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An Analysis Of The Financial And Political Consequences Experienced By School Corporations When Closing A School Or Consolidating Schools

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AN ANALYSIS OF THE FINANCIAL AND POLITICAL CONSEQUENCES
EXPERIENCED BY SCHOOL CORPORATIONS WHEN CLOSING
A SCHOOL OR CONSOLIDATING SCHOOLS

A dissertation

Presented to

The College of Graduate and Professional Studies

Department of Educational Leadership, Administration, and Foundations

Indiana State University

Terre Haute, Indiana

In Partial Fulfillment
of the Requirements for the Degree
Doctor of Philosophy

by

Peter Morikis

May 2010

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ABSTRACT

The purpose of this study was to identify the common consequences experienced by school corporations when closing or consolidating schools. The primary focus of the study was to identify the financial and political consequences experienced by school corporations when closing a school closing or consolidating schools. Specific questions regarding district facilities, district personnel, district expenditures, and district educational programs were asked.

Four superintendents for this study were selected from a sampling of Indiana school corporations who had experienced declining enrollments and a school closure or consolidation. Once identified, superintendents were interviewed to determine the financial and political consequences experienced when closing a school or consolidating schools.

After a review of the literature and obtaining the perspective of superintendents through interviews, the researcher was able to discover many common themes school corporations faced when closing or consolidating schools. Those themes can be found in the following statements:

1. There was community conflict that was generated when a neighborhood school closed.
2. Teacher associations were very protective of positions and were hesitant to agree to staff reductions.
3. The financial condition of the district was a strong consideration when contemplating a school closing or consolidation.

4. Administrative staff reductions were an integral part of working through the school closure or consolidation process.
5. Board members were reluctant to move ahead with a school closure or consolidation.
6. Non-certified personnel positions were eliminated during the closure or consolidation process.

The literature review and accompanying interviews also helped answer the Grand Tour questions that prompted this research study. The answers to the Grand Tour questions follow:

1. There are significant financial and political consequences when closing a school or consolidating schools.
2. There are significant financial and political consequences to school districts when closing or consolidating schools.
3. There are significant consequences to district facilities, district personnel, and district expenditures when closing or consolidating schools.
4. There are few consequences to programs when closing or consolidating schools.

The results presented above demonstrated consequences school corporations experienced when closing a school or consolidating schools.

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This project could not have been completed without the support of the Griffith Public Schools Board of School Trustees, Griffith Public Schools Administrative Assistant Karen Gierman, and the Griffith Public Schools administrative team.

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To members of the Wednesday cohort, I found a group of professionals that I can call on in a moment's notice. We spent a great deal of time together and I truly felt a sense of loss after

our formal coursework ended. I miss our intense discussions, fits of laughter, and genuine concern for each other as individuals.

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CHAPTER 1

Introduction

Across the United States, many public school corporations are experiencing a decline in average daily membership (Dean, 1981). These declines have resulted in numerous school closings (Dean, 1981). This problem, however, is not specific to any particular state or geographic region. Dean (1981) clearly states,

Since 1971-1972, public school enrollment in the United States has been declining.

School districts that once struggled to cope with overcrowding, double sessions, temporary facilities, and new construction, now face new headaches caused by the pressures of declining enrollments and declining funding. (p. 1)

The struggles school corporations face today were not as prevalent in years past (Dean, 1981). As long as only a minimum amount of education was necessary inequalities were not manifested in the state. With the passage of time the financial inequalities have become so great in Indiana that serious consideration and review needs to be given to how money for schools, school-related construction, and renovation projects are expended. Failing to give this consideration and review will allow inequalities in resources, programs, and facilities and further widen the gap between growing school districts and school districts experiencing declining enrollments. Further, as urban school districts continue to realize declining student enrollment

numbers, attention must be given to building use, programming, course offerings, staffing, transportation, and extra-curricular offerings.

The political management of a school closure or consolidation is an arduous task. Influences from many political groups are not uncommon. Often, perceptions of unfairness and abuse surface as a line of attack directed to Boards and administrators. However, the reality remains that it is largely an exercise in conflict management and resolution. Iannaccone (1979) clearly states:

The declining enrollment problem is a political management one, a policy process problem, not a traditional organizational specialist area even though it requires specialized technical inputs. The sequence of first technical and then political inputs will not work if the actors involved become wedded to the implied technical solutions even though they subsequently go through the charade of receiving political inputs. This may be a particularly difficult lesson to learn for technically well-trained educational professional managers unaccustomed to the management of public political conflict. (pp. 420-421)

Although districts deal with the political implications of declining enrollments in a manner that addresses and meets the needs of their communities, Dean (1981) attempts to address the matter in a very logical and unambiguous fashion:

Declining school enrollments, or at the very least stabilizing enrollments, have been brought about by a number of factors: the end of the 'baby-boom' generation of students, the women's liberation movement, improved methods and greater utilization of contraception, the postponement of marriage, postponement of childbearing after marriage, smaller families, the generally bleak economic output, young middle-class

flight to suburbia's outer areas, and localized within-and-between district migration. All of these factors have combined to bring about a pronounced national trend toward enrollment decline in public schools and, in some school districts a crisis of decline. (p. 3)

One immediate outcome of school closure is that students who attended schools with lower enrollments must attend schools with higher enrollments. The direct result of closure then would be that receiving schools increase in size. Therein, however, develops the political dilemma public school superintendents and school boards must face. School boards and superintendents must be able to consolidate, close, and manage a district while maintaining and building public support. In a time of public mistrust of public education and elected officials, managing community conflict is a key element of a successful public school system.

As a community matures, the demands that are placed on its public education system change. Declining enrollments, fewer tax dollars, and public demand for fiscal accountability and responsibility have resulted in public schools exploring models of efficiency. Further, public schools must learn how to best manage the conflict within the community that declining enrollment will bring. Thomas (1977) writes,

Community conflict often accompanies school closures. No one appreciates the closing of a neighborhood school. Talking about the possibility creates fears, hostility, and organized opposition. While community conflict cannot be avoided, it can be controlled by intelligent leadership by the board of education and the superintendent of schools. (p. 3)

Managing a school closure and obtaining any kind of community consensus is very difficult. No community wishes to see a neighborhood school close; however, school boards are

faced with the task of reducing staff, utilizing surplus space, decreasing corporation expenditures, and maintaining community support for the district. Furthermore, community complaints regarding loss of community pride and identity, and decreased property values are common themes expressed by parents.

Another very serious byproduct of school closure is the future use of the vacated physical building itself. This problem is further complicated when school closures occur in an urban setting. Dr. M. Beach, CFO for the Gary Public Schools stated,

The existence of an empty school building is of grave concern to the Gary Public Schools. Although the buildings have closed, we must maintain the physical plant itself. We must also maintain building security systems to protect our assets. This means that, although the buildings are empty, all utilities must remain connected. This is a significant expense to the Corporation in a time when we are trying to reduce Corporation expenses. (personal communication, February 5, 2009)

Statement of the Problem

The issues identified in the introduction describe very challenging times for superintendents and school boards. Information gathered from the Indiana Business Research Center (IBRC) (2006) indicates that 38% of Indiana's 1,009 townships experienced a decline in community population between the years 2000 and 2005. Further, North Township of Lake County experienced the state's greatest loss by losing 5,081 people.

Since the 1970s many Indiana public school corporations have experienced a decline in Average Daily Membership. In a 2006 study, Schwartzbeck found that 25% of the 295 Indiana school corporations surveyed have experienced a decline in enrollment of 10% or greater between the years 2000 and 2005. These declines have resulted in surplus educational space,

staff reductions, program elimination, reduced state support, and decreased tax revenue. All of these factors have forced many districts into building closures and consolidations in an attempt to streamline district operations and reduce operating expenses. However, aside from reducing operating costs, the political ramifications associated with school closure and consolidation can create a political climate that may cause a Board to not act upon either a closure or consolidation.

Purpose of the Study

This study is an investigation of the financial and political consequences experienced by administrators when facing a school closure or consolidation. Further, since 1971-1972, public school enrollment in the United States has been steadily declining. School districts that once struggled to cope with overcrowding, double sessions, temporary facilities, and new construction, now face new headaches caused by the pressures of declining enrollments and reduced funding (Dean, 1981). This study analyzes interview data regarding the financial and political consequences experienced by administrators when facing a school closing or consolidation. Specifically, questions regarding staff reductions, space utilization, resource conservation, and educational programs are explored. This data were obtained from interviews of Indiana public school superintendents, assistant superintendents or business managers.

Grand Tour Questions

What are the financial and political consequences experienced by administrators in school corporations when closing a school closing or consolidating schools? How have these decisions impacted district facilities, district personnel, district expenditures, and district educational programs?

Interview Questions

A total of four superintendents from Indiana school corporations, one from each of the categories listed below, who have experienced a school closing or consolidation, will be selected, identified, and interviewed.

1. ADM less than 3,000
2. ADM between 3,001 and 6,000
3. ADM between 6,001 to 9,000
4. ADM of 9,001 or greater

Upon identification of interviewees, the following questions were asked and guided the interview process:

1. How has declining ADM affected district facilities?
2. How has declining ADM affected district personnel?
3. How has declining ADM affected district expenditures?
4. How has declining ADM affected district educational programs?

Significance of the Study

School corporations across Indiana have experienced a decline in student enrollment. However, data regarding the financial and political consequences experienced by school corporations when facing a school closing or consolidating was of significant interest. Furthermore, significant attention was given to responses regarding district facilities, district personnel, district expenditures, and district educational programs.

Assumptions

This collection of case studies assumed that due to declining student enrollments, school boards and superintendents have faced many political difficulties when confronted with a school

closure or consolidation. It was assumed that superintendents and board members addressed political and financial difficulties within the community through dialogue and received public input to resolve the difficulties. It was also assumed that superintendents were forthright with their responses.

Role of the Researcher

The researcher assumed the position of primary collector of data and information. The researcher's desire to better understand the superintendents and the common challenges faced by each of them as they experienced school closings and or consolidations served as the motivation for doing qualitative research. In the 11 years this researcher has served as a central office administrator, this researcher has noticed and observed declining enrollments and school closures and consolidations. The consequences of closure and consolidation could be uncovered and strategies for successful methods of managing declining adm, school closures, and consolidations could be realized. The impetus for this research project peaked as this researcher experienced school closure.

Delimitations

Interviews were conducted during the Winter of 2010. A total of four superintendents from Northwest Indiana school corporations, one from each of the categories listed below, who have experienced a school closing or consolidation, were identified and interviewed:

1. ADM of less than 3,000
2. ADM between 3,001 to 6,000
3. ADM between 6,001 to 9,000
4. ADM of 9,001 or greater

The delimitations of the study existed in the following manner.

1. The accuracy of the data collected from Indiana School Superintendents.
2. The degree to which the responses are accurate.

Limitations

Qualitative research, by its very nature, is interpretive and viewed through the lens of the researcher. The researcher removed personal biases and established interview strategies that are ethical and unbiased. This study was limited to include school corporations in the state of Indiana.

Definition of Terms

It is the intent of the researcher to provide the reader with clear and concise terminology. Therefore, in an effort to provide clarity in this study, the following terms are defined.

ADA (average daily attendance). The average attendance of students in a school corporation over a three-week period beginning the first Monday after Labor Day. Kindergarten is counted as 1/2 ADA (Indiana Department of Education [IDOE], n.d.).

Adequate funding. Providing schools with sufficient revenues for the average school to teach the average student to state determined performance standards and whether sufficient additional revenues are provided to help special-needs students also achieve at those performance levels (Odden, 2001).

ADM (average daily membership). The number of students with legal settlement in the school corporation who are enrolled and attending school in the corporation including students with legal settlement in another corporation where parents are paying for the cost of education (i.e., transfer tuition).

Assessed valuation. The total dollar value assigned to all real property and improvements thereon, plus personal property subject to taxation. By Indiana statute, the taxable valuation must be one-third of the fair market or true tax value.

Capital projects fund. The fund is used to budget and account for all receipts and expenditures land acquisitions, related professional services fees, education specification fees, building acquisition and construction, rental equipment, emergency allocations, and maintenance costs. Money is raised from local tax levy.

Declining enrollment. A decrease in the number of students with legal settlement in a school corporation who are enrolled or attending school in a corporation including students with legal settlement in another corporation where parents are paying for the cost of education (i.e., transfer tuition).

District facilities. Property, equipment, and buildings owned by the school corporation.

District personnel. All personnel employed by the school corporation.

District wealth. A district's wealth is determined from the assessed valuation per student.

Educational programs. For the purpose of this study educational programs are defined as a district's average class sizes, co-curricular, athletic, and alternative education programs.

General fund. The fund used to budget and account for all receipts and expenditures for current operation purposes. Expenditures from this fund may be made for items normally associated with daily operation of school, such as salaries, supplies, and utilities.

Impact. The effect or impression of one thing upon another (The American Heritage Dictionary, 1985, p. 644).

Impact on local school finances. Is the statistical average of means for district personnel, educational programming, facilities, and transportation.

Property tax. Tax charged against real property (i.e., land and improvement) and personal property to support the general fund revenues of Indiana school corporations (Farm Bureau, 2002).

Property tax levy. The product of a specified tax rate and assessed valuation; sometimes referred to as yield. Levy terms include base, maximum normal, and excessive (IDOE, 2003).

Property tax rate. A statement in dollars and cents, expressed per each \$100 of assessed valuation that will yield a specified amount of money from property taxes. The yield is also referred to as levy (IDOE, 2003).

School budget. A financial plan considering both revenue and expenditures necessary to meet the educational program of a school corporation. The budget is valid for one year (Indiana Farm Bureau, 2002).

School budget year. The budget year is a twelve-month period commencing January 1 and ending December 31 of a specified year (Farm Bureau, 2002).

School corporation. The Legal Educational Agency created in Indiana for the purpose of providing an appropriate public education to children who reside within its boundaries (IDOE, 2003).

School corporation geographical characteristics. The geographical characteristic of a school corporation is described as urban, suburban, rural, and small town.

Transportation fund. The fund is to bear all costs related to pupil transportation, except bus replacement. The transportation fund maximum levy is determined each year by adjusting

the preceding year levy by an assessed valuation growth factor that reflects a three year average assessed valuation growth (Farm Bureau, 2002).

CHAPTER 2

Review of the Literature

Many public school corporations in the State of Indiana, both urban and rural, are experiencing declining student enrollment. These declines have resulted in numerous school closings across Indiana. This problem, however, is not specific to the State of Indiana. Dean (1981) states,

Since 1971-1972, public school enrollment in the United States has been declining. School districts that once struggled to cope with overcrowding, double sessions, temporary facilities, and new construction, now face new headaches caused by the pressures of declining enrollments and declining funding. (p. 1)

As long as only a minimum amount of education was necessary, inequalities were not manifested in the state, but with the passage of time the financial inequalities have become so great in Indiana that serious consideration and review needs to be given to how money for schools and school related construction and renovation projects are expended. Failing to do so will allow inequalities in resources, programs, and facilities to further widen the gap between growing school districts and school districts experiencing declining enrollments. Further, as urban school districts continue to realize declining student enrollment numbers, attention must be given to building use, programming, course offerings, staffing, transportation, and extra-curricular offerings.

Historical Overview

Education in the United States began in the early 1600s in the New England states. The origin for the beginning of this system was due in large part to the teachings of religion and religious beliefs. Because our nation at that time was being guided by Protestants and their beliefs, it was a fairly simple task to implement this system. However, as time passed and immigrants from other countries began to settle in the New World, differing beliefs and faiths began to emerge. This complicated things tremendously. People began to question the Protestant approach to education and began to challenge the educational system in place.

However, it is very clear that the early American educational system was based upon the Protestant beliefs of the nation's founders and early Americans (DeYoung, 1989). DeYoung (1989) writes, "Even in the 19th century, Christianity was an extremely important force in helping to bring about public education" (p. 29). The need for education emerged as a means to provide proper development and character training. It was a wide-spread belief that this was (DeYoung, 1989).

However, as the American public became more educated and sophisticated, a philosophical debate occurred regarding the role and function American schools. Greater expectations, propelled by learned economists and corporate interest, began to restate the direction of American public schools (DeYoung, 1989). Cohn (1979) professed that "in order reduce income inequality, there needs to be a reduction of inequality in the investments people make in human capital" (p. 28).

Post World War II found Americans living in a new, expanded, and very complicated world. The Soviet Union and the United States had emerged as the world's new superpowers.

Both nations possessed nuclear weapons and both advocated extremes in political ideology: democracy versus communism (Davis, 1990).

In 1953, Dwight D. Eisenhower, the Allied Commander of World War II, was elected President. American servicemen returned home from World War II and America experienced a baby boom like never before (Davis, 1990). America also witnessed an economic boom that has not since been duplicated. The population explosion that coincided with economic growth resulted in suburban development in communities that surrounded American big cities creating an unparalleled need for more schools (Davis, 1990). The American factories that had produced military goods were retooled to produce consumer goods (Davis, 1990). These political, economic, and national security issues led to changes in America's approach to education and the financing of American schools.

According to Davis (1990), the most significant impact on education was "Sputnik", launched on October 4, 1957, by the Soviet Union. Americans panicked. DeYoung (1989) explains, "School reforms following from this 'crisis' signified a dramatic new step in linking national interests with schooling" (pp. 103-104). Civic leaders believed that the future of the nation depended on a mathematics and science curriculum in public schools that challenged students' abilities. Therefore, in 1958, Congress enacted the National Defense Education Act to provide support to states and school districts to improve the teaching of math, science, and foreign languages (Center on Education Policy, 1999).

In 1960, John F. Kennedy was elected president. However on November 22, 1963, in Dallas, Texas, Kennedy was assassinated. Following the assassination, Johnson was named president. During Johnson's presidency, in response to racial turmoil and political unrest, Johnson signed into law Kennedy's Civil Rights Act of 1964 (Davis, 1990). Johnson's

administration would be revered as an administration that was one of a Great Society. The Center on Education Policy (2003) reports:

As part of President Johnson's War on Poverty, the Congress enacted two key laws that remain cornerstones of the federal role today. The first, the Elementary Act of 1965, provided aid to states and school districts to improve education for children from low-income families and meet other critical education needs. The second, the Higher Education Act of 1965 opened the door to postsecondary education for those who could not afford it. (pp. 8-9)

Following the 1960s era, America was ready in desperate need of emotional repair. In 1976, Americans put their faith in a Baptist from Georgia to help heal the country by electing Jimmy Carter President. However, during his term in office, America would experience a terrible economic period. President Carter assumed an economy that had double-digit inflation and double-digit interest rates. Furthermore, OPEC was emerging as an international power by controlling the production of oil and sending oil prices skyrocketing (Davis, 1990).

The recession of the 1970s and 1980s brought about unprecedented foreign economic competition. German and Japanese automobiles and goods began to emerge as superior in quality compared to American products. With Ronald Reagan as president, America's national debt reached three trillion dollars and the trade deficit soared (Davis, 1990).

During this time, the National Commission on Educational Excellence compiled the 1983 report *A Nation at Risk*. The report stated:

Our Nation is at risk. Our once unchallenged preeminence in commerce, industry, and technological innovation is being overtaken by competitors throughout the world.... We report to the American people that while we can take justifiable pride in what our schools

and colleges have historically accomplished and contributed to the United States and the well being of its people, the educational foundations of our society are presently eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people. (as cited in DeYoung, 1989, pp. 106-107)

A Nation At Risk mandated the transformation of American public schools. Groups conducting and releasing similar studies included Business Higher Education Reform, the Carnegie Foundation for the Advancement of Teaching, the Rand Corporation, the Committee for Economic Development, and the National Governors Association, to name a few (DeYoung, 1989). DeYoung (1989) writes, “most reform proposals have recommended longer school years for students, more class periods during the school day, a longer school day, and more effective use of time during the school day” (p. 109).

The 1990s brought political change to the Presidency. Americans elected Democrat, Bill Clinton. During this time period, partisanship in politics and government grew and the division of Americans spread (Tucker, 2004). The American economy again exploded. Fueling the economic boom was another technological innovation that would forever change education and the way Americans learn. The computer and the introduction of the Internet caused what is now referred to as the “Dot.Com Era” (Fernandez, 2000).

The computer and the Internet changed education. Technology was thrust into curriculum and the Internet became a conduit to conducting research and communicating. The impact of technology on American public schools has been significant. In the United States, school districts would spend \$5.6 billion on instructional technology during the 1999-2000 school year (Gale Group, 2001). Conversely, technology has also enabled school districts to become more efficient by reducing costs in other areas. However, Carnevale (2001) states:

In general, our experience with technology in education and other service industries shows that technology adds value more than it reduces cost. Technology eventually can reduce education costs, but initial investments are expensive and the most powerful long-term effects are not to reduce costs but to provide new kinds of added value in the form of quality, variety, customization, convenience, speed and novelty. (p. 6)

The 21st century began with America at war and in difficult economic times. Democrats claimed that the increase in military and security spending coupled with the “Bush tax cut” initiated deficit spending and compounded the national debt (Reuters, 2004). It remains to be seen how the new administration, under the direction of newly elected President Barack Obama, will handle the American education funding crisis and address the needs of our children.

Declining Enrollments and Consolidation

As a community matures, the demands that are placed on its public education system change. Declining enrollments, fewer tax dollars, and public demand for fiscal accountability and responsibility have resulted in public schools exploring models of efficiency. Further, public schools must learn how to best manage the conflict within the community that declining enrollment will bring. Thomas (1977) writes,

Community conflict often accompanies school closures. No one appreciates the closing of a neighborhood school. Talking about the possibility creates fears, hostility, and organized opposition. While community conflict cannot be avoided, it can be controlled by intelligent leadership by the Board of Education and the Superintendent of Schools. (p. 21-26)

Managing a school closure and obtaining any kind of community consensus is very difficult. No community wishes to see a neighborhood school close; however, Boards are faced

with the task of reducing staff, utilizing surplus space, decreasing corporation expenditures, and maintaining community support for the district. One immediate, and very obvious, outcome of school closure is that students who attended schools with lower enrollments must attend schools with higher enrollments. The direct result of closure then would be that receiving schools would increase in size. Therein, however, lays the political dilemma public school Superintendents and School Boards must face. School Boards and Superintendents must be able to consolidate, manage, and lead the district while maintaining public support. In a time of mistrust of public education and elected officials, managing community conflict is a key element of a successful public school system. Iannaccone (1979) writes:

The declining enrollment problem is a political conflict management one, a policy process problem, not a traditional organizational specialist area even though it requires specialized technical inputs. The sequence of first technical then political inputs will not work if the actors involved become wedded to the implied technical solutions even though they subsequently go through the charade of receiving political inputs. This may be a particularly difficult lesson to learn for technically well trained educational professional managers unaccustomed to the management of public political conflict. It is ever so important to a community that constant open dialogue with key communicators is critical to overcoming obstacles a school board will ultimately face when dealing with a school closure. (pp. 420-421)

The mistrust felt by parents and community is the result of a feeling of violation. Parents and community view a closing of a school as an assault on their neighborhood and way of life, and they react quickly and with great anger. Dean (1981) clearly stated, “The management of declining enrollment is not simply an act of managing a technical problem where managers are

able to control the relationship between the ends and means. It is much more of a political problem” (p. 2). It is much more than moving students and teachers from location to location. It is a problem that Boards and administrators must navigate while maintaining working relationships between community members and school officials. Boards of Education learn very quickly that plans to close a school are directly affected by the actions and reactions of the many constituencies in the community. These constituencies can range from professional groups, parent groups, or any other group that feels an interest and tie to the building being affected.

In American education, there has been a changeover from growth to decline. This changeover has created unique circumstances and problems for Boards, administrators, and communities. American public schools are being asked to perform in a manner once reserved for private industry. A statement recently released by Griffith Public Schools superintendent stated:

We are faced with the uncertainty of the economy and although we know we will emerge from this stronger and better, no one can predict what our county, state, or town will look like in the future. As a school corporation, we are faced with the same challenges private industry must face: Be very competitive and do it with fewer dollars. Competitive in education means providing our students with an education that best prepares them for the steps they take in life after they cross our stage at graduation. This is becoming more and more challenging. You have all heard the numbers. Basically, we are a district that, over the last three decades, has seen a drop of 40% in our student enrollment. General fund demands have increased and the cost of doing business has risen sharply. For the Griffith Public Schools to survive and continue to offer the quality education our students deserve, we must change. (personal communication, March 12, 2009)

Declining school enrollment has been brought about by several key factors that have been shaped by our society. Fredrickson (1978) states:

Declining enrollment or at the very least stabilizing enrollments have been brought about by a number of factors: the end of the 'baby-boom' generation of students, the women's liberation movement, improved methods and greater utilization of contraception, the postponement of marriage, postponement of childbearing after marriage, smaller families, the generally bleak economic output, young middle-class flight to suburbia's outer areas.

(p. 2)

Education of all citizens has been the aspiration of the people of this country since the Founding Fathers crafted the United States Constitution. Most citizens recognized that an educated populace would be essential to the survival of a democratic form of government. Along with the countless attempts to provide universal educational opportunities for all the citizenry, the persistent problem of balancing school budgets while maintaining programming has become common practice. Interestingly, however, is the fact that there is no reference to schools in the U.S. Constitution. Fuhrman and Lazerson (2005) state:

There is no reference to schools in the Constitution of the United States, and yet education has made possible both its original composition and its ongoing implementation. The absence of explicit language about schools, in the original document as well as in any of its amendments, has not prevented education from becoming, over the years, both a major constitutional issue in its own right and the primary occasion for democratic debate over and judicial interpretation of the Constitution's provisions, and for legislative action at the local, state, and federal levels.

(p. XIII)

Aside from the obvious, school corporations consolidate because they can no longer financially afford to function inefficiently. When school corporations are faced with closing a school, the process becomes a task of building a case strong enough to gather community support and overcome the community's sentimental attachment to a specific building(s). When contacted, Dr. Mickey Beach, CFO for the Gary Public Schools, stated:

Parents must see a gain in closing a school for their children. The approach to people must not be insensitive since closing a school is more of an emotional issue than a numbers issue. It needs a very strong human touch. (personal communication, February 5, 2009)

When asked what criteria were considered before deciding which schools would be considered for consolidation, Dr. Beach replied:

Age of buildings, building capacity, student enrollment, rate of student population decline, maintenance costs per student, energy costs per student, demographics and changes in demographics in area being served, future use of facility. (personal communication, February 5, 2009)

Another example of school consolidation is the East Noble School Corporation. Due to declining enrollments and available space in other buildings, the East Noble School Corporation is considering a district-wide consolidation that will allow the district to realize a savings of nearly \$1 million dollars. Dr. Steve Sprunger, Superintendent of School for East Noble School Corporation, stated:

Global, state, and local trends have set the stage for an economic crisis that has not been seen locally since the great depression. After a minimal increase in funding for 2009, the Governor this month proposed a budget that will flat line education spending for the next

two years. Equally concerning is our knowledge that the state is now projecting in excess of a half billion dollar shortfall from their revenue projections for 2009. The Governor also went on to state in his address that revenues will be lower two years from now than we were told to expect for this year. Many of you are aware that beginning this month, no school corporation in Indiana has property tax dollars supporting their General Fund as this fund is now completely supported by state payments to local school districts. Thus, when revenues are down, we have no local control to increase those revenues. (personal communication, February 12, 2009)

Before a school corporation can make the decision to move forward with a consolidation plan, a clear picture of the district's financial health must be taken. Because of a bleak financial picture, the Griffith Public Schools recently undertook a district consolidation plan. Ms. Jan Bapst, Business Manager for the Griffith Public Schools, outlined the following financial picture:

As a school corporation, we could no longer continue to operate in a manner in which we were accustomed. Cash flow from the County was slow. Expenditures for employee benefits were escalating at an alarming rate. Insurance costs had increased \$450,000 or 25%, teacher increment alone consumed \$100,000 per year, and utility costs are astronomical. In addition, our district's buildings were not being utilized efficiently. We could no longer continue down the same road. (personal communication, March 5, 2009)

Griffith is not alone. Dr. Steve Sprunger, Superintendent of Schools for the East Noble School Corporation, painted a very similar picture. In his consolidation plan, he outline a series of staff reductions and building closures that would reduce the overhead operating cost of the school district by \$925,000. His plan would close two middle schools and one elementary school. As Dr. Sprunger states, "East Noble can no longer function this inefficiently. We must

begin to look to the future for our children and be certain that their futures are secure.” (personal communication, February 12, 2009)

Another example of school consolidation is the Seattle, Washington Public Schools. In 1981, the Seattle School Board voted to close 18 of the districts, 112 public schools. Narver (1982) writes:

Since 1962, Seattle schools had lost more than half their children and this action by the Board culminated years of debate over how the district should respond to declining enrollments, rising costs, and growing constraints on its financial issues. In making closure decisions, school districts must consider impacts on various city government activities, housing and desegregation patterns and the vitality of local neighborhoods. The process of decision making is complex when, as is the case in most localities, cities and school districts are separate jurisdictions. (p. 1)

Narver (1982), while studying the Seattle school closure plan went on to say this about the national trend:

Nationwide, elementary public school enrollment peaked at 37.1 million in 1969, up from the 1950 level of 22 million. In this same period, secondary enrollment more than doubled, from 6.5 million to nearly 15 million in 1970 and reached a peak enrollment of 15.8 million in 1976. During the 1970s however, elementary enrollment started to decline rapidly and unexpectedly. (p. 7)

The State of Indiana is clearly facing difficult economical times. Recent changes in state funding have shifted the burden of funding the General Fund from the local property tax rolls to the State.

Demographics and the study of population trends in Lake County have provided a great deal of insight to the trend of public school enrollment decline in urban Lake County. In a recent study, Boyd (2008) states:

The total population of Lake County has decreased from 546,253 in 1970 to 494,202 in 2006 for a decrease of 52,051 people or 9.5% over the three-decade period while the state of Indiana's population was increasing by 17%. In 1990, Lake County was the second largest county in Indiana and remains second in 2006 despite the decline in total population. (p. 7)

Boyd's (2008) study also shows the trend of urban student enrollment decline in six of the 16 Lake County school corporations. Of the six school corporations experiencing declining enrollments, four districts have either closed at least one school or are in the process of closing at least one school. Interestingly, Lake Station Community Schools has opted to keep the former Lake Station Junior High School open as a 6th grade building. This building once housed an excess of 400 students and currently houses approximately 60 students. When asked why Lake Station did not close the school, Superintendent of Schools Dan DeHaven responded:

The Board was not willing to battle the public over closing this building. We all know the financial reality of keeping the building open; however, this Board was not willing to fight the fight needed. The Board also knows that, eventually, the time will come when a difficult decision will need to be made. They are simply not prepared to make the decision at this time. (personal communication, February 2, 2009)

Superintendent DeHaven and his board know very well the fight and public outcry that will be involved when closing a school. It is not, however, something they wish to take on at this time.

Another aspect of declining enrollment that is taking place is reevaluation of resource allocation. Taylor and Imhoff (1982) state,

Declining enrollments have resulted directly in reduced revenues and indirectly in a reduction in offerings. There is little evidence that declining enrollments have promoted enrichment of the curriculum, improvement of services to students and teachers, or expansion of innovative programs. (p. 109)

Taylor and Imhoff go further to address some of the strategies school districts use to maintain current curricular programming:

The literature on declining enrollment schools stresses that the preference of both administrators and the public is to retain programs whenever possible, and the findings indicate that this has been done in two ways. First, as revenues were reduced, class sizes were increased. While non-tenured (and tenured) teachers were being released, the programs in the curriculum were being reduced at a slower rate. This was accomplished by cutting multiple sections and increasing class size. Second, programs have been retained through the reorganization of the secondary school. (p. 109)

Political Consequences of School Closings and Consolidations

The early design of the American education system revolved around the neighborhood school. In the post-war era, this seemed to be a very practical and logical step. During this era of suburban growth, it was a reasonable expectation that neighborhoods of ample size and population would and could support an elementary school within walking distance of most children's homes. Wood and Boyd (1981) state:

A neighborhood school meant a positive, proprietary attitude of local residents toward their school system; it meant greater safety for children and less anxiety for parents; and

it meant a higher quality education. Learning among peers from the local neighborhood, stability in classroom composition, and the relatively greater responsiveness of a local school to specific community needs and expectations were all thought to embrace learning. But most of all, a neighborhood school was a matter of morale. It symbolized the identity of a community and the respect which the district as a whole was willing to pay to one of its individual parts. And it became, in turn, more than a place for children since it was valued for its own sake. (p. 98).

The political implications regarding the decision to place a neighborhood school in a certain area were often time contentious. Boards and administrators were often times accused of placing schools in growing affluent neighborhoods and neglecting poorer and more diverse portions of communities.

As communities aged and enrollments declined in the mid and late 1970s, Boards and administrators were then faced with closing schools. Boyd and Wood (1981) state:

Declining enrollments reached a critical stage in the mid and late 70s when districts found that closing schools was their best alternative. After more than a decade of promoting 'neighborhoodness' however, that concern had a ready-made ideological content. The decision to close one school could invariably, and perhaps rightly, be read as an assault on the identity of a neighborhood. With all those conveniences lost, property values perhaps in jeopardy, the quality of education threatened, and the very mechanism that lead to the consolidation of neighborhood sentiment eliminated, the neighborhood was certain to rise up and defend itself. (p. 99)

The political management of a school closure or consolidation is an arduous task. Influences from many political groups are not uncommon. Often, perceptions of unfairness and

abuse surface as a line of attack directed to Boards and administrators. However, the reality remains that it is largely an exercise in conflict management and resolution. Iannaccone (1979) clearly states:

The declining enrollment problem is a political management one, a policy process problem, not a traditional organizational specialist area even though it requires specialized technical inputs. The sequence of first technical and then political inputs will not work if the actors involved become wedded to the implied technical solutions even though they subsequently go through the charade of receiving political inputs. This may be a particularly difficult lesson to learn for technically well-trained educational professional managers unaccustomed to the management of public political conflict. (pp. 420-421)

Although districts deal with the political implications of declining enrollments in a manner that addresses and meets the needs of their communities, Dean (1981) attempts to address the matter in a very logical and unambiguous fashion:

Declining school enrollments, or at the very least stabilizing enrollments, have been brought about by a number of factors: the end of the 'baby-boom' generation of students, the women's liberation movement, improved methods and greater utilization of contraception, the postponement of marriage, postponement of childbearing after marriage, smaller families, the generally bleak economic output, young middle-class flight to suburbia's outer areas, and localized within-and-between district migration. All of these factors have combined to bring about a pronounced national trend toward enrollment decline in public schools and, in some school districts a crisis of decline. (p. 98)

Summary

After reviewing the literature it is evident that many school corporations throughout Indiana, and the nation, are facing a very serious declining student enrollment crisis. Although urban flight is creating an atmosphere that is unprecedented in our educational world, declining enrollment is not limited or restricted to urban areas.

School districts across the nation are facing similar enrollment, staffing, and program issues. Although the specific needs of a district may be unique, so do the financial and political struggles each district faces.

CHAPTER 3

Methodology

The purpose of this study was to investigate the financial and political consequences experienced by school corporation administrators when facing a school closure or consolidation. This chapter contains a description of methodology and procedures that were followed to obtain necessary data.

Method

This study utilized qualitative research methods. Particularly in qualitative research, the role of the researcher as the primary data collection instrument necessitates the identification of personal values, assumptions and biases at the outset of the study (Creswell, 2009). Creswell further states, qualitative research is largely an investigative process where the researcher gradually makes sense of a social phenomenon by contrasting, comparing, replicating, cataloguing, and classifying the object of study. Creswell defines qualitative research by the following characteristics. Qualitative research occurs in natural settings, where human behavior and events occur.

Grand Tour Questions

What are the financial and political consequences experienced by school corporations when closing a school or consolidation of schools? How have these decisions impacted district facilities, district personnel, district expenditures, and district educational programs?

Interview Questions

The following questions were asked as part of the investigative study. The questions were supported by the review of literature contained in Chapter 2.

A total of four superintendents from Indiana school corporations, one from each of the categories listed below, who have experienced a school closing or consolidation, were identified and interviewed:

1. ADM of less than 3,000
2. ADM between 3,001 to 6,000
3. ADM between 6,001 to 9,000
4. ADM of 9,001 or greater.

Upon identification, the following interview questions were asked and guided the interview process:

1. How has declining student enrollment impacted district facilities?
2. How has declining enrollment impacted district personnel?
3. How has declining enrollment impacted district expenditures?
4. How has declining enrollment impacted district educational programs?

It is significant to note that the questions served as a guide to the interview process and that the interviews were not limited to only these questions. Responses by the interviewee may in fact lead to deeper and more detailed information.

Role of the Researcher

The role of the researcher was to serve as primary collector of data and information gathered from interviews. Further, as interviewer, I analyzed data gathered qualitatively to determine if patterns exist between districts and administrators. The data from each case was

studied, thematically analyzed, and summarized in a story summary. Primary themes were identified using the voices of, and spoken in the language of the interviewees. My desire to better understand the superintendents and the common challenges faced by each of them as they experienced school closings and or consolidations served as the motivation for doing qualitative research. In the 11 years I have served as a central office administrator, I have noticed and observed declining enrollments, school closures, and consolidations. The consequences of closure and consolidation could be uncovered and strategies for successful methods of managing declining adm, school closures, and consolidations could be realized. The impetus for this investigative project peaked as I experienced school closure.

Data Source

A total of four superintendents from Northwest Indiana school corporations, one from each of the categories listed below, who have experienced a school closing or consolidation, were identified and interviewed. Individuals interviewed were asked to provide information regarding the financial and political consequences experienced by school corporations when closing a school closing or consolidation. Significant attention was given to responses regarding district facilities, district personnel, district expenditures, and district educational programs.

Procedure

A total of four superintendents from Northwest Indiana school corporations who have experienced a school closing or consolidation was identified and interviewed. Specifically, they were asked to identify the financial and political consequences experienced by school corporations when experiencing a school closing or consolidation. Specific questions regarding district facilities, district personnel, district expenditures, and district educational programs were asked. Each superintendent was interviewed via telephone with interviews lasting approximately

one hour. Each superintendent interviewed was provided the opportunity to participate by email. Permission was granted by each superintendent prior to the interview process. The interviews were not audio taped, but responses to interview questions were reviewed prior to concluding the telephone interview to ensure accuracy.

The responses to the Grand Tour questions were broken down into four sections with each superintendent receiving a number code. For the purpose of reporting the results and maintaining confidentiality, the results were numbered S1 through S4 in order to maintain confidentiality.

Data Analysis

Qualitative interviews were used as the primary source of data collection. Data collected was analyzed qualitatively and interpreted simultaneously to determine if there were patterns that existed between the different districts and administrators being interviewed. According to Strauss and Corbin (2007), qualitative research involves generating categories of information, checking for correlations between categories, and selecting one of the categories to tell a story from the interconnection of these categories. The data from each case was studied, thematically analyzed, and summarized in a story summary. Primary themes were identified using the voices of, and spoken in the language of the interviewees.

Validation and Trustworthiness

Data collected was reviewed with the interviewees to verify accuracy of data collected. Peer examination by central office personnel took place. The central office personnel examining the findings were not involved in the study.

Summary

This study provided an analysis of the political and fiscal consequences of closing or consolidating a school. School superintendents were interviewed and a qualitative study was conducted to define common relationships.

CHAPTER 4

Analysis of Data and Findings

The purpose of this study was to identify the common consequences experienced by school corporations when closing or consolidating schools. From an extensive review of the literature, obtaining the perspective from superintendents through interviews, this researcher attempted to identify the common struggles superintendents faced when closing or consolidating schools. These discoveries were obtained from the responses from school superintendents and confirmed by the literature review in Chapter 2.

From the review of the literature, the researcher discovered many commonalities superintendents faced when closing or consolidating schools. Responses obtained during the interviews magnified the findings of the literature review. It was through these discoveries that the purpose of the research study was confirmed. As a result, the following questions have been answered:

1. What are the financial and political consequences experienced by school corporations when closing a school or consolidation of schools?
2. How have these decisions impacted district facilities, district personnel, district expenditures, and district educational programs?

From the literature review, several parallels surfaced that became the basis for the development of the interview questions. The questions that guided the interview process are as follows:

1. How has declining student enrollment impacted district facilities?
2. How has declining enrollment impacted district personnel?
3. How has declining enrollment impacted district expenditures?
4. How has declining enrollment impacted district educational programs?

As outlined in Chapter 3, a sampling was completed for four superintendents from Indiana school corporations who have experienced declining enrollment and a school closing or consolidation.

Specifically, these superintendents were asked to identify the financial and political consequences experienced by school corporations when closing a school closing or consolidating schools. Specific questions regarding district facilities, district personnel, district expenditures, and district educational programs were asked. Each superintendent interviewed was provided with an opportunity to participate by email. All participants were provided with an advance copy of the interview questions. All superintendents were interviewed via telephone. Responses to questions were reviewed prior to concluding the phone interviews as to ensure accuracy.

Interview responses were organized into a table in order to allow the researcher to organize and establish universal themes. This table included the question asked, the response from the respondent, and the grand tour question addressed. This information was translated into the narrative portion of the research to assist in establishing the common consequences experienced by the superintendents interviewed.

The remaining portion of this chapter focuses on introducing the participants of the study to the reader. This chapter also describes the common themes experienced by the superintendents.

Presentation of the Study Population

The four superintendents for this study were selected from a sampling of Northwest Indiana school corporations who had experienced declining enrollments and a school closure or consolidation. Four superintendents were contacted and all agreed to participate in the study.

In the sample of four participants, there were three males and one female. Two of the participants had been employed by their district at least five years and two were in their first year as superintendent of their district. All participants had a minimum of 10 years experience as central office administrators. Two of the participants had served as superintendent in more than two districts during their careers. Of the four districts studied, two of the districts were classified as urban, one was classified as metropolitan, and one was classified as suburban-rural. S1 was a superintendent from a metropolitan school corporation with a total adm of less than 3,000. S2 was a superintendent from a suburban-rural school corporation with a total adm between 3,001 and 6,000. S3 was a superintendent from an urban school corporation with a total adm between 6,001 and 9,000. S4 was a superintendent from an urban school corporation with a total adm of 9,001 or greater.

In order to find common factors associated with school closing or consolidation, the researcher generated questions for a review of the literature. From the review, questions were created to represent common themes that emerged:

1. There was community conflict that was generated when a neighborhood school closed.

2. Teacher associations were very protective of positions and were hesitant to agree to staff reductions.
3. The financial condition of the district was a strong consideration when contemplating a school closing or consolidation.
4. Administrative staff reductions were an integral part of working through the school closure or consolidation process.
5. Board members were reluctant to move ahead with a school closure or consolidation.
6. Non-certified personnel positions were eliminated during the closure or consolidation process.

Due to the fact that this is a qualitative study, the researcher realized that the themes above would not represent all of the factors that superintendents faced when closing or consolidating schools. Thus, the researcher looked for factors that may or may not have been identified in the review of the literature and, therefore, not stated in the six areas above. However, the four superintendents interviewed supported the six themes mentioned above as they addressed the Grand Tour questions. It was, however, the task of the researcher, to dissect the responses and detect commonalities in responses and ultimately answer the Grand Tour questions. The responses to the Grand Tour questions were broken down onto four sections with each superintendent receiving a number code. For the purpose of reporting the results, they were numbered S1 through S4. By doing so, the researcher could answer the Grand Tour questions that properly identified the financial and political consequences experienced by superintendents when closing or consolidating schools.

Research question 1. How has declining student enrollment impacted district facilities? was answered by each superintendent and noted accordingly. All superintendents agreed that

declining enrollments played a significant role in the decision to close or consolidate a school. S1 said,

It is very clear to me and the Board that we have far fewer students today than we did in the past. We are down over one thousand students from where we used to be. Very simply, we do not need to occupy as much space and operate as many buildings as we used to. My Board struggles with this. Many of them have been in this community for a long time and their children attended the schools we are closing. It is not easy but it must be done. We just can't afford to keep them open. The Board clearly understands the politics of closing a school. They definitely know they are elected officials and that the decision to close could, very possibly impact their chance to be re-elected.

S2 stated,

We were terribly inefficient. We had some schools with under 200 students in them. We had class sizes of 14 or 15 in those schools and across town we had rooms busting at the seams with more than 30 kids in there. Our kids were not getting a consistent education within the corporation. For example, I could not afford to update the CAD or shop programs in the three middle schools so one school was using modern technology and one was using antiquated equipment. It just was not right.

S3 said,

Our population is shifting. We once had two high schools and now, the new high school is partially empty and people are complaining about that, too. We really could have one middle school, but I do not think that would fly. Our elementary schools are in pretty good shape. But, when we should have closed two, we turned one into an alternative school and one into an intermediate school. It kept the building open but also kept our

operating costs very high, too. I know what the answer is, but I do not think it would stick. Too much emotion involved. The Board knows what the answer is, too. They must make decisions that may not be popular with their neighbors. They really understand the impact their decisions will have on their seat on the Board.

All of the superintendents noted that district facilities are in need of repair and renovation if the expectation is to keep all buildings open. All superintendents also indicated that Boards are in a very difficult position because difficult decisions need to be made and the public outcry to keep neighborhood schools open is strong. All superintendents also stated very clearly that any decision was political and had the potential to impact elections or continued appointments to serve as a school board member.

S4 stated,

We have closed 22 buildings as part of our restructuring plan. Our enrollment is less than one-half of what it used to be. It is clearly obvious that we needed to make drastic changes for the school district to survive. We are not out of the woods yet. We still own the buildings and our costs to own them are very significant. We have to keep power to the buildings in order to keep the lights on at night. If we did not, the buildings would be destroyed.

All of the superintendents mentioned they are facing significant community pressure to save the building and keep the neighborhood school intact. Further, the superintendents stated they are facing significant structural issues in the older buildings that simply cannot be overlooked.

Research question 2. How has declining enrollment impacted district personnel? was answered by each superintendent and noted accordingly. S1 noted,

We have reduced staff significantly. Specifically, we have reduced two guidance counselors, three administrators, two high school teachers, two elementary teachers, and ten paraprofessionals. It was really hard to do but it needed to be done. It is not like it was in the old days. The tough thing for the Board to mentally get around is that they may be cutting the job of their neighbor down the street. They live, work and see these people every day. It is really hard on them.

S2 said,

Our staff cuts were the most significant I have ever seen during my career. We eliminated 13 teaching positions and 22 support staff. Those cuts reduced general fund expenditures by over one million dollars. Like I said earlier, we combined three middle schools into one and closed an elementary school. Yes, it did put a lot of people out of work, but what choice did we have. We now have much better programs for kids. When it was all said and done, it was all about the kids and what we could offer them and what we could not offer them. That's a lot of people; but our board stood up and did the right thing. My hat really goes off to them.

S3 said,

We have not reduced many teaching positions because of contract language restrictions. I have never seen that before, but it is what it is. Administratively, we have way too many people around here who have not direct impact on student achievement. I mean we have supervisors of supervisors. These are folks who were given political jobs. We have to address that and we are. We currently spend one and one-half million dollars on school security personnel. Our schools are not unsafe, but these people are policemen and even private security people. We need to change that. We also have counselors,

social workers, and social service personnel who do not have contact with kids. That is not right. We need to look at that, too. I would say we are tremendously overstaffed and that is an understatement. There is a lot to do. We can reduce staff and save the district a lot of money, but the Board needs to step up and make the tough calls. It is flat simple, it is politics. Each position cut has a face and a family and a stake in the community. They are family.

S4 stated,

We are reviewing all personnel and defining their responsibilities. We need to work to get all available resources to the classroom. That is a challenge here. It must be done very carefully. But it must be done, nonetheless. The problem here is that a lot of these jobs are political jobs and they are given to people connected. Each person that works here has a political connection to someone. It is that simple. Cutting here may mean cutting a political tie. Too many of them here. It is going to be tough.

All superintendents interviewed felt that staffing is a great concern to the financial stability of their respective district. All of the superintendents also felt a deep sense of hurt when they had to reduce staff. Many comments were made regarding the sadness they felt when eliminating a person's position. They do understand and feel the impact their decisions have on the families of those impacted by cuts. They also understand very clearly that all decisions can and often do have political consequences and that board votes on personnel decisions also impact the voting public.

Research question 3. How has declining enrollment impacted district expenditures? was answered by each superintendent and noted. S1 stated,

Obviously, fewer students mean fewer dollars. We have tried to reduce expenditures along the way simply to keep our heads above water. But when you are down well over one thousand kids, something needs to give. That is why we are closing buildings and moving kids around. We just cannot keep doing what we are doing. Because of this situation, we have had to reduce staff and buildings. It is like I said earlier. Something needed to give at some point

S2 said,

Like everyone else, we are trying to reduce in every way we can. The closing and consolidations we have done to this point, as well as the huge staff cuts we have made, has allowed us to continue to operate. Like I said earlier, our closings and consolidations have saved us over one million dollars. It was not easy but it needed to be done.

S3 said,

Believe it or not, we are really in pretty good shape. Although we need to reduce staff and maybe consolidate a couple of schools, we are financially very sound. When the mill was paying a much larger portion of our tax revenue, we were able to squirrel away a significant amount of money. All of that credit goes to our business manager. He is the master at saving money. Don't ask me how he did it, but he did and now we are in pretty good shape. I know others, like your district, are struggling now, but we are ok.

S 4 declined to elaborate on the financial status of the district. That response does not fall in line with the other responses the researcher received from this superintendent as well as the others. S4 did indicate that the political climate of the district made commenting on this specific topic uncomfortable.

Research question 4. How as declining enrollment impacted district educational programs? was answered by each superintendent and noted. All four superintendents when asked this question immediately responded that it was their objective to preserve educational programs for kids. Each of them also added that at no time would they put financial needs above the needs of the children. When probed further, each superintendent stated that it would not be morally correct or ethical to cut good educational programs to save money. S1's view was,

We have not eliminated any educational program. We may have changed the delivery of our programs but we have not cut anything. For example, elementary art class is now delivered by classroom teachers instead of a dedicated elementary art teacher. We may, in the future, do the same for physical education and music. But for now, we have stopped at art. High school is a different animal. There are specific course offerings that we must continue to offer. However, in the future, we may need fewer teachers to do it.

S2 provided this answer,

In our district we have simply consolidated curriculum without eliminating programs. This has allowed us to continue to offer better programs for kids while reducing our staff and expenditures. The board and I believe that we are actually offering a better quality education than we had prior to closing and consolidating schools. The community is very happy with the changes that have taken place. In fact, students are receiving more instructional time in their core classes than they had been. That's a good thing. As I said before, kids' needs must come first.

S3 said,

Our curriculum remains solid. A lot of that is due to the fact that we receive so much federal money. For example, this year, our Title 1 program revenue was in excess of six

million dollars. Such a large amount of money allows us to be very flexible and do a lot of things other districts cannot do. What we need to do now is expand what it is we are doing right and reach more kids. We definitely have the money and resources to do just that. We just need to be smart in how we go about delivering instruction to our children.

S4 stated,

We are in the middle of restructuring our K-12 programming. We have established academies for our students and are working to provide them with every chance to be successful. Our needs are deep. We are working harder than ever to reach kids before they believe they are failures. As I said earlier, we have a lot of kids with a lot of different and very specific needs. It is our goal to reach each and every child. That is why we have restructured our K-12 programming. We have a lot of kids that are at risk and we need to reach them. Our board is working to improve established programs, evaluate what is not working, and implement new and exciting programs.

Summary

After researching the current literature and confirming the literature review results with interview questions, the researcher was able to determine the common factors that existed between school districts that were experiencing a school closure or consolidation. Those factors are found in the following statements:

1. All districts are facing significant facility issues that can be resolved with the closing or consolidation of one or more schools.
2. All school districts are facing building issues regarding the infrastructure of existing buildings that will require significant financial resources.

3. All school districts are facing political unrest as a result of school closing or consolidation decisions.
4. All districts have experienced the need to reduce staff significantly to remain financially solvent.
5. All districts are struggling with the closing of neighborhood schools and the impact the closures will have on the community.
6. All districts feel the moral obligation to maintain programs that are good for children regardless of the financial strain it may place on the district.
7. All superintendents interviewed feel the political pull of the community when working to establish balanced budgets.

The literature review and supporting interviews also helped answer the Grand Tour questions that prompted the research to determine the consequences experienced by superintendents when closing or consolidating schools. The answers to the Grand Tour questions follow:

1. There are significant financial and political consequences when closing a school or consolidating schools.
2. There are significant political consequences to school districts when closing or consolidating schools.
3. There are significant consequences to district facilities, district personnel, and district expenditures when closing or consolidating schools.
4. There are few consequences to programs when closing or consolidating schools.

The results presented above indicate a clear pattern of political and financial consequences when closing or consolidating schools. Chapter 5 presents a general summary and discussion of the findings as well as recommendations for further research.

CHAPTER 5

Conclusions and Recommendations

The final chapter of this study is divided into three sections. The first section restates the research questions. The second section presents a summary of the findings and discussion of research conclusions. The third section includes recommendations for future research.

Research Questions

The purpose of this qualitative study was to determine the financial and political consequences experienced by school corporations when closing or consolidating schools. As a consequence of the review of the literature and subsequent interviews with superintendents, the following Grand Tour questions have been answered in this study.

1. What are the financial and political consequences experienced by school corporations when closing a school or consolidation of schools?
2. How have these decisions impacted district facilities, district personnel, district expenditures, and district educational programs?

Several common themes emerged from the literature review regarding the closing and consolidating of schools. These common themes were used as the basis for the development of interview questions. These common themes were used to develop the following interview questions:

1. How has declining student enrollment impacted district facilities?

2. How has declining enrollment impacted district personnel?
3. How has declining enrollment impacted district expenditures?
4. How has declining enrollment impacted district educational programs?

The goal of this research was to identify those common factors experienced by school corporations when closing or consolidating schools. The researcher proposed that the common themes identified during the literature review would emerge from interviews with school superintendents who had experienced a school closing or consolidation.

Summary of Findings and Discussion of Research Conclusions

School closings. Managing a declining enrollment, closing a school, or consolidating schools and obtaining any kind of community consensus is very difficult. No community member wishes to see a neighborhood school close; however, Boards are faced with the task of reducing staff, utilizing surplus space, decreasing corporation expenditures, and maintaining community support for the district. In a time of mistrust of public education and elected officials, managing community conflict is a key element of a successful public school system.

Iannaccone (1979) wrote:

The declining enrollment problem is a political conflict management one, a policy process problem, not a traditional organizational specialist area even though it requires specialized technical inputs. It is ever so important to a community that constant open dialogue with key communicators is critical to overcoming obstacles a school board will ultimately face when dealing with a school closure. (pp. 420-421)

All superintendents interviewed stated that community and staff often expressed a feeling of mistrust towards school boards and school administrators. This feeling of mistrust, expressed by parents and community, is the result of a feeling of violation. Dean (1981) wrote, “The

management of declining enrollment is not simply an act of managing a technical problem where managers are able to control the relationship between the ends and means. It is much more of a political problem” (p. 2). All superintendents interviewed learned very quickly that plans to close a school or consolidate schools are directly affected by the actions and reactions of the community members.

Superintendent, community and staff relations. From the interviews with superintendents, all of them reported that community and staff relations were strained, challenged, and pushed to the limit. All of the superintendents interviewed clearly stated that the *political* consequences associated with declining enrollment, closure, and consolidation were far reaching and have caused discomfort for themselves and their board members. Teachers often communicated directly with parents and community members regarding school issues causing boards to be put *on the spot* during board meetings defending decisions and actions taken by both the board and administration. Superintendents felt that this was a betrayal by staff and were very frustrated because they never felt that they could get in front of a situation thus placing them and the board in a constant defensive position. However, all superintendents and school boards are very aware that as a community matures, the demands that are placed on its public education system change. Declining enrollments, fewer tax dollars, and public demand for fiscal accountability and responsibility have resulted in public schools exploring models of efficiency. Further, public schools must learn how to best manage the conflict within the community that declining enrollment will bring. Thomas (1977) writes,

Community conflict often accompanies school closures. No one appreciates the closing of a neighborhood school. Talking about the possibility creates fears, hostility, and organized opposition. While community conflict cannot be avoided, it can be controlled

by intelligent leadership by the board of education and the superintendent of schools. (p. 3)

In comparing the literature review with the results of the interviews, it was very clear that superintendents and school boards of the 1950s and 1960s strongly supported neighborhood schools. During this era of suburban growth, it was a reasonable expectation that neighborhoods of ample population would and could support an elementary school within walking distance of most children's homes. Wood and Boyd (1981) stated,

A neighborhood school meant a positive, proprietary attitude of local residents toward their school system; it meant greater safety for children and less anxiety for parents; and it meant a higher quality education. But most of all, a neighborhood school was a matter of morale. It symbolized the identity of a community and the respect which the district as a whole was willing to pay to one of its individual parts. (p. 98)

In comparing the interview results with the literature there does not seem to be an easy solution to dealing with declining enrollment, a school closure or a school consolidation. All superintendents interviewed clearly that properly addressing student needs through facilities, personnel, financial expenditures, and educational programs was the key to maneuvering through the declining enrollment, closure, and consolidation process. Further, all superintendents indicated that a strong, committed, and educated board is imperative to any district's success. Also, all superintendents interviewed clearly, loudly, and emphatically stated that all decisions must be made with the needs and best interest of the children first.

All superintendents interviewed were very passionate educators. All of them truly felt the need to provide students with the highest quality education within the financial parameters they were provided. Further, all of these superintendents felt great emotion with regard to staff

reductions. Interestingly, however, was the sense of loss expressed when staff reductions were discussed. These superintendents were not the emotionless, heartless business people; all of these individuals had great compassion for their respective employees.

Another issue that appeared to resonate among all superintendents was the feeling of unfairness and inequality. The struggles faced by school corporations today are very significant. However, the perceptions of the urban school superintendents interviewed was that their school closures or consolidations and staff reductions were unfair when compared to the more affluent suburban and metropolitan school districts. Further, this same feeling of unfairness and inequality permeated their respective communities when school closures or consolidations took place or staff positions were eliminated.

District Facility Consequences

All of the superintendents interviewed indicated that declining enrollments adversely affected district facilities. Very simply stated, they did not need to occupy the amount of space they were occupying. However, in some instances, emotional ties to buildings overtook practical and logical thinking and community struggles ensued. Consequently, political battles were waged and the fate of a specific building or structure was waged publically in the form of school board elections. This, as indicated by superintendents, is not uncommon but very uncomfortable for administrators as well as community members, and school board members.

Another significant issue addressed was the need to keep closed facilities connected to power. This consequence is very costly to districts and serves the sole purpose of security so that buildings will not be destroyed by vandals. This issue, although not exclusive to urban school districts, does appear to be a much more serious consequence for the urban school district.

This again presented the fairness and equity issue that was expressed by the urban school superintendents. The position was that their districts were being forced to reduce staff, close or consolidate buildings, and consider program elimination because of declining enrollment; yet they could not fully close their buildings because of community conditions. Conversely, the community emotions tied to closing the school were strong and the thought of building demolition was both emotional and expensive. I believe the superintendents and board members were being placed in a situation that could ultimately lead to removal.

District Personnel Consequences

All superintendents interviewed agreed that declining enrollments have had severe consequences on district personnel. Most superintendents have made significant across the board reductions impacting all employee groups. However, two of the superintendents interviewed indicated that outside forces precluded their board from making staff reductions. Specifically, one district has not been able to reduce teaching positions because of contract language restrictions that is protective and provides security to staff members, both certified and non-certified, who have no direct impact on student achievement and have no direct contact with students.

In times of significant anger and frustration aimed at school superintendents and boards of education, superintendents interviewed felt that staffing is a great concern to the financial stability of their respective district. Interestingly, all of the superintendents felt a deep sense of hurt when they had to reduce staff. Many comments were made regarding the sadness they felt when eliminating a person's position. They do understand and feel the impact their decisions have on the families of those impacted by cuts. They also understand very clearly that all

decisions can and often do have political consequences and that board votes on personnel decisions also impact the voting public.

As stated earlier, all superintendents interviewed felt a great sense of loss when forced to reduce or eliminate employees. All of them are very compassionate, caring, and sensitive educators. All of these superintendents experienced significant emotion when discussing staff reductions. The sense of loss expressed by these superintendents demonstrates they are not emotionless, cold, uncaring individuals. All of these individuals had great compassion for their employees and struggled when reductions were necessary. It was very clear that each staff member reduced was more than an employee with a number. They had a face, too.

District Expenditure Consequences

All superintendents agreed that fewer students equates to fewer dollars. Although they have worked to reduce district expenditures to maintain district financial solvency, every superintendent expressed the fact that sooner or later, they reached a breaking point where something had to give. The common voice shared was that districts could not continue doing what they were doing in the manner in which they were doing it and the financial stress that was being placed on other programs within the district needed to be relieved.

Interestingly, both superintendents from urban districts viewed the financial consequences much differently than the other superintendents. Specifically, S3 stated that their district is in pretty good shape financially with a significant cash balance and, although they are closing buildings, there is no immediate need to reduce staff or cancel contracts. Further, S3's district seemed to employ a very significant number of politically connected individuals and maintains a very large number of contracts with private firms performing work for the district.

Another interesting observation is the fact that S4's response did not fall in line with the comments of the other superintendents interviewed. This superintendent, because of the political climate of the district, was uncomfortable discussing financial specifics. However, this superintendent alluded to the fact that serious financial difficulties were on the horizon.

Inequality and unfairness between districts underpinned the discussions regarding district expenditures. Again, the feeling that affluent districts are waging a different battle resonated with the superintendents interviewed. However, one of the superintendents of an urban district felt that their district would surface as a wealthy urban district because they had been able to squirrel away a tremendous amount of money at a time when their largest taxpayer corporation was very profitable. I do think this superintendent was, in some respects, correct in this belief. Their district remains financially stable when most other districts, urban or not, are struggling to balance their budgets. Further, I believe this becomes a financial management issue and not an issue of geographic location.

District Educational Program Consequences

When discussing educational programming, all four superintendents immediately responded that it was their primary objective to preserve educational programs for kids. Further, each of them also added that at no time would they put financial needs above the needs of the children and that it would not be morally correct or ethical to cut good educational programs to save money. They did, however, indicate that program delivery may be different but that they were committed to providing to quality educational experiences for children.

Another interesting consequence of school closure or consolidation was the fact that school districts were able to consolidate curriculum without eliminating programs. This efficiency allowed districts to offer better programs for children while reducing staff and district

expenditures. The outcome consisted of programs of better quality than existed prior to school closings or consolidations.

Perhaps the most interesting issue here is that all districts reported that program offerings improved for children. All superintendents indicated that efficiency afforded due to building closure or consolidation greatly benefited the children. Further, all superintendents stated that the academic, emotional, and social needs of children certainly superseded any financial concerns their districts encountered.

Recommendations for Future Research

The researcher provided the following recommendations to further research the financial and political consequences experienced by a school corporation when closing a school or consolidation of schools.

1. This study should be enhanced to interview more superintendents.
2. This study should be enhanced to include school board members.
3. A study should be conducted to look at the consequences on board-superintendent relationships as a result of a school closure or consolidation.
4. A study should be done on the impact to a community following a school closure or consolidation.
5. A study should be done to determine if particular demographic areas experience more or less school closures or consolidations.
6. A study should be done to examine curricular offerings prior to the closure or consolidation of a school or schools and after the closure or consolidation of a school or schools.

Conclusion

The topic of school closure or consolidation is certainly a one that evokes many emotions for community members. Having interviewed superintendents who had experienced a closure or consolidation, the preceding is a huge understatement.

Having experienced a school closure as a superintendent, I can echo the feelings of the superintendents I had interviewed. The ranges of emotions within the community were, in my opinion, unparalleled. The political pressure and influence exuded by outside forces stood second to none. Managing a school closure and maintaining community peace is an impossible task. No community wishes to see their neighborhood school close. No school superintendent or school board wishes to confront the daunting task of reducing staff, eliminate programs, or closing a school. Doing so certainly creates an atmosphere of vindictiveness, retaliation, and anger. Certainly, very few school superintendents and school board members remain in office long after the school has been shuttered, the staff has been reduced, and the programs have been cut.

As I started the interview process, I did not know what to anticipate. Although I suspected that most districts experiencing a closure or consolidation had experienced political upheaval and that there would be similarities discovered between all districts, I was astounded by all of the commonalities that existed between all superintendents regardless of ADM, or socio-economic make-up of the community. Further, all superintendents interviewed expressed that their respective school boards experienced significant community pressure to keep a building open and save staff members from losing their positions.

It is very important to remain focused on the fact that regardless of the pressure experienced by superintendents, all remained focused on the needs of children. In a time when

elected officials portray school administrators as incompetent buffoons, clueless when it comes to running a school corporation, I am encouraged by the caring, thoughtful, and professionalism demonstrated by the superintendents interviewed. I would challenge legislators to step into the role of school administrator or board member and experience on a daily basis the struggles faced in public education. I do not think any of them would be up to the challenge.

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