IOWA STATE DEPARTMENT
OF PUBLIC INSTRUCTION

(Cite as 2 D.P.I. App. Dec. 279)

In re Concerned Citizens of Eagle Grove Community School District	:	
Concerned Citizens of Eagle Grove Community School District, Appellants	:	DECISION
v.	:	
Eagle Grove Community School District Appellee	:	[Admin. Doc. 585]

The above entitled matter was heard on May 6, 1981, by a hearing panel consisting of Dr. Robert Benton, state superintendent and presiding officer; Dr. Lenola Allen, supervisor, preparatory and supplemental services unit; and Mr. Gayle Obrecht, director, administration and finance division. The Appellants were represented by Attorney Robert Malloy, and the Eagle Grove Community School District (hereinafter District) was represented by Attorney Donald McGrath. The hearing was held pursuant to Chapter 290, The Code 1981, and Chapter 670--51, Iowa Administrative Code.

The Appellants appealed the decision of the Eagle Grove Community School District Board of Directors to close the elementary attendance center at Vincent, Iowa.

I.
Findings of Fact

The Hearing Panel finds that it and the State Board of Public Instruction have jurisdiction over the parties and subject matter involved in this appeal.

A chronological retracing of recent events indicates that at least as early as November, 1977, the District Board of Directors and the Community were alerted to the potential future closing of the District's Lela Howland and Vincent elementary attendance centers. In making his presentation to the Board and about 60 District residents, including members of a newly appointed citizen's advisory committee, then Superintendent Arnold Bradley indicated the primary reason for considering closing one or two elementary attendance centers was a decline in student enrollment in the District. George McCart, board president at the time, said that the Board would have to "take a long, hard look at the problem," and predicted that a decision would not be made for as many as five years.

More recent impetus for closing an attendance center resulted in part from state budgetary spending cuts, including state aid to public schools, ordered by Governor Robert Ray during the 1980-81 school year. These cuts amounted to 4.6 percent of expected state aid revenues which amounted to about $53,000 for the District. More subtle limitations on the District's spending capacity resulted from the State Comptroller's delayed payment of the reduced state aid appropriations. This resulted in

the District having to borrow operating funds and pay interest on the money it was forced to borrow. The District's 1980-81 budget had previously been reduced by about $17,000 due to an overexpenditure of that amount from the previous year's controlled budget.

In a "School Visit Report" dated September 9, 1980, Department of Public Instruction Regional Consultant John Hunter recommended, as an efficiency move, that the District consider closing the Vincent attendance center. His report emphasized that his comment was merely a recommendation to consider such action.

Mr. Hunter's written report was presented to and discussed by the District Board at a special meeting held on September 29, 1980. The minutes of that meeting show that there was discussion on the remarks in the report about closing the Vincent attendance center. The District Board directed Superintendent Morris Smith to contact the Department of Public Instruction staff and request assistance from its facilities consultant in planning future facility utilization. The letter from Superintendent Smith to the Department requesting a facility utilization study was dated October 2, 1980.

On December 17 and 18, 1980, John Hunter and Dr. Leonard Gustafson, supervisor, school plant facilities unit, Department of Public Instruction, visited the District to gather information for a facility utilization study. In a written report dated December 23, Dr. Gustafson recommended the closing of the Vincent building and transferring grades K-4 to the District's other two elementary attendance centers. Dr. Gustafson recommended that the District's fifth grade be assigned to the middle school and the ninth grade be transferred from the middle school to the high school. Ihe report concluded that under such an arrangement, the District's students could be adequately housed for classes, and a cost savings would be realized. His report stated that under such an arrangement the District would be able to staff, light, heat and otherwise maintain one less attendance center. He predicted that travel pay for special teachers going to Vincent could be eliminated and some school bus routes could be eliminated or improved.

At a regular meeting of the District Board on January 12, 1981, Mr. Hunter and Dr. Gustafson appeared to make an oral presentation of their findings to the Board and about 100 citizens in attendance. Considerable time was allowed for discussion and questions.

One of the District's Board members made a presentation rebutting some of the findings contained in the report and outlining potential cost-saving alternatives to the closing of the Vincent building.

The Board directed the Superintendent to gather additional data for a complete study of costs involved.

On January 23, 1981, the Board members and Administrators toured the District's attendance centers. The Board members agreed to meet on January 30 to review and discuss costs, transportation and scheduling data and alternative ways to save money. February 5 was agreed upon as the date for a public informational meeting on school facility utilization where the Board received public input, and the regular Board meeting of February 9 was established as the date the Board would consider making a decision on building use for the 1981-82 school year.

At a special meeting on January 30, the Board met as planned and received reports from the District's administrators regarding utilization of facilities and discussed the data presented. Superintendent Smith presented data showing the costs of operating both the Lela Howland and Vincent attendance centers and the respective savings which could be had by the closing of either building. The District's director of transportation explained his report which included potential financial savings to the District. The middle and high school principals reported on the feasibility of transfers of fifth and ninth grades to the respective schools. The administration reports concluded that the District's educational program would be improved by changes such as those discussed.

Figures presented to the Board indicated that the closing of the Lela Howland attendance center would result in a financial savings of $62,150.00, and closing the Vincent building would result in a savings of $107,188.20. Additional staff and contract cuts would reduce the District's planned expenditures an additional $60,191.00.

Per pupil costs of the three elementary attendance centers in the District showed that Lela Howland's 192 students averaged $937.56, Lincoln's 241 students averaged $951.85, and Vincent's 90 students averaged $1,669.03. Potential cost savings for three alternative transportation plans differing from that in effect during the 1981-82 school year were $2,567.90 by closing Lela Howland and readjusting bus routes, $26,911.10 by reorganizing routes but maintaining all attendance centers, and $57,674.42 by closing Vincent and adjusting bus routes.

At the same meeting, the Board received a petition from citizens with approximately 1300 signatures requesting that a study committee of a cross section of patrons of the District be formed to study alternatives prior to a Board vote to close an attendance center. Testimony before the Hearing Panel indicated that some persons circulating the petition may have obtained some signatures through misrepresentation.

A motion was made and seconded to establish a citizen's study committee to study alternatives. After discussion, the motion failed 2 to 3. Procedures for receiving public input at the February 5 meeting were established.

The February 5 special meeting included reports to the public presented by the District's administrators and a period for questions from the audience. Twenty-eight persons asked questions and received answers from the Board members and administrative staff.

At the regular meeting of the Board held on February 9, 1981, a citizen of the District was given the opportunity to address the Board regarding the establishment of a citizen's committee to study the situation before closing an attendance center. A motion was made and seconded to reconsider the Board's January 30 defeated motion to appoint a citizen's advisory committee. After considerable discussion on the data that had been presented earlier and additional data, the motion to reconsider was defeated 2 to 3.

A motion was then made and seconded in the presence of about 130 District citizens to close the Vincent attendance center, move all fifth grade students to the middle school and the ninth grade students to the high school. After discussion, the motion passed 4 to 1.

Most major events concerning the decision were covered by the local news media.

Subsequent to the vote of February 9, the Iowa legislature enacted House File 414 (1981), which was under consideration on February 9 and which ultimately reduced the previously anticipated 1981-82 budget growth by about one-half.

Teachers whose contracts were not to be renewed due to the closing of an attendance center or for other budget-related reasons had to be notified under state law no later than March 15.

II.
Conclusions of Law

The Appellants have raised no challenge here to the District's legal authority for determining District attendance centers. That authority is clearly stated in Section 279.11, The Code 1981.

What the Appellants object to is what they consider to be a lack of study and consideration, a failure to review possible alternatives to closing a building and the failure to adequately consider a petition by 1300 residents by members of the District Board. We do not agree with the Appellants' contentions. While it is possible to argue that the Board could have been more exhaustive in consideration of alternatives, the record is quite clear that several alternatives were considered at various times by the Board. Many of the Appellants themselves raised questions and made timely suggestions which insured that the Board considered alternatives throughout its deliberation.

It can be argued that the District Board could have given more time to the gathering and consideration of data, but it is not likely that additional data would have been significant enough to change the result. The general issue of the necessity of closing an attendance center had been known to the Board and District patrons at least since November, 1977. The decision to close the Vincent center can hardly be said to be a surprise to anyone. Objective persons reviewing the complete record would have a difficult time finding substantial grounds on which to differ from the Board in its decision. Mere additional time for consideration would not likely have changed the result.

The Board did consider the question of appointing a study committee before a decision was made. On two separate occasions, the meetings of January 30 and February 9, motions to do just that were introduced and both times were defeated.

It would be easy for this Hearing Panel, as it has been for the Appellants, to say that the District Board could have taken longer in its deliberations, it could have exhausted its alternatives and it could have appointed a citizen's advisory committee. But for the District Board members faced with problems of financial penalties imposed because of previous expenditures in excess of the authorized budget, reduced fiscal 1981 revenues due to the Governor's forced reduction of state aid payments, increased interest costs resulting from forced borrowing of money because of late state aid payments, expectations of legislated reduction in the District's budget for the 1981-82 school year, and the statutory deadline for reducing teaching staff, such criticism does not come easy. It is nearly impossible. In the decision of In re Norman Barker, et al., 1 D.P.I. App. Dec. 145, the State Board outlined what it considered a reasonable and prudent procedure that could be followed by schools involved in making important decisions such as the one at issue here. The State Board

acknowledged at that time that such an outline must be "flexible enough to be used as the particular circumstances of each decision dictate." We find here that under the particular circumstance of the Board's decision that its procedure was reasonable and prudent. We cannot overturn the efforts of the District Board in making this most difficult decision on the basis of the record before us.

The record shows a dedicated, objective, knowledgeable Board of Directors making a most difficult deliberative decision. Clearly the Board of Directors acted on a rational basis substantiated by competent and substantial evidence. We are not inclined to interfer with such decisions even when the procedure followed may not be "picture perfect " and could be improved upon.

All motions and objections not previously ruled upon are hereby overruled.

III.
Decision

The decision of the Eagle Grove Community School District Board of Directors in this matter is hereby affirmed. Appropriate costs are hereby assigned to the Appellants.

June 11, 1981
DATE

Susan M. Wilson
SUSAN M. WILSON, PRESIDENT
STATE BOARD OF PUBLIC INSTRUCTION

May 28, 1981
DATE

Robert D. Benton
ROBERT D. BENTON, Ed.D.
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION
AND
PRESIDING OFFICER