



Genesee Valley Educational Partnership
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A FAIR PRICE FOR A FAIR DEAL

AN ECONOMIC REVIEW OF RURAL SCHOOLS AND DIGITAL CONTENT

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Genesee Valley Educational Partnership**

The Genesee Valley Educational Partnership is a New York state Board of Cooperative Educational Services (BOCES) that provides services and support for 22 school districts. We are a rural region located in the rich farm and dairy land between Buffalo and Rochester covering Livingston and Genesee Counties as well as most of Wyoming County and some of Steuben County. Reflecting the agricultural nature of the region, major businesses include Kraft Foods and Barilla Pasta. Recently Batavia, the largest community in the Partnership, was selected as the home for large yogurt plants for both Müller Quaker and Alpina Foods.

Though 22 school districts may sound large, these districts are small, rural and low-wealth school districts. Dr. Michael Glover, District Superintendent for the Partnership, shared with me a larger economic overview of the region. "According to State Education Department figures", Glover noted, "the communities that make up the Partnership are only half as wealthy as an average wealth community in New York State." New York's Combined Wealth Ratio measures districts financial status against the New York district average of 1.00. The average CWR for the Partnership is .479 showing less than half of the average district wealth¹.

Furthermore, our districts have been hit with a number of economic blows recently: "A loss of state funding, combined with a property tax cap and the expenditure of what little reserves districts had, have created the worst fiscal crisis districts serving rural poor students have experienced in decades," Glover explained. The median household income in our region is \$39,495; well below the New York average of \$54,659². This then, is the more complete story of our economic situation and how current pricing structures for accessing digital content don't work for our Partnership.

To better picture our region of 22 districts, it helps to understand that the total student population within our 22 districts is only 24,101 students³. The average district has roughly 1,100 students. Our largest school district, Batavia City Schools, has 2,528 students K-12 spread between a high school, a middle school, and two elementary schools. Our smallest K-12 district is Elba Central Schools with 504 students in a single building with one K-12 librarian. Even smaller yet, is the Wyoming Central School district that has 150 students K-8; students from Wyoming pick between two other districts when they reach high school age.

I share this story to draw attention to the economic problem of pricing digital content for our regional purchases. Legacy pricing from the print era made sense: publishers printed a book and libraries bought a book. Wealthier districts might have more books, or more copies of a specific book, but any given physical book was usually limited to a single user at a time. For our rural libraries, collections were extended through interlibrary loan and other methods of resource sharing. But in the digital age, we are often buying content on an unlimited, simultaneous access license. One book has a potential user base of an entire school or district. And this is where our small, rural schools suffer.

When you look at our 22 districts, or even consider that we have 54 school buildings in the region, it seems to suggest a far larger population than we have. If we have to pay for 22 school districts, then we are paying a full district price for the 150 students in the Wyoming Central School district. In comparison, a neighboring BOCES has only 9 districts but almost 40,000 students (2011-2012 school year). Despite their having nearly double our student population and

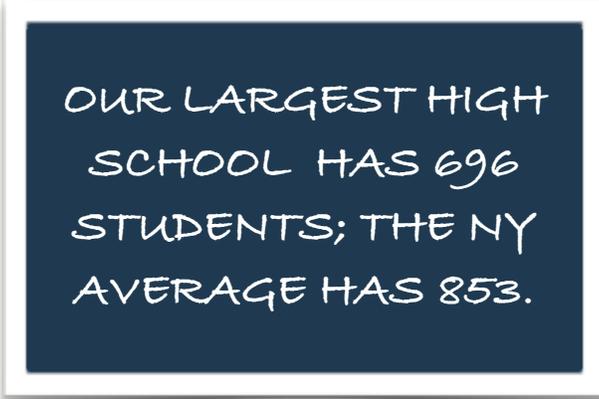
greater district wealth, our region ends up being charged twice as much. In fact, by population and number of schools, we are much more similar to a single county-wide school district that might be found in other states where a population of 25,000 is not unexpected.

Counting school buildings still presents challenges for us, however. An average school district of 25,000 students probably has around seven high schools. We have 21 small high schools. The largest high school in the Batavia City Schools district has 696 students; the average high school size in New York state is 853⁴. Most high schools fall between 300 and 400 students; the size of a freshman introductory course at some universities. So when we are asked to pay a price per high school, we often end up facing a bill three times as high as a

single district with seven large high schools. Or, to again compare with our neighboring BOCES, they have 12 high schools, and so pay about half as much as we would be charged for 21 high schools despite having almost double the number of students.

Many database vendors try to compensate for this with small school pricing; a lower price point for schools under a specified population such as 400 or 500 students. While this works in some cases, our condensed districts often have combined middle/high buildings that fall outside of the small school range. For example, Wayland-Cohocton Central Schools has separate high school and middle school libraries. Though the total district population is 1,463 the high school library population is only 486 students...a small school by some definitions. Conversely, Letchworth Central School is a district of only 927 students but their combined middle/high library serves 591 students and therefore does not qualify for small school pricing. This means that the students in one of our most rural districts have severely limited access to resources because the 316 high school students and 275 middle school students are lumped together and treated the same economically as massive super-high schools of 3,000 students.

I hope this story of our region helps explain why we are asking for pricing as a region. The Partnership is successful because we work cooperatively rather than as 22 individual school districts. Together, we can afford things that the 22 individuals would never be



OUR LARGEST HIGH SCHOOL HAS 696 STUDENTS; THE NY AVERAGE HAS 853.

able to purchase because of the small size of each district. This only works, however, if we are provided pricing that reflects our student population as opposed to pricing that attempts to address the idea that there are 22 districts. By working together as a collective serving the learning needs of 24,000 students, we are better placed to meet those needs in the current marketplace.

Our story is not that different from other school districts. In a 2004 review of school district size, the U.S. Census department found that 43.7 percent, 6,252 districts of the 14,310 total districts, have average total district populations of less than 5,000 students. Those combined students from the 6,252 districts - almost half of all the school districts in the country - only accounts for 4.5 percent of the total school population in the country. Larger districts, those with 20,000 or more students, make up only 21.8 percent of the total number of districts but serve 77.3 percent of students in the country⁵.

The numbers in New York are similar. Our state has 693 districts with a total student population of about 1.5 million excluding New York City and the biggest city districts that are treated differently in the state⁶. 90 percent of the districts fall into the U.S. Census small district category with fewer than 5,000 students. Even so, those 90 percent of New York districts serve just under two-thirds of the total population. Attempts to easily find an average district size for the state are also skewed by the 120 districts, just over 17 percent of the total districts, who have fewer than 500 students. The 20 districts with fewer than 100 students are even more troublesome in a mean-based review.

A more effective method then is to look at the point where half of the total student population is in larger districts, and half is in smaller districts. This gives us an average district (not an average by district) that represents the middle size by population served. This happens at a district around 4,000 students...not exactly, but close enough

to make for easy math. 797,040 students attend districts with more than 4,000 students and 776,250 students attend districts with fewer than 4,000 students. So we can say that the average New York state district has 4,000 students. Our 22 districts with 24,000 students are well below the average. We should be considered to have only six districts in our Partnership for pricing purposes.

When we seek pricing, first let me stress that we are not looking for a free ride or unreasonable terms. We greatly respect the work that you, as content producers and publishers, do for the world. Our two systems work in a beautiful symbiosis; we need the content that you produce. What we are seeking, is a fair deal at a fair price. It has to work for both of us for the symbiosis to be sustained. If we can't afford the content, then you have lost a market. But also, if we demand too low a price, we risk diminished quality or the loss of a supplier. The best way forward, I believe, is to find a mutually beneficial course of action based on targeted and averaged student populations.

If we are looking at pricing for material leveled for and aligned to middle school instruction, then pricing needs to target our middle school population. I do not, however, want to restrict access to just middle school students. In addition to philosophical reasons, there are also legal reasons for this. Materials purchased with New York state library materials aid must be made available to every student in the district. This means that we need to be able to pay a reasonable cost to secure K-12 access for all content above and beyond



HALF OF ALL DISTRICTS HAVE UNDER 5,000 STUDENTS,
BUT ALL TOGETHER, THESE DISTRICTS SERVE LESS
THAN 5% OF THE TOTAL U.S. STUDENT POPULATION

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the target population cost in order to comply with state regulations. Sounds complicated, but what it really comes down to is we don't want to pay the full price as if 24,000 students would all be accessing an elementary book. Legally they all have to be able to access it, but the majority of the price should focus on the 9,817 K through 5th grade students in our region with a reasonable additional charge for full access.

Looking at population like this is probably new to all of us. So let's see if we can overlay this new story on our traditional tale of purchasing by school buildings. According to the National Center for Educational Statistics (NCES) the average elementary school size in New York for 2009-2010 was 523 students⁷. So even though our small, rural districts actually have 27 primary/elementary buildings, the 9,817 students would fill 18.7 average New York elementary buildings. Doesn't it seem more fair, then, to price content for our region as if we had 19 elementary schools rather than 27? And shouldn't we be paying for 15 average secondary schools instead of 27? Our region's 12,627 6th through 12th grade students would fill 14.8 average secondary schools of 853 student. Or, looking again at just high schools, our 7,431 9th - 12th grade students would fill just 8.7 average New York high schools.

In comparison, our neighboring BOCES has 15,677 elementary students in 33 buildings. With average school pricing, that region would be considered to have 30 buildings. At a secondary level, they have 21,170 middle/high students in 20 buildings. Under average school pricing, they would be seen as having 25 buildings. For just high schools, the neighboring BOCES has 12,450 students in 12 buildings, but an average school number of 15 high schools.

This comparison clearly shows the differences in our regions. The Genesee Valley Educational Partnership has about 24,101 students, 22 districts, and 54 buildings. Our neighboring BOCES has 37,041 students, 9 districts, and 53 buildings. However, when we consider our two regions in terms of average school size using New York state average numbers, the view becomes much clearer. The neighboring BOCES has a total average school population of 55 (30 elementary, 25 secondary). The Genesee Valley Educational Partnerships total average school population is 34 (19 elementary and 15 secondary). This view helps reveal the differences in total student population 55 average schools vs 34 average schools, while still maintaining ties to a comfortable and traditional site-based pricing structure.

This is the story we want to share, the story of our rural region and our small schools. We are not a

wealthy area, but our schools work hard to increase student performance with limited resources. "These districts are not seeking charity," Glover stresses, "just fairness. The current pricing structures for accessing digital content is inequitable and disproportionately impacts low-wealth, rural schools." I appeal to your sense of economic fairness then, in asking you to think about how population and comparisons to average school population figures might help price content more fairly to make it accessible for our students. Our small, rural districts can not afford to subsidize digital content for wealthier suburban districts any longer.

FINDING EQUITY

SEE US AS WE ARE...

22 SCHOOL DISTRICTS

6 AVERAGE DISTRICTS

54 SCHOOL BUILDINGS

34 AVERAGE SCHOOLS

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success stories written here

¹ http://www.oms.nysed.gov/faru/Profiles/18th/wealt_indicators.htm

² http://en.wikipedia.org/wiki/New_York_locations_by_per_capita_income

³ All population figures for 2011-2012 school year

⁴ http://nces.ed.gov/programs/digest/d11/tables/dt11_105.asp

⁵ <http://www.census.gov/population/www/documentation/twps0074/twps0074.html>

⁶ <http://nces.ed.gov/ccd/bat/index.asp> with charter schools and big cities removed

⁷ http://nces.ed.gov/programs/digest/d11/tables/dt11_104.asp - elementary
http://nces.ed.gov/programs/digest/d11/tables/dt11_105.asp - secondary