meade County does not currently transport students to or from Fort Knox.

- **Capacity:**

Fort Knox has eight schools serving PK to 12. Enrollment at the beginning of the 02-03 school year was 2988 students. The schools currently are under capacity and could accommodate an additional 672 students.

Hardin County's 24 schools currently enroll 12,949 students, with a capacity of 17,647 at the start of the 02-03 school year, meaning Hardin County could accommodate an additional 4,698 students. Hardin County superintendent said that while the district could take additional high school students immediately, there is no space available at the neighboring middle school;

Meade County's current enrollment of 4,618 students exceeds capacity by 70 students. Enrollment projections are flat, with no plans to build new facilities.

- **Security:** At Ft. Knox, all DoD personnel must have photo ID cards and a registered vehicle. Depending upon the threatcon level, personnel are subject to auto searches and other security procedures. Under the highest security level, the schools could be considered non-essential and civilian DoD personnel would not be permitted onto the installation. In this event, schools could be locked down and students sent home. DoDEA schools are currently provided with security training and guidance, and a security resource officer is assigned to the high school.

### **C. Programs and services:**

- **Special education:**

At Ft. Knox, inclusion is the standard and some self-contained classrooms are provided. Hardin County is 14 percent special education and, according to interviews with Hardin County administrators, is growing – the LEA is implementing intervention assistance teams and is trying other strategies before placing students in resource rooms. Meade County has serious concerns about meeting the needs of additional special education students, feeling that its staff and classroom space are already overburdened;

- **Pre-K programs** are available only to special education students in Kentucky, but they are available to all students at the Fort Knox installation.

## D. Performance/quality comparison:

- **Performance:**

**Fort Knox** students scored above the 50<sup>th</sup> percentile for all subjects and grades in Terra Nova testing. For grade 3, students scored in the 58<sup>th</sup> percentile for math, the 61<sup>st</sup> percentile for language and the 56<sup>th</sup> percentile for reading. For grade 6, students scored in the 66<sup>th</sup> percentile for math, 65<sup>th</sup> percentile for language and 69<sup>th</sup> percentile for reading. For grade 9, scores were 61<sup>st</sup> percentile for math, 62<sup>nd</sup> percentile for language and 65<sup>th</sup> percentile for reading;

**Hardin County:** Grade 3 actual math scores were 54 compared to a predicted of 56, grade 3 actual language of 52 compared to a predicted of 54 and the grade 3 actual reading score of 54 compared to a predicted of 55. For grade 6, the actual score for math was 50 compared to a predicted score of 53; grade 6 language actual of 50 compared to 52 and grade 6 reading actual of 52 compared to a predicted of 54. For both grade 9 math and language, the actual scores were 52 versus predicted scores of 51 and for grade 9 reading, the actual score was 54 versus a predicted score of 53;

**Meade County:** Grade 3 actual math scores were 58 compared to a predicted of 56, grade 3 actual language of 55 compared to a predicted of 54 and the grade 3 actual reading score of 57 compared to a predicted of 56. For grade 6, the actual score for math was 56 compared to a predicted score of 51; grade 6 language actual of 53 compared to 50 and grade 6 reading actual of 54 compared to a predicted of 52. For grade 9 math, the actual score of 50 compared a predicted score of 52 and for grade 9 language, the actual score was 52 versus a predicted score of 51 and for grade 9 reading, the actual score was 54 versus a predicted score of 53.

- **Quality:**

*Note regarding the chart data, as notated on the chart: the data source for the percentages that follow are drawn from the Kentucky Department of Education web site. The percentage refers to the percent of classes taught by teachers certified for subject and grade level. (On other installation charts, the percentage refers to percent of total teachers.).*

At Fort Knox, the Pupil Teacher Ratio is 14.75:1, compared to about 16-17:1 in the LEAs. 75 percent of installation teachers have an advanced degree. No teachers are teaching outside of their area of certification. The average number of years of teaching experience at Fort Knox is 17.5;

Hardin County teachers average 12 years of experience, and 71 percent have a Masters degree or higher. About 99 percent of Hardin County teachers are teaching in a certified area. 97 percent of special education teachers are fully certified;

Meade County teachers average 11 years of experience and 82 percent have an advanced degree. 99 percent of Meade County teachers are teaching in

their area of certification. About 72 percent of special education teachers are fully certified.

## II. Transfer with facilities

(Please refer to Ft. Knox Alternatives Summary Grids on pages 6.5 & 6.6 of Report Book Two (Data) for this and subsequent transfer alternative discussions).

*(Unless otherwise noted, statements apply to all LEAs near the installation; where appropriate, the narrative is broken down by individual LEA.)*

**General comment:** Meade County's superintendent is not in favor of transferring Ft. Knox students to his district because of concerns about overcrowding in Meade County schools. He feels a transfer with Hardin County would be a better fit because the district is larger and could absorb the additional students with fewer problems. Meade County would need additional funds for school construction to handle transferred students. The Hardin County superintendent said his district could not take all students now without facilities.

Kentucky schools generally operate through site-based decision making (SBDM). Local school decisions are made by a group of elected parents who sit on the local site council for each school. The LEA handles general educational issues, leaving most school-specific issues to the SBDM board. This results in a very decentralized system that gives schools autonomy and independence from the school board. In the event of a transfer, this would allow military parents to have a voice in the schools because school board members must be residents of the county, whereas SBDMs do not appear to have a residency requirement. (Military parents are often legal residents of other states.)

### **A. Cost and revenue:**

#### **Costs:**

- **Salaries and benefits:** Teachers' salaries at Hardin County and Meade County are lower than those at Ft. Knox by about 45 and 47 percent respectively. Teachers are county employees;
- **Transportation:** Hardin County would need to purchase additional buses at an estimated cost of \$54,000 per 66-passenger bus. Annual funding for transportation operational costs would also be required; Meade County: Because Ft. Knox contracts out its student transportation, Meade County's transportation director estimated that the county would need to buy 18 additional buses to transport DDESS students at a cost of roughly \$54,000 each. In the initial year of the transfer, costs to purchase additional buses would cost approximately \$1 million, depending on how many buses were special education buses. Operating costs for each bus are about \$18,000 annually;

- **Facilities:** Hardin County could take Ft. Knox students immediately under transfer with facilities.

### Revenues:

- **Federal Impact Aid:** Meade County does not currently receive federal impact aid for the federally connected children that it educates. In the event of a transfer it could be eligible to receive approximately \$2.8 million for the approximately 1387 Fort Knox students who live in Meade County; Hardin County could be eligible to receive approximately \$3.5 million in additional impact aid for the 2042 students who live within Hardin County on Fort Knox, based on previous federal appropriation assumptions.

## B. Feasibility:

### General comments:

- Hardin County superintendent said the only transfer option he could consider is with facilities. He said Hardin County could not take on the number of Fort Knox students without the buildings as well;
- Meade County superintendent opposes any transfer alternative; were any to occur, facilities would have to be up to code and significant funding provided.
- **Transportation:** Because Ft. Knox does not own buses, a system to transport students would be needed under this alternative. The LEA would need to acquire additional buses and routes, and would have to rezone its schools to accommodate the additional students. Depending on the type of transfer alternative, this could result in a significant expense to the LEA;
- **Legal issues:** 1. *Residency:* If students who now live on federal property are not considered residents of the school district, even though they live within the boundary of the county, the LEA would have no obligation under Kentucky law to educate them. The LEA can charge tuition or deny entry based on residency restrictions<sup>1</sup> 2. *Lot size:* School building lots must meet minimum size standards set by the state;<sup>2</sup> 3. *Title:* A fee simple title to school facilities is required, which may or may not be legally applicable to land on federal property.<sup>3</sup>
- **Capacity:**  
**Ft. Knox to Hardin County:** The Hardin County summary chart shows projected capacity if Hardin County were to acquire all of the school facilities on the installation. Based on projected enrollment, there would be adequate space for the student population;  
**Ft. Knox to Meade County:** The Meade County summary chart shows that under transfer with facilities, Meade County would have space to accommodate 528 extra students because of excess capacity in current DDESS schools. Under the status quo, Meade County is already over capacity.

### III. Transfer without facilities.

#### **A. Cost and revenue:**

- **Facilities:** Meade County: Due to capacity issues, Meade County could not take the additional students without some additional school facilities;  
Hardin County: The superintendent said his district could take about 500 additional high school students now, but the LEA has no room for additional students at the middle school level. He also mentioned he would need time to plan and construct additional facilities to accommodate Ft. Knox students, with portable facilities as a short-term necessity. The LEA is currently renovating several aging facilities, but it is not adding to overall capacity. A new elementary school will replace two older facilities on the opposite part of the district. There will be some additional capacity, which administrators hope will allow them to remove the portables.

#### **B. Feasibility:**

- **Capacity:**  
[See Facilities discussion above].

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison -- see section 2 of the Report Guide.*

### IV. Coterminous

Legally, no coterminous arrangement can occur without an act of the Legislature, which state law grants the sole authority to establish school districts outside of a county. Also, only “cities” (as legally defined) can exist as school systems independent of a county system.<sup>4</sup>

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<sup>1</sup> (see KRS 158.100)

<sup>2</sup> (see 702 KAR 4:050 Section 3 & 4 (1) (b))

<sup>3</sup> (see KRS 162.010)

<sup>4</sup> (see KRS 160.010 and KRS 160.020)

## 7. Camp Lejeune

**INSTALLATION: Camp Lejeune**  
**LEA: Onslow County School District, NC**

### **Introduction**

Camp Lejeune, a major Marine Corps base located near the eastern North Carolina coast, houses more than 47,000 marines and sailors assigned to many smaller specialized units on the installation. Eight DDESS schools located on Camp Lejeune serve grades PK to 12 (one grades PK to 3 school, five PK to 5 schools, one grades 6 to 8 middle school, and one high school). Students are assigned to schools based on housing areas within the installation.

Onslow County, the LEA that surrounds Camp Lejeune, has 34 schools: 18 elementary, 8 middle, 7 high schools, and 1 alternative school. Camp Lejeune and the LEA, which educates a high percentage of military connected students, have signed the SETS agreement. The installation commander and Onslow County superintendent both report that they have a good working relationship.

***Local legal rules or barriers:*** Potential legal impediments to certain transfer alternatives are described where relevant in the discussion of transfer alternatives that follows.

## *Narrative of transfer alternatives*

*(General note: The narrative that follows is incomplete in some section because the LEA (Onslow County) was unable to provide capacity data in time to meet this report's deadline. When that information is received, those sections will be completed.)*

### *I. Status quo*

(Please refer to Camp Lejeune Status Quo Report on page 7.2 in Report Book Two (Data))

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:** Camp Lejeune FY04 salaries and benefits make up about 88 percent of the approximate \$29 million DDESS school-level budget (not including DSO/HQ). The per pupil expenditure is \$8880 (not including DSO/HQ). Salaries increased by five to six percent due to cost of living increases and step increases, which are expected to continue in the future. Salary growth is also due in part to DoDEA-mandated reductions in the pupil teacher ratios at grades 1-3. Onslow County has no union, a lower pay scale and fewer benefits than DDESS. Its FY04 salaries and benefits make up approximately 43 percent of the LEA's school-level budget. The per pupil expenditure is approximately \$5,849
- **Transportation and other expenses:** Camp Lejeune leases 24 regular education buses. It also leases five special education school buses from GSA for the 139 special education students who require special transportation. Presently, no students are being bused into the LEA for special education needs. The transportation costs are one per cent of the total school-level budget. In terms of the ISSA with the installation: schools pay for police, fire, utilities, water, and maintenance. The installation provides communication services (fiber optics), and crossing guards at no cost to the schools. Onslow County transports 13,485 students on 221 buses that are owned and operated by the LEA. Student transportation costs are \$8,996,021, which is approximately 7 percent of the total school-level budget. Annual capital outlays for student transportation are about \$545,000 to purchase eight buses.

**Facilities:** Camp Lejeune spent \$552,000 in FY02 for renovations and repairs. Except for a new ES kitchen done in the summer of 2002, no further renovations are funded. The high school wants to replace bleachers (\$300,000), and the gym floor and one ES (Tarawa Terrace 1) will need major renovation after 2007. Two new schools are planned. One will replace an existing ES and three other elementary schools will be combined into two new schools. One will serve K-2 with 800 students; the other will serve grades 3 to 5 and have an enrollment of 600. Current housing plans include 1843 units at

Tarawa Terrace housing area; 200 units have been replaced and 500 are under contract. DDESS enrollment has remained steady because military personnel who are moving into quarters within one school year can enroll their children in the DDESS schools (though they provide their own transportation). The FY02 per pupil expenditure for O&M of school facilities was \$154.00 for Camp Lejeune. According to the Parkhill study, upgrades or replacement to the existing schools on Camp Lejeune will be required even under the status quo alternative (See Parkhill appendix).

Onslow County. Capital outlays for facilities are \$1.8 million for repairs and \$11 million for a HS addition and a new ES. The FY02 per pupil expenditure for O&M of school facilities was \$632.17 for Onslow County.

## Revenue:

Onslow County receives revenue from federal (9.7 percent), state (71.7 percent), and local (16.1 percent) sources. The other 2.5 percent comes from appropriated fund balance reserves. The county received approximately \$2.1 million in federal impact aid in FY02.

## B. Feasibility:

- **Transportation:** Camp Lejeune has 29 buses running about 40 separate routes to transport 2021 students (61.5 percent of the total DDESS enrollment). The buses are leased and paid for at a net lease rate, plus mileage fees. All buses remain on the installation. Transportation is provided to all students who live beyond 1.5 miles of their assigned school. Onslow County has 221 school buses to transport 13,485 students (63 percent of the student enrollment). The LEA owns its buses, excluding a private contract to serve three special education students. Onslow County policy calls for transportation to all students within 1.5 miles of the zoned school (unless there is a safety concern).
- **Capacity:** Camp Lejeune schools currently have an enrollment of 3,286 students. Current facilities have an estimated capacity of 4,139. The Camp Lejeune schools are thus 853 students under capacity. Onslow County schools have a current enrollment of 21,367 students with a capacity of 21,500.
- **Security:** Security procedures depend upon the threatcon level. At all levels, non-employed civilians must get visitors passes before being allowed to enter the installation. DDESS teachers and other civilian employees must have valid identification and a registered vehicle. During certain threatcon conditions, personnel may be subject to car searches. At the highest threatcon level, non-essential personnel would not be allowed onto the installation. Currently, Camp Lejeune schools have an ISSA and a MOA with the installation regarding security services to the schools.

- **Legal:** DDESS teachers are unionized and have collective bargaining rights under the federal system. North Carolina does not have a law mandating or prohibiting teachers from collectively bargaining; it remains a local decision.

### C. Programs and services:

Camp Lejeune schools offer pre-K programs for special education and regular education students, as well as vocational education programs. Onslow County schools do not have school choice; students are assigned based on residency zones. Onslow County offers pre-K programs to regular education students as well as offers vocational education programs.

### D. Performance/Quality comparison:

- **Performance:**  
**Camp Lejeune** students scored near or above the 60<sup>th</sup> percentile for all subjects and grades reported. For grade 3, students taking the math test scored at the 62<sup>nd</sup> percentile and for the reading test at the 59<sup>th</sup> percentile. At grade 6, students scored at the 65<sup>th</sup> percentile for both the math and reading tests. At grade 8, students scored at the 67<sup>th</sup> percentile for math and at the 69<sup>th</sup> percentile for reading;  
**Onslow County:** North Carolina students take a criterion-referenced test that reports the percentage of students who scored at four different levels of ability. The percentage of students who scored at levels III and IV (proficient and advanced proficient) is the outcome measure for the performance index analysis. Onslow County schools over-performed the predicted scores for all subjects and grades that are reported. For grade 3 math, the actual score of 83 percent compared to a predicted score of 77 percent. For grade 3 reading, the actual score of 89 percent compared to the predicted value of 80 percent. For grade 6, the actual score for math was 90 percent compared to a predicted score of 87 percent, and for grade 6 reading, the actual score of 81 percent compared to a predicted score of 75 percent. For grade 8, the actual math score of 90 percent compared to the predicted value of 83 percent, and the grade 8 reading score of 92 compared to the predicted value of 86 percent.
- **Quality:**  
Camp Lejeune teachers are all fully certified in their field of instruction. Nearly half hold a master's degree or higher, and 67 percent of the special education teachers have a graduate degree. The average years teaching experience is 15 years. Onslow County: About 35 percent of LEA teachers hold a master's degree or higher and 66 percent of special education teachers are fully certified. The teacher student ratios of both Camp Lejeune and Onslow County are each about 1:15.

## II. Transfer with facilities

(Please refer to Camp Lejeune Alternatives Summary Grid on page 7.3 of Report Book Two (Data) for this and subsequent transfer alternative discussions).

### A. Cost and revenue:

#### Costs:

- **Salaries and benefits:** Former DDESS teachers hired by Onslow County would no longer be eligible for federal benefits. Salaries and benefits budgeted for school-level employees will decrease by about 71 percent from the status quo alternative (some salaries and benefits are embedded within other categories, thus the large difference with the DDESS status quo in the cash flow report) and make up approximately 52 percent of the additional funds needed to educate the additional Camp Lejeune students;
- **Transportation:** Onslow County would need to purchase about 68 additional buses to transport the additional students from the eight DDESS schools. At a cost of approximately \$62,000 each, that represents a capital outlay of \$4,216,000. The annual student transportation operating cost, based on SY02-03, would be approximately \$421 per student, for an annual total of \$1,383,406, to transport the additional Camp Lejeune students to school. For Camp Lejeune, the per pupil expenditure in FY02 for student transportation was \$86.70. If Onslow County takes over the transportation operations, the LEA's FY02 per pupil expenditure for transportation is \$43.69. This difference is due in part to economies of scale.

#### Revenue

- Onslow County, in the event of a transfer, could be eligible to receive an additional \$8.4 million in impact aid if all of the Camp Lejeune students are transferred to Onslow County, based on DOE hypothetical calculations.

### B. Feasibility:

- **Transportation:** Because no Onslow County school buses currently enter Camp Lejeune, access and security issues would have to be addressed in the event of a transfer scenario;
- **Capacity:** Camp Lejeune school enrollment is expected to increase by just 24 students, to a total enrollment of 3310 students in the 03-04 school year. Two new schools are funded to be built in the near future (a specific fiscal year has not been provided). Onslow County is close to capacity with an enrollment of 21,367 and a total capacity of 21,500.

- **Legal:**  
A transfer with facilities could face legal problems. North Carolina law states: “Local boards of education may acquire suitable sites for schoolhouses or other school facilities either within or without the local school administrative unit; but no school may be operated by a local school administrative unit outside its own boundaries” (Section 115C-517 of North Carolina State Law). Also, North Carolina has residency restrictions for who can attend school within a district. Students who reside outside of the school district may be charged tuition or denied entry.<sup>1</sup>

### III. Transfer without facilities.

#### **A. Cost and revenue:**

##### **Costs:**

- **Transportation:**  
Onslow County transportation costs will be greater than those in the transfer with facilities alternative because county buses would have to travel further to drop off and pick up Camp Lejeune students.

#### **B. Feasibility:**

- **Capacity:** Onslow County superintendent said the county would not be able to accommodate the 3,286 additional students from Camp Lejeune without either facilities or the time and funds to build new schools.

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<sup>1</sup> The law specifically mentions that tuition may be charged for “persons of school age who reside on a military or naval reservation located within the state and who are not domiciliaries of the State. However, tuition will be waived if federal funds are provided at not less than 50 percent of the total per capita cost of education in the state.” If there are cuts in impact aid or other federal payments to the LEA, it is possible that tuition may be charged to make up for any budget shortfalls.

## 8 Fort Bragg

**INSTALLATION: Fort Bragg**  
**LEA: Cumberland County School District, NC**

### Introduction

Fort Bragg is a large Army installation located in southern North Carolina. Pope Air Force Base is located in the northern portion of the installation. The installation includes nine schools. Seven are pre-K to 4, one is a grade 5 to 6 middle school and the last is a grade 7 to 9 junior high school. According to the DDESS superintendent, about 20 percent of the military children at Fort Bragg live in base housing. The remaining 80 percent live and attend schools in Cumberland County. The 9<sup>th</sup> graders are given the unusual opportunity to attend either Ft. Bragg or Cumberland County schools. The superintendent added that some students prefer to attend the LEA high schools for their full high school career, especially if they are interested in playing competitive sports.

Cumberland County School District's 85 schools are divided into nine "attendance areas," each of which contains elementary schools, middle schools, and at least one high school. The LEA has seen a six-year upward trend in student performance and the superintendent reported that public confidence in education was high in the district. Officials at both the installation and LEA reported a good working relationship. They have a signed SETS agreement (Cumberland County was one of the original signatories of the SETS agreement) and Fort Bragg employs a school liaison officer who works with the DDESS schools and Cumberland County School District schools on problems with scheduling or curriculum. The LEA superintendent, who meets regularly with both the installation commander and the DDESS superintendent, attends "military child task force" meetings.

***Local legal rules or barriers:*** Potential legal impediments to certain transfer alternatives are described where relevant in the discussion of transfer alternatives that follows.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Ft. Bragg Status Quo Report on page 8.2 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:** Ft. Bragg: Salaries and benefits for school teachers, administrators and staff make up about 83 percent of the FY04 \$33 million budget (not including DSO/HQ). Salaries for substitutes, originally included in the DSO budget, were allocated to the schools based on the number of teachers in the accompanying reports. The per pupil expenditure for FY04 is approximately \$7351;  
Cumberland County School District: Salaries and benefits for school-level employees make up about 74 percent of Cumberland County School District's budget. In North Carolina, teacher salary schedules are set by the state. State education appropriations are then allocated based on these salary rates. Local communities can add a supplement to the salary schedule to attract and retain teachers. Cumberland County ranks in the top 10 for teachers' salaries in the state. The per pupil expenditure for FY04 is approximately \$5750.
- **Special education and ESL:** Ft. Bragg: The number of special education students and related costs are increasing faster than the budget average. ESL costs are also increasing for the DDESS as the military recruits more Hispanics and Asians;  
Cumberland County: Cumberland County School District's Program for Exceptional Students is rapidly outpacing the budget. Cumberland County expects to exceed the 12.5 percent cap set by the state for the number of children it will fund in the program. Funds not received from the state will need to be made up through local revenues.
- **Transportation:** Ft. Bragg: contracts all its bus service. Transportation costs have been decreasing in recent years due to declining enrollment. As part of its bus contract, Ft. Bragg pays between \$250,000 and \$300,000 annually to bus about 300 high school students to the LEA's EE Smith HS. In FY02, that cost to Ft. Bragg was \$294,000;  
Cumberland County: School assignment policy is based on residential address, though students are allowed to go to different schools through school choice or for hardship reasons. Transportation is not provided for students who attend a school other than the one to which they are assigned.
- **Facilities/capacity:** Ft. Bragg: The per pupil expenditure for FY02 increased from FY01 by roughly 10 percent due mainly to a six percent decrease in enrollment. After 20 years of declines, enrollment is expected to remain stable for a few years and then begin to increase as housing units now under repair

are brought back on line. Enrollment will increase by a projected 1638 students in FY06 as a Residential Community Initiative is implemented. Milcons (requests for additional federal funds for construction) are planned in FY08 in conjunction with the Residential Community Initiative to build new elementary schools to handle the expected increased in enrollment. Additions are being planned for the elementary schools in order to comply with the DoDEA mandated 1:18 teacher pupil ratio in grades 1-3.

Cumberland County School District: The LEA is building additional facilities to accommodate migration to the part of the county that is closest to Ft. Bragg. A new elementary school and middle school are planned in the next few years to accommodate projected growth and reduce mobile units. Facilities are also being increased to address an increased number of teachers due to changes in programs and class size reduction.

### **Revenue:**

Cumberland County, like most North Carolina school systems, receives nearly 70 percent of its operational funding from the state. Federal dollars make up 14 percent of its budget. In FY02, Cumberland County received approximately \$4.9 million in federal impact aid. The Cumberland County School District superintendent said that historically impact aid has been inadequate, inconsistent and unreliable.

### **B. Feasibility:**

- **Transportation:** Fort Bragg contracts out busing services. It follows DoDEA guidelines for transportation time and North Carolina guidelines for walking zones around school facilities (pre-K to 5 students are not provided transportation if they live within one mile of school; for grades 5 to 9, it increases to 1.5 miles). Three DDESS schools are residential, and all students walk. There are 14 buses that stay on the installation and 3 special education buses that travel off of the installation;  
Cumberland County: Cumberland County School District has school choice but parents are required to transport students if they choose a school outside of their zone. About half of the LEA's students are transported on 484 county-operated buses, many of which have two routes. According to the transportation director, the average bus travel time is 30 to 40 minutes, with local policy calling for no child to be on a bus for longer than 90 minutes. The LEA transports Ft. Bragg students in grades 10 to 12 off the installation to attend Smith High School, though some students attend magnet programs at other schools. Fort Bragg ninth graders can also choose to attend LEA schools and are provided transportation;
- **Capacity:** Fort Bragg's nine schools have a total capacity of 4902 and had an enrollment of 4537 on Sept. 30, 2002, leaving capacity for an additional 365 students. While the DDESS superintendent expected enrollment for the next year to remain stable, a major Residential Community Initiative (RCI) on Fort Bragg will eventually increase enrollment by a projected 1638 students beginning in FY 04. To handle this added enrollment, the DDESS plans two

new elementary schools as well as additions to its middle and junior high schools;

Cumberland County currently enrolls 51,485 students, which is 1163 under its current capacity of 52,648. This figure includes only permanent facilities and not the 171 trailers used as mobile classrooms in the district.

- **Legal:** DDESS teachers are under a collective bargaining agreement while North Carolina teachers are not. Another legal issue is that DDESS regulations prevent the use of corporal punishment, while North Carolina permits it within certain guidelines;<sup>1</sup>
- **Security:** Security procedures on Fort Bragg include random car inspections and photo identification. Civilian employees must have both a sticker on their vehicle and proper identification. During the “Delta” threatcon condition, it may take hours to get on or off the installation, where access would be restricted to only “essential” personnel. All buses on the installation are kept in a locked and monitored facility. There is an arrangement with the installation to provide security for the schools.

### C. Programs and services:

- **School choice:** Fort Bragg students are assigned to schools based on housing location; there is generally no choice in the DDESS system regarding what school to attend. The LEA, however, offers a school choice program that allows parents to apply to send their children to a school outside of their zoned district school. Several specialty programs, such as year-round schools or magnet programs, are also available, though transportation is not provided for students to attend these specialty programs outside of their district;
- **Special education:** Fort Bragg offers a full range of services for special education students. There are 498 students on IEPs in the system (about 11 percent of the student population) with a wide range of disabilities; Cumberland County School District also provides a full range of services and delivery models to students in their district, from inclusion to self-contained classrooms. Each school has some special education program and may or may not house self-contained classes. There are 7,050 students on IEPs within the school system (13.7 percent of the enrollment);
- **Pre-K programs:** A pre-K program at Fort Bragg is offered to both special education and non-special education students. As for the LEA, while there are some pre-K services offered to Title I students, there is generally no pre-K for regular education students.

### D. Performance/quality comparison:

#### **Performance:**

District performance scores are shown for grades 3, 6 and 8 for the math and reading. The district level effectiveness scores (which rate performance above or below expectations based on the socioeconomic characteristics of the student population) can only be reported for Cumberland County School District schools.

DDESS schools use the Terra Nova assessment test, which presents results in percentile ranks compared to nationally representative sample of students in that grade who took the same test. DDESS schools performed better than most other U.S. students who took this test for all subjects and grades reported. For grade 3, the math percentile was 65 and the reading percentile was 56. Grade 6 students performed at the 62<sup>nd</sup> percentile for math and at the 67<sup>th</sup> percentile for reading. For grade 8 students, the math percentile score was a 62 and reading percentile score was a 66.

LEA schools: North Carolina uses its own criterion-referenced testing program that reports information for math and reading. Scores are broken down into four scoring categories. Our analysis used the percentage of students who scored in the top two levels as its outcome measure. For Grade 3 students, the percentage of students in Cumberland County School District scoring at level 3 or 4 was 73 percent for math and 77 percent for reading. These actual percentages track fairly consistently with the predicted performance, when the socioeconomic composition of the student population is considered. For Grade 3, the actual scores exactly matched the predicted scores. At Grade 6, the actual scores were 84 percent for math and 73 percent for reading, compared to predicted scores of 84 percent for math and 70 percent for reading. The LEA over-performed at Grade 6 for reading (73 percent versus 70 percent) and for Grade 8, the district under-performed in math (76 percent actual versus 80 percent predicted) and over-performed for reading (84 percent versus 83 percent).

### **Quality:**

Fort Bragg and Cumberland County are similar in terms of student to teacher ratios and special education teacher to student ratios.

LEA data: 24 percent of regular education teachers have a masters degree or higher and 38 percent of special education teachers have a masters degree or higher. The average years of teaching experience is 12 years. 76 percent of regular education teachers are fully certified, as are 93 percent of special education teachers.

## **II. Transfer with facilities**

(Please refer to Ft. Bragg Alternatives Summary Grid on page 8.3 of Report Book 2 (Data) for this and subsequent transfer alternative discussions).

### **A. Cost and revenue:**

#### **Costs:**

- **Salaries and benefits**: While Cumberland County ranks in the top ten for teachers' salaries in North Carolina, its salary scale is still substantially lower than that of Ft. Bragg. Cumberland County School District is experiencing a shortage of teachers in all areas except social studies. DDESS teachers who were certified to teach in the state could be considered as candidates for any vacancies.

Cumberland County's teachers are not unionized nor are they allowed to collectively bargain. Ft. Bragg teachers who were hired by Cumberland County would therefore lose these rights. The salaries and benefits will decrease about 50 percent from the status quo and make up only about 60 percent of the budget.

- **Special education:** Cumberland County School District would need to find funds to educate approximately 425 special education students currently being educated at Ft. Bragg. According to the LEA's special education coordinator, the LEA's special education resources are already stretched and the additional students could put Cumberland County School District's special education population over the 12.5 percent population threshold beyond which Cumberland County School District does not receive state funding for special education students. Also, many DDESS children have IEPs calling for extensive services, which would be very difficult for the LEA to affordably match.
- **Student transportation:** Because Ft. Bragg contracts for its bus service, Cumberland County School District would need to purchase additional buses to transport the students living on Ft. Bragg, at a cost of about \$62,000 per bus. The LEA transportation director estimated that the county would need to spend \$3.25 million to replace 52 buses currently on Ft. Bragg, plus about \$800,000 annually for operation and maintenance.

### **Revenue:**

**Federal impact aid:** Based on U.S. Department of Education hypothetical calculations, projected federal impact aid eligibility would be approximately \$14.7 million if all of the 4400 students from Fort Bragg transferred.

### **B. Feasibility:**

- **Transportation:** Cumberland County currently transports high school students who reside on Fort Bragg and attend E.E. Smith high school or a magnet school. Transportation requirements under a transfer with facilities would be additional buses and bus drivers. Arrangements would also have to be made with the installation for any logistical problems associated with more traffic on and off the installation;
- **Capacity:** Under this transfer alternative, expected enrollment for LEA schools would be 56,953 students, with an estimated capacity of 62,529, yielding 5,576 "extra" student slots, some of which may be filled by the elimination of some of the 170 trailers currently used as temporary classrooms by Cumberland County School District;
- **Legal:** While North Carolina law states that LEAs may acquire suitable sites for schoolhouses or other school facilities either within or without the local school administrative unit, no school may be operated by a local school administrative unit outside its own boundaries<sup>2</sup>. If the land and facilities on Fort Bragg were legally determined to be outside of the border of the existing LEA, this alternative may not be legally feasible.

Also, North Carolina sets residency restrictions for school attendance. Students who reside outside of the district may be charged tuition or denied entry. The law specifically states that tuition may be charged for “persons of school age who reside on a military or naval reservation located within the state and who are not domiciliaries of the State. However, tuition will be waived if federal funds are provided at not less than 50 percent of the total per capita cost of education in the state”. If there are cuts in impact aid or other federal payments to the LEA, it is possible that tuition may be charged to make up for any budget shortfalls.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison – section 2 of the Report Guide.*

### *III. Transfer without facilities.*

#### **A. Cost and revenue:**

##### **Costs:**

**Facilities:** Cumberland County School District could not accept a transfer without facilities. The additional 4500 DDESS students would exceed its facilities capacity in certain grade levels. The LEA estimates that it will need \$18,000 per child for facilities, including first year startup costs to accommodate the additional Fort Bragg students.

#### **B. Feasibility:**

- **Capacity:** Under the transfer without facilities alternative, the enrollment of Cumberland County School District is projected to be 56,953 students, with enough space to accommodate up to 57,627 students (674 under capacity). These calculations assume no change in the number of students who are educated in temporary units;
- **Legal:** The only legal issues would be those noted in transfer with facilities, above.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison – section2 of the Report Guide.*

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<sup>1</sup> The complete rules and regulations regarding the use of corporal punishment in North Carolina can be found in Sec. 115C-391 (a) of the general law.

<sup>2</sup> Section 115C-517 of North Carolina state law.

## 9 Fort Jackson

**INSTALLATION: Fort Jackson**  
**LEA: Richland School District 2, SC**

### **Introduction**

Richland School District 2 is in suburban Columbia, S.C., in the northeast section of Richland County and adjacent to Fort Jackson. In the last ten years, Richland School District 2 has been one of the top two fastest growing LEAs in South Carolina. It has been building new schools as quickly as possible to address new growth, which is expected to continue for the next ten years. The LEA has about 18,000 students in 18 schools and adds about 700 new students per year. At the same time, the LEA has seen numerous cuts in state funding for education – in the last two years, the state has cut the LEA’s budget five times.

Three DDESS schools serve a total of about 867 students in three schools: Pierce Terrace elementary school (grades Pre-K to 1), Hood Street elementary school (grades 2 and 3), and CC Pinckney elementary school (Pre-K and grades 4 to 6). Fort Jackson also houses the central administrative offices for Fort Jackson and Laurel Bay.

Good relations exist between the LEA and DDESS, which have a signed Secondary Education Transition Study agreement. Fort Jackson officials assist with the transfer of DDESS sixth graders to the seventh grade at the LEA’s Dent Middle School.

***Local legal rules or barriers:*** Potential legal impediments to certain transfer alternatives are described where relevant to the discussion of the following transfer alternatives.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Fort Jackson Status Quo Report on page 9.2 of the Report Book 2 (Data).)

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:** Because Fort Jackson does not track salaries and benefits for each type of school employee, salaries and benefits were allocated based on the teaching roster and an average salary and benefit expenditure. Richland School District 2 calculated that it would need 45 additional teachers for the FY04 school year before any additional students were transferred; however, the state is providing funding for only 24 additional teachers. The salaries and benefits make up approximately 90 percent of the DDESS school budget. Approximately 73 percent of the LEA budget is spent on salaries and benefits. The DDESS per pupil expenditure approximates \$10,700 for FY04 and the LEA per pupil expenditure approximates \$6165 for FY04;
- **Special education:** Fort Jackson does not separately track special education expenditures. The number of students requiring special education services and related expenditures are increasing. The installation has seen an increasing number of children with autism, according to Fort Jackson's superintendent. Richland 2 is also seeing an increase in the number of children who qualify for special education, with special education and transportation-related costs increasing as a result;
- **ESL:** Fort Jackson: The number of ESL students is increasing due in part to an increase in Hispanic and Asian students. ESL costs are increasing at a rate that is higher than the budget average. In FY03, about 40 students had ESL needs in the district;
- **Transportation:** Fort Jackson spends \$30,000 for a special education bus. All other students walk or parents provide transportation. Student transportation was allocated equally among the three schools at Fort Jackson;
- **Facilities:** Fort Jackson: Two four-room additions at Hood Street and Pierce Terrace should be completed in SY04-05. These expansions will not add capacity; rather they are aimed at reducing pupil teacher ratio. Richland County 2. There is little current capacity available in the Richland School District 2. Because the facilities are landlocked or under state acreage requirements, the individual schools cannot be expanded. The LEA anticipates that enrollment will grow by 700 students a year over the next several years.

**Revenue:**

Richland County 2 tends to lag the county economically by several months. LEA fiscal officials anticipate general county revenues to remain relatively stable over the next several years. State funds, however, have been declining. In the last 24 months, Richland 2 has experienced five state budget cuts.

- **Federal impact aid:** The LEA has approximately 2200 students who qualify for federal impact aid. Richmond 2 has received between \$160,000 and \$300,000 in annual federal impact aid for each of the last five years. The county received approximately \$294,000 in impact aid in FY02.

**B. Feasibility:**

- **Transportation:** LEA buses enter the installation to pick up and drop off students in grades 7 to 12, who attend schools off the installation;
- **Capacity:** Fort Jackson enrollment is 867, down from the norm of about 1000. This is due mainly to military families buying housing off-base because of the poor quality of base housing. By contrast, Richmond 2 has little extra physical capacity -- its annual enrollment growth is due in part to military families buying homes within the LEA. As Fort Jackson upgrades its housing stock, DDESS school enrollments may again increase, especially if mortgage interest rates rise;
- **Legal:** 1. *Collective bargaining:* DDESS teachers are unionized and have collective bargaining rights under the federal system, while Richmond 2 does not have a teachers union; 2. *Corporal punishment:* The LEA allows the use of corporal punishment, while Fort Jackson schools prohibit it;
- **Security:** Procedures are in place to continue school busing on and off the installation during increased security conditions. Students who are 10 years old or older must have military ID cards. Buses use one installation gate. Anyone over 10 years old is required to show a photo ID card when entering the installation. Currently, all students who live on the installation and all school staff are issued military photo IDs.

**C. Programs and services:**

The LEA and DDESS both have after school-programs. Pre-K programs are located in elementary schools at the LEA and at DDESS. One LEA middle school specializes in pre-K special education.

## D. Performance/quality comparison:

### **Performance:**

DDESS schools use the Terra Nova test to track academic performance. This is a normed test that shows scores in comparison to a reference group who also took the exam. Test scores for Fort Jackson are reported for grades 3 and 5 in the subjects of math and reading. The test scores for Richland County 2 are for grades 3 and 5 for the subjects of math and English.

**Fort Jackson:** For Grade 3, Fort Jackson students scored at the 58<sup>th</sup> percentile for math and at the 62<sup>nd</sup> percentile for reading. For Grade 5, students scored at the 49<sup>th</sup> percentile for math and at the 57<sup>th</sup> percentile for reading.

**Richland County 2:** For Grade 3 math, the actual was 45 compared to a predicted score of 39 and for Grade 3 English, the actual score of 58 compared to a predicted score of 51. For Grade 5 math, the actual was 44 compared to a predicted score of 38 and for Grade 5 English, the actual was 41 compared to a predicted of 31.

### **Quality:**

The pupil teacher ratio at Fort Jackson is 19:1, compared to about 19.5:1 in the LEA. 88 percent of installation teachers have an advanced degree. No teachers are teaching outside of their area of certification. Seventy percent of Richland 2 teachers possess an advanced degree and 98.8 percent are fully certified.

## *II. Transfer with facilities*

(Please refer to Fort Jackson Alternatives Summary Grid on page 9.3 of the Report Book 2 (Data) for this and subsequent transfer alternative discussions).

## A. Cost and revenue:

### **Costs:**

- **Salaries and benefits:** Fort Jackson offers higher pay than Richland School District 2. The LEA does not want to have such inequity in employees' salaries, but it cannot afford to increase salaries to Fort Jackson's level. Therefore, any employees hired by Richland School District 2 after a transfer would be paid under the LEA's lower salary schedule. In this alternative school-level salaries and benefits associated with educating the Fort Jackson students would decrease by about 52 percent from the status quo alternative and they would only make up about 83 percent of the total budget;

- **Federal Impact aid:** Richland School District 2 could be eligible to receive approximating \$1.48 million in federal impact aid if all 1100 students on Fort Jackson were transferred according to DOE hypothetical calculations.

## **B. Feasibility:**

- **Transportation:** Under this alternative, Richland School District 2 will have to take over intra-installation bus transportation for K-6 students;  
**Legal:** If federal impact aid is reduced or eliminated, South Carolina law allows the LEA to charge tuition to Fort Jackson students in the amount equal to the loss of impact aid;  
The LEA will need to lease facilities from DoD or DoDEA.
- **Security:** Security procedures will apply to new, off-base civilian students if assigned to or visiting the schools. All students and school staff will need to have military ID cards to gain entrance to the installation. In the first year of the transfer, this would increase the workload for security personnel at Fort Jackson.

*Under this alternative, no significant points are made under Programs and Services because the programs and services are assumed to be those already offered by the LEA or under Performance/quality comparison since it is not possible to empirically predict future performance or quality outcomes.*

### **III. Transfer without facilities.**

#### **A. Cost and revenue:**

- **Facilities/capacity:** Richland School District 2, which is already building new schools as quickly as possible to address new growth, could not handle Fort Jackson students within its current schools. The LEA needs \$200 million to \$270 million to address projected growth over the next ten years - without additional students from Fort Jackson. Richland School District 2 currently has \$130 million in bonding capacity available, all of which will be used by the end of 2005.

#### **B. Feasibility:**

- **Transportation:** LEA transportation will have to be expanded to include transporting Fort Jackson students in grades Pre-K to 6;
- **Capacity:** The LEA will have difficulty finding classrooms for more than 800 former DDESS students. Richland School District 2 will need money and time to build facilities, hire teachers, and change organization, zoning, and busing;

- **Security:** Security measures will have to apply to additional vehicular traffic transporting more students off and on base;
- **Legal:** Same as transfer with facilities, above.

*Under this alternative, no significant points are made under Programs and Services because the programs and services are assumed to be those already offered by the LEA or under Performance/quality comparison since it is not possible to empirically predict future performance or quality outcomes.*

## 10 Fort Stewart

**INSTALLATION: Ft. Stewart**  
**LEA: Liberty County, GA**

### *Introduction*

Ft. Stewart officials expect an enrollment spike of 1000 to 1200 students over the next five years, due mainly to a Residential Community Initiative. One new elementary school is planned for FY 2005, with another several years later. Based on projections, the two current DDESS elementary schools will reach capacity in FY 2005. The relationship between the DDESS and LEA is positive, with a signed Secondary Education Transition Study agreement. A Ft. Stewart liaison officer attends Liberty County Schools board meetings as a non-voting member.

#### ***Local legal rules or barriers:***

Possible legal impediments to transfer alternatives are described in the appropriate transfer discussion below.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Ft. Stewart Status Quo Report on page 10.2 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:** **Ft. Stewart:** A strong union has been able to push for higher salaries. Ft. Stewart included 46 substitute teachers in the DSO budget, which have been allocated equally between the two schools in the financial reports. Because the DDESS does not track salaries and benefits by job classification, salaries and benefits are based on an installation average salary multiplied by the number of each type of employee. In FY02, school-level salaries and benefits made up about 90 percent of the \$11.6 million budget. The FY04 per pupil expenditure is approximately \$8,348; **Liberty County:** Liberty County's per pupil expenditure is \$7178;
- **Facilities:** **Ft. Stewart:** Custodial work at Ft. Stewart is performed under private contract, with annual cost increases of 10 percent. The Residential Communities Initiative will have an impact on enrollment due to new four bedroom enlisted quarters;
- **Construction/capital plan:** **Ft. Stewart:** One 600-student elementary school costing \$10 to \$12 million is planned but not yet funded for FY04.

#### **B. Feasibility:**

- **Transportation:** The installation has a contingency plan to continue busing students on LEA buses under tighter security conditions, such as threatcon D, due to post 9-11 issues;
- **Capacity:** Enrollments in both the installation and LEA districts are below normal due to the deployment of the 3<sup>rd</sup> Infantry Division (M) to Iraq, resulting in some current extra capacity in each;
- **Security:** Ft. Stewart's Garrison Commander felt security would be much less of an issue if the DDESS students remained on the base. A security officer is assigned to each school while troops are deployed;
- **Legal:** Liberty County Schools allows the use of corporal punishment; the installation does not.

#### **C. Programs and services:**

Both systems have pre-K programs. The pre-K program at Liberty County Schools is offered on a first-come, first-served basis for children who are four years old on or before September 1 of the enrollment year. DDESS schools do not have school

choice, while Liberty County does. Both have before/after school programs. DDESS and Liberty County have comparable programs and services.

#### **D. Performance/quality comparison:**

##### **Performance:**

The test to measure student academic achievement in the DDESS system is the Terra Nova. This is a normed test that presents scores in comparison to others who took this exam. Scores for Liberty County are reported for a criterion based test with the outcome measure being the percentage of students scoring at the highest two categories. No district level performance index comparisons can be made for DDESS districts, only the actual scores on the Terra Novas. Scores are reported for grades 3 and 5 in the subjects of math and language.

**Fort Stewart:** For grade 3 math, Fort Stewart students scored at the 51<sup>st</sup> percentile for math and at the 57<sup>th</sup> percentile for language. At grade 5, students scored at the 51<sup>st</sup> percentile for math and at the 52<sup>nd</sup> percentile for language.

**Liberty County:** For grade 3 math, Liberty County's actual score matched the predicted score of 80 percent. For grade 3 language, the actual of 85 percent compared to the predicted score of 80 percent. At grade 5, actual scores were 77 percent for math compared to 74 percent predicted and 83 percent for language compared to a predicted score of 77 percent.

##### **Quality:**

Teacher student ratios are similar for Fort Stewart schools as there are for Liberty County schools (1:16.1 vs. 1:18.3). However, there is a smaller special education to teacher ratio at Fort Stewart compared to Liberty County (1:10.3 vs. 1:16.3). All of the teachers at Fort Stewart are fully certified and 62.7 percent have an advanced degree. In Liberty County, 97 percent of teachers are fully certified and 45.4 percent have an advanced degree (MA or higher). In terms of special education teachers, 80 percent have a MA degree or higher at Fort Stewart compared to 54.9 percent at Liberty County. Also, the teachers at Fort Stewart on average have more years of teaching experience (17 years at Fort Stewart and 10.4 years at Liberty County).

## **II. Transfer with facilities**

(Please refer to Ft. Stewart Alternatives Summary Grid on page 10.3 of Report Book 2 (Data) for this and subsequent transfer alternative discussions).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and Benefits:**

Though not given in FY03, the PV report assumes that three percent annual salary increase paid by Liberty County Schools will be reinstated and remain constant through FY07. Installation teachers engage in collective bargaining; state law prohibits such bargaining by LEA teachers. In this alternative

salaries and benefits will decrease by about 38 percent from the status quo and make up about 81 percent of the total budget;

As is true throughout Georgia, especially in rural areas, Liberty County has difficulty attracting and maintaining qualified teachers. The DDESS teacher turnover rate is high because of the high mobility of many teachers at Ft. Stewart. Current Ft. Stewart teachers would be encouraged to apply with Liberty County schools under transfer alternatives.

### **Revenue:**

- **Federal impact aid:** Impact aid has fluctuated widely since FY 1992. It was, for example, \$706,600 in FY 96 and \$14.4 million in FY 94. Impact aid was approximately \$3.4 million in SY 02-03. If the students were to transfer, using payment calculations provided by U.S. Department of Education, it is probable that impact aid for Liberty County would be eligible to increase to approximately \$8.5 million;
- **State:** The FY03 state budget for education was cut by 2.5 percent, with a two to three percent cut projected for FY04. The reduction in state funds will have to be made up by local sources or the average per pupil expenditure will fall;
- **Local:** Liberty County Schools receives funding from local sales tax revenues, which have, so far, been able to offset state budget reductions. In the case of a prolonged downturn in the local economy, revenues from local sales taxes may decrease. Liberty County is seeking an additional \$35 million bond for school needs.

### **B. Feasibility:**

- **Transportation:** Under this alternative, Liberty County Schools will have to take over intra-installation bus transportation. Currently, DDESS schools provide the service by paying for and using eight buses and one van from the installation;
- **Capacity:** Using current DDESS capacity, Liberty County Schools will be able to place all former DDESS students in classrooms and add civilian students to the population, if needed to alleviate overcrowding in other LEA schools.
- **Legal:** State law permits the consolidation of schools into fewer, larger school districts. The LEA would have to lease current installation schools from either DoD or DoDEA;
- **Facilities:** The county may require extensive modifications to the installation schools (see Parkhill.).

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison -- see section 2 of the Report Guide.*

### III. Transfer without facilities.

#### A. Costs:

- **Facilities:** Because Liberty County schools are at capacity for the most part, the district would need time to build additional schools under this alternative. The only school currently under construction is an elementary school, which is to open in FY04 with a capacity of 875. The new school is to replace the old Liberty elementary school, but in the case of transfer without facilities, the old Liberty elementary school could be kept open.
- **Construction/capital plan:** The cost for the new Liberty elementary school is \$9 million, with startup costs of \$750,000 to \$1 million. The state has given Liberty County Schools \$3 million for additional elementary school classrooms, though how these funds will actually be used is yet to be determined.

#### B. Feasibility:

- **Transportation:** Additional students to the Liberty County Schools system will require the district to address increased transportation needs and to add bus routes;
- **Capacity:** As noted above, Liberty County Schools will need to address facilities to accommodate additional students and/or consider rezoning of the district.

Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison -- see section 2 of the Report Guide.

### IV. Coterminous alternative

Because Georgia does not allow the creation of new LEAs, the coterminous alternative cannot be considered for Ft. Stewart.<sup>1</sup>

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<sup>1</sup> Georgia State Constitution, Section V, paragraph 1: Authority is granted to county and area boards of education to establish and maintain public schools within their limits. Existing county and independent school systems shall be continued, except that the General Assembly may provide by law for the consolidation of two or more county school systems, independent school systems, portions thereof into a single county or area school system under the control and management of a county or area board of education, under such terms and conditions as the General Assembly may prescribe; but no such consolidation shall become effective until approved by a majority of the qualified voters voting thereon in each separate school system proposed to be consolidated. No independent school system shall hereafter be established. (*Georgia General Assembly Unannotated Code 20-2-50 [cited 14 Aug 03]. Available from World Wide Web: ([http://www.legis.state.ga.us/legis/2003\\_04/gacode/20-2-50.html](http://www.legis.state.ga.us/legis/2003_04/gacode/20-2-50.html)).*)

## 11 Laurel Bay Marine Corps Air Station

**INSTALLATION: Laurel Bay**  
**LEA: Beaufort County, SC**

### **Introduction**

Laurel Bay DDESS encompasses the “tri-command” area of Laurel Bay Marine Corps Air Station (MCAS), Parris Island and the Naval Hospital. Two DDESS schools, the pre-K to 2 primary school and the grades 3 to 6 intermediate school, are located in the MCAS housing area. The schools are within the perimeter of MCAS’ secured main housing area, which is separate from but very close to the MCAS.

The Beaufort County economy is strong, and the school system is strongly supported by local voters, who have approved three separate, five-year, property tax increase referenda in the last 15 years to increase the total number of schools from 10 to 25 and to do major renovations of other schools. Beaufort County was the only county in the state to give its full staff a raise in FY02.

The DDESS-LEA relationship is cordial, but there is little evidence of regular interaction. Greater communication between the two systems exists at the school level, predominately concerning special education students. No Secondary Education Transition Study agreement exists, and LEA administrators were unaware of the Secondary Education Transition Study initiative. There is a formal liaison to the LEA.

***Local legal rules or barriers:*** Potential legal impediments, if any, are described in the appropriate transfer alternative discussion below.

## **Narrative of transfer alternatives**

### **I. Status quo**

(Please refer to Laurel Bay Status Quo Report on Page 11.2 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:**  
Laurel Bay: Salaries and benefits comprise about 84 percent of the projected FY04 DDESS budget of about \$9.1 million (DSO and HQ costs not included). The non-pay portion of the budget will remain fairly stable, but according to interviews with the fiscal and personnel directors, salaries are expected to grow by three to four percent per terms of the union contract. The DDESS per pupil expenditure is approximately \$8348 for FY04;  
Beaufort: salaries and benefits make up about 72 percent of Beaufort County's total general fund budget. The Beaufort County average per pupil expenditure is approximately \$7354 for FY04.
- **Transportation:**  
Laurel Bay: Student transportation costs consist of two contracts, one for \$455,000 for regular education students and one with motor pool leased buses for \$125,000 for special education students. Students from Parris Island and the Naval Hospital housing areas and some from the smaller housing area on the air station are bused to DDESS schools;  
Beaufort: The state owns the buses, but the LEA contracts out to a private company to manage student transportation. The county provides the drivers and fuel. The state pays for the maintenance and replacement of the buses, which are old and require a lot of maintenance. Unlike DDESS student buses, LEA buses are not air-conditioned and do not have seat belts.
- **Facilities:**  
Laurel Bay: Laurel Bay recently built a four-room addition to its school to address the lower pupil-teacher ratio in the lower grades. Start-up collateral equipment costs are approximately \$825,000;  
Beaufort: The two most recent referenda approved spending totaling \$242 million to add ten schools and renovate all other buildings. Most of the funding will come from property tax revenues. Startup costs for the elementary and high school are \$1 million and \$1.5 million respectively.
- **Construction/capital plans:**  
Laurel Bay: Plans to renovate the two existing schools to meet the DoDEA standard for classroom size and to modernize the HVAC systems;  
Beaufort: The county budget stipulates that no more than 8 percent of long-term debt is incurred for capital projects, limiting how many capital projects

can be conducted. The plans for FY03 and FY04 call for roof, HVAC, and other repairs. Beaufort spends about \$2 million a year for technology capital projects.

### **Revenue:**

DDESS receives all funds from federal appropriations. Beaufort County receives revenue from federal, state, and local sources, the bulk coming from property taxes. Impact aid to Beaufort County was just over \$250,000 in FY02.

### **B. Feasibility:**

- **Transportation:** Travel time on DDESS buses for Pre-K-6 students is less than 15 minutes from the MCAS housing area and air station and less than 30 minutes from Parris Island and the Naval Hospital. Students from grade 7 and up are transported on county buses to the LEA middle and high schools;
- **Capacity:**  
DDESS: The new elementary school should ease currently crowded conditions at the DDESS elementary school, and add capacity that will be needed to accommodate the growth in student population expected from planned additional housing developments. The intermediate school has space for additional students;  
LEA: Beaufort County schools do not have immediate capacity to accept DDESS students in the event of a transfer, though construction of new county schools to keep up with Beaufort's rapid growth will also be adequate to gradually include additional DDESS students over the next five years.
- **Security:** Bus drivers are registered with MCAS law enforcement. Student IDs are checked as they enter Laurel Bay.

### **C. Programs and services:**

- DDESS offers regular Pre-K, but the LEA offers it only at some locations on a space-available basis. Transportation is not provided for regular education Pre-K. Pre-K for special education is provided with transportation at both DDESS and LEA;
- Interviews with DDESS administrator state that special education services and services for students in transition are more individualized at DDESS than the LEA due to the small population size and philosophy of service in these areas. For regular education students, programs and services at DDESS and LEA schools appear comparable;
- Despite no signed Secondary Education Transition Study agreement, the Beaufort County superintendent said the LEA is attentive to the needs of military-connected children. Accommodations are made, for example, to allow children to access sports and other programs regardless of when they enter the LEA system;

- Students can choose particular LEA schools based on special programs, subject to administrative approval, which may be based on space available and/or program qualifications. Transportation is not provided. Several LEA schools operate on a year-round calendar.

#### **D. Performance/quality comparison:**

##### **Performance:**

The DDESS system uses the Terra Nova test. South Carolina uses the PACT (Palmetto Achievement Test) to measure student performance. Scores were presented for Laurel Bay and Beaufort County for grades 3 and 5 in the subjects of language and math. No district level performance index comparisons can be done for the DDESS scores. This can only be done for Beaufort County. The PACT scores for Beaufort County reflect the percentage of students at the district level who scored at the proficient or advanced level.

**Laurel Bay:** For Grade 3, Laurel Bay students scored at the 56<sup>th</sup> percentile for language and at the 52<sup>nd</sup> percentile for math. Grade 5 students scored at the 64<sup>th</sup> percentile for language and at the 53<sup>rd</sup> percentile for math.

**Beaufort County:** For Grade 3, the actual score for the PACT language test was 45 percent compared to a predicted score of 41 percent. For Grade 3 math, the actual score of 25 percent compared to a predicted score of 31 percent. For grade 5, the actual score for the language test was 25 percent compared to a predicted score of 24 percent. For grade 5 math, the actual score of 26 percent compared to a predicted score of 28 percent.

**Quality:** About 98 percent of Beaufort County's teachers are teaching in their area of certification, which is comparable to 100 percent at Laurel Bay. While the average years of teaching experience is 13 years at Beaufort County, it is 17 years at Laurel Bay. Both LEA and DDESS Laurel Bay have close to 50 percent of their teachers with masters degree or higher.

## **II. Transfer with facilities**

(Please refer to the Laurel Bay Alternatives Summary Grid on Page 11.3 of Report Book 2 (Data) for this and subsequent transfer alternative discussions).

#### **A. Cost and revenue:**

##### **Costs:**

Under this alternative, Beaufort County would assume all costs for the education of the additional DDESS students. The LEA is concerned about renovation and operational costs of the DDESS facilities. Because the contents of a DDESS school are not transferred to the LEA, startup costs will have to come out of the county's capital projects plan, which is capped at eight percent per year. Interviews with LEA officials state that normally, when a new school is built the startup costs would be included with the construction costs. Because this is not the case here, the LEA

would not be able to go to a referendum for school startup funds. The referendum is for specific school construction only. Salaries and benefits costs will drop approximately 20 percent from the status quo and make up about 82 percent of the total funds needed to educate the additional Laurel Bay students.

**Revenue:**

Revenue will continue to come from federal, state and local sources. For the transfer of federally connected students from Laurel Bay, impact aid to Beaufort County could reach an additional \$1.3 million over what Beaufort County received in FY02.

**B. Feasibility**

- **Transportation:** The state would have to provide additional buses and the district would have to pay for the additional drivers. The number of bus routes might need to double. Beaufort County limits student bus travel time to 1.5 hours, but this maximum is reached only in rare instances for special needs services;
- **Security:** Laurel Bay primary and intermediate schools are located near the perimeter of the housing area. If a change of the perimeter were possible, security issues would be eliminated.
- **Legal:** Lease arrangements for facility use would need to be addressed. DDESS teachers are unionized and have collective bargaining rights under the federal system while Beaufort County is in a state (South Carolina) that does not allow collective bargaining.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison -- see section 2 of the Report Guide*

*III. Transfer without facilities.*

**A. Cost and revenue:**

Cost and revenue remain much the same as transfer with facilities.

**Costs:**

- **Transportation:** LEA transportation contracts will need to be amended to include additional students and routes. Beaufort County buses are generally older and without air conditioning. Installation student pickup and drop-off times may change to comply with LEA schedules and routes;
- **Facilities:** Beaufort County officials said they could handle transfer of DDESS middle and high school students, but they would need an elementary school immediately.

**Revenue:**

Impact aid same as transfer with facilities

## **12 Dahlgren Naval Surface Warfare Center**

**INSTALLATION: Dahlgren Naval Surface Warfare Center**  
**LEA: King George County, VA**

### **Introduction**

Dahlgren Naval Surface Warfare Center, which is devoted to research and development, houses many naval engineers and technical scientists, most of them higher ranking and highly educated. Because of the mission of the installation, security and access are especially important issues. The only DDESS school on the installation educates students in Pre-K to 8. The community surrounding Dahlgren is primarily rural.

Officials at both Dahlgren and King George County said they have a good relationship, though the LEA superintendent said contact is not extensive. The installation commander is an honorary member of the LEA school board, and King George County uses the installation's swimming pool for certain sporting events.

#### ***Local legal rules or barriers:***

Possible legal impediments to transfer alternatives are described in the appropriate transfer discussion below.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Dahlgren Status Quo Report on page 12.2 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:** Dahlgren salaries and benefits make up approximately 83 per cent of the school-level \$3 million budget (excluding DSO and HQ). The per pupil expenditure is predicted to be \$12,228 in FY04 (excluding DSO and HQ). Salaries and step increases have each risen by about three percent due to the union contract, and these increases are expected to continue. King George County has a per pupil expenditure of about \$6141 in FY04. The county has no union and a lower pay scale and fewer benefits than the DDESS. FY04 salaries and benefits make up 73 per cent of the LEA's total \$18.7 million budget. Salaries are expected to continue to increase in the coming year;
- **Transportation and other direct expenses:** Dahlgren. Transportation is not an issue for the DDESS since students walk to school, although transportation for field trips, accounting for less than one per cent of the budget, is funded. All formal services are paid for through an ISSA and the Naval Surface Warfare Center-Dahlgren Division provides services such as computers and office supplies at no charge. For King George County, transportation makes up about 5 percent, and operations and maintenance of facilities accounts for 8.8 percent of the LEA school-level budget. New vehicles would be needed if facilities were not transferred and are already considered in the budget. The total budget increased by \$1.7 million in FY02 for bus replacements, new bus purchases, technology improvements, and small capital projects;
- **Facilities/Construction-capital plan:** Dahlgren: An annual inspection showed a need for additional parking and a cafeteria. King George County, in addition to a new elementary school set to open in 2004, has funded \$647,000 for a Capital Improvement Plan, including \$50,000 for school buses.

##### **Revenue:**

Dahlgren. The DDESS receives all funding through federal appropriations. In FY02, an across-the-board 10 percent reduction affected all non-pay categories, though DDESS schools have been traditionally well funded.

King George County receives revenue from federal (five percent), state (45 percent), and local (50 percent) sources. Currently, there is seven percent budget growth. The county received no federal impact aid for FY02.

## B. Feasibility:

- **Transportation:** Because Dahlgren elementary school is located within the base housing area, the installation has no buses to transport elementary school students, who walk to school or are driven by their parents. Because of the LEA's rural nature, most students get to school by county-owned buses. The county has no formal guidelines on transportation time, but tries to keep it under 45 minutes. The LEA provides bus transportation for six high school students who live on the installation;
- **Capacity:** Dahlgren has a current student population of 219 and a capacity for 271, with enrollment expected to reach 250. King George County schools, which have nearly 14 students for every one DDESS student, are already overcrowded, even after significant spending since 2000 to re-design space in order to handle more students. LEA capacity figures do not include 22 trailers currently used for classrooms at King George County elementary, middle and high schools. A 717-student capacity elementary school set to open in 2004 is designed to handle anticipated LEA population growth, not potential DDESS student transfers;
- **Security:** Installation officials said current security procedures are very stringent. In the event of a raised threatcon level, the base would be locked down. The DDESS school is integrated into the security plans of the installation.
- **Legal:** DDESS teachers are unionized and have collective bargaining rights under the federal system while the LEA is in a state (Virginia) that does not allow teachers to collectively bargain.

## C. Programs and services:

Both systems offer a similar range of programs and services.

## D. Performance/quality comparison: <sup>1</sup>

### **Performance:**

**DDESS:** In the Terra Nova testing, DDESS students scored above the 50<sup>th</sup> percentile for all subjects and grades for which direct comparisons to the LEA can be made. For Grade 3 math, the score was in the 72<sup>nd</sup> percentile. Grade 3 reading was in the 77<sup>th</sup> percentile. Grade 8 math and reading were both at the 79<sup>th</sup> percentile;

**King George County:** LEA schools under performed on all tests based on the free and reduced lunch status. Grade 3 math actual was 79 percent compared to a predicted of 83 percent and Grade 3 English reported an actual of 72 versus a predicted of 74. Grade 8 math had an actual of 64 and a predicted of 69 and Grade 8 English had a 63 actual versus a 69 predicted.

**Quality:**

All installation teachers are certified, and 60 percent have MA degrees or higher. The average years of teaching experience is 16. The DDESS teacher-student ratio is slightly lower than that of the LEA for both regular education and special education. Average teaching experience in King George County is 11 years. 81 percent of King George County teachers are fully certified in their field of instruction with 31 percent holding advanced degrees.

## *II. Transfer with facilities*

(Please refer to Dahlgren Summary Grid on page 12.3 of Report Book 2 (Data) for this and subsequent transfer alternative discussions).

**A. Cost and revenue:****Costs:**

- **Salaries and benefits:** Teachers' salaries in King George County are lower than at Dahlgren. Former DDESS teachers hired by the LEA would no longer be eligible for federal benefits. Salaries and benefits associated with educating the students at Dahlgren would decrease by about 55 percent from the status quo and make up about 81 percent of the school-level budget.
- **Transportation:** King George County would probably not need to purchase additional buses because DDESS students walk to school. An exception might be special education students and field trips.
- **Facilities:** King George County is unable to accept a transfer of all Dahlgren students without the facility, since the addition of DDESS students would leave the LEA over capacity by 170 students.

**Revenue:**

**Federal impact aid:** Under this alternative, King George County would be eligible to receive approximately \$160,000 in impact aid for the additional students from Dahlgren (based on DOE hypothetical calculations). Currently, King George does not qualify for impact aid.

**B. Feasibility:**

- **Transportation:** Under this alternative, students in the LEA may be bused to the installation school, which concerned installation officials. Since the school is located in the housing area, it is likely that all students would continue to walk to the school if it were transferred to King George County. If the decision is made to not bus civilian children to the installation, no additional buses would be required.
- **Capacity:** Under this alternative, the LEA would still be over capacity by 170 students for the current school year. However, the county is building one 717-student elementary school (to open in September 2004) and a 1300-student high school (to open in 2005). These new schools are being built primarily to

move students out of temporary trailers. Because they do not open until after the 2003 – 04 school year, they are not included in the capacity calculation.

- **Legal:** Under state law, LEAs may charge tuition under certain conditions<sup>2</sup>; another issue is fee issue simple title.<sup>3</sup>

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison – section 2 of the Report Guide*

### III. Transfer without facilities.

#### A. Costs and revenue:

King George County would need to purchase additional buses (at a cost of about \$50,000 per bus) to transport DDESS students from the school at Dahlgren.

According to Dahlgren’s facilities manager, the Dahlgren school building would still be utilized by the installation if it were not used as an education facility.

#### B. Feasibility:

- **Transportation:** Since King George already buses six high school students from the installation, some security arrangements are already in place. King George County would need to increase its supply of buses if facilities were not transferred;
- **Capacity:** Under this alternative, King George County would be even more over capacity than under the status quo alternative. The increase in student enrollment without access to installation facilities produces an overcapacity estimate of 441 students.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison – section 2 of the Report Guide*

<sup>1</sup> The LEA performance test used in Virginia is the Standards of Learning (SOL). The metric for scoring the tests at the school level is “percent passing.” Therefore, each school is reported as the percentage of students who passed that particular grade for that particular year. Because SOLs are a criterion-referenced test while the Terra Novas are “normed,” no direct comparison can be made between the two.

<sup>2</sup> Relevant excerpt: “Persons of school age who reside on a military or naval reservation located wholly or partly within the geographical boundaries of the school division and who are not domiciled residents of the Commonwealth of Virginia; however, no person of school age residing on a military or naval reservation located wholly or partly within the geographical boundaries of the school division may be charged tuition if federal funds provided under P.L. 874 of 1950, commonly known as Impact Aid, shall fund such students at not less than fifty percent of the total per capita cost of education, exclusive of capital outlay and debt service, for elementary or secondary pupils, as the case may be, of such school division”.

<sup>3</sup> Virginia law requires that title must be held by school boards except “that by mutual consent of the school board of a school division composed solely of part or all of a city and the governing body of the city, the title to property may vest in the city”.

## 13. Quantico Marine Corps Base

**INSTALLATION: Quantico**  
**LEA: Prince William County, VA**

### **Introduction**

Prince William County has a very large student population compared to that of Quantico (the ratio is roughly 60:1). Because of its size and overall economic prosperity, Prince William County is able to offer a range of services that might not be available in smaller districts. Quantico and Prince William County have signed the Secondary Education Transition Study agreement and have a school liaison officer. Officials of both the LEA and installation described their relationship as “good” and “respectful.” However, the two systems have no regular meetings or contacts beyond a formal relationship involving special ed. (The county educates six special needs students from Quantico who require services not available on the base.).

***Local legal rules or barriers:*** Potential legal impediments to certain transfer alternatives are described where relevant in the discussion of transfer alternatives that follows.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to Quantico Status Quo Report on page 13.2 of Report Book Two (Data))

#### **A. Cost and revenue:**

##### **Costs:**

The \$14,327 FY04 per pupil expenditure for Quantico (not including DSO and HQ costs) is the highest of all DDESS installation schools. In FY 2001, the average across all DDESS districts was a per pupil expenditure of \$11,281. The high per pupil expenditure is due mainly to declining enrollment due in part to the public/private venture residential housing initiative. Prince William County per pupil expenditure is \$5812 (not including district costs).

- **Salaries and benefits:** These comprise 86 percent of the total Quantico DDESS operating budget. Prince William County salaries and benefits make up approximately 78 percent of the total operating budget;
- **Transportation and other expenses:** The Quantico installation motor pool supplies 14 buses and pays for six. Eight of the 14 military drivers are at no cost to the school. Prince William County picks up three of the six special education students and transports them to Prince William County schools because Quantico cannot meet their needs. There is a current courtesy agreement by which Prince William County provides transportation and services without charge. The installation provides many services to the Quantico schools free-of-charge, such as security, fire protection and eight military motor pool drivers, which are noted in the ISSA;
- **Facilities:** According to the Parkhill study, upgrades or replacement to the existing schools will be required even under the status quo alternative (See Parkhill appendix);
- **Construction/capital plan:** One Quantico school is undergoing a four-classroom addition due to the lowering of pupil teacher ratios in grades 1-3 to 1:18. The DDESS goal in the near term is to eliminate six trailers now being used as classrooms. No other major facility projects are planned for the near future with the exception of a planned project at Russell ES, which has not reached the design stage.

##### **Revenue:**

Using present value computations, more than \$56 million in revenues will be needed to operate the Quantico schools between FY04 and FY07. This does not include any revenue for facilities replacement/repair or one-time costs related to particular transfer alternatives. The total revenue requirement under the status quo alternative appears to be more than double (54-61 percent) that required for the other alternatives, with the exception of the contract alternative. Prince William County's budget for FY04 is more than \$350 million.

## B. Feasibility:

- **Transportation:** Quantico and Prince William County both have policies that limit maximum bus travel time to 60 minutes each way. Both also require free transportation be provided to any student living beyond one mile from their assigned school. (All special needs students are transported, regardless of distance.). Prince William County transports the six Quantico special education students, and Prince William County buses enter the base daily to pick up students in Quantico City, a part of the LEA that cannot otherwise be accessed. Security procedures are in place to allow this bus access;
- **Capacity:** Prince William County is one of the state's fastest growing suburban school districts. The county is in the middle of an aggressive capital improvement program to meet the needs of a growing population, with 10 new elementary schools, three new middle schools and three new high schools set to open by FY 2005. While the capacity data indicates that Prince William County is currently under capacity, those figures do not take into account students being educated in 167 trailers across the district. Quantico, by contrast, has only four schools, which collectively have 358 available spaces. These schools tend to be old and need repair. (See the Parkhill study in the appendix for cost estimates to bring each of these schools up to code.) Quantico has six trailers;
- **Legal:** DDESS teachers are unionized and have collective bargaining rights under the federal system while Prince William County is in a state (Virginia) that does not allow collective bargaining. Accordingly, DDESS teachers, who make significantly higher wages than their LEA counterparts, would lose the ability to collectively bargain if hired by the LEA.

## C. Programs and services:

- Interviews with Prince William County school district administrators and school principals indicated a strong awareness of the issues faced by military-connected students and other highly mobile student populations. The schools closest to Quantico Marine Corps Base have a mobility of rate of 40 percent or higher at the elementary level and 27 percent at the middle and high school level. The percentage of students of military connected parents already enrolled in these schools range from 10 percent to 30 percent.
- Quantico has a pre-K program for all students, while Prince William County offers pre-K only to those with special needs.
- Many programs and services are comparable between the base and county. Curricula and extracurricular offerings are extensive and vary among schools in each system. As expected, a large system like Prince William County is able to offer a variety of specialty programs and activities at various school sites. Many schools have a special focus, i.e. technology, arts, language, math/science, etc, and students may apply to attend a school out of their assigned area. These out of area assignments are approved according to space and/or program qualifications and transportation to attend is not provided. At the middle and high school levels, extensive new equipment, lab facilities, and

advanced technology are in place in many of the Prince William County schools near the installation.

## D. Performance/quality comparison:

### Performance:

**Quantico:** For grade 3, students scored in the 76<sup>th</sup> percentile for math and in the 70<sup>th</sup> percentile for reading. For grade 8, students scored in the 66<sup>th</sup> percentile for math and in the 76<sup>th</sup> percentile for reading. For grade 11, students scored in the 70<sup>th</sup> percentile for math and in the 77<sup>th</sup> percentile for reading;

**Prince William County:** For grade 3 math, the actual score of 77 compared to a predicted score of 84. For grade 3 English, the actual score of 69 compared to a predicted score of 74. The actual score for grade 8 math was 72, and the predicted score was 71. For grade 8 English, the actual score of 70 compared to a predicted score of 71. For grade 11 math, the actual score of 68 compared to a predicted score of 65. For grade 11 English, the actual score of 90 compared to a predicted score of 84.

### Quality:

About 78 percent of Prince William County's teachers are teaching in their area of certification, compared to 100 percent at Quantico. While the average years of teaching experience is 11 years at Prince William County, it is 20 years at Quantico. While 86 percent of special education teachers at Quantico have a Master's or higher degree, the figure is just over 67 percent for Prince William County.

## *II. Transfer with facilities.*

(Please refer to Quantico Alternatives Summary Grid on page 13.3 of Report Book Two (Data) for this and subsequent transfer alternative discussions).

## A. Cost and revenue:

### **Costs:**

- **Salaries:** When comparing the expenditures across alternatives what sticks out is the enormous difference in the salaries between Quantico and Prince William County. Under transfer with facilities, salaries would drop significantly, approximately 62 percent because of the higher LEA Pupil Teacher Ratios and lower average LEA salaries. Salaries and benefits would then make up only 73 percent of the funds needed to educate the students from Quantico;
- **Student transportation:** Prince William County per pupil expenditure for transportation is approximately \$34 per student, this is significantly lower than the Quantico DDESS cost of \$517 per student projected in FY04, due, in part, to economies of scale;
- **Facilities:** According to the Parkhill study, upgrades or replacement to the existing schools will be required even under the status quo alternative.

Facilities maintenance costs will likely be similar to the historical DDESS facilities costs.

### **Revenue:**

**Federal impact aid:** Using payment calculations provided by the U.S. Department of Education, Prince William County may be eligible for an increase in its federal impact aid of approximately 125 percent if all of the students from Quantico were transferred. The total federal impact aid potentially could reach over \$2 million, or about \$220 per federally-connected student.

### **B. Feasibility:**

- **Transportation:** Under this alternative, Prince William County would be able to send existing students to schools located on the installation. Several DDESS interviews indicated that bringing civilian children onto the Quantico installation raises security concerns. This would increase the number of non-DoD personnel and other civilians accessing the installation.
- **Capacity:** Enrollment projections for next year show that Prince William County would increase its capacity if it took over facilities located on Quantico. Under the transfer with facilities alternative, Prince William County's new enrollment would be 62,412, with a permanent facilities capacity of 63,500;
- **Legal:** Although Virginia laws and regulations regarding acquisition of property for school use allow the purchase or lease of facilities<sup>1</sup>, there are specific site size and building condition requirements that would not be met by the Quantico school sites. Additionally, such acquisition is at the discretion of the Prince William County school board. The Prince William County school superintendent indicated that accepting these facilities through a fee simple title or long-term lease of the property was not feasible. He also stated in an interview that the district has no interest in owning, repairing, or maintaining property outside its jurisdiction. Other possible legal barriers are ADA compliance and state asbestos regulations.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison – see section 2 of the Report Guide.*

### *III. Transfer without facilities.*

#### **A. Cost and revenue:**

##### **Costs:**

The same differences noted in salaries, and student transportation under the transfer with facilities would occur under this alternative.

- **Facilities:** Based on current Prince William County spending, facilities maintenance costs would likely increase slightly under this alternative.

- **Construction/capital plan:** Prince William County's 10-year capital improvement plan calls for new schools and repair/restoration of existing schools as student enrollment is projected to increase by 28 percent in the district over the next ten years. Within the next two years, two new high schools and two new elementary schools will be completed, with the goal to replace 160 trailers now in use in Prince William County. FY 04 new projects alone account for over \$85 million, and repair and restoration spending is more than \$10 million.

### **Revenue:**

Because DDESS schools would no longer be used for education, the Parkhill study costs would be modified to meet immediate safety needs and costs for intended use of these buildings.

### **B. Feasibility:**

- **Transportation:** The same security and logistical concerns noted in the transfer with facilities alternative would apply. It should be noted that that LEA already has access to the installation, indicating that an access arrangement has been made with Prince William County. Student pickup times may be earlier and drop off times later to accommodate increased travel time;
- **Capacity:** Enrollment projections would remain the same as under transfer with facilities. However, Prince William County would lose the added capacity that would come with use of current Quantico facilities. This would result in an over-capacity estimate of 254 students; Interviews with Prince William County administrators indicate a willingness to include DDESS student enrollment in their capital improvement plans;
- **Security:** DDESS officials noted that threatcon levels can change over the course of day, which could create difficulty for individuals returning home in the event of a shut down of the installation;
- **Legal:** No state laws prohibit enrollment from personnel who live on federal property. However, school boards have the authority to permit LEAs to charge for tuition for these students.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/quality comparison -- see section 2 of the Report Guide.*

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<sup>1</sup> Commonwealth of Virginia Code "§ 22.1-130. Authority to acquire property from United States or any agency thereof.  
*A. Notwithstanding the provisions of any other law or of any charter or any ordinance, any school board may, by resolution, authorize the acquisition and purchase from the United States or any agency thereof of any equipment, supplies, materials, or other property, real or personal, in such manner as such school board may determine.*  
*B. It is the purpose of this section to enable school boards to secure from time to time promptly the benefits of acquisitions and purchases as authorized by this section, to aid them in securing advantageous purchases, to prevent unemployment and thereby to assist in promotion of public welfare and to these ends school boards shall have power to do all things necessary or convenient to carry out such purpose, in addition to the expressed power conferred by this section. This section is remedial in nature and the powers hereby granted shall be liberally construed. (Code 1950, § 22-151; 1980, c. 559.) "*

## **14 West Point U.S. Military Academy**

**INSTALLATION: West Point United States Military Academy (USMA)**

**LEA: Highland Falls Central School District, NY**

### **Introduction**

As an educational institution, West Point has high academic standards, total community involvement and strong support services throughout its DDESS system. West Point's commander sees retention of the DDESS schools on base as essential, in large part because of his need to recruit the USMA staff. The staff wants assurance that the children of West Point will receive the highest quality education possible.

The LEA-installation relationship is very good, based on interviews with both districts. From the superintendent down, school officials meet regularly to compare notes and best practices. The garrison commander talks regularly with the mayor, is a representative on the school board and co-chairs the quarterly Community Relations Committee with the mayor.

**Note:** At most installations, our study teams visited and profiled just a sampling of the LEA schools, mostly those closest to the installation. In the case of West Point, however, the LEA is a small neighboring district and the schools visited are the exact schools DDESS students would attend in the event of a transfer.

#### ***Local legal rules or barriers:***

Possible legal impediments, if any, to particular transfer alternatives are described in the appropriate transfer discussion below.

## *Narrative of transfer alternatives*

### *I. Status quo*

(Please refer to West Point Status Quo Report on page 14.2 of Report Book 2 (Data)).

#### **A. Cost and revenue:**

##### **Costs:**

- **Salaries and benefits:** West Point's per pupil expenditure is among the highest of all DDESS districts and continues to increase, due mainly to salaries and step increases, which account for annual budget increases of about six percent. Salaries and benefits account for about 84 percent of the approximate \$8.6 million budget with a per pupil expenditure of about \$10,957. Highland Falls salaries and benefits are very close in cost to the West Point salaries and benefits and make up about 76 percent of the approximate \$13.3 million budget. The LEA's budget has seen ten percent growth, with costs for insurance, health and liability all rising. Special education and retirement system costs are also rising. The per pupil expenditure for Highland Falls is about \$11,196. This happens to be the only district where the per pupil expenditure is greater than the corresponding DDESS per pupil expenditure;
- **Transportation:** West Point: Due mainly to a local monopoly situation, student transportation costs have increased by \$300,000 in FY03. To combat this, West Point's superintendent has submitted a UFR (unfunded request) and is renegotiating with the bus company for the fourth year of a five year contract to, among other things, reduce total buses to five from ten;
- **Facilities:** West Point has a master facilities plan. Phase I, budgeted at \$4.3 million, is under construction. Phase II, at \$4.4 million, is 95 percent designed; Phase III, at \$17.6 million, is both unfunded and not yet designed. There is also an unfunded \$50,000 requirement for a gym addition.
- **Construction/capital plan:** Highland Falls: The LEA has a five-year capital projects plan. The middle school has undergone a \$15 million renovation, which included classroom additions. The high school has also been renovated. There are no plans for new schools. A capital reserve fund has been established for school projects. An inter-fund transfer of \$300,000, if approved, will be used for repairs.

## **Revenues:**

**West Point:** All West Point revenues come from federal appropriations (approximately \$8.5 million in FY04). No federal impact aid is received for students attending DDESS schools.

**Highland Falls:** Highland Falls receives funding through federal, state, and local sources. Currently, the LEA receives 8002 impact aid. With a poor economic outlook, the LEA is considering a 6.82 percent tax levy (the lowest in the area) to fully fund the FY03 budget. Without it, the LEA faces a \$900,000 shortfall.

Tuition paid by the DDESS to Highland Falls for high school students is used to provide enrichment programs, AP, additional sports, and an advanced curriculum otherwise not available at the LEA high school;

## **B. Feasibility:**

- **Transportation:** DDESS elementary school and middle school students are transported to school by buses under DDESS contract. (See note above regarding DDESS plans to renegotiate current bus contract). LEA buses do not currently access the USMA -- high school students are transported to the LEA high school on buses under DDESS contract, but Highland Falls plans to take over the responsibility for transporting West Point high school students. Buses for West Point high school students are already planned and include one late bus to allow students to participate in after-school activities. The USMA has a contingency plan to continue busing students on LEA buses under tighter security conditions;
- **Capacity:** West Point is over capacity at its elementary school and under capacity at the middle school. Since the two schools are close together, they share some space and use two outside modular classrooms while construction proceeds on: a new library media center and cafeteria for K – 8; a new wing for administrative offices; a science lab; and two classrooms to lower the Grades 1-3 pupil teacher ratio. The current gym is being converted into two computer labs;  
A new Highland Falls middle school opened for the 02/03 school year. Currently, the elementary schools are under capacity and expect a growth of three percent a year. The LEA said it could handle the West Point elementary students.
- **Security:** Current security procedures include vehicle search and ID checks of all occupants. High school buses remain within perimeter overnight; drivers are brought in to drive and return the buses after each trip. Buses are searched and IDs checked for all passengers on entry;
- **Legal:** DDESS teachers are unionized and have collective bargaining rights under the federal system. LEA teachers are also unionized;

## C. Programs and services:

West Point schools use a standardized DoDEA curriculum. Peer partnering and teacher collaboration are used in the classroom. Students have regular access to computer labs for instruction, research, accelerated programs and other needs. Enrichment programs, sports, music and art opportunities are well established and often involve military or parent community partnerships.

The LEA's comprehensive curriculum includes enrichment programs and partnership programs with cadets and the community. Computer access and after-school activities for remedial and enrichment purposes are available at the elementary and middle schools.

- **Special education:** A full range of special education services is offered by the DDESS, including co-teaching and inclusion to self-contained classrooms. Services are provided according to extensive evaluation of individual student needs. Currently, all but two special needs students are served at the DDESS schools. [These two students are in special need programs with the area Board of Collaborative Education Services (BOCES)].

The LEA provides special education services according to federal regulations, from inclusion to self-contained classrooms. Special education students are included in regular activities and field trips. The LEA also places students in BOCES programs as needed.

## D. Performance/quality comparison:

### **Performance:**

West Point: At grade 4, students at West Point scored at the 79<sup>th</sup> percentile in Terra Nova testing for language and at the 74<sup>th</sup> percentile in math. Grade 8 students scored in the 75<sup>th</sup> percentile for language and at the 83<sup>rd</sup> percentile in math;

Highland Falls: In New York, students in grades 4 and 8 take the Regents Examination in math and language. In New York, the Regents are reported as the percentage of students scoring at four levels of proficiency. For the purposes of the demographic predictions, we report the percentage of students in the district scoring at level 3 or level 4. For grade 4, the actual score for language of 78 compared to a predicted score of 73. For grade 4 math, the actual score of 62 compared to a predicted score of 80. For grade 8 language, the actual score of 49 percent compared to a predicted score of 56. For grade 8 math, the actual score of 40 compared to a predicted score of 62.

### **Quality:**

**Teacher certification:** Both West Point and Highland Falls have strong teacher qualifications with 75 percent of teachers holding advanced degrees. Ninety-seven percent of West Point teachers teach in their area of certification, compared to 100

percent at Highland Falls. The average years of teaching experience is 18.4 years at West Point; it is 13 years at Highland Falls;

**Special education teaching qualifications:** Special education teacher qualifications are also comparable at West Point and Highland Falls with 100 percent certified in their field and over 80 percent holding advanced degrees at West Point and 100 percent at Highland Falls holding advanced degrees.

## *II. Transfer with facilities*

(Please refer to West Point Alternatives Summary Grid on Page 14.3 of Report Book Two (Data) for this and subsequent transfer alternative discussions).

### **A. Cost and revenue:**

**Costs:** Under this alternative, costs for educating the West Point students will increase by about 7 percent from the status quo. This is due in part to the teachers and non-teacher salaries and the “other” category, which is quite large in Highland Falls. The LEA would continue to use the Board of Cooperative Educational Services, which a consortium of towns use to help lower the cost of various services that would otherwise be cost prohibitive.

**Revenue:** Tuition now paid to the LEA high school for students from West Point would likely be replaced with additional 8002, 8003 or a combination of both impact aid funds. Highland Falls might be eligible to receive approximately \$4.2 million in impact aid (based on DOE hypothetical calculations) if all of the students transfer from the West Point schools. Budget constraints will continue to be an issue for Highland Falls School District if impact aid is not sufficient or not fully funded.

### **B. Feasibility:**

- **Transportation:** The LEA would assume the contract for on-site transportation;
- **Capacity:** Highland Falls’ current capacity would increase with the addition of the West Point facilities. This would enable the LEA to utilize the facility for their increasing middle school population;
- **Security:** A mix of civilian and military-connected students would likely increase security issues as well as the complexity of emergency procedures. Currently, all students and parents are within perimeter of the installation in the event of an emergency;
- **Legal:** New York minimum lot size requirements for schools dictate that a 414-student elementary school requires eight acres of land, and a middle school requires 10 acres, with an additional acre for every 100 students. New York education requirements would dictate the number of days in the school year and regulations regarding closing of school (closures due to military exercises or emergencies would not qualify.) The state uses pupil

wealth ratios to determine funding for buildings, but West Point pupil wealth may not qualify for any state aid for facilities.

*Programs and Services will be the LEA provided programs and services.  
Location on base may provide opportunity for expanded partnerships with the USMA community.*

### III. Transfer without facilities.

#### **A. Costs and revenue:**

Revenue and costs remain the same as under Transfer with Facilities, with the exception of the facilities operational costs. An offset to the installation Program Objective Memorandum is possible if the installation decides to use the facility or facilities vacated by DDESS. However, West Point command expressed during interviews that they have no plans to use the facilities if they were vacated. Revenue remains the same as in Transfer with Facilities.

#### **B. Feasibility:**

- **Transportation:** Highland Falls will need to coordinate bus transportation and establish security procedures with West Point. Travel time for students would increase by 20 to 30 minutes each way;
- **Capacity:** Highland Falls Elementary school has capacity to accept DDESS students; the middle school would need additional space.

*Under this alternative, no significant points need be made under either Programs and Services or Performance/Quality comparison -- see section 2 of the Report Guide.*

### IV. Coterminous

**Legal issues:** A new LEA can be established only through an act of the Legislature, according to the state Department of Education. A new LEA must be located on state land. Additionally, state law specifically prohibits an existing non-public school from converting to a charter school.

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