



Dividing Large Florida School Districts Would Pose Financial, Legal, Other Complex Challenges

at a glance

Florida's 67 public school districts are among the largest in the country and include 7 of the nation's 27 districts of 100,000 or more students. In recent years, there have been several proposals to split up the state's large school districts to improve student performance and district responsiveness to parents and communities.

While research has not found that there is an optimum student population size for public school districts, several states including California, Hawaii, and Utah have made efforts to reorganize their large school districts. However, only Utah is currently pursuing school district division. If the Legislature were to pursue a policy allowing large Florida school districts to divide, constitutional and boundary issues would need to be resolved. In addition, several financial, legal, and other areas would need to be addressed, some of which may be particularly complex.

The Legislature could consider several options to begin the process of subdividing large public school districts. These options include establishing a panel to develop specific proposals to address the issues associated with subdivision as well as proposing a constitutional amendment to allow large districts to subdivide.

Scope

As directed by the Florida Legislature, this report examines issues surrounding subdividing Florida's largest school districts into smaller school districts. The report addresses five questions.

- How do Florida's school districts compare in size to those in other states?
- What has research found regarding the optimal size for school districts?
- Have any other states divided school districts, and what has been their experience?
- What issues would need to be addressed in dividing Florida school districts?
- What options exist to pursue subdividing the state's large school districts?

Background

The 1968 Florida Constitution specifies that each county is to constitute a public school district and the school board is the local governing body of the school district.¹ While the constitution allows two or more adjoining counties to combine into one school district if approved by the voters in each county, it does not permit county-based school districts to divide. The constitution also requires each county to have either an elected or an appointed superintendent of schools and a school board of at least five members to operate, control, and supervise all public schools within the district and to determine the rate of school district taxes.

¹ Article IX, section 4, Florida Constitution.

The Legislature annually appropriates funds to local school districts. In 2007-08, the Legislature appropriated \$23.7 billion to school districts.² The Legislature appropriated the majority of these funds (\$17.7 billion or 75%) to be distributed to school districts through the Florida Education Finance Program (FEFP). The FEFP is the primary mechanism for funding school districts operating costs and is designed to ensure equity across districts and guarantee each student the availability of programs and services appropriate to his or her educational needs. School districts received approximately 53% of their revenues from state sources, 38% from local sources such as property taxes, and the remaining 9% from federal sources (see Exhibit 1).

**Exhibit 1
In 2007-08, School Districts Received More Than Half of Their Revenues From State Sources**

Fund Sources	Amount (in millions)	Percentage
Federal Funds	\$2,103	9%
State Funds		
General Revenue	\$10,283	43%
Lottery	1,366	6%
Trust Funds	982	4%
Total State Funds	\$12,631	53%
Local Funds		
Discretionary Funds	\$1,123	5%
Required Effort Funds	7,909	33%
Total Local Funds	\$9,032	38%
Total All Sources	\$23,766	100%

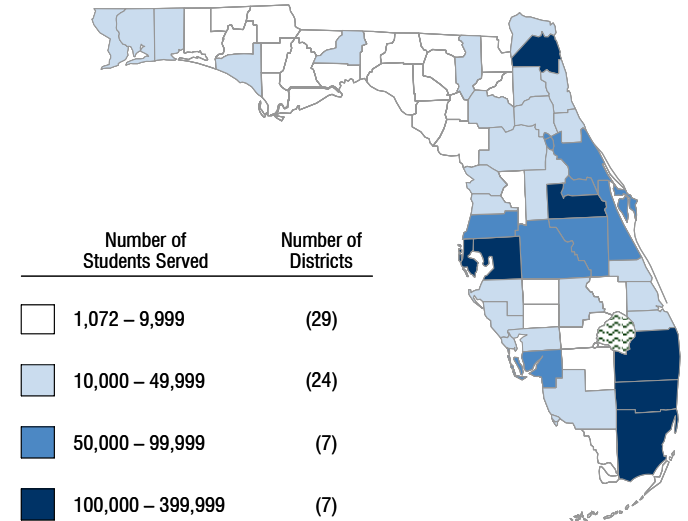
Source: OPPAGA analysis of Ch. 2007-72, Laws of Florida.

In recent years, the Legislature has considered several proposals to split school districts. These proposals would divide the state’s largest school districts. Proponents of these initiatives assert that large districts have a negative effect on student performance and limit parents’ ability to effectively participate in school district activities. These proponents assert that dividing large districts into smaller units would improve student outcomes and district responsiveness to parents and the local community. Florida’s districts range considerably in size from 1,072 students to 344,600 students, with

² This includes funding for special categorical programs such as school safety and emergency preparedness (\$3 million) as well as the Excellent Teaching program (\$17 million) in addition to funding appropriated from the Educational Enhancement Trust Fund for categorical programs such as school recognition and class size reduction.

14 school districts having at least 50,000 students each (see Exhibit 2).

**Exhibit 2
Florida School Districts Vary Considerably in the Number of Students They Serve**



Source: OPPAGA analysis of Florida Department of Education data.

Questions

How do Florida’s school districts compare in size to those in other states?

Florida’s school districts are among the largest in the nation. In comparison to other states, a disproportionate percentage of Florida’s school districts serve at least 50,000 students while Florida has relatively few very small districts (under 1,000 students) compared to national statistics. The state constitutional requirement defining district boundaries is a primary factor contributing to the large size of Florida’s school districts.

Florida school districts are among the largest in the country. Although Florida’s public school districts vary considerably in the number of students they serve, in general, they tend to be larger than those in other states. Fourteen of Florida’s 67 school districts (21%) serve at least 50,000 students. In contrast, less than 1% (84) of the nation’s 12,518 school districts serve 50,000 or more students. In addition, Florida has relatively few

very small districts compared to other states. While the vast majority (11,660 of 12,518, or 93%) of the nation’s school districts serve fewer than 10,000 students, less than half (29 or 43%) of Florida’s school districts are of a similar size. (See Exhibit 3.)

**Exhibit 3
Florida’s School Districts Are Among the Largest in the Country**

Students Served by School District	Districts (Percentage)			
	Florida		Nationally	
0 - 999	0	(0%)	5,753	(46.0%)
1,000 – 9,999	29	(43.3%)	5,907	(47.2%)
10,000 – 49,999	24	(35.8%)	774	(6.2%)
50,000 – 74,999	5	(7.5%)	41	(0.3%)
75,000 – 99,999	2	(3.0%)	16	(0.1%)
At least 100,000	7	(10.4%)	27	(0.2%)
Total	67	(100.0%)	12,518	(100.0%)

Source: OPPAGA analysis of US DOE Institute of Educational Sciences 2005-06 data contained on the National Center for Education Statistics website at <http://nces.ed.gov/ccd/districtsearch/> as of February 2008.

Furthermore, Florida has some of the largest districts in the country. According to the National Center for Education Statistics, 7 of the 27 largest school districts in the United States (those with at least 100,000 students) are located in Florida (see Exhibit 4). No other state has more than three such districts. In addition, Florida exceeds large peer states such as California, New York, and Texas in the number of school districts serving at least 100,000 students.

**Exhibit 4
Florida Has More School Districts With at Least 100,000 Students Than Any Other State**

State (Total School Districts)	Number (and Names) of School Districts Serving at Least 100,000 Students	
Florida (67)	7	Broward, Miami-Dade, Duval, Hillsborough, Orange, Palm Beach, Pinellas
Georgia (180)	3	Cobb, Dekalb, Gwinnett
Maryland (24)	3	Baltimore, Montgomery, Prince-Georges
California (987)	2	Los Angeles, San Diego
North Carolina (115)	2	Charlotte-Mecklenburg, Wake
Texas (1,035)	2	Dallas, Houston
Hawaii (1)	1	Hawaii (the state of Hawaii comprises a single school district)
Illinois (875)	1	Chicago
Michigan (552)	1	Detroit
Nevada (17)	1	Clark
New York (730)	1	New York City
Pennsylvania (501)	1	Philadelphia
Tennessee (136)	1	Memphis
Virginia (134)	1	Fairfax
Total	27	

Source: OPPAGA analysis of National Center for Education Statistics, Common Core of Data for School Year 2005-06.

State constitutional requirements result in Florida’s large school districts. A primary factor contributing to the large size of some of the state’s public school districts is that Florida is the only state that requires all of its public school districts to be county-based. Although Florida’s population has grown significantly in the past several decades, the state’s constitution does not provide for subdividing school districts regardless of their size. Thus, the number of students in some Florida school districts, particularly those in South Florida and along the state’s coastline, has increased dramatically since the constitutional requirement was ratified.

What has research found regarding the optimal size for school districts?

Although limited, national research is inconclusive on the relationship between the number of students a school district serves and student performance. Some studies suggest that variables such as school size, the socio-economic status of students served, district resources, and educational services may have a strong influence on how well students perform.

National research is limited and inconclusive on the optimal size for a school district. There have been few published studies that specifically examine the optimum district size necessary to maximize student performance. Many of these studies, such as those examining school districts in Illinois,

North Carolina, and Tennessee have focused narrowly on the relationship between district size and issues such as school financing, teacher qualifications, and curricular offerings, and have not specifically focused on the relationship between district size and student performance.³

The conclusions of published studies that have examined district size and student outcomes have produced conflicting results. For instance, studies on school districts in New Jersey and Texas have concluded that students in larger districts do not perform as well on standardized tests as students in smaller school districts. However, studies of school districts in California and Colorado have reached somewhat different conclusions.⁴ For example, a study of California high schools, which primarily focused on school funding and student achievement, found the size of school districts was positively associated with student outcomes. An early study of Colorado districts found no effect of school district size on student achievement. Still other studies suggest that when both school and district size are studied together, larger schools and districts have a more positive effect on student outcomes for those students in affluent communities, while smaller schools and districts have a more positive effect on students from impoverished communities. Furthermore, the definitions used in these studies for “small” versus “large” school districts have varied widely depending on the range of school district sizes within the state under examination. Thus, we found no consensus on the number of students a school district should serve to optimize student performance.

Numerous variables may influence student performance. Some research indicates that optimum district size is dependent on a variety of factors. In general, these studies suggest that the relationship between district size and student outcomes is greatly influenced by situational variables including

- the economic, racial, and cultural make-up of communities districts serve;
- school size and organization;

- resource availability and allocation;
- educational program offerings;
- the availability of educational support services; and
- the quality of district and school-level administrative and instructional staff.

These studies indicate that when both school size and school district size are studied together with other variables, students from economically disadvantaged backgrounds may perform better in schools and districts that serve fewer students. These same studies have found that school and school district size may have considerably less influence on the performance of students from affluent communities.

Have any other states divided school districts, and what has been their experience?

Several states have recently considered proposals to subdivide their large school districts. Most of these efforts have not proceeded due to equity and access issues. However, proposals in Louisiana and Utah have moved forward despite significant disagreements over issues such as boundaries, division of assets, personnel assignments, and contract renegotiations.

Several states have unsuccessfully proposed dividing large districts. Six states—Hawaii, Louisiana, Nebraska, Nevada, New Mexico, and Utah—have considered proposals in recent years to divide their large school districts.⁵ While the objectives behind these proposals have varied, they generally have attempted to improve student performance, increase funding for specific geographic areas, or decrease administrative costs and bureaucracy.⁶

Proposals in four of the states have failed to gain the support needed to proceed for a variety of reasons.

³ Ramirez, A. “Size, Cost, and Quality of Schools and School Districts: A Question of Context,” *Source Book on School and District Size, Cost, and Quality*. Minneapolis, Hubert Humphrey Institute of Public Affairs and the North Central Regional Educational Lab, 1992.

⁴ *School Consolidation and Inequality*, Christopher Berry, University of Chicago Harris School of Public Policy, September 2006 ; and *A Report to the School District Redistricting Commission*, Arizona Legislative Council, March 2006 .

⁵ In addition, while not proposing to split their districts, the Los Angeles Unified School District and the New York City School District have examined other alternatives to improve the responsiveness of district administration to local concerns.

⁶ Rather than subdividing school districts, many states have focused on consolidating smaller districts to achieve better economies of scale and to minimize administrative costs. States that have recently consolidated or are considering consolidation of school districts include Arizona, Arkansas, Iowa, Maine, and Vermont.

These included concerns that the large districts would be divided along racial or economic lines resulting in segregation, potential economic inequities among the new smaller districts, and a lack of consensus on how to fund the new school districts. Several states including California, Hawaii, Nebraska, and New York have implemented alternatives to subdivision that involved creating semi-autonomous administrative zones within large school districts. Refer to Appendix A for more detailed information on these proposals by state.

Proposals in Louisiana and Utah have moved forward amid controversy. In the mid-1990s, residents of two cities within the East Baton Rouge (Louisiana) Parish School System, which served approximately 70,000 students, proposed to withdraw from the system and form their own school districts in an effort to improve student performance and allow for more local control. Although state law permitted such divisions, local officials report that creating the new districts took years to accomplish due to community disagreements over such issues as boundaries, division of assets, personnel assignments, and contract renegotiations. However, by 2003 both cities successfully established their own independent school districts.

Most recently, the Utah Legislature amended state law to allow cities in the state's largest districts to create their own school districts.⁷ In early 2007, residents of several small communities within the Salt Lake City area's 80,000-student Jordan School District took steps to form independent school districts to gain control over disputed educational and resource decisions. Citizens narrowly approved the proposal in November 2007. According to Utah officials, despite the great amount of planning that occurred prior to dividing the Jordan school district, apportioning of assets such as school buildings, administrative and service buildings, land, buses, vehicles, and other property, continues to be a challenge for the transition team charged with dividing the Jordan School District's assets. In addition, some district communities are continuing to oppose the division and have filed a lawsuit challenging its legality.

What issues would need to be addressed in dividing Florida school districts?

Officials in other states, the Florida Department of Education, and school district superintendents we interviewed identified several key issues in dividing school districts. Deciding the boundary lines of new districts may be the single most contentious issue in subdividing Florida's large school districts. Determining the boundaries of subdivided school districts raises several funding, legal, and educational challenges, which are discussed below.

Numerous financial issues could pose challenges to the subdivision of school districts

Subdividing school districts would require the state and local school districts to address several financial issues ranging from determining the local taxing authority and state funding of newly created districts to dividing current school districts' financial obligations, assets, and property. The state would need to address some of these issues prior to subdivision to avoid problems in funding newly created school districts.

Dividing school districts has implications for the state's funding formula. Department of Education finance staff indicated that subdividing school districts could have implications for the state's current financing formula. The Florida Education Finance Program, the state's primary mechanism for distributing education funds to local school districts, is a cost-shared formula designed to adjust for districts' cost of living and relative wealth. Two components of the formula are the district cost differential and the required local effort.

The district cost differential recognizes the varying cost of living in different counties. It is based on the Florida Price Level Index and is calculated annually. According to Bureau of Economic and Business Research officials at the University of Florida who compute the Florida Price Level Index, the district cost differential currently can only be calculated on the county level. Thus, if the current county-based school districts split, the state would need to determine how to apply the district cost differential to the divided districts. For instance, one option would be to apply a county's index to all

⁷ Utah law provides that residents in an area meeting certain population thresholds must first conduct a feasibility study on forming a new district before they can move forward with the vote to split.

newly-created districts in the county. Another option would be to develop an entirely new index, although officials with the Bureau of Economic and Business Research believe the costs associated with this would be prohibitive. Alternatively, the bureau could propose a method for adjusting the current method to better account for differences in the new districts.

The required local effort is the amount that each district provides annually toward the cost of the Florida Education Finance Program. The total required local effort, determined annually by the Legislature, is the dollar amount raised by school districts through the local property tax levy and represents the local required effort for participation in the FEFP program. Dividing large school districts may require different parts of the county to be assessed different millage rates depending on the property values within the new district and the required local effort set for the new district by the Legislature.

Boundary lines would need to be drawn to ensure that subdivided districts do not have difficulty raising local revenue through property taxes for capital outlay purposes. District officials also indicated that care would need to be taken to ensure that dividing large districts does not result in some school districts having difficulty raising adequate local revenue to fund school facilities projects. While a portion (28% in Fiscal Year 2007-08) of district capital outlay funding comes from state sources such as the Public Education Capital Outlay and Debt Service Trust Fund (PECO) and the Capital Outlay and Debt Service Fund), 72% of this funding is from local sources, specifically the 2-mill levy (see Exhibit 5).⁸

**Exhibit 5
Over 70% of Educational Facilities Funding Comes From Local Tax Sources**

Source	Amount	Percentage
State (PECO, Capital Outlay and Debt Service Fund, Lottery)	\$1.26 billion	28%
Local (2-mill revenue)	3.3 billion	72%
Total	\$4.56 billion	100%

Source: Florida Department of Education.

⁸ PECO maintenance funds are distributed to school districts by a formula based on the square footage and age of school facilities within the district. PECO new construction dollars are distributed to districts based on a formula which incorporates the average student population and district growth over the past four years. The 2-mill levy for capital outlay is derived from property taxes that districts may levy without voter approval.

Florida’s education finance formula uses the district cost differential and the required local effort to adjust the proportion of state and locally derived funds to account for differences in wages and wealth of the state’s 67 school districts. However, the formula does not make such adjustments for the 2-mill levy for capital outlay for building projects and maintenance, a component that is based on local property values.

The boundaries of subdivided school districts could result in considerable disparity in the property values among the newly created school districts, which might make it difficult for some districts to raise funds needed to build and maintain facilities such as schools. For instance, if the Palm Beach County school district were to be divided along a north to south axis, it could result in districts along the coast having significantly greater wealth due to the beachfront communities, while the west side would include inland communities with significantly lower property values. Thus, the division of any school district would need to take into consideration property values to avoid inequities in the ability of newly created districts to pay for capital projects. Alternatively, the state could consider revising the current manner it funds facilities projects.

District assets would need to be divided among successor districts. Dividing current assets among the new districts could be contentious, based on the experiences of other states that have subdivided large districts. As discussed earlier, the allocation of assets such as school buildings, administrative and service buildings, land, buses, vehicles, and other property, continues to be a challenge for the transition team charged with dividing the Jordan School District’s assets in Utah. The district’s division is currently being challenged in court, in part due to the division of assets.

Based on the Utah experience, one of the more contentious issues would likely be the allocation of schools. To minimize similar disputes in Florida, new boundary lines would have to be drawn to ensure that one successor district does not have more schools than it needs to serve its estimated student enrollment, while another district has too few schools. A district with too few schools could incur significant additional costs to construct new buildings. In addition, there may be significant differences in the age and condition of school buildings in the geographic area covered by newly

created school districts, which could result in disparities in maintenance, repair, and renovation costs. Utah officials said they expect additional state funding will be needed to address some of these issues.

Thus, a plan would need to be developed to equitably allocate assets including school buildings, administrative and service buildings, land, buses, vehicles, and financial assets such as retirement investments and financial reserves.

Current district debt would need to be allocated among the successor districts. Department of Education and district officials noted that another difficult issue would be allocating current debt among the new districts. School districts accrue debt as the result of existing bond debt service obligations and certificates of participation obligations. Such indebtedness typically results from major capital projects such as building new schools or renovating older facilities. Reaching consensus on dividing this indebtedness may be difficult, as one successor district may no longer be reaping the benefits of the bond and may be less willing to keep paying for debt service. This issue may be difficult to resolve and could lead to litigation if one of the new districts has the benefit of new construction funded by a bond issue and citizens in other new districts were required to pay debt service taxes but no longer had use of the facility.

In addition, state education officials indicated that, although difficult to determine in advance, bonding agencies may perceive that new districts lack a financial track record, which could affect their ability to incur debt and obtain a high bond rating. This could increase borrowing costs for new districts and their capital projects.

Thus, a plan would need to be developed to address the allocation of current debts among the newly created districts as well as the new districts' ability to secure bonds at competitive rates.

The state and districts would need to address several legal issues if school districts were to subdivide

The state and school districts would need to assess the impact of dividing large school districts on existing court orders, contractual obligations, and inter-local agreements. In addition, a legal review would need to be made prior to subdivision to

avoid potential legal consequences for both existing and newly created school districts, particularly for school districts currently under desegregation court orders and consent decrees.

Compliance with court-supervised desegregation agreements could be difficult. Staff in the Department of Education's General Counsel's office indicated that dividing large school districts could affect current court-supervised agreements such as desegregation court orders and consent decrees. According to a 2006 report of the Florida Advisory Committee to the U.S. Commission on Civil Rights, 34 of Florida's 67 school districts have been sued in federal court to eliminate racial segregation. As of 2007, the courts have declared that 19 of these 34 school districts have successfully desegregated, or reached "unitary status."⁹ To receive a declaration of "unitary status" from the courts, a school district is required to present evidence that it has addressed segregation in all areas including student assignment, staff assignment, transportation, extracurricular activities, and facilities and that re-segregation is unlikely to be resurrected.

Fifteen Florida school districts are still under court order to address segregation issues.¹⁰ Each of these districts has specific requirements and obligations it must meet. Such actions involve school zone reassignments, funding, transportation, staff assignments, the creation of specialized academic programs, choice plans, or improved instruction. In addition to the 15 school districts currently under court order, most of the 33 districts not involved in school desegregation litigation have voluntary compliance agreements with the U.S. Department of Education.

Thus, a legal review would need to be made to determine the potential effect that subdivision would have on school districts currently under court order to address segregation as well as those that have achieved unitary status; this review would need to determine if the new districts would become re-segregated and subject to being sued in federal court.

⁹ The US Supreme Court uses "unitary status" to describe a school system that has made the transition from a segregated or "racially dual" system to a desegregated or "unitary" system.

¹⁰ Florida school districts that are currently under consent decrees or court orders are Baker, Bay, Bradford, Flagler, Gulf, Hendry, Indian River, Jackson, Jefferson, Lafayette, Manatee, Orange, Pasco, St. Johns, and Wakulla. Of these, Orange, and Pasco have 50,000 or more students.

Subdivision would likely have an impact on school districts' current agreements. District officials we spoke with told us that dividing large school districts would also have an impact on districts' current legal arrangements such as contracts and inter-local agreements.

School districts typically enter into a variety of contracts and agreements with vendors, local and state agencies, and various employee unions. These contractual arrangements enable school districts to acquire needed materials and services, clarify school district responsibility and working relationships with other entities, and formalize negotiated arrangements between the districts and their employees.

For example, school districts typically contract with vendors to acquire a wide variety of services. These services can include vehicle maintenance work such as oil changes and engine repairs, management of the school district's entire food service operation, warehousing or delivering food and supplies, custodial services, HVAC repair, roof repair, and pest control. A school district being subdivided would need to examine each of its existing contracts and may need to take steps to ensure that subdivision does not result in legal action as a result of breach of any contract to which it is currently a party.

Subdividing school districts could also affect contracts and agreements with state and local agencies. Districts enter into these legal arrangements on numerous issues, such as providing educational services to students in Department of Juvenile Justice facilities, interacting with the Department of Children and Families and the Department of Health on health and child-welfare issues, and working with county health departments. In addition, many school districts enter into inter-local agreements with municipalities and local organizations on a variety of educational issues.¹¹ Large school districts can have over 100 such inter-local agreements with local governments

to address arrangements such as before and after school programs and the use of school facilities for community education in the evening. Subdivided school districts likely would need to amend many of these agreements.

Subdividing school districts would also affect negotiated collective bargaining agreements districts have established with employee unions. Such contracts generally specify working conditions, pay and benefit packages, and other issues negotiated between the school district and the union. Districts would need to review their obligations under these bargaining agreements and newly created districts would likely need to negotiate new contracts with employee unions.

Dividing school districts could create several educational and personnel issues

Several educational and personnel challenges could arise if one or more of the state's largest districts were to subdivide. For instance, consideration would need to be given to ensuring that students have access to high quality educational programs and that parents of students in poorly performing schools are afforded the choice to attend a higher performing school as required by state and federal law. In addition, subdivision might make it difficult for newly created school districts to fill key administrative positions, particularly those in highly technical areas or those that require considerable education and experience.

Due to their smaller size, successor districts may not be able to offer as wide a range of academic courses and programs. According to state and school district officials, subdividing Florida's large school districts may limit the number and variety of academic courses and programs available to students in the resulting smaller districts. For example, many of Florida's large school districts offer a wide variety of special magnet programs. These programs, which offer students a program of study such as performing arts, business, communications, technology, and marine and environmental science, are offered to students outside the normal attendance boundaries and are based on a unifying theme or an alternative organizational structure that will help students of similar interest learn more in all areas. As with other choice programs, boundary lines of new districts would need to be drawn so as to not

¹¹ The Florida Constitution specifically grants home rule governance to Hillsborough and Miami-Dade counties, and a municipal corporation form of shared city and county governance to the City of Jacksonville and Duval County. These provisions have enabled the consolidation of certain school district functions, such as school resource officers in Duval County School District with the City of Jacksonville. Subdividing Duval, Hillsborough, or Miami-Dade may require a review of current contracts and agreements to determine the effect of subdivision on such arrangements.

unintentionally limit a new district's ability to provide the number and variety of these special programs.

Smaller districts could have the effect of limiting parental choice. Florida Department of Education officials indicated that dividing large school districts could create challenges in meeting state and federal accountability mandates. Currently, parents of students in certain failing schools under the state's A++ Plan and federally designated as Schools in Need of Improvement (as part of the No Child Left Behind Act) may choose to send their child to another, higher performing school within the school district. Depending on how school districts are subdivided, it is possible that one or more newly created districts might not have a higher performing school to which parents could send their children.

Thus, in subdividing school districts, consideration would need to be given to ensuring that parents of students in poorly performing schools were still afforded the choice to attend a higher performing school as required by state and federal law and that other choice programs are not unintentionally limited. Alternatively, new districts could develop agreements to allow cross-district attendance within the county.

Creating new school districts could increase administrative costs. Department of Education officials also noted that subdividing large districts could cause challenges for successor districts in filling key senior-level management positions. These positions include food service directors, chief financial officers, instructional technology directors, and management information directors. According to the Department of Education, school districts are currently already experiencing difficulty finding qualified individuals to fill some of these positions, particularly as experienced staff retire, and creating new districts could make the situation worse by increasing the number of such positions.

For instance, subdividing a large school district into multiple smaller districts could result in creating additional senior-level positions for the newly created districts' major administrative functions. While there are likely enough individuals currently employed in lower level positions in large districts to fill some of these openings, other positions may be more difficult to fill. According to the Department of Education, Florida is experiencing a

shortage of food service directors because lower-level staff who might otherwise fill openings do not have the needed training, experience, and credentials to hold such a position. Subdividing large school districts would create the need for more such directors, potentially exacerbating the current shortage.

Some subdivided districts also could have difficulty hiring individuals to fill openings in highly technical areas such as data systems administration or for positions that require considerable education and experience such as chief financial officers. Thus, consideration would need to be given to the effect that subdivision might have on the ability of newly created school districts to fill key administrative positions.

What options exist to pursue subdividing the state's large school districts?

The Legislature has several options if it chooses to pursue dividing Florida's large public school districts. It could establish a study panel to develop specific recommendations to address the complex issues associated with subdivision. It would also need to craft a constitutional amendment proposition to modify the Florida Constitution to allow large districts to subdivide.

A study panel could be established to develop specific recommendations to address the complex issues involved in subdividing large districts

Due to the potential educational, legal, and financial issues associated with subdivision, the Legislature may wish to establish a study panel of legislators, school district officials, education experts, and other stakeholders to develop recommendations on how best to proceed with subdividing the state's large school districts. Given the complex issues involved in subdividing large school districts, allowing a group of experts and stakeholders to craft specific details of how subdivision might work could help minimize unintended consequences. To ensure that it can effectively carry out its mission, the study panel should obtain input from a broad range of state and local-level stakeholders such as superintendents

from the state's large school districts, relevant program directors from the Florida Department of Education, citizen groups, officials from other states, and other financial and education experts. Developing specific plans beforehand and gaining consensus of stakeholders may help to avoid or minimize conflicts.¹²

This option could be implemented in one of two ways. First, the study panel could recommend solutions to the broad range of general issues that could arise from subdividing any one of the state's large school districts. Second, the Legislature could direct the study panel to develop recommendations that address issues arising from the subdivision of one or more specified school districts. Allowing the study panel to focus on specific districts would allow its recommendations to be more detailed.

This option may help the state avoid unintended consequences, such as lawsuits, local community disputes, and service disruption, by allowing the details associated with such a sweeping policy change to be worked out in advance.

Craft a proposed amendment to amend the state constitution

If the Legislature chooses to allow large school districts to subdivide, it would need to propose an amendment to the state constitution, which currently provides that each county constitutes a school district.¹³ This would require a joint resolution which must receive a three-fifths vote of the membership of both chambers.¹⁴ In addition, to be successful, a proposed amendment to the constitution must meet certain other requirements including gaining the approval of at least 60% of the electors voting on the measure.

Should the Legislature decide to propose a constitutional amendment to allow the state's school districts to subdivide, it may wish to establish thresholds for the minimum number of

students a district must serve to be eligible for subdivision and the minimum number of students each new district created as a result of subdivision must serve. This would establish criteria for such actions and help ensure that successor districts are large enough to be cost-effective and provide a high quality education for students.

In addition, the Legislature may wish to establish a process to help address legal, financial, and education issues associated with subdivision. For instance, the proposed amendment could require that a feasibility study be conducted prior to a local vote on any initiative to subdivide a school district. For example, Utah requires local communities wishing to subdivide school districts to develop a feasibility study prior to submitting a proposal for division. Utah further requires that this study include an analysis of financial viability, the proposal's financial impact on each existing school district, the exact placement of school district boundaries, and the overall positive and negative effects of the potential division. If Florida were to implement a similar requirement, the study could address issues such as short-term and long-term feasibility of the subdivision based on enrollment projections, anticipated funding and operating budgets, and the allocation of assets, contractual obligations, debts, and bonded indebtedness of the school district. The Florida Legislature could require that this feasibility study be submitted for review to the State Board of Education prior to placing the study before the electorate.

In addition to a feasibility study, if voters approve the subdivision of a county-based school district, the amendment could also require that a detailed transition plan be developed which specifically outlines how the large school districts' assets will be divided. In Utah, for example, the Jordan transition team is tasked with dividing the property, assets and liabilities in a fair and equitable manner. The transition plan could also include the planned course offerings of the new district as well as the planned administrative structure, the number of full-time equivalent personnel to be employed by the new district, and the planned number of members who will constitute the board of the new district. Exhibit 6 identifies additional items for consideration in transition plans.

¹² Despite a great deal of planning before splitting their school districts, for example, district subdivision in Utah and Louisiana resulted in animosity and ill will.

¹³ While the Florida Constitution does not permit the subdivision of school districts, it does allow two or more contiguous counties, upon a vote of the electors of each county, to merge to form one school district.

¹⁴ The Florida Constitution provides five ways it can be amended: by the Florida Legislature, voter initiative, the Constitutional Revision Committee; the Taxation and Budget Commission, or a Constitutional Convention.

Exhibit 6 A District Subdivision Transition Plan Could Be Required to Include Several Items

Components of Transition Plan

- A map showing the boundaries of each proposed new district
- The demographic characteristics of each new district, including the population per age group
- The number of students enrolled in each participating district during the current school year and during the 10 preceding school years
- Projected student enrollments for the ensuing 10 years
- The location and condition of all school buildings and facilities in each participating district and intended uses for the buildings and facilities
- Disposition and transfer of student and employee records
- Planned construction, modification, or improvement of school buildings and facilities located within the boundaries of the new districts
- Planned course offerings by the new districts
- Planned administrative structure of the new districts and the number of full-time equivalent personnel to be employed by the new districts
- The planned number of members who will constitute the board of the new districts and the manner in which the members are to be elected
- Plans regarding student transportation
- Identify other governmental entities, including career and technical centers, which may provide services to the new districts
- Include the taxable valuation and per student valuation of each participating district
- Include the amount of all bonded and other indebtedness incurred by each participating district
- Address the planned disposition of all property, assets, debts, and liabilities of each participating district
- Include a proposed budget for the new districts
- Include any other information that the participating school districts wish to have considered by the state board of education

Source: *School District Reorganization Plan Workbook*, North Dakota Department of Public Instruction, April 2004; and OPPAGA analysis.

Agency Response

In accordance with the provisions of s. 11.51(5), *Florida Statutes*, a draft of our report was submitted to the Department of Education to review and respond. We met with department officials to discuss report findings, and the department chose not to submit a formal, written response.

OPPAGA supports the Florida Legislature by providing evaluative research and objective analyses to promote government accountability and the efficient and effective use of public resources. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021), by FAX (850/487-3804), in person, or by mail (OPPAGA Report Production, Claude Pepper Building, Room 312, 111 W. Madison St., Tallahassee, FL 32399-1475). Cover photo by Mark Foley.

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Appendix A

Several States Have Considered Dividing Their Large School Districts

Six states—Hawaii, Louisiana, Nebraska, Nevada, New Mexico, and Utah—have considered proposals in recent years to divide their large school districts. While the objectives behind these proposals vary, they generally have focused on improving student performance, increasing funding for specific areas, or decreasing administrative costs and bureaucracy. Table A-1 includes detailed information on the states’ proposals.

In addition to these six states, California and New York have reorganized their largest school districts. Responding to parent dissatisfaction with student achievement and a threat by legislators in 2000 to take over the Los Angeles Unified School District, the district, which currently has 694,000 students, has established eight local subdistricts, each with a superintendent, staff, and budget authority. In New York, attempts to standardize curricula and provide for equal programs and services throughout the district resulted in the mayor gaining control of the New York City School system, which has 1.1 million students.¹⁵ Reorganization has resulted in establishing 10 regions with 36 subdistricts, with a single curricula and a parent coordinator for each school. The regions are administered by a community school superintendent or a high school superintendent with the authority to hire principals and approve school budgets.

Table A-1
Six States Have Considered Proposals in Recent Years to Divide Their Large School Districts

State	Proposal	Current Status
Hawaii	In 2004, Hawaii’s Legislature retained the state’s single, 182,000-student school district organization despite the governor’s desire to split the district. Officials note that part of the legislature’s decision was due to Hawaii not having local property taxes or the needed educational infrastructure at the time.	The education legislation that passed in 2004 allowed for elected School Community Councils to share academic and financial decision making with principals.
Louisiana	As provided in its constitution and in statute in 1995, the cities of Baker and Zachary split from the 70,000 East Baton Rouge Parish School System. The cities made efforts in the early 1990s to establish districts as authorized by law and the constitution. Disputes over local control and allocation of district funds to the cities’ schools were primary reasons for dividing the school district.	By 2003, both cities had established their own school districts, but not without years of community controversy over such issues as boundaries, division of assets, personnel assignments, and contract renegotiations.
Nebraska	After repeated City of Omaha requests and legislative attempts to change the state school funding formula, 2006 legislation allowed the metropolitan Omaha school district to divide. This act was said to have essentially created a racially and ethnically segregated school district, and law suits were filed to overturn the law.	The 2006 law was repealed and districts consolidated, rather than split. A Learning Community was formed in which 11 districts share resources, but remain operationally independent and have an oversight board with 18 paid members.
Nevada	The 1997 legislature considered options to split up the Clark County school district (serving approximately 309,000 students in 2007-08) in the Las Vegas area.	No legislation has been enacted. Funds for a district division study were made available in 2005, but were not used. No legislative action has been taken on the issue to divide the district.
New Mexico	In response to community interest in possibly dividing the 88,000-student Albuquerque School District to improve achievement scores of Hispanic, Native American, and black students, the legislature held a town meeting for discussion.	A three-day town hall meeting sponsored by the state legislature was held to discuss the proposal to divide. Division was not recommended.
Utah	In Salt Lake City, local control and differing funding needs for the Jordan district’s east and west areas led citizens to ask for legislation to split the 80,000-student district. Both areas had very similar socioeconomic characteristics, but details of the division of assets and liabilities had not been resolved before a vote on splitting the district. Details were to be left to transition teams if the vote passed.	In 2006, legislation allowed that, after a mandatory feasibility study, citizens who live in the new school district area would vote on dividing the school district. In 2007, voters in the new district area approved the division. Dividing the school district has split the communities and created much ill will over the division of assets, liabilities, and tax loads. A federal law suit has been filed.

Source: OPPAGA analysis.

¹⁵ In addition to New York City, at least 8 of the 75 largest school districts are under mayoral control.