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Fairbanks North Star Borough Board of Education  
520 Fifth Avenue  
Fairbanks, Alaska 99701

Re: Recommendations of School Efficiency Task Force  
Our File No. 1132-0100

Dear Members of the Fairbanks North Star Borough Board of Education:

This is the written report of the School Efficiency Task Force (SETF) regarding its recommendations to the Board of Education. The SETF was established to evaluate potential options for the District to reduce costs, move schools closer to 70% utilization and/or a minimum of 300 students, and to provide more effective services to students. The SETF is comprised of a cross-section of stakeholders across the District.<sup>1</sup>

### **Executive Summary**

The SETF believes the District must take decisive action for the 2022-23 school year in order to protect the District from further fiscal harm. Based on Mr. Bingham's school efficiency report and the information provided by the District Administration, the SETF recommends that the Board of Education adopt Option No. 2: (1) closure of Anderson Elementary with transfer of its students to Crawford Elementary; (2) closure of Joy Elementary and Nordale Elementary; and (3) shift to a K-5, 6-8, and 9-12 grade configuration.

The SETF does not recommend closing and repurposing any existing school building for alternative learning programs. The SETF strongly recommends the District to find space in existing school buildings for its alternative learning programs.

### **Information Presented to the SETF**

The SETF met virtually on November 10, 2021, with the District Administration to discuss its role and to receive information about the budget crisis facing the District. Chief Operating Officer Andreau DeGraw provided the following, critical information to the SETF:

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<sup>1</sup> See Attachment 1, List of SETF Members.

- The District's enrollment was 14,264 students for the 2012-13 school year and is 12,300 students for the 2021-22 school year.
- This loss in student enrollment has caused a drop in the District's general fund from \$220 million for the 2012-13 school year to an estimated \$183 million for the 2022-23 school year.
- The District employed 1,751 full-time employees during the 2012-13 school year. The District anticipates employing 1,585 full-time employees during the 2022-23 school year.
- The District spent \$110,435,783 in salaries during the 2012-13 school year. The District expects to spend \$112,046,286 in salaries for the 2022-23 school year.
- The District had \$33 million in cash reserves in 2018. It has \$6 million in cash reserves today. \$6 million constitutes a week and a half of District expenditures.
- The District anticipates a budget deficit of \$17.3 million for FY 2023.

On November 10, 2021, the SETF also received a presentation from Shannon Bingham of Western Demographics, Inc. regarding his School Efficiency Data and Observations Report for the District. Mr. Bingham visited every school in the District during the 2019-20 school year. In compiling his report, Mr. Bingham considered the following factors: age, recent investment and what it will cost the District to maintain each school building; student bus ride time; and the emotional considerations of potential school closures. Mr. Bingham explained that school buildings do not operate efficiently with 300 or fewer students or less than 70% utilization.<sup>2</sup> Mr. Bingham explained that elementary schools do not operate efficiently at more than 90% utilization and middle schools and high schools do not operate efficiently at more than 92% utilization.

On November 18, 2021, the FNSBSD Administration presented the SETF with four options for consideration:

1. Close Anderson Elementary and shift its students to Crawford Elementary. Crawford Elementary becomes a K-5 configuration; Ben Eielson Jr./Sr. High becomes a 6-12 configuration. Close Joy Elementary; re-district and re-distribute

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<sup>2</sup> "Utilization" refers to the capacity of schools by the Alaska Department of Education and Early Development (DEED) compared to fall 2021 enrollments. So, for example, Anderson Elementary has a DEED capacity of 372 students and a fall 2021 enrollment of 263 students, resulting in a utilization of 71%.

- its students. Close and repurpose Randy Smith Middle School for alternative learning programs. Estimated annual savings of \$3.5 million.
2. Close Anderson Elementary and shift its students to Crawford Elementary. Crawford Elementary would have a K-5 configuration; Ben Eielson Jr./Sr. High would have a 6-12 configuration. Close Joy Elementary and Nordale Elementary. Nordale Elementary building is re-purposed for alternative learning programs. All elementary schools shift to a K-5 configuration, except for Barnette Magnet and charter schools. All middle schools shift to 6-8 grade configuration. Estimated annual savings of \$3.0 million.
  3. Two-year implementation of Option No. 2. Estimated annual savings of \$1.6-1.8 million in Year No. 1 and \$2.2 million in Year No. 2.
    - a. **Year One.** Close Anderson Elementary and shift its students to Crawford Elementary. Crawford Elementary becomes a K-5 configuration; Ben Eielson Jr./Sr. High becomes a 6-12 configuration. Joy Elementary closes. All elementary schools shift to a K-5 configuration, except for Barnette Magnet and charter schools.
    - b. **Year Two.** All middle schools shift to 6-8 grade configuration. Close Nordale Elementary; re-district and re-distribute its students; and its building is re-purposed for alternative learning programs.
  4. Close two elementary schools. Close Anderson Elementary and shift its students to Crawford Elementary. Crawford Elementary becomes a K-5 configuration; Ben Eielson Jr./Sr. High becomes a 6-12 configuration. Joy Elementary closes: re-district and re-distribute its students. Estimated annual savings of \$2.0 million. This option would require an additional \$1.5 million in staff cuts.

On November 19, 2021, the SETF met with the District Administration to further discuss Options 1-4. The SETF discussed the options over a two-day work session in reaching a consensus recommendation for the Board of Education.

### **SETF Analysis of School Closure Options**

#### *General Considerations*

The SETF began its discussion of the potential school closure options by acknowledging the emotional impact on the students, families, staff, and communities that are impacted by school closures. The SETF focused its discussion on the options presented by the Administration and did not address other budgetary concerns for the District.

The recommendation of the SETF is based primarily on the principle of closing smaller schools rather than larger schools, as defined by the square footage of the school building, not the student population. By continuing to operate larger schools rather than smaller schools, the District will have more flexibility in the future if the trend in student enrollment were to reverse.

The SETF considered the future annual savings that adoption of Option No. 2 would provide. The SETF considered the vacancies across the District for positions such as school nurses, counselors, and custodial positions that have not been filled and which positions could be consolidated if three schools were closed. The SETF also considered the enhancement of services to students if positions such as speech language pathologists and occupational therapists did not have to travel to multiple schools to provide services to students. The SETF considered the annual staff attrition that occurs across the District. For example, the District experiences the annual departure of an average of 100 certified employees. The SETF considered the potential impact on Title I funding that could result in transferring students to new schools.

The recommendation of the SETF is based on the understanding that the District would be able to return closed schools to the Fairbanks North Star Borough, leaving the District with minimal costs associated with maintaining closed schools.

#### *Consideration of Closing and Repurposing Existing Schools*

The SETF discussed the possibility of closing an existing school and repurposing it for alternative learning programs such as the Career Education Center (CEC), the BRIDGE Program, the BEST Homeschool Program, and/or the E-Learning Program. The SETF strongly opposes the closure of any existing District school followed by the repurposing of that closed school for one of the District's alternative learning programs.

The District would not achieve the necessary budgetary savings if it closed and repurposed a school in this manner. The SETF believes it would send a very confusing message to the community to close a school and then repurpose the building for another program, especially considering the impact to students, families, staff, and communities of closing a school.

Also, the SETF notes that even after the District were to implement Option No. 2, there will still be a sufficient amount of available space in under-utilized District schools. The SETF recommends identification of alternate locations in District-owned facilities for the CEC and the Bridge Program for the 2022-23 school year to achieve annual savings of approximately \$388,877. The District Administration suggested that Hutchison High School may have sufficient capacity to accommodate CEC. The SETF recommends that the District pursue this alternative location for CEC.

*Consideration of Two-year, Phased Closure of Schools*

The SETF does not recommend a two-year, phased closure of schools in the District. Additionally, the SETF believes the District needs to “rip the band aid” off by closing three elementary schools before the 2022-23 school year to maximize the cost savings the closures would provide. A two-year, phased closure would frustrate the District’s need for immediate cost savings. The SETF also considered the negative potential impact on students who would have to transfer to two different schools over the next two school years, e.g., a Joy Elementary 5th grader, who would transfer to a new elementary school for the 2022-23 school year and then transfer to a middle school for the 2023-24 school year.

*Closure of Anderson Elementary and Consolidation with Crawford Elementary*

The SETF considered the relative available square footage of Anderson Elementary (43,996 sq. ft.) compared to Crawford Elementary (63,532 sq. ft.) in its consideration of the recommendation to close Anderson Elementary. It also considered the utilization of Anderson Elementary (71%) and Crawford Elementary (48%) for the 2021-22 school year.

The SETF notes that the addition of K-2 students to Crawford Elementary will require property improvements in order to meet basic student needs. For example, the playground equipment at Anderson Elementary will need to be relocated to Crawford Elementary to ensure the K-2 students have appropriate resources for recess. As another example, the bathrooms at Crawford Elementary will need retrofitting for K-2 students. The District Administration has considered these improvements and believes these improvements are achievable by the start of the 2022-23 school year.

*Closure of Joy Elementary and Nordale Elementary*

The SETF considered the relative available square footage of Nordale Elementary (49,210 sq. ft.) compared to Anne Wien Elementary (63,532 sq. ft.) in the District Administration’s recommendation to close Nordale Elementary. The SETF also considered the relatively small classroom size of Nordale Elementary, the configuration of Anne Wien Elementary and the relationship between Anne Wien Elementary and Randy Smith Middle School.

The SETF considered the upcoming capital improvement project needed at Joy Elementary as a primary factor supporting the District Administration’s recommendation to close it. The SETF also considered the proximity of students and families to elementary schools, as well as the potential impact on student busing that school closures would cause.

*Potential Consolidation of Fairbanks Middle Schools / Reconfiguration*

The District Administration recommended (in Option No. 1) closing Randy Smith, and then distributing its students to Ryan and Tanana. In evaluating this recommendation, the SETF considered the relative square footage of the three Fairbanks middle schools: Randy Smith (74,589 sq. ft.); Ryan (104,270 sq. ft.); and Tanana (101,069 sq. ft.).

The SETF considered the number of students and utilization of the three schools: Randy Smith (277 students; 66% utilization); Ryan (405 students; 65% utilization); and Tanana (305 students; 51% utilization). The SETF considered the extra-curricular activities available to middle school students as an important consideration for keeping all three Fairbanks middle schools open. Specifically, by keeping all three Fairbanks middle schools open, more students would continue to have opportunities to participate in extracurricular activities.

The SETF believes the District should shift to a District-wide grade configuration of K-5; 6-8; and 9-12 for the 2022-23 school year. The SETF received information from the District Administration that this configuration is considered a national “best practice.” The SETF recognizes this has been the grade configuration in North Pole for years and has been effective for students.

The SETF acknowledges that shifting to this configuration may not achieve initial cost savings. The SETF determined that if Randy Smith Middle School closed, it would result in initial utilization of 90% or more of Ryan Middle School and Tanana Middle School. This level of utilization would not provide the District with sufficient flexibility if student enrollment trends were to reverse and would also prevent the District from shifting to a K-5, 6-8, and 9-12 grade configuration.

The SETF acknowledges the potential concern of the parents and guardians of 6th graders with a K-5, 6-8, and 9-12 grade configuration but was persuaded that the benefits to students of this configuration outweigh those concerns. For example, this configuration will likely produce a stronger sense of community at the middle school level and will reduce “transition fatigue” for students who only spend two years at a middle school. The SETF recommends that the District implement a “Teams Model” to mitigate the potential adjustment challenges to 6th graders in this configuration.

The SETF acknowledges there are currently sixty-three (63) 7th and 8th grade students in District schools with the K-8 model that would shift to a 6-8 middle school beginning in the 2022-23 school year.

**Conclusion**

The SETF received, discussed, and considered four options for school efficiency from the District Administration on November 18-19, 2021.

The SETF determined that school building size was the primary consideration for identifying schools for closure. More simply, the SETF determined that the District should close a smaller school before it closes a larger school to ensure maximum flexibility in the event of future student enrollment growth.

Accordingly, the SETF recommends: (1) closure of Anderson Elementary with its students absorbed by Crawford Elementary; (2) closure of Joy Elementary and Nordale Elementary (with absorption of those students into other elementary schools); (3) shift to a K-5, 6-8, and 9-12 grade configuration across the District; and (4) no closure and repurposing of existing schools for alternative learning programs, but instead repurposing of under-utilized space in existing schools for those programs.

On behalf of the FNSBSD SETF,



Clinton M. Campion  
Facilitator, FNSBSD School Efficiency Task  
Force

Encl/as  
cc: FNSBSD Superintendent Karen Melin

<b>Name</b>	<b>Affiliation</b>	<b>School/Location</b>
Brian Powell	FPA	Nordale- Principal
Stacey Stansell	FPA	Anderson
Brooke Freeburg	FEA	Pearl Creek Ryan- Middle School
Kelly Scanlon	FEA	Mentor
Judy Bogard	ESSA	Denali
Candice Duncan	Parent	Hutchison
Tom Bartels	Community Member	Owner- North Pole Coffee
Rob Aitken	Clergy	True North
Jan Menaker	Community Member	Fairbanks
Janet Farris	Military Liaison	Ft. Wainwright
Trina Good	Military Liaison	Eielson
Eric Fitzgerald	Fairbanks Native Association	Fairbanks
Chelsea Taylor	Social Service Manager	West Valley
Karen Melin	Superintendent	ADC Building
Clint Campion	Facilitator	