

## **School Shared Service Misreporting Leads to Transparency Issues**

AUSTIN, May 11, 2017 – Shared Service Arrangements (SSAs) offer school districts strapped for cash an opportunity to pool resources for shared educational services. Noted as a best practice for cost efficiency, SSAs have come under scrutiny according to a Texas Smart Schools (TSS) brief titled, “What’s Not to Love About Shared Service Arrangements?” In their research, Dr. Lori Taylor of the Bush School of Government and Public Service, and graduate student Will Holleman found that among the 228 SSAs filed in the 2015-16 school year, 60% of fiscal agents either failed to file or filed inconsistent SSA reports. With school districts spending \$296 million on SSAs during the 2015-16 school year, the brief argues that this misreporting has a very concerning impact on financial transparency and accountability in school district spending.

In addition to faulty reporting by school districts, the brief points out the lack of SSA partnerships with charter schools, despite the benefit of such agreements to both charter and traditional public schools and the high performance shown by charters on TSS’s 5-star ratings. The authors assert that the different reporting standards required of charters are inherently non-transparent and potentially discouraging to SSA partnerships.

Ultimately, the brief commends school districts on their creative cost saving strategies under SSAs, but contends that better data reporting policies and procedures are necessary to support smart decisions on SSAs and other methods of cost-savings.

To read the article go to <http://txsmartschools.org/highlights/smart-practices/index.php>.

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For more information or data on which school districts failed to correctly report SSAs, contact Dr. Lori Taylor at (979) 458-3015 or [ltaylor@tamu.edu](mailto:ltaylor@tamu.edu).