

PHASE 2 – OPERATIONAL AND FEASIBILITY STUDY WITH PANEL OF EXPERTS RECOMMENDATIONS

EXECUTIVE SUMMARY

The second part of the study of the possible transfer of the DDESS schools to local education agencies was conducted by the Donahue Institute of the University of Massachusetts (UMASS). They were awarded the contract for Phase II based on a competitive bid and were given the task to do an objective and impartial evaluation of the feasibility of transferring 58 DDESS schools operating in the continental United States to local school districts. Included in this phase of the study was an analysis of the associated costs to the federal government of transferring students, facilities and operations to local control. A comprehensive set of transfer alternatives was developed and analyzed for each of the DDESS schools.

The purpose of the UMASS team's activities was to design and develop a systematic, thorough, and objective data collection and cost benefit analysis to be used by a panel of leading national experts in educational administration and finance for making specific recommendations. Using the cost benefit analysis and other data collected by the study team, the three-person expert panel developed recommendations for the most cost beneficial alternatives to DoDEA

Universal Assumptions

In order to arrive at these recommendations, a universal process was needed as a baseline for the expert panel. The study needed to assure basic equity and fairness for students, families and communities while providing an end product that was sufficiently manageable for the expert panel to produce their recommendations. Four rules were developed for this process as follows:

- It would be unfair for some students at a grade level to transfer to the local district while other students in the same grade remain part of DoDEA. Therefore, any decision affecting one DDESS school on an individual base shall apply to all DDESS schools of the same grade levels on that base.
- To maintain continuity and effectiveness of education, it is not feasible to transfer students at a particular grade and then return them to the DoDEA curriculum at a higher grade. Therefore, if a transfer is made at one grade, all succeeding higher grades must be transferred as well.
- If a DDESS elementary school with a Pre-Kindergarten program is transferred to a local district that does not offer a pre-Kindergarten program, DDESS will continue to offer the Pre-K services using either on-site or off-site resources.
- It would be both inefficient and detrimental to educational consistency to have some DDESS schools run under contract with the local districts while others on the same installation do not. Therefore, if a contract or coterminous alternative is chosen for any DDESS school, that alternative should apply to all schools on that installation.

In addition to these universal rules, principles were designed to apply to particular installations that ensured legal and logistical issues were addressed. These involved the application of state

and local laws and codes and logistical factors such as travel time, local school capacity and security concerns.

Alternatives

Another part of the design was to delineate a comprehensive set of reasonable alternatives that could be applied on a school by school basis. These five alternatives are as follows:

- **Status Quo**: The DDESS schools continue to operate as they have in the past under DoDEA funding and operational guidelines.
- **Transfer with Facilities**: Students and facilities will be transferred to the local education agency and they will assume educational and operational responsibility from the time of transfer. Facilities will need to be brought up to applicable local and state codes. The local district has the option of student assignment, so some military dependent students may go off base for school and some local students may come on base to receive their schooling.
- **Transfer without Facilities**: Students are transferred to the local education agency and are integrated into existing school facilities. The local district assumes all educational responsibility from the date of transfer.
- **Contract with the Local Educational Agency to Provide Educational Services on the Installation**: DoDEA negotiates contractual agreements with the local district to administer and manage curriculum and daily operations. The difference from the Transfer with Facilities option is that school attendance is limited only to military dependent children.
- **Coterminous Alternative**: This alternative creates a new, state-recognized public school district within the installation. This new school district assumes the education and management of the educational program and is funded through impact aid and appropriate state revenues.

Analytical Components

The study also included cost benefit and other data analysis that guided the expert panel in the decision making process. Study team visits occurred on-site at each installation where interviews and meetings were held with military leadership, DDESS staff, and the superintendent and/or school leaders in the local school districts. This data and information was organized into four components as follows:

- **Feasibility**: This component focuses on factors that could limit the viability of schools or districts as transfer alternatives, such as whether individual transfer alternatives are logistically or legally feasible. Among the factors considered include travel time, school capacity, past and future enrollment trends to include the impact of the Army's Residential Communities Initiative (RCI), security issues, and local legal factors.
- **Financial Factors**: A comprehensive analysis of major categories of cost and sources of funding was conducted at each installation and for each school. A cost analysis incorporated several major categories of data including recurring operational costs, non-recurring facilities costs, an expenditure analysis, staffing ratio policies and enrollment projections. In addition, a revenue analysis was also completed that considered each local district's major funding sources including local taxes, state programs, state directed

federal programs, and direct federal resources. Revenue data became the foundation for the analysis of district and school level revenues and played an important role in the development of revenue projections.

- **Program and Services:** Because of the unique needs of military dependent children, the study compared the DDESS and local education agencies' operations to determine whether needed programs and services are available and comparable. Services reviewed included special education, English as a Second Language programs, gifted and talented education, school-to-work and pre-school. State and local education agency data records were reviewed for services provided and student enrollment in these programs, staff qualifications, service delivery policies, curriculum and graduation requirements, program integration and guidance services.
- **Performance and Quality:** The study compared both DDESS and local districts and schools on school performance and quality. The quality component considered various factors including class size standards, teacher qualifications, and teacher-to-student ratio policies. In addition, test scores on nationally normed tests were compared for all groups of students.

Methodology

The study team's technical approach to its analysis of DDESS school transfer alternatives was based on the premise that the research should build upon, rather than reinvent, existing data sources. To establish a comprehensive data and research foundation, the team undertook a systematic review of previous DDESS transfer studies, reviewed historical and current financial documents and demographic data, developed an estimate of additional federal impact to the local district, and created and implemented a sensitivity analysis to test vital assumptions and illustrate their effect on the alternatives.

Legal References

Each of the states where DDESS schools exist was asked to respond to four legal questions to assist with the analysis of the feasibility of any transfers. The questions are as follows:

1. Are there any legal barriers for the creation of a new school district?
2. Are there any legal barriers to transferring facilities?
3. Are there any legal barriers on contractual agreements made outside the local district? (legal authority to run a school outside the boundaries of the school district, i.e. on federal property.)
4. Are there any residency requirements? (legal authority that permits students not living in the district, i.e. living on federal property to attend the local school.)

The other issue addressed as a legal matter was collective bargaining. Currently, DDESS teachers have the right to bargain salary and other work conditions and each state responded to this question.

Role of the Panel of Experts

The use of a panel of experts was suggested by Pentagon officials as a way to separate the recommendation process from the data collection. As a design of the study, these national experts would provide an objective look at the data and use their expertise to make

recommendations. The three national experts were selected and a short biography is included below:

- Kern Alexander, Ed. D. Dr. Alexander is the Chair of the Board of Editors for the Journal of Education Finance. He also serves as the Director of the Institute for Educational Finance at the University of Florida, and as Director of the National Educational Finance Project which conducted a nationwide study of educational fiscal policies involving all 50 states. Dr. Alexander has authored numerous books on school finance.
- Richard Salmon, Ed. D. Dr. Salmon is a national expert on school finance and impact aid and has served as an expert witness for the U. S. Department of Education in federal trials. He also consults with the U. S. Department of Education Bureau of Impact Aid. Dr. Salmon served in the United States Navy, retiring after 20 years as a Commander in the Naval reserves.
- Deborah Verstegen, Ph. D. Dr. Verstegen is a professor of education at the University of Virginia, where she teaches a number of courses including Educational Finance Policy and Practice, School Finance and Educational Policy Analysis. She serves on the editorial staff of the Journal of Education Finance.

Using the cost benefit analysis and other data collected by the study team, the three national experts met with the study team to evaluate the data and findings of Phase I and II. The experts deliberated extensively and produced their school-by-school recommendations of what they deemed to be the most cost-beneficial transfer alternatives. The expert panel systematically considered both the financial and educational information in evaluating each feasible alternative. To guide their recommendations, the panel established the following set of guiding principles:

1. All children transferred from DDESS must have comparable educational programs, services and facilities.
2. School communities gain from the diversity when military dependent children are mixed with the local students.
3. Cost effectiveness of any alternative must be considered.
4. There must be deference to younger students so that the neighborhood school concept is maintained in the early grades.
5. Any transfer must include reasonable compensation to the local district for operational and facilities cost.
6. Each installation and local district will be considered separately.

In addition to these guiding principles, the experts established criteria for their recommendations. The criteria included the local district's willingness to accept DDESS students as well as its financial and physical capability to provide a comparable educational program. The experts also stressed that no single principle or criterion would necessarily rule in or out a transfer alternative. The totality of all financial and educational factors were carefully considered, evaluated, and factored into each recommendation.

The next section of this summary presents the expert panel's recommendation for each installation, along with a summary of the rationale for these recommendations.

Fort Benning, Georgia (PK-8)

Schools (3,027)

- Dexter Elementary (PK-5)
- Loyd Elementary (PK-5)
- McBride Elementary (PK-3)
- Stowers Elementary (PK-5)
- White Elementary (PK-5)
- Wilson Elementary (PK-5)
- Faith Middle School (6-8)

Local School Districts

- Muscogee County (32,798 students)
- Chattahoochee County (493 students)

Special Notes

- All 9-12 students at Fort Benning attend high school in Muscogee County.
- Chattahoochee does not have a high school and all students attend high school in Muscogee County.
- Five of the seven DDESS schools are geographically in Chattahoochee County.

Recommendation: Transfer schools and facilities to Chattahoochee County

Needed Actions

- A special arrangement contract will be needed to enable Loyd and McBride School students who live in Muscogee County to attend Chattahoochee County schools.
- DoDEA remains responsible for building maintenance, operations and improvements. Need to enter into a special arrangements facilities contract with Chattahoochee County.
- DoDEA may need to offer a Pre-K program as Georgia has a lottery system for Pre-K enrollment.

Rationale for Recommendation

- Addresses all guiding principles.
- Military would have significant influence on policies and educational matters since the vast majority of students would be living on the installation (Chattahoochee County would increase from 493 students to 3,520 students).
- Due to shortage of facilities, all current DDESS students would continue to attend school on base.
- Anticipate that all or almost all current DDESS teachers would be offered jobs.
- Pupil teacher ratio and per pupil expenditures are comparable.

- Chattahoochee superintendent would welcome DDESS students.
- Georgia is very supportive of education and educational programs.

Fort Rucker, Alabama (PK-6)

Schools (1,063 students)

- Fort Rucker Primary School (PreK-1)
- Fort Rucker Elementary School (2-6)

Local School Districts

- Daleville City
- Ozark City
- Enterprise City

Special Notes

- All 7-12 students at Fort Rucker have a choice as to which district they attend.

Recommendation: Status Quo for all schools

Rationale for Recommendations

- Programs are not comparable.
- State and local fiscal capacity – voters recently defeated school bond issue to improve educational programs within the state.
- Poor performance outcomes and serious concerns about Alabama’s fiscal support, lowest in the nation, which could greatly impact the current levels of educational quality found in the DDESS schools.
- Large discrepancy in test scores.

Maxwell Air Force Base, Alabama (PK-6)

Schools (261 students)

- Maxwell Elementary (PreK-6)

Local School Districts

- Montgomery County Schools

Special Notes

- All 7-12 students at Maxwell attend schools in Montgomery County
- Students at Gunter Air Force Base were recently added to the Maxwell school due to parental concerns with the poor quality of the local elementary schools.

Recommendation: Status Quo for all schools

Rationale for Recommendations

- Programs are not comparable.
- State and local fiscal capacity – voters recently defeated school bond issue to improve educational programs within the state.
- Poor performance outcomes and serious concerns about Alabama’s fiscal support, lowest in the nation, which could greatly impact the current levels of educational quality found in the DDESS schools.
- Large discrepancy in test scores.

Robins Air Force Base, Georgia (K-6)

School (466 students)

- Robins Elementary (K-6)

Local School District

- Houston County

Special Notes

- All 7-12 students at Robins attend school in Houston County.
- Linwood Elementary transferred to Houston County in 2000 due to deeding of federal property to the developer in a housing privatization effort. Due to deeding of property, houses are no longer on federal property; therefore, students are not eligible to attend DDESS school.

Recommendation: Transfer students and facilities to Houston County

Needed Actions

- DoDEA remains responsible for building maintenance, operations and improvements. Need to enter into a special arrangements facilities contract with Houston County.

Rationale for Recommendation

- Addresses all guiding principles subject to appropriate agreement with Houston County.
- Precedent of transfer of Linwood Elementary to Houston County in 2000.
- Pupil-Teacher ratio is very comparable.
- Performance measures comparable.

Fort Campbell (K-12)

Schools (4,376 students)

- Barkley Elementary (PreK-5)
- Jackson Elementary (PreK-5)
- Lincoln Elementary (PreK-5)
- Lucas Elementary (PreK-5)
- Marshall Elementary (PreK-5)
- Mahaffey Middle (6-8)
- Wassom Middle (6-8)
- Fort Campbell High (9-12)

Local School Districts

- Clarksville-Montgomery County, TN (22,766 students)
- Christian County, KY (9,000 students)

Special Notes

- Base housing is divided between two states and two school districts in different states.
- Fort Campbell High is located in Tennessee with the other schools equally divided among the two states.

Recommendation: Transfer students and facilities to Christian County, KY

Needed Actions

- Special arrangements will be needed between the two school districts and the two states. Tuition payments may be needed between the states.
- DoDEA remains responsible for building maintenance, operations and improvements.
- Neither district has the capacity to accept all the DDESS students.
- Kentucky has no legal requirement to educate students who live on federal property.

Rationale for Recommendations

- Addresses all guiding principles subject to appropriate agreements with the local school districts.
- Considering all factors, Christian County has higher quality measures than Clarksville-Montgomery County.
- DoDEA may have to continue Pre-K program as Pre-K is available only to special education students in Kentucky.

Fort Knox, KY (K-12)

Schools (2,988 students)

- Kingsolver Elementary (PreK-3)
- Mudge Elementary (PreK-3)
- Pierce Elementary (PreK-3)
- Van Voorhis Elementary (PreK-3)
- MacDonald Elementary (4-6)
- Walker Elementary (4-6)
- Scott Middle (7-8)
- Fort Knox High (9-12)

Local School Districts

- Hardin County, KY (12,949 students)
- Meade County, KY (4,618 students)

Special Notes

- Base housing is located in each county with the majority of homes in Hardin County.
- In Kentucky, students who live on federal property are not considered residents and the school districts have no legal requirement to educate them without tuition.

Recommendation: Transfer students and facilities to Hardin County, KY

Needed Actions

- Special arrangements will be needed between the two school districts. Tuition payments may be needed.
- DoDEA remains responsible for building maintenance, operations and improvements.
- Neither district has the capacity to accept all the DDESS students.
- Kentucky has no legal requirement to educate students who live on federal property.

Rationale for Recommendations

- Addresses all guiding principles subject to appropriate agreements with the local school districts.
- Hardin County is larger and more capable than Meade County to absorb DDESS students and the executive leadership in Hardin is more receptive to a transfer.
- DoDEA may have to continue Pre-K program as Pre-K is available only to special education students in Kentucky.

Camp Lejeune, NC (PreK-12)

Schools (3,286 students)

- Tarawa Terrace I Elementary (PreK-1)
- Berkeley Manor Elementary (PreK-5)
- Delalio Elementary (PreK-5)
- Russell Elementary (PreK-3)
- Stone Street Elementary (PreK-3)
- Tarawa Terrace II Elementary (K-6)
- Brewster Middle (6-8)
- Camp Lejeune High (9-12)

Local School District

- Onslow County (21,367 students)

Special Notes

- State law requires that no school may be operated by a local school district outside its established boundaries. A waiver would be needed from the state.
- In North Carolina, students who live on federal property are not considered residents and the school districts have no legal requirement to educate them without tuition.
- North Carolina has a cap on the percentage of students (12.5%) who can be enrolled in special education. Camp Lejeune is a Category 4 special education location and has a percentage of special education students that exceeds the state cap. If a waiver is not obtained by Onslow County, DoDEA would be required to compensate the school district for any DDESS student that places them over the cap.

Recommendation: Transfer students and facilities to Onslow County

Needed Actions

- A state waiver to allow Onslow County to operate the schools on the base would be needed.
- A state waiver would also be needed to address the increased percentage of special education students that might occur with the addition of DDESS students.
- DoDEA remains responsible for building maintenance, operations and improvements.
- DoDEA would have to provide Pre-K program as North Carolina offers Pre-K to only Title I students and identified special education students.

Rationale for Recommendations

- Addresses all guiding principles.
- Other than Pre-K, programs are very comparable.

Fort Bragg, NC (PreK-9)

Schools (4,537 students)

- Bowley Elementary (PreK-4)
- Butner Elementary (PreK-4)
- Devers Elementary (PreK-4)
- Holbrook Elementary (PreK-4)
- McNair Elementary (PreK-4)
- Murray Elementary (PreK-4)
- Pope Elementary (located on Pope AFB) (PreK-4)
- Irwin Middle (5-6)
- Albritton Junior High (7-9)

Local School District

- Cumberland County (51,485 students)

Special Notes

- State law requires that no school may be operated by a local school district outside its established boundaries. A waiver would be needed from the state.
- In North Carolina, students who live on federal property are not considered residents and the school districts have no legal requirement to educate them without tuition.
- North Carolina has a cap on the percentage of students (12.5%) who can be enrolled in special education. Fort Bragg is a Category 4 special education location and has a percentage of special education students that exceeds the state cap. If a waiver is not obtained by Onslow County, DoDEA would be required to compensate the school district for any DDESS student that places them over the cap.
- On-base ninth grade students have the option of attending high school in Cumberland County schools. Students in grades 10-12 attend Cumberland schools.

Recommendation: Transfer students and facilities to Cumberland County

Needed Actions

- A state waiver to allow Cumberland County to operate the schools on the base would be needed.
- A state waiver would be needed to address the increased percentage of special education students that might occur with the addition of DDESS students.
- DoDEA remains responsible for building maintenance, operations and improvements.
- DoDEA would have to provide Pre-K program as North Carolina offers Pre-K to only Title I and identified special education students.

Rationale for Recommendations

- Addresses all guiding principles.

- Other than Pre-K, programs are very comparable.

Fort Jackson, SC (PreK-6)

Schools (867 students)

- Pierce Terrace Elementary (PreK-1)
- Hood Street Elementary (2-3)
- Pinckney Elementary (4-6)

Local School District

- Richland County No. 2 (18,000 students)

Special Notes

- The fiscal condition of South Carolina, which has cut education funding five times over the past two years is very poor.
- Richland County No. 2 is a high-growth district, which further impacts fiscal problems.
- Students who live on base and are in grades 7-12 attend Richland County No. 2 schools.

Recommendation: Status Quo

Rationale for Recommendations

- Programs are not comparable.
- High-growth local district has fiscal issues.
- State and local fiscal conditions are poor.
- Local district does not provide the full curriculum that meets the unique needs for the younger child.

Fort Stewart, GA (PreK-6)

Schools (1,435 students)

- Britten Elementary (K-6)
- Diamond Elementary (PreK-6)

Local School District

- Liberty County, GA (10,661 students)

Special Notes

- Students in grades 7-12 who live on base attend Liberty County schools.
- Georgia has a strong fiscal commitment to its schools.
- Georgia has a lottery system for its PreK programs.

Recommendation: Transfer students and facilities to Liberty County

Rationale for Recommendations

- Programs are comparable.
- Addresses all guiding principles subject to appropriate agreements.
- DoDEA remains responsible for building maintenance, operations and improvements subject to appropriate arrangements with Liberty County.
- Students would remain in their local schools on base.

Beaufort MCAS, SC (PreK-6)

Schools (1,114 students)

- Laurel Bay Elementary (PreK-2)
- Laurel Bay Intermediate (3-6)

Local School District

- Beaufort County, SC (17,127 students)

Special Notes

- Students in grades 7-12 who live on the various bases attend Beaufort County schools.
- Laurel Bay Elementary is located on the perimeter of the base and could be easily annexed and deeded to the local county.
- Beaufort County has a strong fiscal base for local schools.
- A DDESS school is currently under construction. The school was needed to address the additional housing coming on line at the base.

Recommendation 1: Status Quo for Grades PreK – 3 and utilize the Laurel Bay Intermediate site.

Needed Actions

- Would need to switch facilities and make needed changes to the Intermediate School and the new school site to make it more amenable to early childhood programs.
- Changes grade configurations at both remaining schools.

Rationale for Recommendations

- Deference to younger children. They remain in a DDESS school.
- Local district does not have PreK program, so DoDEA would need to continue that program anyway.

Recommendation 2: Transfer students in grade 4-6 to Beaufort County and deed the current Laurel Bay Elementary site to the county.

Needed Actions

- Would need to switch facilities and bring the current elementary site up to all applicable school facilities codes. After upgrades are completed, school would be maintained by Beaufort County.
- Would need to deed the land to Beaufort County.

Rationale for Recommendations

- Comparable programs for older elementary age students.
- Addresses all guiding principles subject to deeding of the school property to Beaufort County.

Quantico Marine Corp Base, VA (PreK-12)

Schools (984 students)

- Ashurst Elementary (K-3)
- Russell Elementary (PK-3)
- Burrows Elementary (4-5)
- Quantico Middle/High School (6-12)

Local School District

- Prince William County (60,234 students)

Special Notes

- Prince William County is not receptive to use of any of the current buildings on base.
- Russell Elementary is one of the sites in Phase I that is identified as needing to be replaced immediately.
- Quantico Middle/High School is extremely small with a total enrollment as of September 03 of 273 students. The high school portion (9-12) has 127 students.

Recommendation 1: Status Quo through Grade 3

Need for Action

- Russell School students need to be moved to the Burrows school site.

Rationale for Recommendations

- Programs are not comparable
- Need of younger children – bus transportation would mean long rides and work against the neighborhood school concept that is one of the hallmarks of the DDESS schools.

Recommendation 2: Transfer Grades 4-12 to Prince William County without facilities

Need for Action

- Since Prince William County does not want any of the facilities, it would be possible to transfer the students attending Russell to the Burrows facility and thereby eliminate the need to replace Russell.
- Turn Quantico Middle/High School back to the base for usage.

Rationale for Recommendations

- Programs are comparable. Due to small numbers of students at Quantico Middle/High School, students entering Prince William County would have a great offering of courses and educational options.

- Meets all guiding principles subject to appropriate agreements with Prince William County.

United States Military Academy, West Point, NY (PreK-8)

Schools (789 students)

- West Point Elementary (PK-4)
- West Point Middle (5-8)

Local School District

- Highland Falls, NY (1,223 students)

Special Notes

- Students in grade 9-12 who live on base attend Highland Falls' schools.
- West Point Middle was identified in the Phase I report as needing to be replaced immediately.

Recommendation 1: Transfer of West Point Elementary with facilities

Needed Actions

- DoDEA remains responsible for building maintenance, operations and improvements subject to appropriate arrangements with Highland Falls.
- DoDEA would need to retain PreK program as a separate function.

Rationale for Recommendation

- Deference to younger children to remain close to home.

Recommendation 2: Transfer of West Point Middle without facilities

Needed Actions

- Update current special arrangements transportation contract with Highland Falls to include 4th through 8th graders.
- Turn use of West Point Middle back to the Academy. Building has historical value.

Rationale for Recommendations

- Programs are very comparable. Highland Falls has higher per pupil expenditure and a lower pupil-teacher ratio than DDESS School.
- Would eliminate the need to replace West Point Middle.
- Highland Falls can absorb these students.

Dahlgren (PreK-6)

Schools (219 students)

- Dahlgren School (PK-8)

Local School District

- King George County, VA (2,113 students – K-8))

Special Notes

- King George County is a rural poor wealth district.
- King George County is overcrowded and has fiscal issues
- Students who live on base and are in grades 9-12 attend King George schools.

Recommendation: Status Quo

Rationale for Recommendations

- Programs are not comparable.
- High-growth local district has fiscal issues.
- Transfer into the much larger LEA would likely jeopardize educational quality for its younger students.