



## ISSUE BRIEF SCHOOL CLOSINGS POLICY

March 2013

Pennsylvania Clearinghouse for Education Research (PACER)

### I. Introduction

The nation's largest school districts have increasingly turned to building closures to address budget deficits, demographic shifts, and the movement of students to charter schools. Over the past decade, 70 large or mid-sized cities closed schools—averaging 11 buildings per closure.<sup>1</sup> This trend shows no signs of slowing:

- **Washington, D.C.** closed 23 buildings in 2008. Officials are currently considering another 15 closures.<sup>2</sup>
- **New York City** closed more than 140 schools since 2002; leaders recently announced plans to shutter 17 more, beginning in 2013-14.<sup>3</sup>
- **Chicago** closed 40-plus buildings in the early 2000s. The district recently released a list of 129 schools to be considered for closure.<sup>4</sup>

Here in Pennsylvania, Philadelphia's School Reform Commissioners are expected to vote in early March on a plan to close 29 schools, more than 10 percent of the district's complement. Pittsburgh, the state's second-largest district, has halved its building capacity since 1997. With school administrators in nearly 100 districts statewide expecting to experience financial distress within three years, closure—and other approaches to cost-savings—hold relevance for the entire Commonwealth.<sup>5</sup>

This brief is designed to inform school closure debates and decisions with a summary of rigorous research on large-scale school closings and the experiences of major districts nationwide.

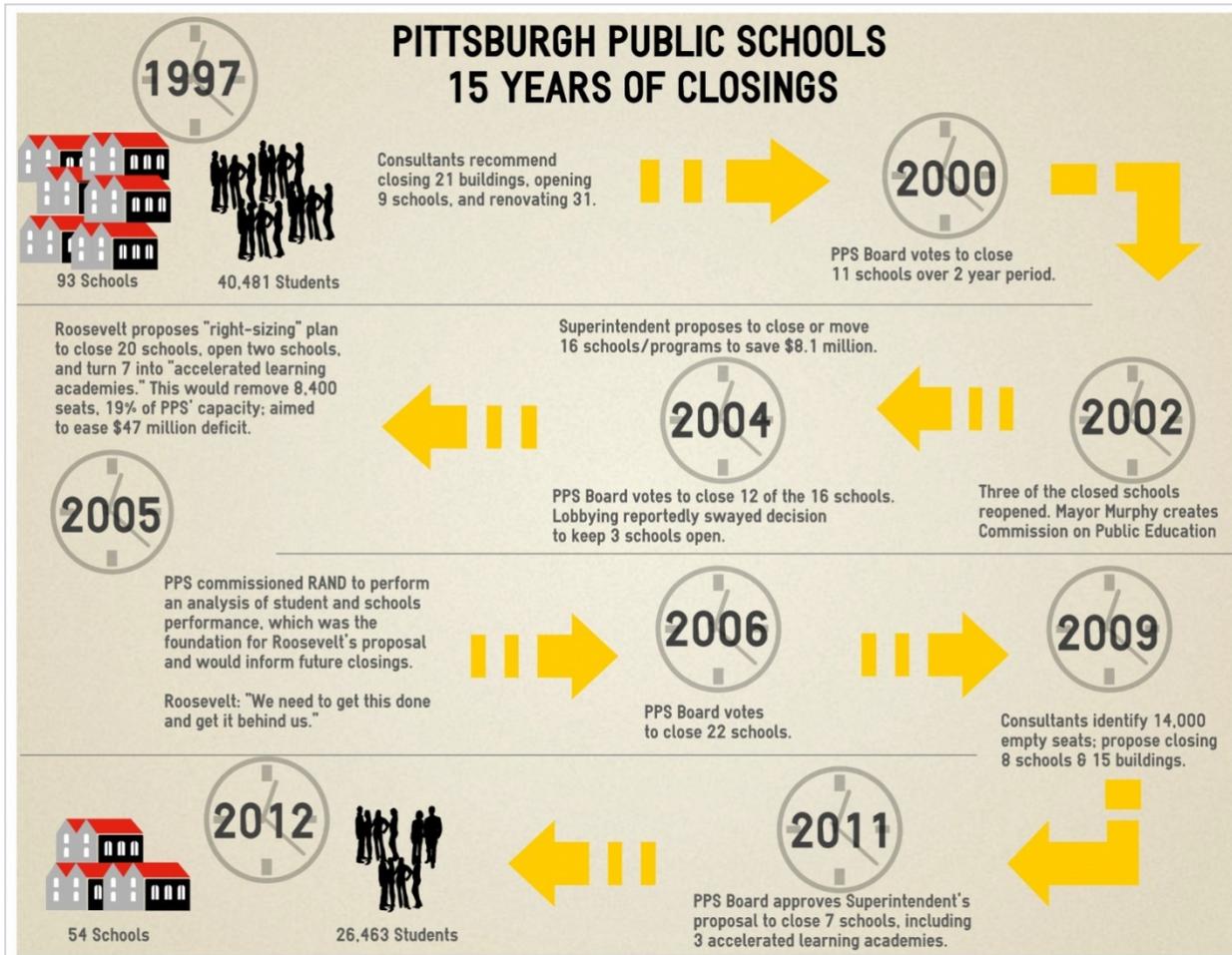
### II. Pennsylvania Context

While state lawmakers and school administrators have long employed school district consolidation as means to deal with structural challenges, large-scale building closures are increasingly central in educational accountability policies. Philadelphia's superintendent, facing a \$300 million annual debt payment and a \$1 billion long-term deficit, characterizes closings as an academic necessity and financial imperative.<sup>6</sup> After years of piecemeal closing decisions, Pittsburgh used academic performance as its primary criteria for selecting which buildings to close during its largest single-year reduction.

The process in Pittsburgh provides important insight on challenges and considerations associated with closings. In 1997, consultants examining operations in Pittsburgh Public Schools (PPS) recommended closing 21 buildings. Since then, the district has reduced the number of school buildings from 93 to 54 in an attempt to match operations with a diminishing student population and persistent financial

deficits. The following figure provides a timeline of decisions by district leaders during this period. As Figure 1 indicates, the district’s closing strategy, and criteria for selecting schools, has evolved. Despite the scale of closings over the past 15 years, PPS continues to encounter financial and academic pressures. While district officials are not currently planning additional closures, future closures are possible.

Figure 1. 15 years of closings in Pittsburgh Public Schools<sup>1</sup>



Sources: *Pittsburgh Post-Gazette* & Pittsburgh Public Schools

### III. School Closings: Frequently Asked Questions

#### Q. What factors drive school closures?

Policy decisions at the federal and state levels, lingering economic challenges, and student demographic shifts have contributed to the increase in school closures. Specifically:

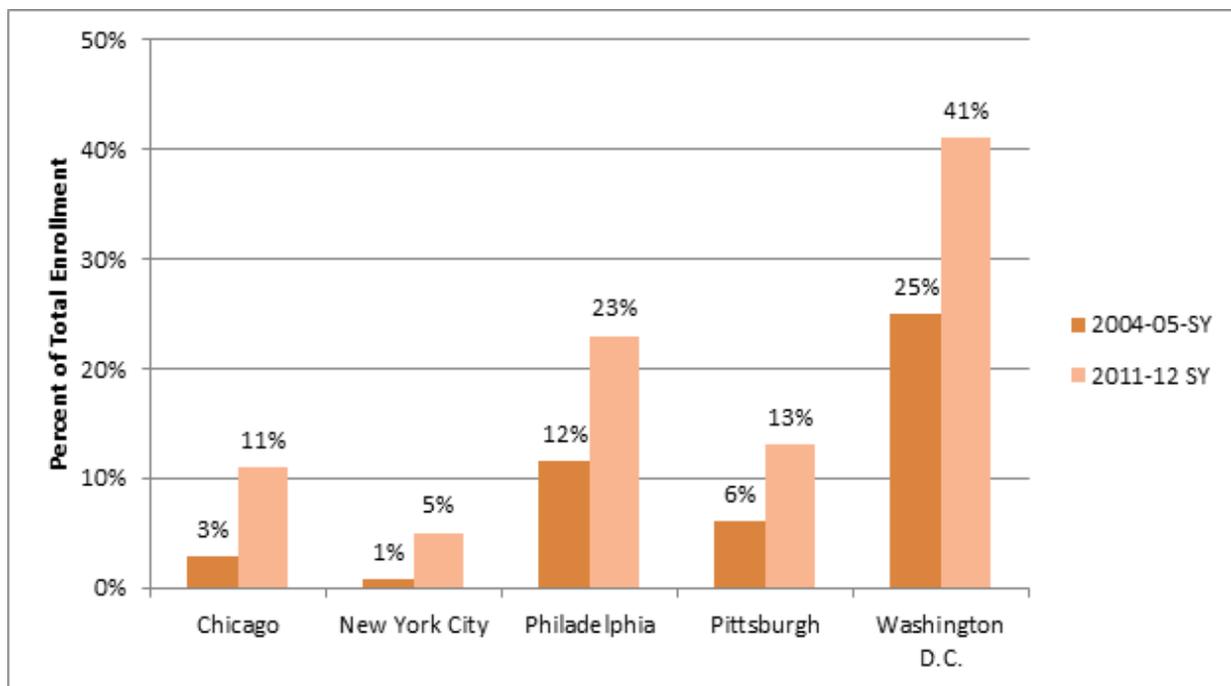
- **Federal policy** from both Republican and Democratic administrations have emphasized school closings as an accountability measure, and provided incentives to close buildings that lag on

<sup>1</sup> Information for this graphic was compiled from articles in the *Pittsburgh Post-Gazette*; RFA staff reviewed 60 articles and editorials from April 2001 to December 2012.

achievement indicators such as standardized test results. Closings were identified as remedies through the *No Child Left Behind Act*; the U.S. Department of Education’s Race to the Top program, which allocated \$4.35 billion in competitive funding to states; and the Department’s School Improvement Grants, which provided schools with \$3.5 billion in 2010 alone.<sup>7 8</sup>

- **State education budgets**, far more central to school funding than federal investments, have tightened since the onset of the recession. In the 2012-13 school year, 26 states will spend less per pupil than the previous year. After adjusting for inflation, 35 states are spending less than before the recession.<sup>9</sup>
- **At the local level**, many districts—especially in urban areas—are experiencing persistent declines in enrollment as a result of population shifts and increasing charter school attendance. Nationwide, charter enrollment has tripled since 2000<sup>10</sup> and this movement has been most pronounced in urban districts as evidenced in Figure 2, below. Philadelphia saw an 18 percent decline in traditional school enrollment from 2005 to 2012, while its charter enrollment nearly doubled to comprise roughly a quarter of the district’s total.

Figure 2. Charter school enrollment as percent of district total, 2005-2012



Sources: National Center for Education Statistics, *Pittsburgh Post-Gazette*, National Alliance for Public Charter Schools

### Q. How do officials determine which schools to close?

While the factors influencing closure policies are largely consistent *across* districts, the decisions about *which* buildings should close vary by locality. Table 1 highlights five cities that have recently managed significant closures, along with the main criteria used to select buildings.

Table I. Comparison of closures in five cities

	CHICAGO PUBLIC SCHOOLS   CPS	DISTRICT OF COLUMBIA PUBLIC SCHOOLS	NYC Department of Education	Pittsburgh Public Schools	THE SCHOOL DISTRICT OF PHILADELPHIA
<b>Governance Type (Appointed/Elected)</b>	School Board (Mayoral Appointed)	Chancellor (Mayoral Appointed)	Chancellor (Mayoral Appointed)	Board of Education & Superintendent (Elected)	School Reform Commission (Governor & Mayoral Appointed)
<b>Number of Schools Closed</b>	44 Schools (2001-2009)	23 Schools (2008)	140 Schools (2002-2012)	49 Schools (1997-2011)	29 Schools* (2013)
<b>Criteria Cited</b>					
Low-Utilization	✓	✓		✓	✓
Building Condition	✓	✓		✓	✓
Academic Performance	✓		✓	✓	✓

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Officials in Chicago, Washington, D.C., Pittsburgh, and Philadelphia used enrollment rates and building conditions to help identify which schools to close. New York City is a notable exception. Since taking office in the early 2000s, Mayor Bloomberg’s administration has closed dozens of large, low-performing high schools and replaced them with hundreds of new, small high schools. This policy has been aided by substantial contributions from philanthropic organizations.<sup>11</sup>

### Q. Have charter schools been subject to closures?

Charters are not typically included in mass closure plans. The process for charter closure also varies, depending on state law. Closure rates across all types of charter school authorizers (e.g., local districts, state agencies) are low; according to the National Association of Charter School Authorizers’ most recent survey, fewer than three percent of charter schools in operation in 2010-11 closed. The numbers increase to 6.2 percent when the population is narrowed to charter schools up for renewal.<sup>12</sup> Increasing enrollments among charters – coupled with low rates of charter closure – are factors that can contribute to decisions to shutter district-run schools.

### Q. What are the savings – and costs – typically experienced through school closings?

Large-scale school closings are a relatively new policy prescription, which helps explain the paucity of rigorous research on long-term savings. A 2011 Pew analysis of six major districts nationwide found that average annual savings in the years immediately following closures were under \$1 million per building. Specific district savings include \$14.7 million from Pittsburgh’s closure of 22 buildings and \$16.7 million from D.C.’s 23-school reduction.<sup>13</sup>

The majority of savings achieved through closings are derived from personnel reductions including principals and assistants and clerical, food service, and custodial employees.<sup>14</sup> The largest savings occur when closings are combined with extensive faculty layoffs, but these do not commonly accompany closings.<sup>15</sup> Notably, the School District of Philadelphia does not include teacher layoffs in its closure plans.

\*Refers to the additional schools proposed for closure as of this brief’s publication. (Philadelphia closed six public schools during the 2011-12 school year. Building conditions and utilization rates were the primary criteria used to identify closure schools at that time; academic performance was not a primary factor.)

### **Q. What factors lessen the savings accrued by school closings?**

Savings are mitigated by expenses such as maintaining vacant building sites, moving property, and transitioning and students and staff.<sup>16</sup> Costs inherent in building closings are sometimes unexpected. For example, D.C. officials initially reported approximately \$10 million in implementation expenses associated with its 2008 closings. Yet a 2012 report by the District of Columbia Auditor reported costs exceeding \$40 million due to higher outlays for transportation, moving and relocation, demolition, and the significant devaluation of several closed buildings.<sup>17</sup> Building re-sales have also proved problematic. Research on 12 cities—including Philadelphia and Pittsburgh—revealed that sales prices for most shuttered schools ranged from \$200,000 to \$1 million—frequently below initial projections—and found challenges due to real estate conditions and difficulty in finding suitable occupants in depopulated or declining areas. The report found charter schools to be the most common receiver of district buildings.<sup>18</sup>

### **Q. What do we know about student populations impacted by closings?**

Community groups in a number of cities, including Philadelphia, filed a civil rights complaint with the U.S. Department of Education arguing that closings have a disproportionate impact on African American and Hispanic students, and special needs students.<sup>19</sup> A study of closings in New York City found closing schools had greater numbers of economically disadvantaged, special needs, African American, and English language learner students compared to respective district averages. The same is projected for planned closures in Philadelphia.<sup>20</sup> <sup>21</sup> In New York, several schools targeted for closure experienced dramatic increases in high-needs student populations in the five years prior to phase-out.<sup>22</sup> Research on Chicago's school turnaround efforts found that when a school closed and later reopened with new staff, the school tended to serve fewer special education students and more economically advantaged and higher achieving students.<sup>23</sup>

### **Q. How do mass closings impact student achievement and related factors?**

In studies of three cities, large-scale closings were seldom found to improve student performance, and in some instances showed long-term negative effects:

- A study of closings in Chicago found negative short-term effects on test scores for transferring students, but no long-term negative impacts. The study reported larger academic gains for the 6 percent of displaced students sent to schools with high average achievement levels.<sup>24</sup>
- Examination of Washington, D.C.'s closure and consolidation policy also found negative impacts on test scores for displaced students in the year following closure. However, student performance rebounding to rates similar to their unaffected peers in the next school year.<sup>25</sup>
- Research on the effects of mass closings in an unnamed, medium-sized urban district found small, persistently negative effects on test scores for displaced students. These negative effects were smaller when students were sent to better achieving schools.<sup>26</sup>
- New York City has seen increased graduation rates in its Small Schools of Choice policy that closed large high schools and opened new high schools with approximately 100 students per grade.<sup>27</sup>

Beyond test scores, a body of research on student mobility indicates that students who change schools often tend to have higher dropout rates and lower graduation rates.<sup>28</sup> However, this research is limited and less consistent in relationship to closings' impact on mobility in the years after closure. A Chicago Consortium on School Research report notes that displaced students "were more likely to change schools in the future." Alternatively, research on Washington D.C.'s closings and consolidations did not find evidence that displaced students were more likely to change schools in subsequent years.<sup>29</sup>

## Q. Under what school closing circumstances do students do best academically?

Transferring displaced students to higher performing schools can minimize adverse effects or produce achievement gains, according to two rigorous studies that examined the impact of mass closings on student test scores in Chicago and another urban district.<sup>30,31</sup>

## Q. What barriers prevent districts from transferring students to high-performing schools?

In designing closure plans, school officials often set a goal of placing students in comparably- or higher-performing schools—or schools with enhanced programs and services.<sup>32</sup> Yet these intentions are often thwarted by logistical challenges or an insufficient number of seats in better-achieving sites. For example, RFA’s analysis of enrollment rates in Philadelphia found limited seats in the district’s highest performing schools.<sup>33</sup> In Chicago, displaced students who enrolled in low-performing schools largely remained in their resident attendance areas, while most students who enrolled in top-performing schools after closures traveled an average of 3.5 miles to do so.<sup>34</sup> This commute points to concerns raised by parents and community groups regarding the safety of students traveling large distances to attend school.<sup>35</sup>

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