

Moving Education Forward

Shared Services, Consolidation and Administrative Costs - Separating Fact from Fiction

NJASA has recently sponsored several public forums on the topics of school consolidation and shared services. Many of the proponents of small schools and small school districts who attend the meetings seem to have stumbled upon the fact that many state officials refuse to acknowledge: Bigger is not always better! The advocates for local control of smaller, both in population and geography, rather than larger school systems, often cite the quality of the educational outcomes that they see for their children, the value received for their tax dollars, and the competitive cost for educating each student when compared to other districts.

Let's examine data in one area that is often assumed to yield great savings – Administrative Costs.

1. The percentage of the budget dedicated to administrative costs for New Jersey school systems ranks near the bottom of the 50 states – **8th lowest in the nation** – lower than many states which have larger school systems (see National Center for Educational Statistics data for fiscal year 2007).

Public School Administration Current Expenditures	
Percentage distribution	
National Average	10.8%
New Jersey (tied for 8th lowest)	9.5%

2. The average administrative cost per pupil for New Jersey's K-6 and K-8 districts is below the statewide average and comparable to the K-12 average (see NJ DOE Comparative Spending Guide March 2009).

Total Administration	
District Type	Average Cost Per Pupil
Statewide Average	\$1,342
K-6	\$1,296
K-8	\$1,306

K-12	\$1,292
7-12/9-12	\$1,407
County Special Services Districts	\$4,272
Vocational Districts	\$2,253
Charter Schools	\$2,640

3. Examining the available data for student enrollments and staffing for the period between the 1989/1990 and the 2005/2006 years reveals large increases in students, teachers and support staff while the number of administrators increased slightly (see NJ DOE Vital Statistics).

1989/90 – 2005/06		
Full-Time Certificated Staff	Increase	
Students	317,777	29.5%
Classroom Teachers	35,659	47.2%
Educational Support Services Personnel	5,614	50.2%
Administrators & Supervisors	227	2.6%

NJASA endorses the state's effort to examine operational efficiencies through expanded shared services and possible consolidation of school systems. The examination must be a thoughtful and thorough one, however, and the quality of education must be carefully considered as a primary factor in each potential consolidation. The residents of communities that would be affected by these decisions deserve data that can assist their decisions, not assumptions born out of wishful thinking that bigger is better.