

DoDEA FACTS

PAST STUDIES CONDUCTED OF THE DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS (DDESS)

The following provides a summary of the three previous studies conducted of the potential transfer to local educational agencies (LEAs) and/or divestiture of DDESS schools.

Historical Overview: The DDESS schools are established and operated by the Secretary of Defense pursuant to the criteria in 10 U.S.C. § 2164, promulgated in 1994 by section 351(a) of the National Defense Authorization Act for Fiscal Year (FY) 1995, Public Law 103-382. Beginning in the 1950s, such schools were established and operated by the Secretary of Education pursuant to Section 6 of Public Law 81-874, which had been codified at 20 U.S.C. § 241(a) (Impact Aid Act), and were known as the “Section 6 schools.” In 1981, the Omnibus Reconciliation Act of 1981, Public Law 97-35, changed the responsibility for funding section 6 “arrangements” (establishing new schools on federal property or paying LEAs to educate children residing on federal property) to the Department of Defense (DoD) resulting in a dispute between the Secretaries of Defense and Education in 1985 over which department had the authority to establish a Section 6 arrangement for the education of military dependents residing on West Point. The Department of Justice resolved the dispute in favor of DoD, and subsequently, in 1994, section 6 was repealed, and the current authority in 10 U.S.C. § 2164 was promulgated.

For each study, the following information is provided: the legal requirement to conduct the study; who conducted the study and its major findings and conclusion and/or recommendations; follow-up actions taken by DoD, if any; and any other pertinent information.

STUDY #1: GAO STUDY AND DoD PLAN, 1986.

1. Legal Requirement to Conduct: The Military Construction Authorization Act, 1985, Public Law 98-407, directed the Government Accountability Office (GAO; formerly known as the General Accounting Office) to determine the most suitable alternative for funding and operating the elementary and secondary schools that DoD then operated on 17 installations in 9 states for 29,000 military dependents at a cost of \$88 million.
2. GAO Study findings and recommendations:

In GAO’s Report to Congress, “DoD Schools—Funding and Operating Alternatives for Education of Dependents,” (GAO/HRD-87-16), December 1986, GAO noted that in addition to the DoD-operated/funded schools, the following 3 alternative methods were used to educate military dependents who resided on military installations:

- local operation – local school districts operated the schools, on or off installations (at that time there were 212,000 total students), with a mix of federal, state, and local government funding;

- contract operation – DoD contracted with local school districts to fund the education of 1,700 military dependents; and
 - coterminous operation – schools on military installations operate as their own public school districts with funding shared by the Department of Education through impact aid and the responsible state government.
- a. Findings: GAO found that each alternative has different funding and operating characteristics. The report provided that local operation “could cause reduced educational funding and services for installation students, as well as student transfers, loss of school board representation for military parents, and potentially lower security at some installations,” and contract operation “would result in no significant federal savings,” whereas, “establishing new coterminous districts would each save significant federal funds.” GAO further found that “[b]oth the local transfer and coterminous alternatives could cause increased state funding, decreased job opportunities and salary and benefit levels for school employees, and—unless Congress increased impact aid to cover the installation students—decreased federal funding to other districts nationwide.”
- b. Recommendations: GAO recommended a coterminous operation of the schools at the 17 installations (see Attachment 1, Figure 1.1 from the Report) where DoD was currently funding and operating schools at a cost of \$88 million, with net savings to be realized by the federal government estimated to be between \$43 and \$88 million. The savings would depend upon whether Congress increased appropriated funding for impact aid for the 9 states that would be responsible for the education of these military dependents. Such coterminous operation, in GAO’s view, would be less disruptive than the transfer of the schools to local school districts. DoD generally agreed, but stated that such decisions should be made on a case-by-case basis because another option might be better, which was consistent with GAO’s view that each arrangement was subject to negotiation and another alternative may be more appropriate. The Department of Education favored local operation of the schools because this “alternative would effect a true federal cost savings, since the local school district would have the responsibility for the renovation and construction of school facilities while also sharing the cost of providing educational services to the federally connected children involved.”

Notable is the fact that while GAO attempted to show any differences between DoD’s school system and that of the LEA to which a particular school would be transferred, GAO did not attempt to assess the relative quality of those LEAs. In addition, the recommendations only addressed the schools that DoD funded and operated and would not have changed the fact that the Department contracts out the education for military dependents who reside on Hanscom Air Force Base and Dover Air Force Base (to Lincoln Public Schools and the Caesar Rodney School District, respectively). Such contractual arrangements are still in existence today. Potential jurisdictional and legal impediments were noted.

c. Follow-up Actions: See DoD Plan below.

3. **DoD Plan for the Orderly Transfer of the Section 6 Schools to Local School Districts**
 Section 824 of the Military Construction Authorization Act, 1986, Public Law 99-167, required the Secretary of Defense to submit a plan by March 1, 1986, “which provides for the orderly transfer, not later than July 1, 1990, of all Section 6 schools to the appropriate local school districts of the state in which such schools are located.” The March 4, 1986 plan submitted to Congress outlined 4 phases of the transfer: (1) Initial Planning; (2) Detailed Issue Development; (3) Option Preparation; and (4) Submission of Legislative Proposals to Congress. It noted the

first and most critical consideration of any transfer was “[t]he determination that a suitable free education can be provided by a local public school district.”

To develop the transfer issues and options, DoD requested the RAND Corporation to collect and analyze data from each of the Section 6 systems operating at that time. According to the DMDC Report below, RAND evaluated the three GAO alternatives as well as “no transfer” and “assisted transfer” options, where the “assisted transfer” option would require Federal funds in addition to Impact Aid for the LEA to ensure that the LEA would be able to provide a suitable education for the military dependents. RAND recommended the transfer of only some of the Section 6 schools, “and concluded, however, that no Section 6 school could be transferred without substantial initial and, in some instances, continuing cost to the Federal government. . . .”

The DoD transfer plan explained that the Federal Government had transferred operation of 75 Section 6 schools over the last 36 years to state and local governments, but had retained ownership of the school facilities in many instances. It provided that DoD had requested “Section 10” authority, which was the same authority that the Department of Education had under section 10 of Public Law 81-815 to conduct major repairs of the Section 6 schools that it operated.

The plan listed three alternative forms of transfer:

1. Section 6 Arrangement (contract with LEA). At that time, 6 such arrangements existed:
 - Crater Lake National Park, Oregon – tuition and transportation;
 - Dover Air Force Base, Delaware – tuition;
 - Ft. Leavenworth, Kansas – transportation;
 - Governor’s Island, New York – utilities and maintenance;
 - Hanscom Air Force Base, Massachusetts—tuition;
 - Highland Falls, New York – partial tuition.

Noted that such a transfer would still require the Federal Government to retain some funding responsibility for educational costs under Section 6, and perhaps MILCON requirements under Section 10.

2. Outright transfer of operational responsibility to include ownership of facilities. Noted that such a transfer must take into account whether financial resources would be available for the school district to provide a suitable free education.
3. Transfer of operational responsibility, but not ownership of facilities.

The general issues related to effecting the transfer that were noted in this plan are: quality of the school districts, legal and jurisdictional issues, desegregation, transportation, and personnel-related issues (e.g., compensation, tenure, leave, etc.).

Follow-up Actions Taken:

According to the DMDC Report discussed below, DoD concluded that transferring the DDESS system was not feasible based on the following four findings:

- None of the parties to a possible transfer had demonstrated significant support for such an action;
- The local communities were strongly opposed to absorbing the additional students;
- Military parents were concerned that a transfer would compromise the quality of their children's education; and
- Substantial economic, logistical, and personnel problems were associated with a transfer at each site.

Other:

- Crater Lake National Park, Oregon – tuition and transportation (no longer exists);
- Ft. Leavenworth, Kansas – transportation (no longer exists);
- Governor's Island, New York – utilities and maintenance (no longer exists);
- Section 6 schools on "England Air Force Base, Louisiana" – Base closed December 15, 1992 pursuant to the 1991 Base Realignment and Closure (BRAC) Commission's decision;
- Section 6 schools on "Myrtle Beach Air Force Base, South Carolina" – Base closed on March 31, 1993 pursuant to the BRAC 91.

STUDY #2: DEFENSE MANPOWER DATA CENTER REPORT (DMDC) REPORT NO. 97-013, OCTOBER, 1997.

1. Legal Requirement to Conduct: The request by Congress to conduct the second study is not in law, but rather, in House Conference Report accompanying the National Defense Authorization Act for FY 95 (Public Law 103-337), H.R. Rep. No. 701, 103rd Cong., 2nd Sess (1994). The Conference Report requested the Secretary of Defense to collect information concerning the possibility of transferring the DDESS schools located on 15 military installations (see Attachment 2, Table 1.1 of the DMDC Report) to LEAs, including the opinions and attitudes of parents, the positions of LEAs and state officials on the requirement to educate military-connected students who reside on military installations, and the positions of LEAs and state officials regarding the transfer of the school facilities. The Conference Report also requested that the Secretary collect data on heavily-impacted LEAs (those with military-connected student populations of over 30 percent). At that time, it cost the Department \$198 million annually for the DDESS schools.

2. DMDC Study Findings and Conclusions. For this study, a contractor, Westat, designed and conducted the parent surveys and interview protocols in support of DMDC's conduct of this study.

a. Findings:

- DMDC found high opposition to a transfer of the DDESS schools by installation commanders (quality of life benefit); DDESS superintendents (quality of education); DDESS parents (loss of another benefit would negatively impact troop morale and could make assignments to certain installations less desirable; broader issues that indirectly affect educational quality concerns such as student safety; the unique needs of military-connected students, and neighborhood schooling).
- For both state and local officials, the issue of funding the increased burden was paramount.

- Report noted transfer pros: cost savings, and most LEAs were willing to accept responsibility for educating DDESS' students. Also, noted that the most recent transfer not associated with BRAC occurred in 1973 at Tyndall Air Force Base, Florida, and that those schools that remained in 15 locations were "where the conditions for transfer had been most difficult to accomplish."
- Report noted cons: no one affected unequivocally supports a transfer; military parents who are not legal residents in the state where located could not serve on local school boards; initial costs to the Federal Government are likely to be high; parents perceive DDESS schools to be better than local schools; DDESS schools offer programs and services to benefit the unique needs of military-connected students; the capacity of LEAs to absorb DDESS students is a chief impediment to the transfer; lack of funding by LEAs and states.

b. Conclusions:

The DMDC study found that there were "many arguments against transfer, and no strong proponents for transfer" existed at that time. The study noted that despite this strong opposition by parents, military commanders, and DDESS superintendents, the school system was much more difficult to justify because at least part of the rationale for establishing the schools (segregation in the local public schools) no longer existed. The study concluded that the arguments for or against the transfer of the DDESS school system "come down to two major issues: Financial considerations and the perceived value of the DDESS schools to military personnel."

There is an interesting discussion concerning the findings related to impact aid to heavily-impacted LEAs – parents were generally pleased with the quality of the education of these schools, and LEA and state officials felt that Impact Aid funding needed to remain at adequate levels as educational costs in general increase and other educational funding sources fail to keep pace with costs.

Follow-up Actions: None.

#3: DDESS Transfer Study Conducted by the University of Massachusetts Donahue Institute, December 2003

Legal Requirement to Conduct: None. According to the GAO Report which reviews the DDESS Transfer Study, Department of Defense Education Activity (DoDEA) officials "indicated that the new effort was the result of questions raised by the then chairman of the House Appropriations Military Construction Subcommittee regarding whether there was a need for continued operation of these schools by DoD arising from a request for funding for a school-related project on a military base." An additional reason provided by DoDEA was that "in 2002, as part of its focus on improving management of the department, DoD's senior leadership endorsed examining departmental functions to determine whether they were core to the department's warfighting mission, with expectations that needed products or services associated with non-core functions should be obtained from other government agencies or the private sector."

The 3 phases of the study are: Phase 1: Facility Condition Assessment; Phase 2, Operation & Transfer Cost Study; and Phase 3, Quality of Life Study. Parkhill, Smith, and Cooper Inc., under a U.S. Army Corps of Engineers contract, conducted Phase 1 of the study, and the Donahue Institute (the public service, outreach, and economic development unit of the UMASS President's Office) conducted Phases 2 and 3. The Donahue Institute retained an independent

panel of education experts, which developed recommendations based on the collective data from all three phases of the study.

1. Findings and Recommendations:

a. Phase 1 – Facilities Condition Assessments

Parkhill, Smith, and Cooper, Inc. conducted a facility condition assessment at the 58 DDESS schools in the continental U.S., which included a review of the then current physical condition of each school, an estimate of the cost of repairs needed to comply with current codes and LEA requirements, and recommendations on whether to renovate or replace each school. Schools were rated as either excellent, good, adequate, poor, or needs replacement.

- 49 out of 58 schools were rated as adequate or better (23 were good or excellent)
- 4 schools were rated as needing replacement
 - Russell Elementary at Quantico Marine Corps Base
 - West Point Middle School at the U.S. Military Academy at West Point
 - Irwin Junior High at Fort Bragg
 - Stone Street Elementary School at Camp Lejeune
- 5 schools were rated as being in poor condition

See summaries of ratings and replacement cost estimates – Attachment 3

b. Phase 2—Operation and Transfer Cost Study

The Donahue Institute used the following analytical components to develop its determination of the operational, facilities and other costs associated with each transfer alternative: feasibility, including student transportation, security issues, school capacities, enrollment trends, and local legal factors; financial factors; a comparison of programs and services; and performance and quality. The expert panel recommended (see Attachment 4, Table 1 from GAO-05-469 discussed below) that educational responsibility for most schools in 10 of 14 installation areas be transferred to the LEAs with the use of existing school facilities on the military installations, but with DoD continuing to be responsible for most facilities. Transfer was not recommended for schools on Fort Rucker, Maxwell Air Force Base, Fort Jackson, and Dahlgren Naval Surface Warfare Center; and for grades pre-K through 3 at Marine Corps Air Station Parris Island and at Quantico Marine Corps Base. The study noted that clarification of ownership of DDESS-operated school facilities between DoD and the U.S. Department of Education needs to be addressed (this effort was completed in 2010).

c. Phase 3 – Quality of Life

The Donahue Institute obtained input from each affected installation represented by a parent, command officer, and a superintendent, with student, union, and National Military Family Association representatives present at a meeting conducted on October 16, 2003. Common themes from the installation summaries included:

- Instructional Programs
 - Consistency of Instruction is a definite plus

- Student Achievement – perception that quality will be compromised as a result of a transfer to LEAs
- Special Education – concern with capability of LEAs to provide services
- Pre-K programs – most LEAs do not provide
- Staffing
 - Quality staff – have unique understanding of military lifestyle
 - Spousal/Veterans Preference – programs are not recognized by LEAs
 - Certification of Teachers and Administrators – teachers may not be certified in the state in which they are located
- Parent and Command Involvement
 - Governance – concern that parents would not be able to serve on school boards in LEAs due to state and local restrictions against living on federal property
 - Command Interaction – Commanders can directly influence school issues and there is a great amount of partnership between the DDESS schools and command, which is intensified during times of crisis and deployment
 - Force Protection – concern that smaller children would be off base and a distance from home
 - Morale – concerns with the timing of the study during lengthy and recurring deployments
 - Housing – concern with families moving off base and with future of housing privatization projects, and with affordability of housing outside the gate for junior enlisted soldiers
 - Deployment – importance of base schools in assisting with students of deployed war-zone parents

2. Follow-up Actions: According to the study, on October 10, 2003, the national expert panel provided then DoDEA Director, Joseph Tafoya, and then Deputy Assistant Secretary of Defense, John Molino, with its transfer recommendations.

In response to GAO's recommendation to undertake a more complete assessment of the impact of troop movements (see discussion below), the Department suspended all deliberations on the study recommendations while BRAC was ongoing.

STUDY #3 GAO REPORT (GAO-05-460) DoD SCHOOLS – LIMITATIONS IN DoD-SPONSORED STUDY ON TRANSFER OF ALTERNATIVES UNDERSCORE NEED FOR ADDITIONAL ASSESSMENT, APRIL 2005.

GAO's assessment of the Donahue Institute's study focused on (1) the extent to which DoD has established a school closure policy and the effect such policies have on quality-of-life issues for servicemembers and their dependents; and (2) the transfer study, including the clarity of the basis for conclusions reached, the overall financial impact, and issues identified but not resolved by the study.

Findings

- Neither DoD nor DoDEA has specific policy guidance related to closing DDESS schools
 - Relatively few DDESS schools closed since establishment, and most closures were related to BRAC

- Retention of the DDESS schools is viewed by affected military families as an important quality-of-life issue
- Basis for the expert panel recommendations to transfer certain schools to LEAs is difficult to ascertain
 - Unclear how various analytical factors examined led to recommendations being made
 - Study indicated DoD could incur an estimated \$125 million to repair and upgrade existing schools
 - DoD would have a continuing obligation to maintain the schools even after transfer
 - Various legal restrictions in some states would need to be resolved
 - Ownership of the schools DoD operates needs to be clarified in order to ensure that it is properly reflected in property records
- Other factors, mostly not present when the study began, could further complicate school transfer issues
 - Ongoing DoD plans to relocate 70,000 military personnel and approximately 100,000 family members currently stationed overseas to bases in the U.S. within the next few years
 - Army efforts to reorganize its force structure
 - Impact of 2005 BRAC
 - Privatization of housing on military bases

Recommendations

- The Department should require a more comprehensive assessment of the impact of troop deployments and other force structure changes on educational facility requirements on affected installations and surrounding communities to facilitate needed facility and operational planning by the Department of Education and LEAs to meet changing needs
- Ensure DDESS facilities are properly reflected in DoD's property records and removed from the Department of Education's records

For more information

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