

A Snapshot of Open Enrollment Trends in Rural Minnesota

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By Kelly Asche, Research Associate

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The number of students choosing to open enroll in Greater Minnesota has been trending upward consistently since the policy was developed, but within the last ten years, these patterns have been intensifying, and in such a way that they are impacting how districts plan their programming, busing, and finances. Many districts are even be forced to rethink their communications strategies to take advantage of the growing inflow of students into their districts or to slow the outflow of students away from their districts.

And with the continuing decline in enrollment in rural districts (64% of rural districts have a lower enrollment in 2017 compared to 2006), it isn't surprising that a cordial competition for these students has sprung up. Fewer students equals fewer dollars for salaries, facilities, and programs.

More Students Choosing to Open Enroll

Within the churn of open enrollment, a pattern has emerged over the last ten years where now nearly half of the school districts outside the seven-county metro area fall into two categories: i) districts that have experienced a net gain in open enrollment students every year, or ii) districts that have experienced a net loss in open enrollment every year.

For this analysis we divided districts in Greater Minnesota into two groups, "rural" and "regional center." For definitions of how we arrived at these categories, see section **Geographic Types Explained**. Figure 1 shows that 41% of regional center school districts and 43% of rural districts fall into one of these two categories.

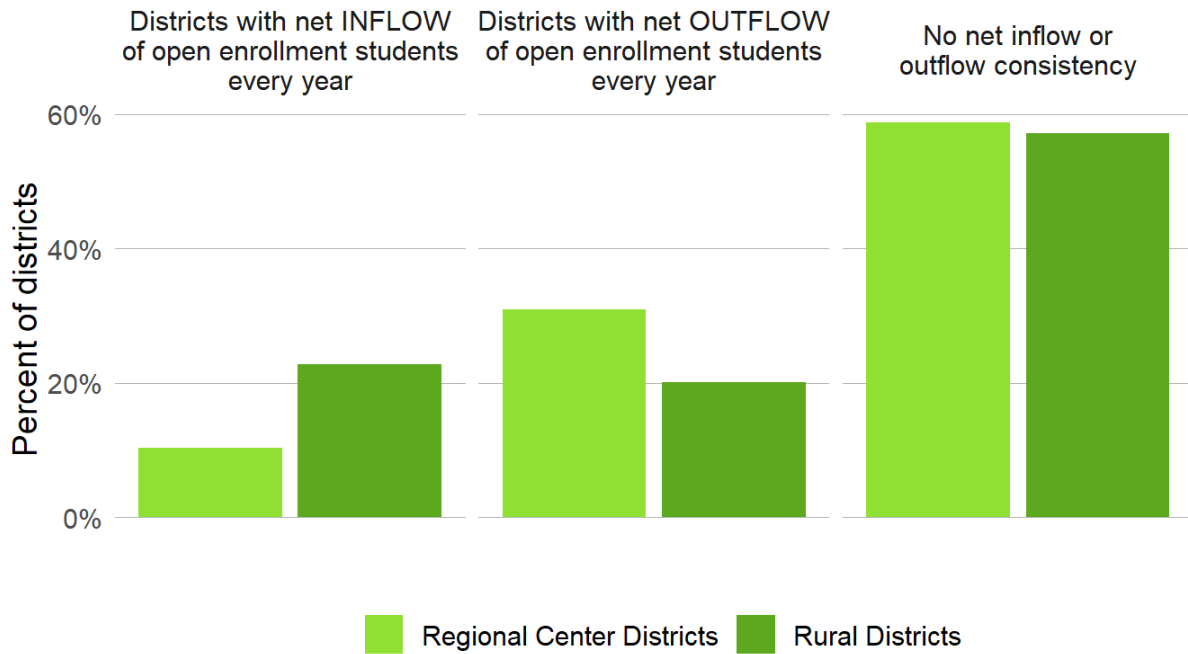


Figure 1: Rural and regional center school districts in Greater Minnesota have experienced either a net inflow of open enrollment students every year since 2006, a net outflow every year, or a mix of net inflow and outflow. Regional centers are more likely to experience a consistent trend of outflow, while rural districts are more likely to experience a net inflow.

Over the years, the number of students choosing open enrollment has increased significantly across all types of school districts. In 2017 (2016-2017 school year), the number grew to nearly 25,000 rural district students (a 50% increase compared to 2006) and 15,000 regional center district students (a 108% increase).

This increase has far surpassed any increases in total enrollment. The share of students open enrollment represents in rural districts has increased from 9% in 2006 to 15% in 2017, while total enrollment decreased by 3%. The increase in regional center districts has been less, going from 3% to 5%, while total enrollment has increased by 3%.

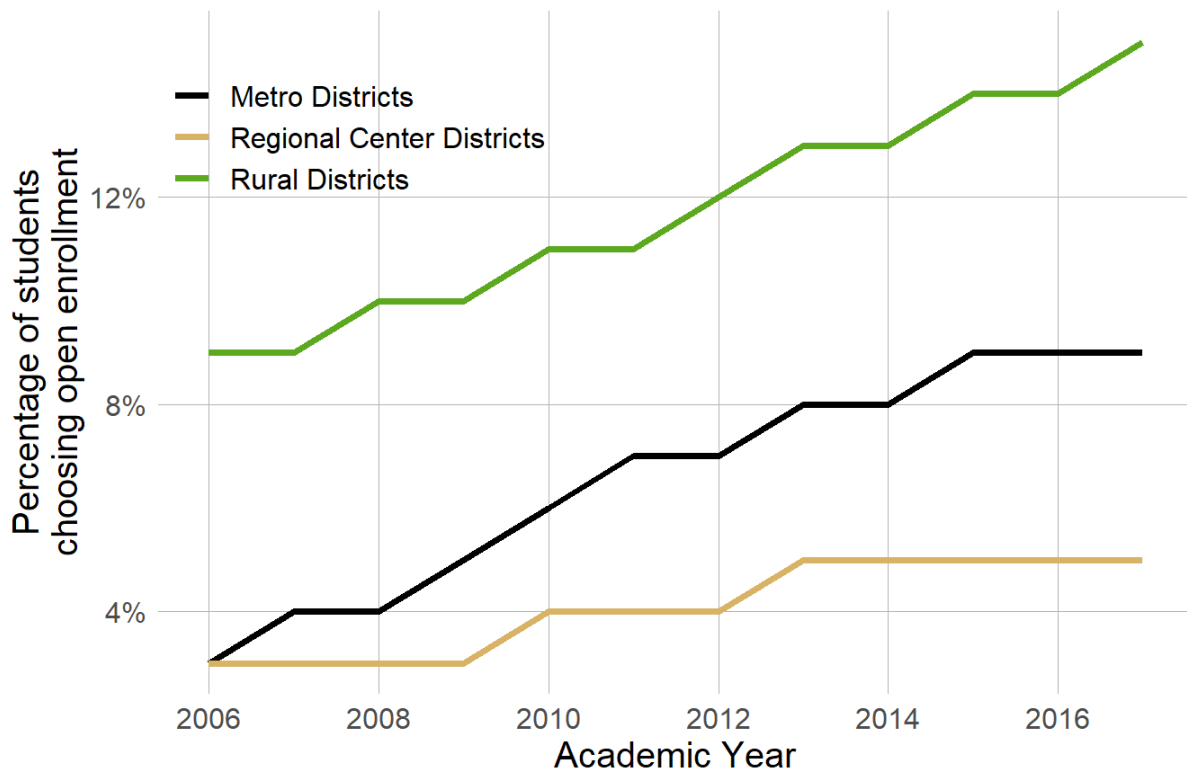


Figure 2: The percentage of students within each type of school district choosing to open enroll.

From Regional Centers to Adjacent Rural Districts

The share of total enrollment that open-enrollment students represent isn't evenly distributed among all districts, however.

As figure 1 above shows, since 2006, a third of regional center districts have experienced a net loss in open enrollment every year, meaning that more students open-enrolled out of these districts than chose to open-enroll into them. At the same time, some of the adjacent rural districts experienced a net gain every year, meaning more students open-enrolled into these districts than out. In fact, rural districts as a whole have experienced net gains that are very much a mirror image of the trend in net losses in regional center districts (figure 3).

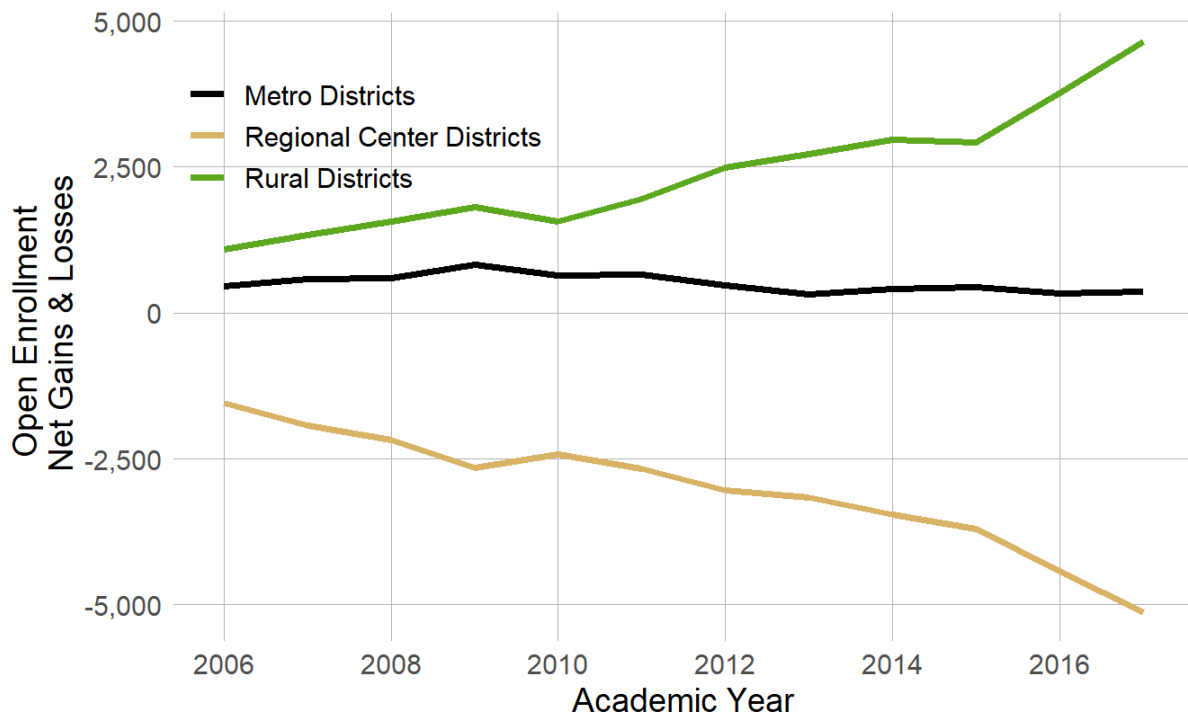


Figure 3: On the whole, rural districts are more likely to see a net gain in students through open enrollment while regional center districts are more likely to see a net outflow. Metro districts tend to stay fairly steady. The trends for both rural and regional center districts are strengthening.

Mapping the regional center districts that experience a consistent net loss in open enrollment along with the rural districts that experience a consistent net gain makes it easier to see how often these districts are adjacent to each other (figure 4).

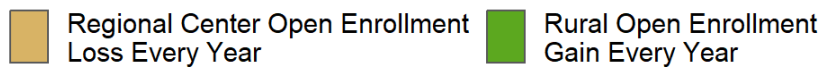
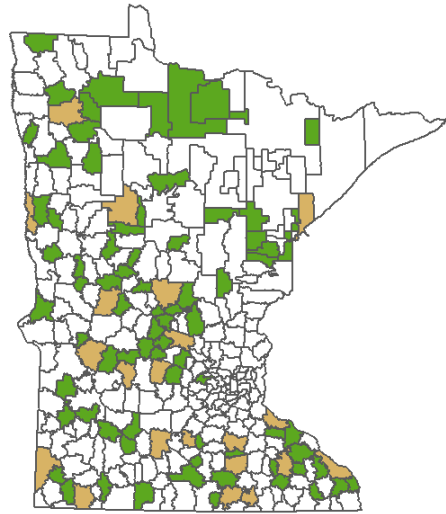
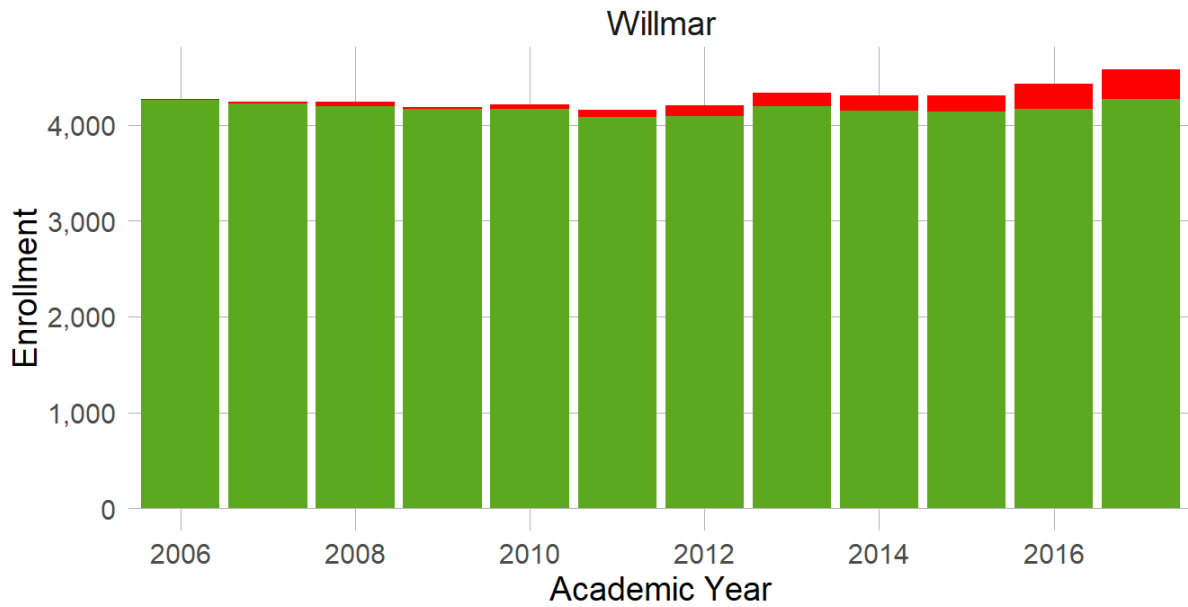


Figure 4: Green represents school districts categorized as rural that experienced a net gain in open enrollment students every year from 2006-2017. Brown represents school districts categorized as regional centers that experienced a net loss in open enrollment every year during the same time period.

Dr. Jeff Holm, superintendent of the Willmar School District, sees school buses from New London-Spicer (NL-S), Kerkhoven-Murdock-Sunburg (KMS), BOLD, and Atwater-Cosmos-Grove City (ACGC) pick up students in his district every school day.

The Willmar school district is one of the regional centers that has had more of its resident students enrolling outside of the district than open-enrolling into it every year since 2006. In 2017, the net loss in open enrollment was over 300 students, which is 7% of their total enrollment.

As dire as this loss seems, however, a majority of regional center districts experiencing similar losses still see enough population growth in school-age children within the district to keep total enrollment steady (figure 5).



■ Net loss in students due to open enrollment
 ■ Actual enrollment

Figure 5: Willmar's actual total enrollment each year (green) and net loss due to open enrollment (red). The two together show what Willmar's enrollment would have been without open enrollment. Even without the open-enrollment students, Willmar has been experiencing a general increase in enrollment the last few years.

At the same time, for smaller rural school districts, open enrollment trends can stabilize declining enrollment or in some cases turn that trend around. For example, two rural districts adjacent to Willmar experience net gains in open enrollment every year. In NL-S, open enrollment gains have helped stabilize what would otherwise be significant decreases in enrollment, while in KMS, open enrollment has boosted overall enrollment, and now accounts for 29% of total enrollment (figure 6).

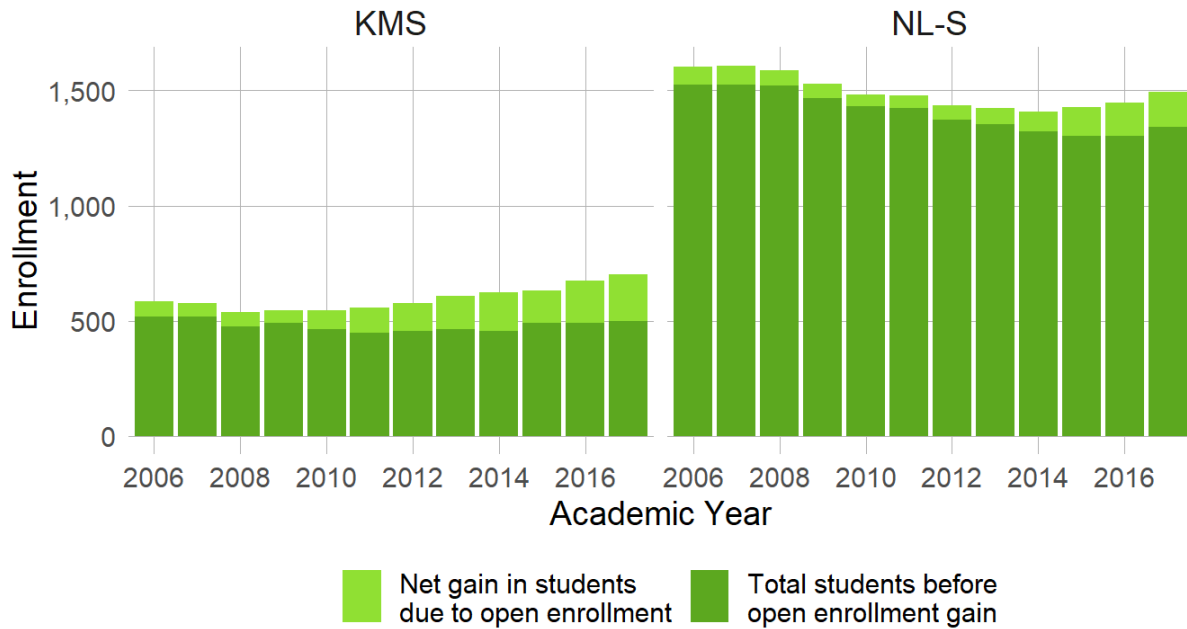


Figure 6: Total student enrollment without open enrollment gains (darker green) at Kerkhoven- Murdock-Sunburg and New London-Spicer and the net gain in students due to open enrollment (light green). The darker green indicates what total enrollment would have been without the gain from open enrollment. While KMS's enrollment would have stayed fairly steady, NL-S's enrollment was on a definite downward trend without gains from open enrollment.

Like KMS and NL-S, rural districts experiencing a net gain in open enrollment every year (about one third of all rural districts) are seeing a growing share of their total enrollment being made up of open enrollment students. The median percentage of total enrollment represented by open enrollment in this group of districts has increased from 10% in 2006 to nearly 16% in 2017.

In comparison, in regional center districts experiencing a net loss every year, the median loss as a percentage of their total enrollment has increased from 3% in 2006 to 7% in 2017.

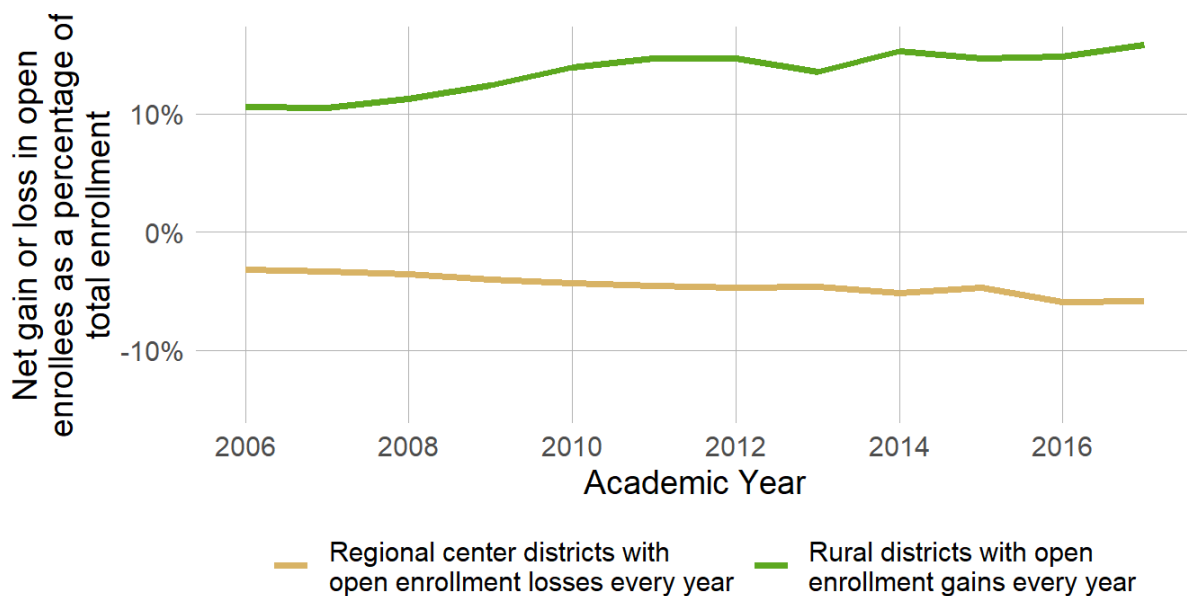


Figure 7: The green line represents the percentage of students enrolled that are open enrollees in rural districts that experience a net gain in open enrollment every year. As can be seen, open enrollment gains are becoming a larger percentage of the student population. The brown line represents the percentage of students enrolled in regional center districts that experience a net loss in open enrollment every year that are lost due to open enrollment. Although increasing, these losses are not as significant to total enrollment compared to rural districts.

Push and Pull Factors Among Rural School Districts: Options, Competitiveness and Future Sustainability

The many factors that contribute to pushing students out of regional centers and pulling them toward the adjacent rural districts appear to be common to both regional centers and adjacent rural districts.

The most common factor: small school atmosphere. One of the most frequently mentioned aspects of this factor-and open enrollment factors in general-is parents' perception that their children have better opportunities to be involved in activities in smaller schools. Parents who hold these perceptions believe that sports, clubs, music, and other activities are "less competitive" in smaller districts, giving their kids a better chance to join and participate.

Another perception is a stronger relationship with teachers and school administrators. Parents have expressed a desire for more influence in the school and with teachers, school administrators say. This need is particularly strong in regard to special education programming. Superintendents interviewed for this analysis noted hearing from numerous parents whose children use special education services that they felt that smaller schools could provide more attention. At different points over the last few years, in fact, nearly 50% of both the KMS and NL-S districts' special education students had open-enrolled into the districts.

In addition, as districts adapt to immigrant and refugee populations, parents have expressed concerns about the potential decrease in attention and programming given to their own children. While a correlation between increasing diversity in student enrollment and open enrollment loss can be seen in the data, the actual relationship is not clear.

Figure 8 below shows that regional center districts with a higher percentage of nonwhite and Latino students have been more likely to experience a net loss due to students open-enrolling out, but in rural districts, there was again no clear relationship between racial and ethnic student diversity and open enrollment trends.

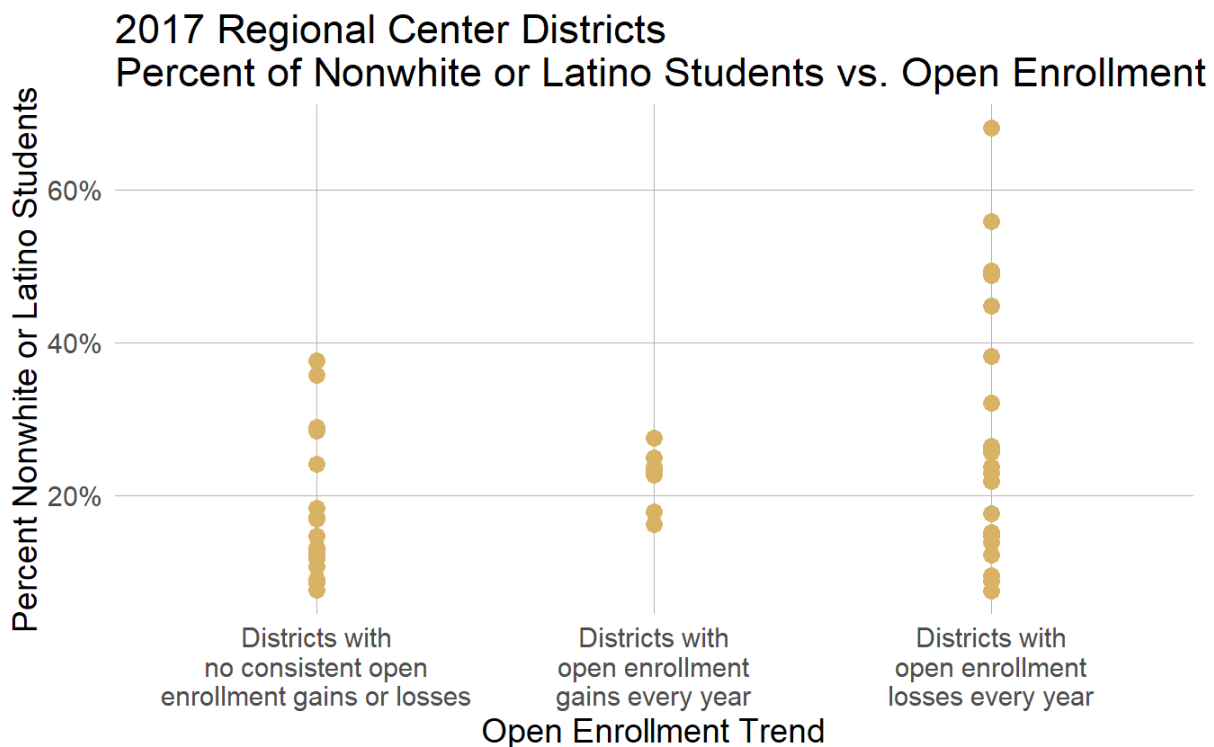


Figure 8: Each dot represents a regional center school district that experiences a specific open enrollment trend (x-axis) along with the percentage of their student population that is nonwhite or Latino (y-axis).

Perceptions of “urban school problems” also drive students away from regional center districts, says Willmar Superintendent Jeff Holm.

“As schools get larger, issues such as teen pregnancy and crime become a focal point for parents,” but these perceptions are not always accurate, Holm says. Percentage-wise, the issue may not be any larger than it would be in a smaller school, but the larger actual numbers in larger districts create the perception of greater seriousness.

These perceptions and the resulting trends in enrollment have forced the district to reassess its assets, focusing on communicating and promoting activities and programs available in Willmar that might not be available in smaller neighboring districts, such as hockey, soccer, swimming, and even courses like Mandarin.

Net Losses in Rural School Districts

For the 20% of rural school districts that have experienced a net loss in open enrollment every year, the push and pull factors seem to be a bit different. Superintendents gave several examples:

Location: Distance and commuting patterns appear to play a big role in deciding why and where to open enroll for residents of large, spread-out rural districts. For some households, a school in the neighboring district is closer to their home than the school in their own district. For example, households on the east side of Green Lake near Spicer are in the Atwater-Cosmos-Grove City School district but find themselves closer to schools in the New London-Spicer district.

In other instances, parents are choosing to open-enroll their children near where they work. When a family moves out of a district, they may open-enroll their children back into that original district so as not to disrupt their schooling.

Programming: Parents make choices based on programming they think is a better fit for their child, such as particular after-school programs, online learning opportunities, or special education.

Future sustainability: Perceptions about a school's ability to continue functioning, financial challenges, the condition of its facilities, or conversations around consolidation can all be factors in parents' decisions.

Rural Districts That Experience A Net Gain Or Loss In Open Enrollment Every Year

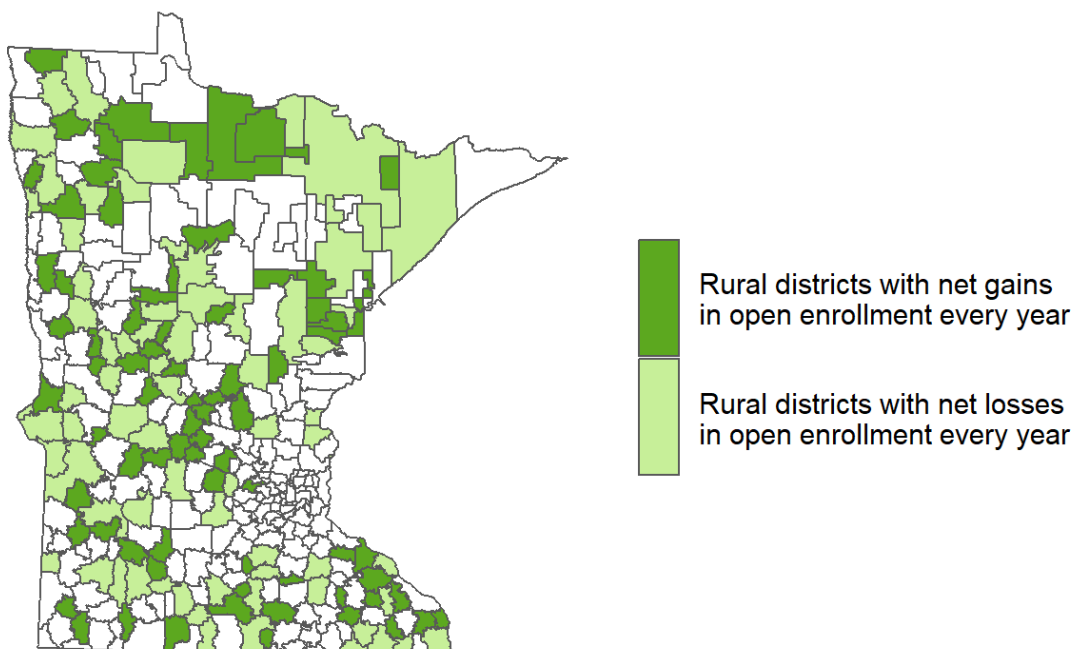


Figure 9: Rural districts that have experienced consistent open enrollment gains or losses between 2006 and 2017.

Districts Adapt - Increasing Awareness

Due to the financial incentives for increasing enrollment, districts are beginning to consider strategies to increase open enrollment in or decrease open enrollment out. While superintendents generally want to be respectful of each other, says Kerkhoven-Murdock-Sunburg Superintendent

Martin Heidelberger, some districts are more aggressive than others in encouraging open enrollment. For example, school districts have been sending buses into surrounding districts to pick up students at central pick-up locations for many years. However, some districts now analyze the cost-benefit of picking up open-enrollment students at their doors in an effort to provide that extra edge of service.

Districts are also becoming savvier in promoting their programming, events, and successes both as reasons to enroll in their schools and to prevent households in the district from enrolling out of the district. A few districts are even going as far as promoting open enrollment in newspapers and other marketing materials in surrounding districts.

Potential Future Consequences

Despite the opposite open enrollment trends (net loss or net gain) in so many neighboring districts, school officials share a common concern: Will local households continue to support referendums as more and more students leave the district or outside students come into the district?

Currently, the data does not reveal any relationship between open enrollment (loss or gain) as a percentage of total enrollment and the passage of referendums over the last several years. This does not stop superintendents, however, from being nervous about the future as they hear more and more discussion about open enrollment from local residents.

Gwen Carman, Superintendent of the Carlton School District, explained the challenge of what she describes as an “erosion of local support” due to open enrollment. Like many school districts, Carlton ran into some challenging financial problems during the Great Recession, at a time when its facilities were and continue to be in need of repair and/or replacement. The district has developed a plan to move forward, but these plans rely on the passage of a bonding referendum. Carlton experiences a net loss in open enrollment students every year; in the 2017 school year, that loss equaled nearly 25% of total enrollment. Superintendent Carman stated that many of the local parents send their children to surrounding districts because those districts have newer facilities, more resources, and fewer questions about future sustainability. As she says, “It is difficult to convince [local] households to vote in support of a bond referendum to increase their taxes and improve their local school facilities when they already send their children to another district with new facilities, and they don’t have to pay the higher tax for those schools.” In 2017, a bond referendum to add a high school addition to the elementary school failed, 28% for to 72% against.

Carlton School District Enrollment

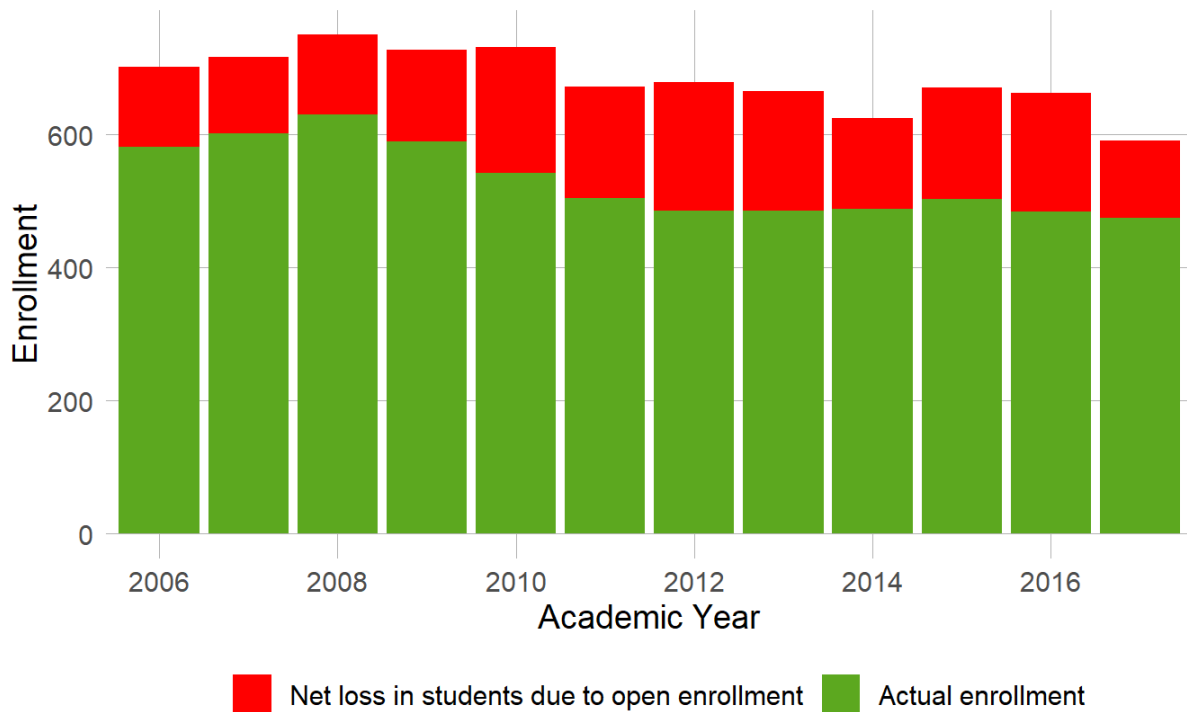


Figure 10: Carlton school district's actual enrollment (green) and net loss due to open enrollment (red).

Similar concerns come up in districts that see major gains in open enrollment. Nearly 50% of Underwood School District's total enrollment is open-enrolled students. Superintendent Jeremy Olson is hearing more and more households questioning why local tax dollars are supporting so many students from outside the district. It's the opposite of districts that experience net losses every year; households wonder why households outside the district don't have to contribute. But despite these questions, a 2014 bond referendum passed in Underwood 55% to 45%.

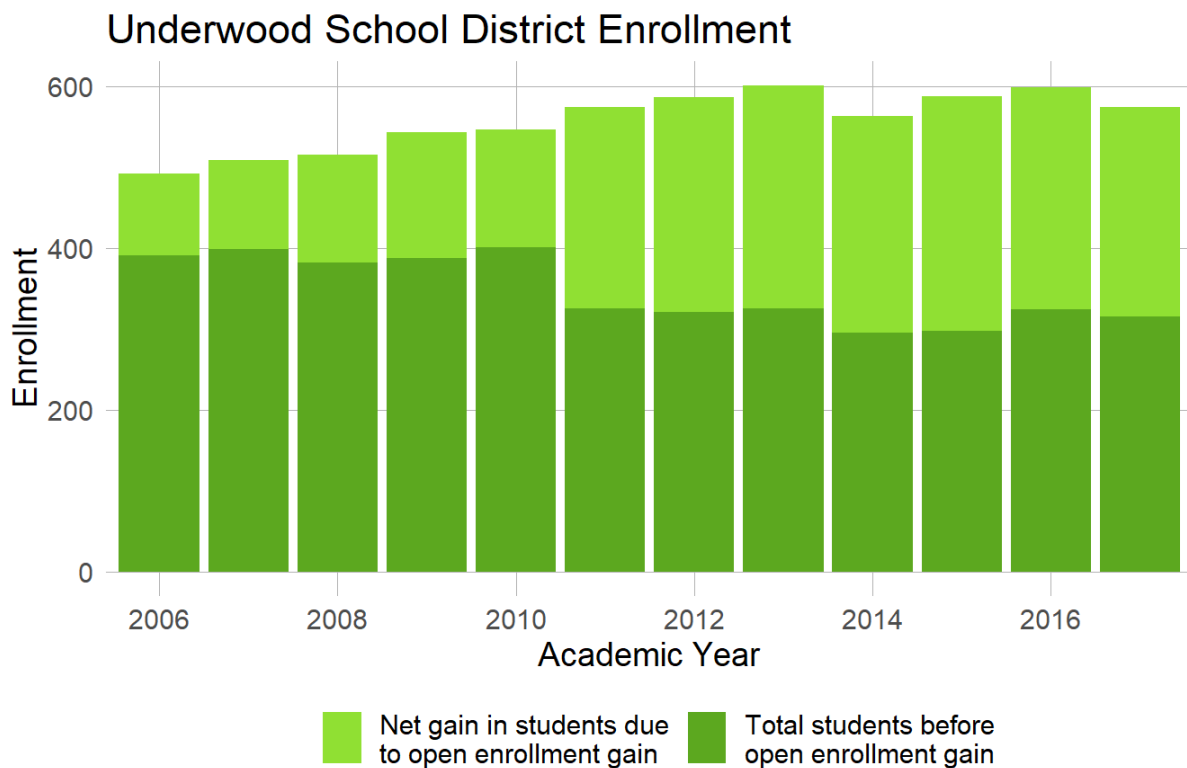


Figure 11: Total enrollment without open enrollment gains (darker green) and the net gain in students due to open enrollment (light green) at Underwood school district.

Several regional center districts have an even larger challenge. These districts typically see both open enrollment losses and experience rapid increases in student diversity. John Landgaard, Superintendent of the Worthington Public School District, says that “opposition to referendums is already strong due to the belief that taxes are too high. It really becomes an uphill battle when the conversations turn into raising taxes with a more diverse student population than to focus on the real issue of space”. Worthington is currently making its third attempt to pass a bond referendum to add more space to support their growing enrollment.

Twenty-five+ Years of Open Enrollment

As was intended when open enrollment was launched more than twenty-five years ago, the program is giving households in Greater Minnesota’s school districts options to make choices that fit with the opportunities and experiences parents desire for their children and to meet the demands of their lifestyles. And as was also intended, school districts are adapting, finding ways to improve their quality of education and promote themselves to compete with other districts.

Over the years, interesting trends have appeared in Greater Minnesota’s districts. Some of them are welcome, such as the trend in one quarter of small rural districts to gain open enrollment students, thereby stabilizing what would have been declining enrollment numbers. On the other hand, 20% of rural districts are still seeing an annual net loss in enrollment due to open enrollment.

In regional center school districts, nearly a third are losing students consistently to open enrollment, although enough families appear to be moving into the districts fast enough to sustain total enrollment. But although it’s difficult to prove with the current data, we may be seeing instances of

“white flight” in some districts with high enrollments of immigrant and minority students.

And for all districts, open enrollment is becoming part of the discussion when it comes time to vote on school referendums.

Open enrollment as a program hasn't had a comprehensive review since it started, but the patterns emerging in Greater Minnesota suggest that it perhaps should. As households continue to become more mobile and selective, these open enrollment patterns we're seeing now will likely continue and their impacts intensify.

Geographic Types Explained

Comparisons in open enrollment are made between school districts located within three different geographic categories; metro, regional center, and rural. These categories were developed using the enrollment strata categories created by the MN Department of Education (MDE).

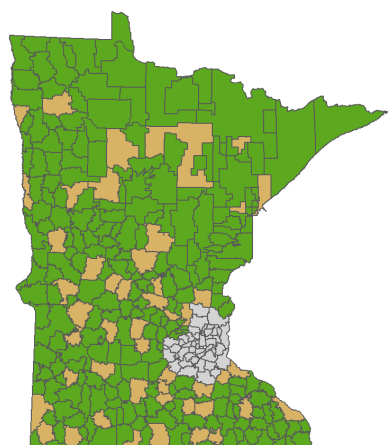
Strata Code	Definition
1	Urban Center
2	Inner Ring Suburbs
3	Outer Ring Suburbs
4	Rural > 2,000
5	Rural 1,000 - 1,999
6	Rural < 1,000

Using definitions provided by the Minnesota Rural Education Association, these school district types are consolidated into three distinct categories;

Metro: School districts coded as 1, 2, or 3. N=49

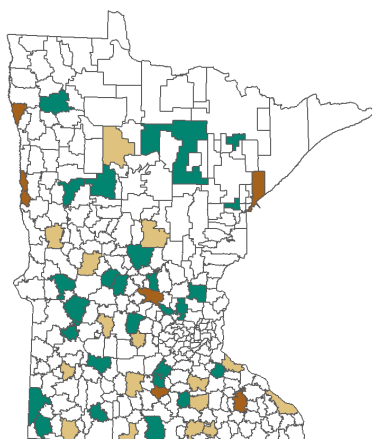
Rural: School districts coded as 4, 5, or 6, and are not regional centers. N=236

Regional Centers: School districts coded as 4, 5, or 6, and are categorized as metropolitan or micropolitan by the U.S. Census, OR, have commercial and industrial properties with total value of \$50 million, OR, have a commercial to residential property ratio of 1:2 - 1:7. N=48 (High C&I Ratio: 26 school districts; Metropolitan: 6 school districts; Micropolitan: 16 school districts) - special thanks to the Minnesota Rural Education Association for the data.



Type of School Districts

- Metro
- Regional Center
- Rural



Type of Regional Center School Districts

- High Ratio C&I
- Metropolitan Area
- Micropolitan Area

Data Source

You can find all the data used in this report at the Minnesota Department of Education Data Center webpage.