



# Service Sharing between Municipalities and Schools in New York State: Least where need is greatest

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## Introduction

**In response to tightening fiscal conditions and evolving community needs, increasing efforts have been devoted to the practice of joint use<sup>1</sup> between schools and their communities.**

Joint use between schools and communities can help create and sustain active, healthy communities and vibrant neighborhoods. However, joint use service sharing differs across service types. Joint use cooperation in community services allows schools to build programmatic and practical synergies with communities by maximizing the use of school buildings, athletic fields, parks, libraries, and other often under-utilized school assets. Joint use cooperation in administrative services may be a viable option for reducing costs or slowing growth in spending to achieve cost efficiency. Our study explores joint use service sharing differences across service types, and across school districts by metro status, sharing partners and socio economic condition. We also examine differences in joint use motivators, obstacles and potential outcomes.

**We find sharing is higher in administrative services where administration and financial support is provided by state-supported structures such as Boards of Cooperative Educational Services (BOCES), and differential state aid encouraging sharing with poorer districts. Community services, by contrast, are least likely to be shared in the poorest communities where they may be needed most. Given the potential of schools to provide important community services to their communities, mechanisms to encourage more service sharing, especially with poorer districts, need to be devised.**

<sup>1</sup> Joint use is a widely used term for the use of school facilities and/or grounds by "non-school" actors. Morken, L. and Baran-Rees. 2012 **Joint Use: School Community Collaboration**. (<http://cms.mildredwarner.org/p/147>)

## Methodology and Data

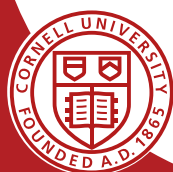
Our data is drawn from the School District Shared Service Delivery Survey, conducted by Cornell University in 2013. The survey asked school superintendents to indicate whether a service is shared or provided across 26 services in 5 categories, but we focus this study on sharing in two categories: Administrative services, and Facilities and Community services. The survey also gathered information on formality of sharing agreements, outcomes, motivators, obstacles and management issues of collaboration as well as school districts' fiscal conditions.

Our joint use study is particularly interested in the level of service sharing across seven administrative services and ten community services. The level of service sharing is defined as the number of services a school district shares with other potential partners,<sup>2</sup> divided

<sup>2</sup> The potential partners include other school districts, BOCES (regional collaborative entities), municipalities, university or community colleges, community groups or non-profit organizations, and the private sector.

**Table 1: Administrative and Community Services Studied**

<b>Administrative services</b>
Payroll/accounts payable
Cafeteria services
Transportation services (Buses, garage, maintenance)
Tax collection
Security/SRO/police
Health insurance
Joint purchasing
<b>Community services</b>
Library/computer lab
Gymnasium/pool/auditorium/indoor space
Field/playground/outdoor space
Youth recreation
Childcare/even start/pre-school
Community transportation
Adult education
Adult recreation
Adult healthcare/social services
Community feeding



The Shared Services project is directed by John Sipple and Mildred Warner of Cornell University and funded by the US Department of Agriculture Hatch and Smith Lever grant programs, administered by the NYS Agricultural Experiment Station at Cornell University. Additional information can be found at [www.mildredwarner.org/restructuring/nys](http://www.mildredwarner.org/restructuring/nys).

by the number of services the school district provides. A detailed list of services in the administrative services category and community services category is shown in Table 1.

We supplement our data with additional information on each school district's enrollment size from NYS comptroller data (2013). Fiscal data are compiled by the New York State Center for Rural Schools from data provided by the New York State Education Department through their "Financial Profiles" for NYS public school districts. The metro status of each school district is based on New Urban-Centric Locale Codes.<sup>3</sup>

Figure 1 shows responding school districts are well distributed across New York State. 245 schools responded to our survey, representing 36% of the total New York State school districts (outside New York City).

3 Data come from the National Center for Education Statistics. [http://nces.ed.gov/ccd/rural\\_locales.asp#defs](http://nces.ed.gov/ccd/rural_locales.asp#defs)  
City: territory inside an urbanized area and inside a principal city.  
Suburb: territory outside a principal city and inside an urbanized area. Small city: territory inside an urban cluster. Rural: census defined rural territory.

### Overview on the level of service sharing

School districts in New York State show relatively high levels of joint use service sharing. Almost 90% of all districts share at least one service. On average, school districts share 16 of 26 services measured in our survey.<sup>4</sup> This is in contrast to the average municipality that shared 8 of 29 services<sup>5</sup>.

The higher rate of sharing is primarily in administrative services and this is largely facilitated by the BOCES system.<sup>6</sup> For administrative services (7 services), school superintendents report sharing on average 3.1 services out of 5.1 services they provide. For community services (10 services), on average, responding school districts provide 3.4 community

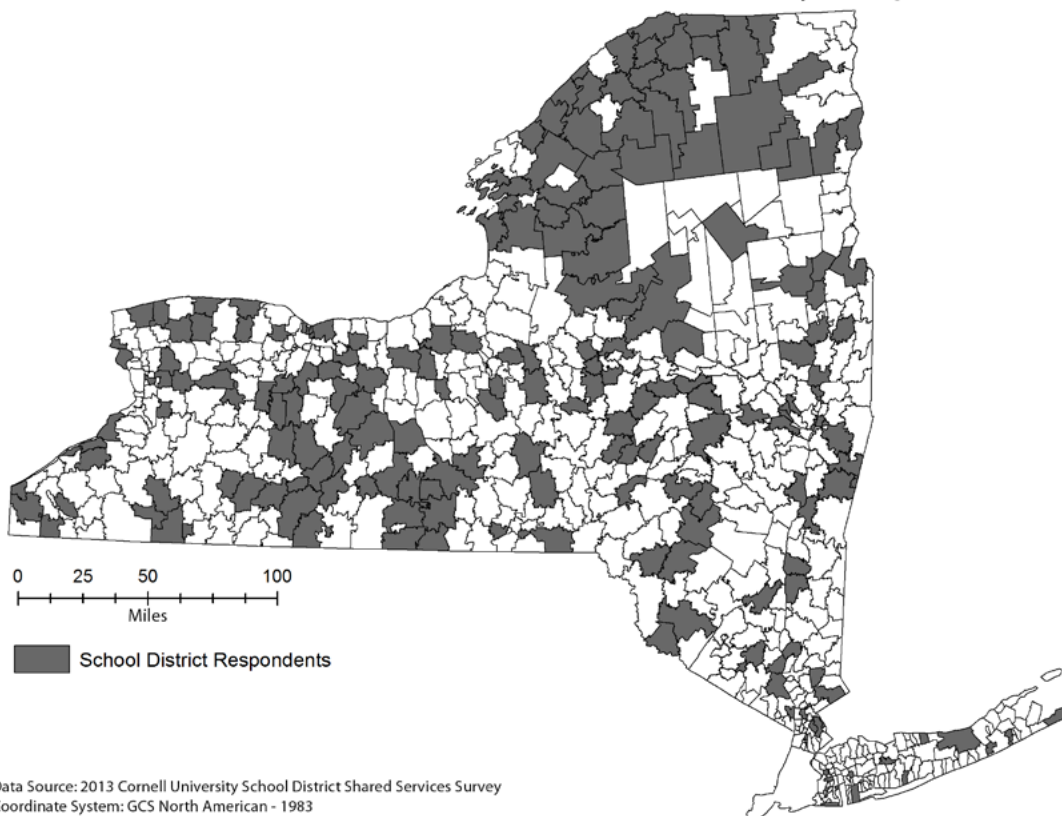
4 Sipple, J. and Diiani-Miller (2013) "Shared School Service: A Common Response to Fiscal Stress", Cornell University. <http://www.ny ruralschools.org/w/wp-content/uploads/2014/02/Final-Shared-Services-Brief1.pdf>

5 Homsy, G.; B. Qian, Y. Wang and M. Warner (2013). **Shared Services in New York State: A Reform that Works, Summary of Municipal Survey in NYS, 2013**, Shared Services Project, Dept. of City and Regional Planning, Cornell University, Ithaca, NY. (<http://cms.mildredwarner.org/p/188>)

6 Hayes, C. (2013). **"Savings on Administrative Costs: Are Central Business Offices the Answer?"**, Shared Services Project, Dept. of City and Regional Planning, Cornell University, Ithaca, NY. (<http://cms.mildredwarner.org/p/194>)

**Figure 1: Responding School Districts - Shared Service Survey (2013)**

## 2013 School District Shared Services Survey Respondents



services and share 2.4 services.

### Sharing is distinctive across service categories

The level of joint use service sharing differs when we compare community services with administrative services. These differences appear in sharing prevalence, potential partners, nature of sharing arrangements and outcomes (Table 2 and Table 3).

**Nearly all the administrative services have a sharing percentage over 50%**, except for payroll/accounts payable (44%) and tax collection (32%). Higher sharing percentages occur for services involving joint purchasing (92%) and health insurance (77%) where BOCES stands as the primary partner and plays a significant role. For all administrative services, the major players collaborating with school districts are BOCES (54%) and another school district (25%). Municipalities participate in about 13% of cases of cooperation in administrative services. Not surprisingly, municipal cooperation is most common in tax collection and police (school resource officers).

**The three most commonly shared community services are community transportation (74%), youth recreation (71%) and childcare/even start/pre-school (62%)<sup>7</sup>. The primary partners for cooperation in community services are community groups/non-profits (43%) and municipalities (27%).** While BOCES facilitates administrative sharing, it is less likely to play a role in facilitating community services, except adult education.

Administrative services cooperation, involves more “back office” services sharing and frequently utilizes formal agreements (93%). In contrast, community services cooperation is more interactive with community members and is less likely to use formal agreements (58%).

Potential outcomes of cooperation (Table 3) vary

<sup>7</sup> Youth recreation: 97 survey respondents report a sharing arrangement out of 137 that provide the service. Childcare/Even start/Pre-school: 84 survey respondents report a sharing arrangement out of 135 that provide the service. Both the number of services provided as well as the sharing percentage are higher for these two services as compared to the average of community services.

**Table 2: Sharing Percentage and Partners**

	Percent Provided	Percent Shared	Partners			
			Municipalities	Community groups/ non-profit	Another school district	BOCES
<b>Administrative Services</b>	<b>75%</b>	<b>60%</b>	<b>13%</b>		<b>25%</b>	<b>54%</b>
Payroll/accounts payable	77%	44%	0%		9%	91%
Cafeteria services	77%	50%	0%		26%	57%
Transportation services	77%	52%	9%		52%	21%
Tax collection	64%	32%	61%		7%	13%
Security/SRO/police	42%	56%	75%		7%	12%
Health insurance	92%	77%	3%		39%	52%
Joint purchasing	93%	92%	8%		13%	77%
<b>Community Services</b>		<b>45%</b>	<b>27%</b>	<b>43%</b>	<b>6%</b>	<b>11%</b>
Library/computer lab		17%	11%	37%	0%	41%
Gymnasium/pool/indoor space		43%	21%	46%	12%	6%
Field/outdoor space		51%	32%	44%	7%	2%
Youth recreation	59%	71%	52%	42%	0%	1%
Childcare/Pre-school	58%	62%	7%	64%	1%	7%
Community transportation	12%	74%	41%	31%	3%	7%
Adult education (ESL, GED, etc.)	39%	53%	2%	4%	13%	77%
Adult recreation	44%	32%	40%	48%	3%	0%
Adult healthcare/social services	4%	20%	50%	50%	0%	0%
Community feeding	9%	30%	43%	57%	0%	0%

Source: Cornell University, School District Shared Service Delivery Survey, 2013.

service by service with a big difference between service categories. Survey respondents report the primary outcome of cooperation in administrative services is obtaining cost saving. **More than 80% of the respondents report cost savings to be the outcome of cooperation in administrative services. While for community services, the primary outcome reported is to gain better service quality (68%).**

We ran regression models on the level of service sharing in administrative services and community services. The models controlled for nature of sharing arrangements, management factors, socio economic aspects, finance, and metro status. We found **the following factors drive school districts to engage in more joint use service sharing: using more formal sharing contracts, involving municipalities as cooperative partners, and having more fiscal stress.** Joint use cooperation occurs more in rural areas and small cities, and less in school districts with larger enrollment size. However, management obstacles and child poverty impede joint use collaboration. Other factors, including race and expenditure per pupil are not significant in the model. We illustrate model results below with tables showing variation in

level of service sharing by category.<sup>8</sup>

### **Smaller school districts participate more in joint use service sharing**

In New York State, school districts with smaller enrollment size engage in a higher rate of joint use service sharing (Table 4). Although they provide fewer services on average, they are more likely to engage in sharing among the services they do provide. This is true for both administrative and community services.

Joint use cooperation in administrative services shows a clear trend - the sharing percentage drops as enrollment size rises. Smaller school districts have higher rates of cooperation in administrative services, which are most likely to achieve the benefits of economies of scale.<sup>9</sup>

8 For complete regression model results see, Yang, W. (2014), Factors Explaining Joint Use Service Delivery in School Districts: An Analysis in New York State, unpublished Masters Thesis, Dept. of City and Regional Planning, Cornell University, Ithaca NY.

9 Economies of scale are cost advantages where costs per unit of output generally decrease with increasing scale, as fixed costs are spread over more units of output. Sharing often results in savings from economies of scale, see Bel, G and Warner, M (2014). Inter-municipal cooperation and costs: Expectations and Evidence, Public Administration: An International Quarterly, forthcoming. (<http://cms.mildredwarner.org/p/201>)

**Table 3 Sharing Arrangement: Formality and Outcomes**

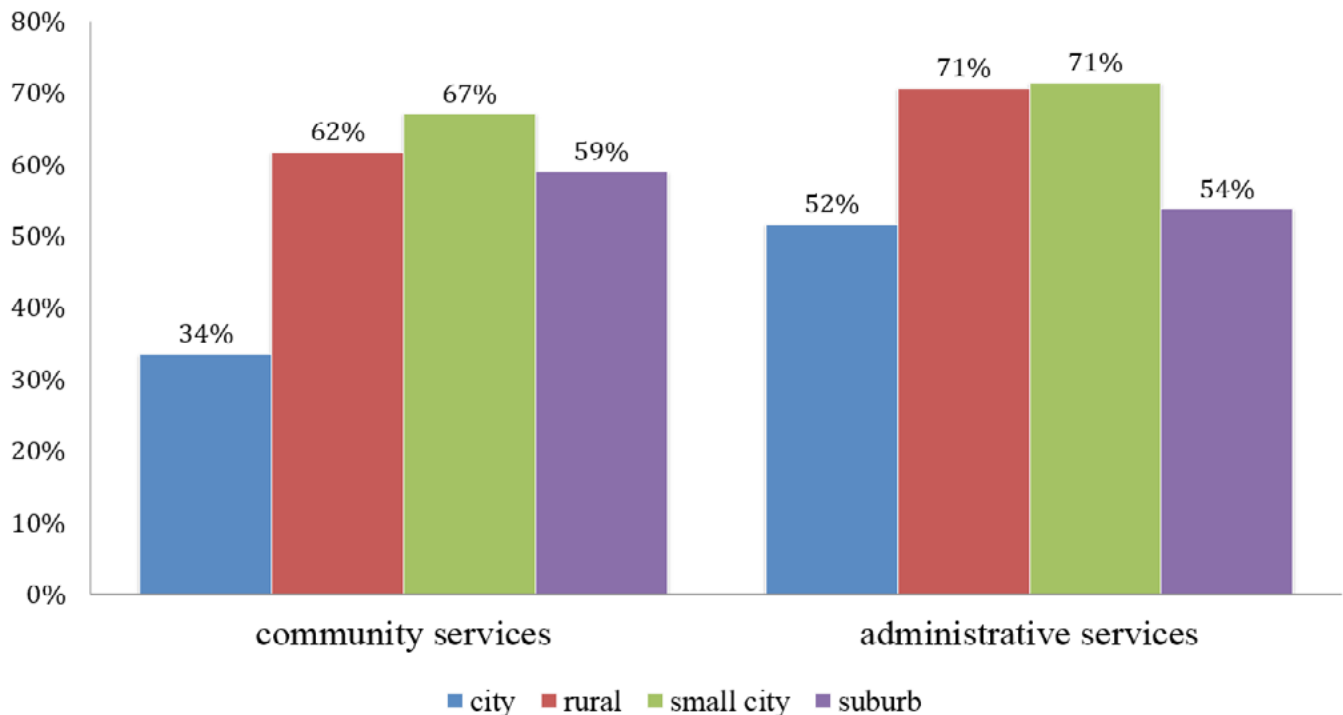
Services	Percent formal contract	Outcomes	
		Cost savings	Maintain/improve service quality
Administrative services	93%	84%	53%
Community services	58%	38%	68%

Source: Cornell University, School District Shared Service Delivery Survey, 2013.

**Table 4: Service sharing level by school districts' enrollment size**

School District Enrollment Size	No. of School Districts	Community services (10 services)			Administrative services (7 services)		
		Ave. No. of services shared	Ave. No. of services provided	Sharing percentage	Avr. No. of services shared	Avr. No. of services provided	Sharing percentage
0-1000	98	2.2	3.0	74%	3.2	4.6	69%
1001-2500	66	2.5	3.4	73%	3.2	5.4	60%
2501-5000	40	2.6	3.9	66%	3.0	5.5	56%
>5001	14	2.7	4.3	63%	2.5	6.1	41%
Total school districts	218	2.4	3.4	70%	3.1	5.1	61%

Source: Cornell University, School District Shared Service Delivery Survey, 2013.

**Figure 2: Service sharing level by metro status**

### Joint use service sharing is more prevalent in rural places and small cities

We found that school districts in rural places and small cities enjoy a relatively higher sharing level, both for community services and administrative services (Figure 2).

School districts in rural places and small cities share 71% of administrative services. The sharing rate for community services is a little bit lower, with rural places at 62% and small cities at 67%. But if we examine the sharing percentage across metro status, **we find that rural places and small cities cooperate at a higher rate as compared to suburbs and cities.** Schools are especially critical to the social and economic well-being of rural communities and small cities because schools provide important social, cultural, and recreational opportunities and help smaller communities sustain vitality. Schools are especially vital for rural places, as small rural communities often lack public resources and public places (i.e. parks, public meeting places, public facilities).<sup>10</sup>

<sup>10</sup> Lyson, Thomas A. 2002. "What does a school mean to a community? Assessing the social and economic benefits of schools to rural villages in New York," *Journal of Research in Rural Education*, 17:131-137. <http://cms.mildredwarner.org/p/201>

### Student poverty impedes joint use cooperation in community services

Generally, from the model results we find that student poverty, measured by percent of students receiving reduced price or free lunch, impedes joint use cooperation in community services (Figure 3).

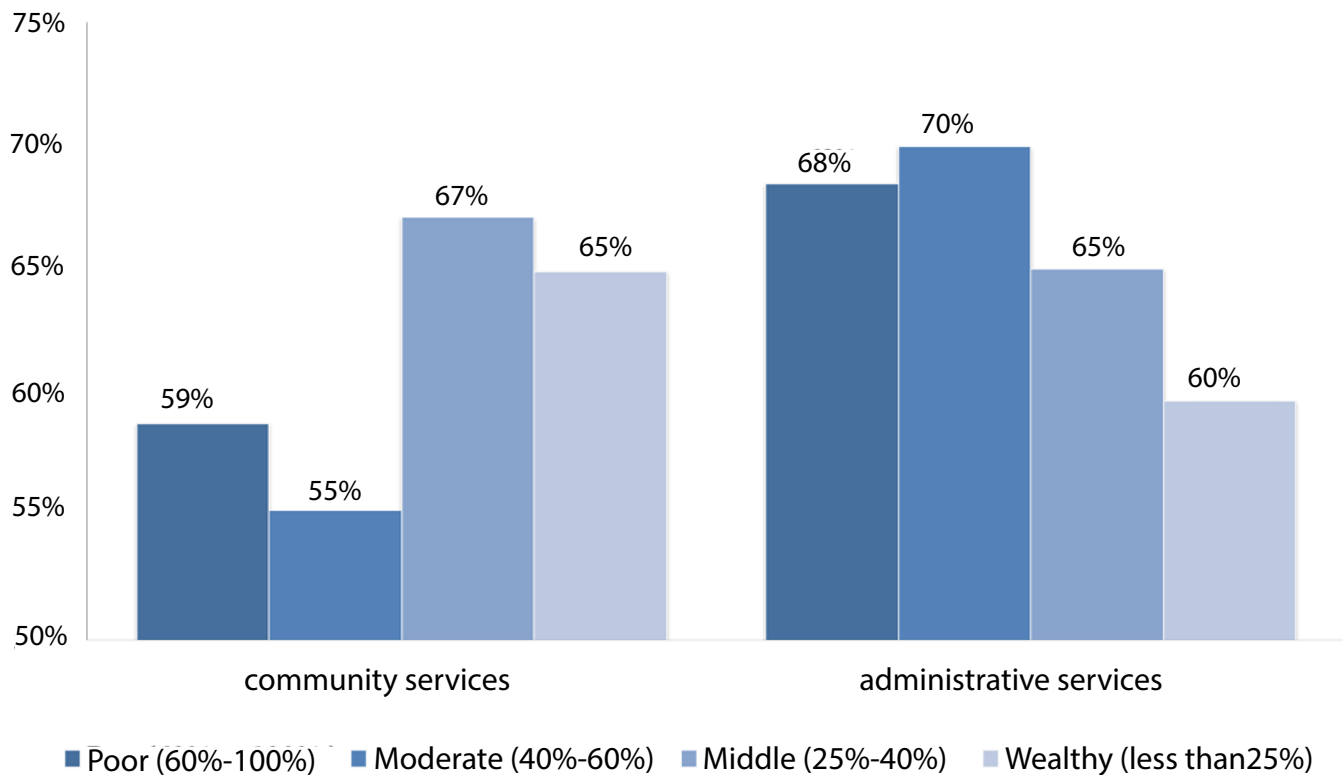
We see from figure 3 that **sharing community services is lower for poorer communities and sharing administrative services is lower for wealthy communities. While wealthy communities may not need the cost savings from administrative service sharing, poorer communities certainly need the benefit of community based service sharing.** BOCES is designed to facilitate administrative service sharing and has a state aid formula that promotes sharing with poorer districts.<sup>11</sup> Although some BOCES promote service sharing with communities, BOCES does not have a mandate to promote sharing in community services.<sup>12</sup> Municipalities and community groups, the primary sharing partners for community services, lack administrative support or state aid structures to promote community service sharing.

<sup>11</sup> Hayes, C. (2013). **"More than Career Education: A BOCES Primer,"** Shared Services Project, Dept. of City and Regional Planning, Cornell University, Ithaca, NY. (<http://cms.mildredwarner.org/p/196>)

<sup>12</sup> Hayes, C. (2013). **"Intermunicipal Sharing: BOCES helps Towns and Schools Cooperate across New York,"** Shared Services Project, Dept. of City and Regional Planning, Cornell University, Ithaca, NY. (<http://cms.mildredwarner.org/p/193>)



Figure 3: Service sharing level by individual poverty (percent of students receiving reduced price/free lunch)



### Conclusion and Recommendations

Joint use service sharing has emerged as a significant inter-local cooperation strategy. Schools are increasingly recognized as assets to neighboring communities, as schools serve as community hubs for social and cultural activities and help to create and sustain active, healthy communities and vibrant neighborhoods. With data from the Cornell School District Shared Service Delivery Survey, this issue brief shows joint use cooperation is different between administrative services and community services. Demographic features, metro status and fiscal factors all affect joint use service sharing level for school districts in New York State.

We find **cooperation is higher in rural places, smaller cities and in school districts with relatively smaller enrollment size.** However, we also find school districts with more students eligible for reduced price or free lunch engage less in community services cooperation. After close examination of NYS comptroller office data (2013), those happen to be

the districts receiving relatively more state aid. These results suggest a policy opportunity **to structure the state aid formula to promote joint use cooperation between municipalities and schools so that the poorest school districts may be encouraged to share services with their communities.**

School districts also may need support to facilitate the design and management of cooperative agreements. For joint use **cooperation in administrative services**, BOCES as a regional governance structure, plays a significant role in providing such administrative support. By contrast, community services cooperation, which is more common with municipalities and non profit organizations, **would benefit from an administrative mechanism (such as BOCES) to promote more joint use collaboration.**