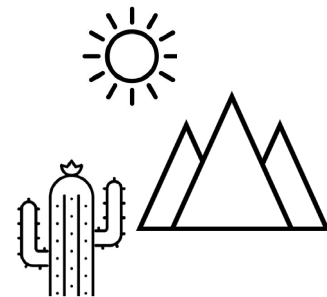
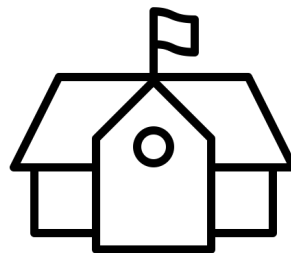


Small Districts, Big Challenges

Barriers to Planning and Funding
School Facilities in California's
Rural and Small Public School Districts



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EXECUTIVE SUMMARY

Jeffrey M. Vincent



Small Districts, Big Challenges: *Barriers to Planning and Funding School Facilities in* *California's Rural and Small Public School Districts*

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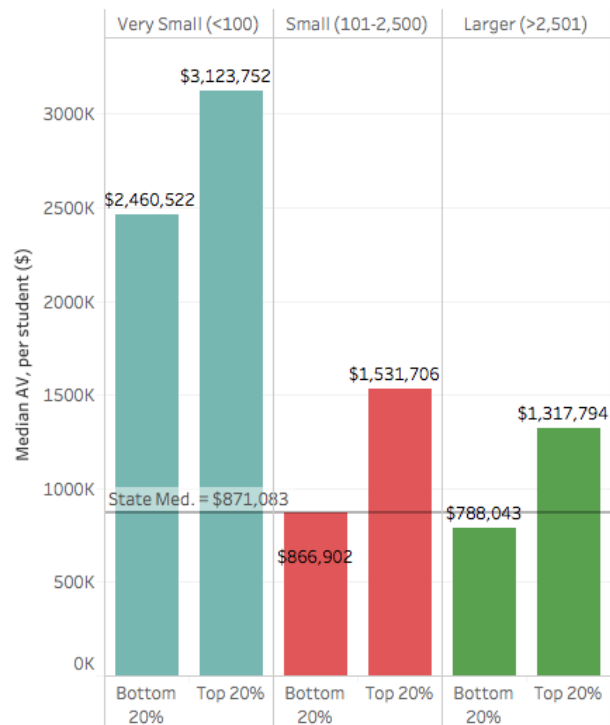
Jeffrey M. Vincent
University of California, Berkeley
April 2018

This study investigates the school facility challenges and issues facing rural and small school districts in California. We utilize a mixed method approach (analysis of district characteristics, spending patterns, and 40 interviews with superintendents) to understand the capital investment patterns and facility planning processes of these districts. Our findings identify challenges these districts face and we outline state policy recommendations.

California has 363 rural school districts (1,426 schools and 337,251 students). The overwhelming majority (91%) of California's rural school districts are "small," enrolling below 2,500 students. Nearly a quarter (24%) are "very small," enrolling fewer than 100 students. 59% of small districts in California are rural.

- Rural school districts have substantially lower assessed value and bonding capacity
 - Rural school districts are much less likely to have passed a school bond in recent years
 - Rural school districts tend to have less available bonding capacity per student
 - **72%** of the school districts in the bottom quintile of capital outlay are small
 - **56%** of the school districts in the bottom quintile of per student State Facility Aid grant allocations are small
- Assessed value is highly correlated with receiving state facility aid, regardless of district size

Median Assessed Value Per Student (2017) of Top and Bottom Quintile Capital Outlay Districts (2008-2012)



Learning from Rural District Leaders: Interview findings

- 51% of rural school districts report not being able to consistently budget enough each year for facility cleaning, upkeep, and maintenance.
- 28% of rural school districts do not have a facility master plan
- 89% of rural school districts do not have an education specification document
- 48% of rural school districts do not have a dedicated facility director
- 15% of rural school districts report they are likely to put a local bond on the ballot in next 5 years
- 21% of rural school districts report never having put a local bond on the ballot
- 44% of rural school districts have not done any modernization projects in last 5 years
- 59% of rural school districts have made emergency repairs in last 5 years

Challenges

Severe Capital Budget Constraints: Budget and capital funding constraints districts severely limit the minor and routine facility repairs and the major modernization work district leaders would like to do. The lack of funding drives (or is driven by) many of the other, specific challenges that these districts face.

Lack of Technical Expertise and Adequate Staffing for Facilities: Too often, small and rural districts in California report not having the staff time or expertise to effectively plan, manage, and/or renovate their facilities. Hiring consultants to do this work is frequently an expense that cannot be afforded or prioritized against other needs. In many cases, it is impractical for very small districts to have maintenance specialists.

Limited Local Bonding Capacity for Many Small and Rural School Districts: Most superintendents cited a lack of funding as the main culprit for their facilities issues. Many small and rural districts often do not have the assessed values that larger and/or urban districts can tap into. Many respondents reported that even when they do wish to pursue local facility bonds, they do not know where to start and the process to do so is expensive and complicated. Despite the state's efforts to equalize public school funding, property wealth is still the leading predictor of how well California's public school facilities are maintained and operated.

State Facility Funding Mechanisms Difficult for Small Districts: Many of our interviews felt that understanding eligibility requirements and then submitting applications for state funding is complicated and overly time-consuming. Most respondents reported they have to hire outside consultants to apply for state capital grants. Sometimes, superintendents lamented that do not even know what funding is available to them. respondents highlighted that many of the state's

facility funding formulas are based on average daily attendance (ADA), which many feel is unfair to smaller districts. Many respondents also pointed to the unique nuances that often come with being rural that greatly affect facilities, such as schools being in remote locations, sometimes in harsh weather environments that strain facilities, or accessing clean water sources – dealing with the facility implications of these issues requires continued facility investment.

Recommendations

Provide Targeted Technical Assistance to Small and Rural School Districts on Facility Planning, Management, and Construction. Small and rural school districts in California would likely benefit greatly from free or very low cost technical assistance on facility planning, management, and construction. Technical assistance should include, but not be limited to, assistance with state capital funding eligibility determination and applications, creating facility master plans, assessing existing facility conditions and needs, and developing education specifications. Technical assistance can be delivered through training and workshops offered regionally throughout the state in locations reasonably assessable to remote districts.

Assist Small and Rural School Districts in the Local Bond and Election Process. The State should look at establishing a capital funding program or approach that specifically targets small and rural school districts. One way would be through looking at adequately raising their ability to pay for needed facility projects – filling the gap between their local resources and full project costs.

Ensure State Funding Addresses Needs of Small and Rural School Districts. It is clear from our findings that many small and rural school districts need more help in raising funds for new constructions and major renovations, as well as adequately maintaining their existing facilities. In tandem with technical assistance and helping districts raise local funds for capital needs, the State should look closely at reforms to the School Facility Program that alleviate competitive disadvantages.

"Really the issue is money. We need help. We can't do facility repairs on our own, we just can't do it. There's just not enough cash. We can do stopgap measures, but we can't do things like modernization and new construction."

"We do not have any background in facilities. Sometimes I do not even know what questions to ask."

"Our budgets are so small that we cannot afford the upfront soft costs to access funding, even if we qualify for funding. So we do not even pursue it."

Access full study: <http://citiesandschools.berkeley.edu/school-facilities>