



State of Arizona
Office
of the
Auditor General

A SPECIAL STUDY

**FACTORS IMPACTING
SCHOOL DISTRICT
ADMINISTRATIVE
COSTS**

Report to the Arizona Legislature
By Debra K. Davenport
Auditor General
November 2000

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DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

November 28, 2000

Members of the Arizona Legislature

Transmitted herewith is a report of the Auditor General, Factors Impacting School District Administrative Costs. This report is in response to Chapter 4, §16, passed during the 44th Legislature, 1st Special Session, requiring a special study of factors impacting school district administrative costs. I am including a copy of the Report Highlights to provide a quick summary for your convenience.

My staff and I will be pleased to discuss or clarify items in the report.

This report will be released to the public on November 29, 2000.

Sincerely,

A handwritten signature in cursive script that reads "Debbie Davenport".

Debbie Davenport
Auditor General

SUMMARY

During the 44th Legislature, 1st Special Session, the Legislature passed Chapter 4, §16, requiring the Office of the Auditor General to help explain the factors impacting administrative costs for school districts identified by the Joint Legislative Budget Committee (JLBC) as having particularly high or low administrative costs per pupil. JLBC obtained the administrative cost data from school district Annual Financial Reports for fiscal year 1998-99 filed with the Arizona Department of Education, determined the administrative cost per pupil for each district in the State, and identified the districts with high and low costs.

◆—————◆

Factors Affecting Administrative Costs

- ✓ Expenditure classification and allocation inconsistencies
 - ✓ Low ADM
 - ✓ More administrative employees
 - ✓ Higher compensation
 - ✓ Higher purchased services
 - ✓ One employee performing two or more duties
 - ✓ Lower compensation
 - ✓ Vacancy savings
- ◆—————◆

Administrative costs are the costs associated with directing and managing a school district's responsibilities, at both the district and school levels. These include costs, such as salaries, benefits, supplies, and purchased services for all activities related to directing and managing the operation of the district office, which includes the governing board, superintendent, and business offices; and the principal's office.

Our Office determined that the inconsistent classification and allocation of districts' administrative costs was the largest contributor to them being identified as high or low administrative cost districts. Additionally our analysis revealed that low average daily membership (ADM), more administrative employees than average, higher compensation than average due to longevity and a higher pay scale, and higher than expected purchased services were factors contributing to high administrative costs. We also determined that those districts with particularly low administrative costs assigned one employee to perform two or more duties, paid lower compensation than average due to turnover and a lower pay scale, or realized vacancy savings.

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INTRODUCTION AND BACKGROUND

During the 44th Legislature, 1st Special Session, the Legislature passed Chapter 4, §16, requiring the Joint Legislative Budget Committee (JLBC) and the Office of the Auditor General to analyze why certain Arizona school districts have particularly high or low administrative costs per pupil. The law required:

- JLBC to obtain school district data from school district Annual Financial Reports for fiscal year (FY) 1998-99 filed with the Arizona Department of Education and to determine the administrative cost per pupil for each district in the State. JLBC was also required to identify districts having particularly high or low administrative costs per pupil compared to the predicted administrative cost per pupil for districts of similar size and type. JLBC reported this information to the Legislature on June 20, 2000.¹
- Our Office to report to the Legislature before December 1, 2000, factors that help explain the differences in costs for school districts JLBC identified as having reported particularly high or low administrative cost per pupil.

School District Operating Fund Expenditures

Operating fund expenditures for districts statewide in FY 1998-99 totaled \$3.2 billion. These expenditures were classified into three major categories: instruction and support services, other operating costs, and administration.

Instruction and support services defined—Instruction includes the activities dealing directly with interaction between teachers and students. Support services include the activities designed to assess and improve the well being of students and to supplement the teaching process. Support services also includes activi-

¹ The JLBC report can be obtained from its Web site at:
www.azleg.state.az.us/jlbc/recent.htm.

ties associated with assisting the instructional staff with the content and process of providing learning experiences for students.

- Instruction includes expenditures for salaries, benefits, and supplies for teachers, classroom aides, and assistants who directly interact with students or assist in the instructional process.
- Support services for students include the counseling office, nurse's office, and services related to speech, hearing, and language impairments.
- Support services for the instructional staff include curriculum development, staff training, library services, and audiovisual services.

Other operating costs defined—Other operating costs consist of activities that are noninstructional and nonadministrative in nature. These costs include activities such as:

- Food services
- Bookstore operations
- Student transportation
- Athletics
- Desegregation, and
- Keeping the grounds, buildings, and equipment in an effective working condition and state of repair.

Administrative Costs Defined—Administrative costs are the costs associated with directing and managing a school district's responsibilities, at both the district and school levels.

These include costs, such as salaries, benefits, supplies, and purchased services for the following activities.

- District administration which includes:

-
- The governing board and superintendent’s office, and
 - Business activities and central support services. Central support services include planning, research, development, and evaluation services; information services; staff services; and data processing services.
- School administration, which consists primarily of costs associated with the principal’s office.

Statewide, districts spent \$364 million on administration during FY 1998-99, or about \$477 per pupil on average. These costs varied widely among districts, ranging from a reported high of \$6,479 per pupil to a low of \$283 per pupil. The \$364 million statewide total for administration represents about 11.3 percent of the total operating fund expenditures for the year; JLBC calculated administrative costs at 11.1 percent. The .2 percent difference is due to adjustments we made for payments school districts made to charter schools and student counts for charter schools. **Table 3 (see pages 23 through 25)** shows the percentage of total operating fund expenditures spent on administration, by district and for the State. **Figure 1 (see page 4)** shows the breakdown of the operating fund expenditures for all school districts.

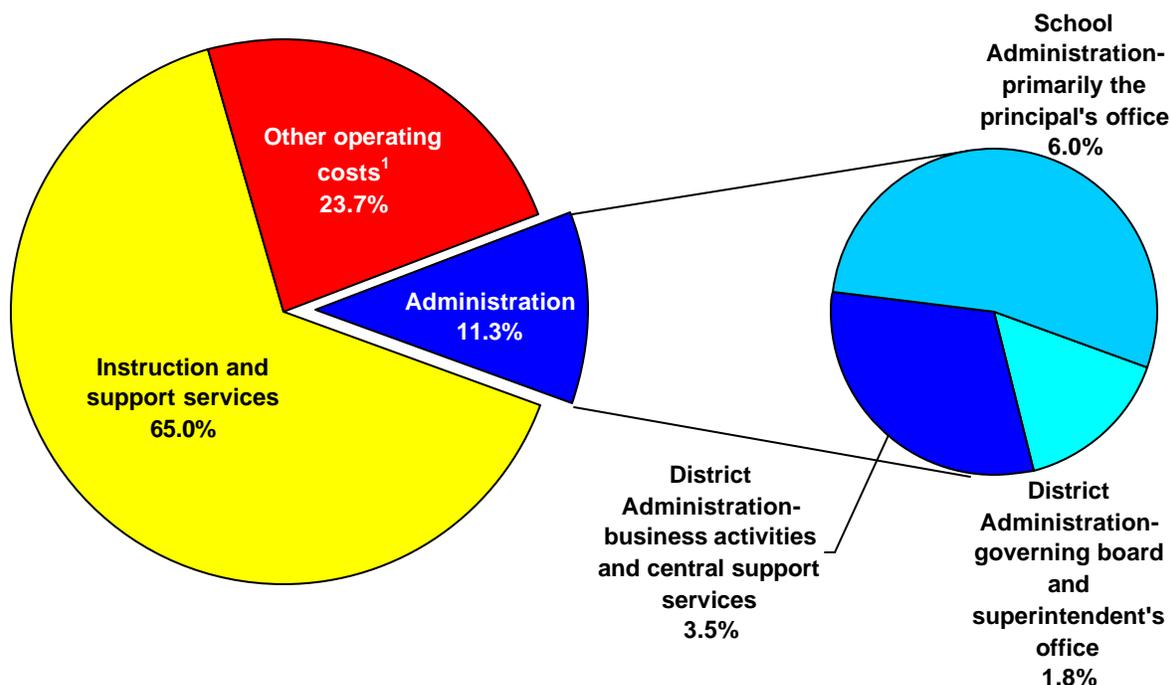
Scope and Methodology

JLBC used data from the school districts’ Annual Financial Reports (AFRs) for FY 1998-99 obtained from the Arizona Department of Education to calculate the administrative cost per pupil for each district. They restricted the scope of the study to the administrative costs for operating the regular and special education programs accounted for in a district’s Maintenance and Operation (operating) Fund. They also calculated a predicted administrative cost per pupil and determined the difference between each districts’ actual and predicted cost per pupil. The districts were then listed in order from the highest difference to the lowest.

Data source and adjustments—Using JLBC’s data source, the AFRs for all 228 school districts in operation in FY 1998-99, we excluded certain districts because their structure and administrative costs are not comparable to the other districts. Those districts include accommodation, joint technology, and transporta-

Figure 1

**School District Administrative Costs
Total Statewide Operating Fund Expenditures
1998-99 Fiscal Year**



¹ The Other Operating Costs consist of activities such as operation and maintenance of plant services, food services, bookstore operations, student transportation, athletics, and desegregation.

Source: Auditor General staff analysis of data from school district Annual Financial Reports for FY 1998-99 obtained from the Arizona Department of Education.

tion districts. **Table 2 (see page 21)** lists the excluded districts and presents their administrative costs.

We made the following adjustments to ensure comparability between districts that sponsor charter schools and other districts because the AFRs included payments made to charter schools the districts sponsored, but did not include the charter schools' attending average daily membership (ADM) figures.

- For charter schools whose expenditures were a part of a school district's expenditures, we *added* the charter schools' ADM.

- For charter schools whose expenditures were not a part of a school district's expenditures, we *subtracted* the payments to the charter schools.

Sample Selection—Finally, Auditor General staff stratified the remaining 210 districts by size and type, and selected a sample of districts to study.

- **Size**—There are three size categories, small, medium, and large. Small districts are defined in Arizona Revised Statutes §15-901(B)(25) as having a student count of fewer than 600 in kindergarten programs and grades one through eight or in grades nine through 12. A medium district is any district that has 5,000 or fewer students that is not categorized as small. A large district is a district with more than 5,000 students. Figure 2 shows the distribution of districts among the size categories.
- **Type**—There are three type categories, elementary, high school, and unified districts. Figure 3 shows the distribution of districts among the type categories.

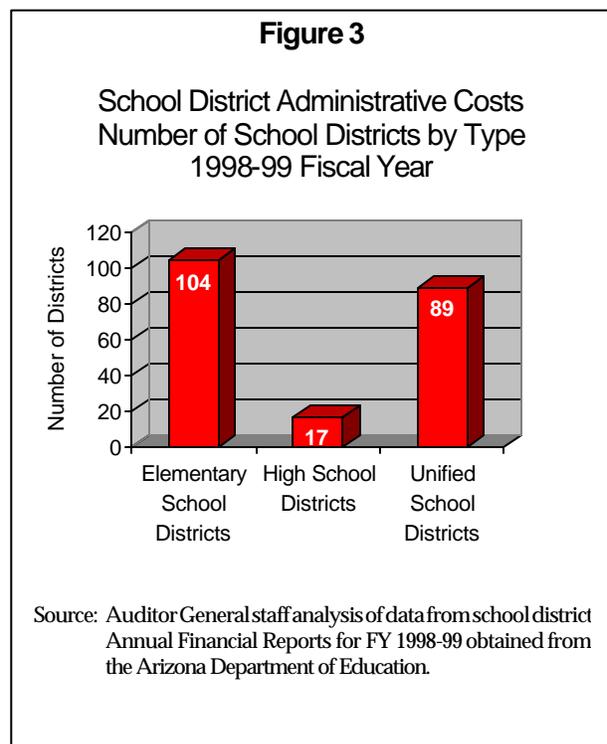
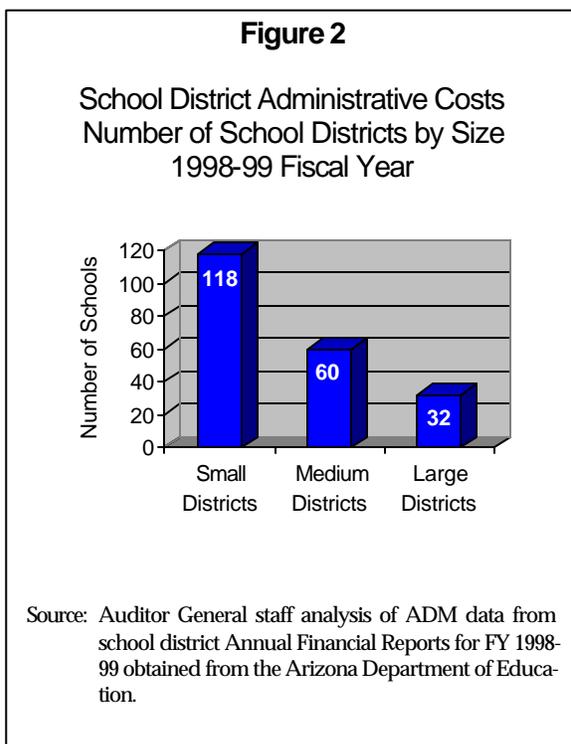


Table 1 (see pages 15 through 20) presents the administrative costs per pupil for each of the 210 districts by County.

- **Sample**—Our sample consisted of 14 districts: 8 small, 4 medium, and 2 large. Or seen another way, the sample consisted of 10 elementary, 2 high school, and 2 unified districts. Seven districts in the sample had particularly high administrative costs per pupil and seven had particularly low costs.

Approach and analysis—Our Office began by comparing the data reported by each of the 14 sample districts to data for districts of similar size and type. We also interviewed district officials to gather information that could help explain variations in the reported data. Our Office then determined factors that would explain particularly high or low administrative costs per pupil.

The Auditor General and her staff express their appreciation to each of the school districts contacted for their cooperation and assistance during the course of the study.

FACTORS AFFECTING ADMINISTRATIVE COSTS

Our Office was asked to study administrative costs reported for FY 1998-99 and determine factors that help explain the differences reported. We noted that many differences resulted from districts not classifying or allocating costs consistently. After accounting for these inconsistencies in the sample districts, we noted the following factors that contributed to high and low administrative costs per pupil.

- **High cost factors** included low ADM, a larger administrative staff, higher administrative salaries due to longevity and a higher pay scale, and higher expenditures for purchased services.
- **Low cost factors** included assigning two or more duties to the same employee, paying lower administrative salaries due to turnover and a lower pay scale, and realizing vacancy savings.

Districts Did Not Classify or Allocate Costs Consistently

Districts did not consistently classify costs. As a result, JLBC identified some districts as having particularly high or particularly low administrative costs when, for example, the district had not actually allocated costs to nonadministrative programs or functions that also benefited from them. As another example, a district charged salary costs to instruction, a nonadministrative function, when a portion of the costs applied to district and school administration. In other instances, districts simply misclassified expenditures.

Lack of consistency in allocating and classifying costs occurred in all sizes and types of districts, resulting in both understatements and overstatements of total administrative costs by some districts. For the most part, the inconsistencies involved compensation for employees who performed several duties. However,

they also involved expenditures for purchased services and supplies. We noted the following specific examples of inconsistent cost allocation.

- In many instances, one employee performed several functions. For example, districts have an employee performing the duties of a principal (administrative) and teacher (instruction), or a secretary working in several different areas (administrative and nonadministrative). The districts often coded the salaries for that employee to a single function, thus distorting the actual administrative costs.
- One district paid nearly \$2.9 million in salaries and benefits for principals and assistant principals from a fund other than the operating fund. While this was allowed by statute, it distorted the district's administrative cost per pupil, which was based on operating fund expenditures.
- One district coded more than \$800,000 of telephone costs for separate lines and internet access to school administration when a substantial portion of that cost may have been attributed to other areas such as instruction, bookstore operations, community service, food services, student transportation, and plant operations and maintenance.
- One district classified approximately \$110,000 of printing costs as school administration; about \$100,000 should have been allocated to instruction.
- One district spent approximately \$416,000 for outside accounting services for its sponsored charter schools. The amount was actually withheld from the district's payments to its charter schools, but the expenditure was incorrectly classified as its own administrative cost.

Despite the inconsistent allocations and classifications, we were able to identify additional factors that explained particularly high and particularly low administrative costs.

Four Factors Contributed to High Administrative Costs

Low ADM, a larger administrative staff, higher administrative salaries and benefits, and higher purchased services were frequently associated with districts that had high administrative costs per pupil.

- **Low ADM**—Districts with low ADM were more likely to incur particularly high administrative costs per pupil because there are fewer students over which to spread the costs.
- **More administrative employees than average**—More administrative employees resulted in higher total administrative salary and benefit costs.
- **Higher compensation than average**—Districts that were able to retain employees for longer periods of time incurred higher salary and benefit costs based on longer years of service. In addition, sometimes higher administrative salaries and benefits were unavoidable. For example, a rural area district had to pay a higher salary to attract a qualified superintendent.
- **Higher purchased services**—Purchased services are services, which are performed by persons or firms with specialized skills and knowledge, and other services the district chooses to purchase from outside the district. These include professional and technical services, as well as expenditures such as insurance, communications, tuition, and travel. Some examples include:

Legal fees

- A district incurred more than \$130,000 in legal fees defending itself in a lawsuit filed by the charter schools it sponsored.
- A district incurred approximately \$50,000 in legal fees to prepare contracts with its sponsored charter schools.
- A district incurred more than \$38,000 in legal fees related to settling a personnel issue.

Accounting and computer-related services

- A district spent nearly \$100,000 on accounting and ADM software support, financial consulting, and other purchased services.

Travel

- A district spent \$77,451 for administrative travel. This included governing board members, the superintendent, a principal, and members of the business office.

Three Factors Contributed to Low Administrative Costs

Districts that assigned two or more duties to one employee, had lower administrative salaries and benefits, and realized vacancy savings were frequently associated with low administrative costs per pupil.

- **Assigning one employee to perform two or more duties—**One employee performing several duties resulted in fewer administrative employees and lower administrative compensation costs. Often, a district's small size required administrative employees to perform several functions. For example, a head teacher might also function as a principal and a business manager, or a secretary might handle all administrative areas.
- **Lower compensation than average—**Some districts were able to pay lower administrative salaries and benefits than other districts, perhaps due to the employment market differing among communities. In addition, a district was able to replace employees at lower salaries than the previous employees were paid.
- **Realizing vacancy savings—**When a district administrative position is vacated, it may not be filled immediately for various reasons. Saving the compensation amount that would have been paid, results in lower administrative costs for that period. For example, a district saved more than \$69,000 this way in FY 1998-99.

Conclusion

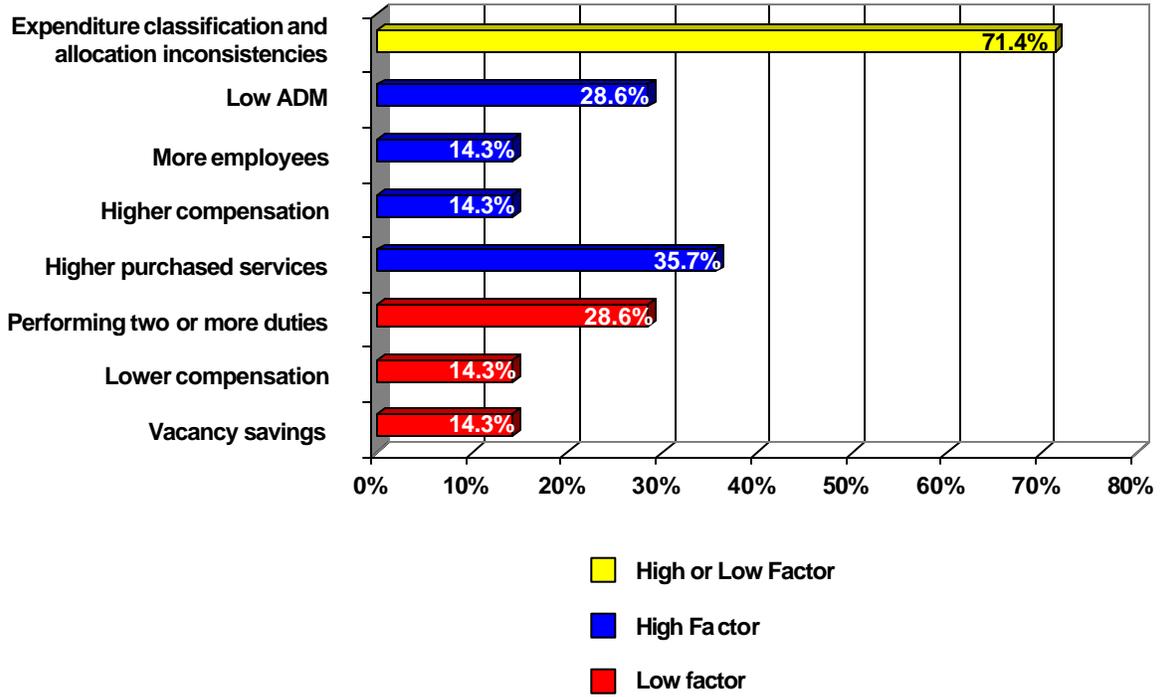
Since our study focused on administrative costs for FY 1998-99, some of the factors identified as affecting administrative costs may be factors that, by nature, are not likely to recur over time in the same districts. For example, the district in our sample that incurred \$130,000 in legal fees in FY 1998-99 will, most likely, not have a similar administrative expenditure in subsequent years. In this particular district, administrative costs per pupil may significantly decrease in subsequent years because the expenditure for legal fees was unique to FY 1998-99.

However, we also identified factors affecting administrative costs that are likely to recur over time and may be indicative of trends in some districts. For example, administrative costs per pupil tend to be high for districts with low ADM, more administrative employees, and higher salaries and benefits. Administrative costs per pupil tend to be low for districts where an employee performs two or more duties and compensation is lower for administrative employees.

Figure 4 (see page 12) shows the percentage of frequency for each cost factor we identified in our sample.

Figure 4

School District Administrative Costs
Frequency of Cost Factors
1998-99 Fiscal Year



Source: Auditor General staff analysis of data obtained from sample districts.

OTHER PERTINENT INFORMATION

During this study, administrative cost data was gathered for Arizona school districts. The following six tables present some of this data. Three of the tables were mentioned within the report. The administrative cost data for the 210 districts included in the study is shown in **Table 1 (see pages 15 through 20)**. **Table 2 (see page 21)** is a list of the districts excluded from the study and their administrative cost data. Administrative costs as a percentage of each district's operating fund expenditures are shown in **Table 3 (see pages 23 through 25)**.

Tables 4-6 present other analyses. **Table 4 (see page 27)** shows summaries of administrative costs statewide by district size and type. **Tables 5 and 6 (see pages 29 through 40)** list school districts in order from highest to lowest cost difference, by district size and type, respectively.

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Table 1

**School District Administrative Costs
Total and per Pupil Administrative Costs by County
1998-99 Fiscal Year**

County	Total Administrative Costs	Attending ADM	Cost per Pupil
Apache County			
Alpine ESD No. 7	\$ 61,028	31	\$ 1,969
Chinle USD No. 24	2,352,922	4,297	548
Concho ESD No. 6	208,219	160	1,301
Ganado USD No. 20	1,997,254	2,191	912
McNary ESD No. 23	172,587	117	1,475
Red Mesa USD No. 27	955,800	744	1,285
Round Valley USD No. 10	1,384,929	1,622	854
Sanders USD No. 18	921,122	1,141	807
St. Johns USD No. 1	586,719	1,050	559
Vernon ESD No. 9	132,608	70	1,894
Window Rock USD No. 8	2,497,824	2,983	837
Cochise County			
Apache ESD No. 42	13,841	11	1,258
Ash Creek ESD No. 53	117,958	51	2,313
Benson ESD No. 9	407,998	703	580
Benson UHSD No. 9	300,822	434	693
Bisbee USD No. 2	735,772	1,054	698
Bowie USD No. 14	176,875	97	1,823
Cochise ESD No. 26	129,122	49	2,635
Double Adobe ESD No. 45	45,789	61	751
Douglas USD No. 27	1,870,535	4,408	424
Elfrida ESD No. 12	100,855	220	458
McNeal ESD No. 55	28,153	33	853
Naco ESD No. 23	94,559	250	378
Palominas ESD No. 49	568,024	924	615
Pearce ESD No. 22	126,894	141	900
Pomerene ESD No. 64	95,287	127	750
San Simon USD No. 18	86,805	145	599
Sierra Vista USD No. 27	3,453,117	6,674	517
St. David USD No. 21	267,911	451	594
Tombstone USD No. 1	681,549	1,055	646
Valley UHSD No. 22	148,785	231	644
Willcox USD No. 13	692,347	1,393	497
Coconino County			
Flagstaff USD No. 1	4,837,073	11,260	430
Fredonia-Moccasin USD No. 6	260,196	419	621
Grand Canyon USD No. 4	279,533	367	762
Maine Consolidated ESD No. 10	161,634	105	1,539

(Continued)

Table 1

**School District Administrative Costs
Total and per Pupil Administrative Costs by County
1998-99 Fiscal Year**

County	Total Administrative Costs	Attending ADM	Cost per Pupil
Coconino County (Concluded)			
Page USD No. 8	\$ 1,581,359	3,121	\$ 507
Tuba City USD No. 15	1,415,324	2,540	557
Williams USD No. 2	345,580	678	510
Gila County			
Globe USD No. 1	1,396,276	2,217	630
Hayden-Winkelman USD No. 41	515,120	574	897
Miami USD No. 40	1,252,884	1,433	874
Payson USD No. 10	1,360,891	2,765	492
Pine Strawberry ESD No. 12	186,337	240	776
San Carlos USD No. 20	1,264,160	1,676	754
Tonto Basin ESD No. 33	44,005	53	830
Young ESD No. 5	102,025	83	1,229
Graham County			
Bonita ESD No. 16	121,813	83	1,468
Ft. Thomas USD No. 7	526,818	601	877
Pima USD No. 6	410,849	684	601
Safford USD No. 1	1,207,870	2,943	410
Solomon ESD No. 5	140,139	163	860
Thatcher USD No. 4	813,379	1,342	606
Greenlee County			
Blue ESD No. 22	2,200	3	733
Clifton USD No. 3	287,798	296	972
Duncan USD No. 2	341,359	596	573
Morenci USD No. 18	761,682	1,051	725
La Paz County			
Bicentennial UHSD No. 76	237,348	158	1,502
Bouse ESD No. 26	48,028	53	906
Parker USD No. 27	1,350,841	2,052	658
Quartzsite ESD No. 4	114,645	325	353
Salome Consolidated ESD No. 30	129,558	120	1,080
Wenden ESD No. 19	77,045	86	896
Maricopa County			
Agua Fria UHSD No. 216	1,010,338	1,920	526
Aguila ESD No. 63	99,426	159	625
Alhambra ESD No. 68	4,482,009	12,193	368
Arlington ESD No. 47	188,692	164	1,151

(Continued)

Table 1

**School District Administrative Costs
Total and per Pupil Administrative Costs by County
1998-99 Fiscal Year**

County	Total Administrative Costs	Attending ADM	Cost per Pupil
Maricopa County (Continued)			
Avondale ESD No. 44	\$ 1,304,810	2,828	\$ 461
Balsz ESD No. 31	1,370,413	2,861	479
Buckeye ESD No. 33	570,741	1,117	511
Buckeye UHSD No. 201	728,378	1,034	704
Cartwright ESD No. 83	6,232,971	16,714	373
Cave Creek USD No. 93	1,914,081	3,376	567
Chandler USD No. 80	8,109,952	18,122	448
Creighton ESD No. 14	3,212,327	7,405	434
Deer Valley USD No. 97	9,522,778	23,379	407
Dysart USD No. 89	2,505,589	4,339	577
Fountain Hills USD No. 98	1,432,590	2,222	645
Fowler ESD No. 45	822,497	1,427	576
Gila Bend USD No. 24	477,290	558	855
Gilbert USD No. 41	8,017,432	23,536	341
Glendale ESD No. 205	4,212,663	10,634	396
Glendale UHSD No. 205	7,326,032	12,925	567
Higley ESD No. 60	678,766	242	2,805
Isaac ESD No. 5	3,220,031	7,424	434
Kyrene ESD No. 28	9,093,168	18,497	492
Laveen ESD No. 59	738,694	1,583	467
Liberty ESD No. 25	561,555	1,241	453
Litchfield ESD No. 79	1,313,531	2,725	482
Littleton ESD No. 65	678,098	1,363	498
Madison ESD No. 38	2,115,221	4,533	467
Mesa USD No. 4	28,388,816	67,172	423
Mobile ESD No. 86	90,700	14	6,479
Morristown ESD No. 75	79,488	88	903
Murphy ESD No. 21	1,225,282	2,499	490
Nadaburg ESD No. 81	329,547	442	746
Osborn ESD No. 8	2,000,937	3,825	523
Palo Verde ESD No. 49	175,705	224	784
Paloma ESD No. 94	113,066	73	1,549
Paradise Valley USD No. 69	11,244,631	33,207	339
Pendergast ESD No. 92	2,953,792	6,552	451
Peoria USD No. 11	13,767,664	30,163	456
Phoenix ESD No. 1	4,790,229	8,361	573
Phoenix UHSD No. 210	12,844,728	20,248	634
Queen Creek USD No. 95	827,638	1,201	689
Riverside ESD No. 2	143,629	184	781
Roosevelt ESD No. 66	5,686,145	11,165	509
Ruth Fisher ESD No. 90	212,971	324	657

(Continued)

Table 1

**School District Administrative Costs
Total and per Pupil Administrative Costs by County
1998-99 Fiscal Year**

County	Total Administrative Costs	Attending ADM	Cost per Pupil
Maricopa County (Concluded)			
Scottsdale USD No. 48	\$ 8,307,966	25,513	\$ 326
Sentinel ESD No. 71	79,158	34	2,328
Tempe ESD No. 3	5,154,117	11,960	431
Tempe UHSD No. 213	6,769,296	12,280	551
Tolleson ESD No. 17	896,224	1,291	694
Tolleson UHSD No. 214	1,958,683	3,917	500
Union ESD No. 62	186,950	81	2,308
Washington ESD No. 6	8,749,922	23,400	374
Wickenburg USD No. 9	852,041	1,396	610
Wilson ESD No. 7	903,351	1,368	660
Mohave County			
Bullhead City ESD No. 15	941,762	3,325	283
Chloride ESD No. 11	183,863	248	741
Colorado City USD No. 14	711,308	998	713
Colorado River UHSD No. 2	1,163,269	1,847	630
Hackberry ESD No. 3	81,482	41	1,987
Kingman ESD No. 4	1,818,700	4,407	413
Lake Havasu USD No. 1	2,260,660	5,412	418
Littlefield ESD No. 9	156,452	178	879
Mohave UHSD No. 30	1,181,340	2,191	539
Mohave Valley ESD No. 16	890,518	1,663	535
Owens-Whitney ESD No. 6	43,790	32	1,368
Peach Springs USD No. 8	367,521	276	1,332
Topock ESD No. 12	118,687	165	719
Valentine ESD No. 22	37,929	51	744
Yucca ESD No. 13	29,729	34	874
Navajo County			
Blue Ridge USD No. 32	1,203,717	2,250	535
Cedar USD No. 25	514,279	487	1,056
Heber-Overgaard USD No. 6	409,589	548	747
Holbrook USD No. 3	1,215,458	2,026	600
Joseph City USD No. 2	705,937	436	1,619
Kayenta USD No. 27	1,388,860	2,511	553
Pinon USD No. 4	798,523	1,338	597
Show Low USD No. 10	1,277,058	2,293	557
Snowflake USD No. 10	1,184,556	2,408	492
Whiteriver USD No. 20	1,838,383	2,690	683
Winslow USD No. 1	1,063,238	2,563	415

(Continued)

Table 1

**School District Administrative Costs
Total and per Pupil Administrative Costs by County
1998-99 Fiscal Year**

County	Total Administrative Costs	Attending ADM	Cost per Pupil
Pima County			
Ajo USD No. 15	\$ 314,002	526	\$ 597
Altar Valley ESD No. 51	545,967	791	690
Amphitheater USD No. 10	8,436,330	15,413	547
Catalina Foothills USD No. 16	2,568,099	4,775	538
Continental ESD No. 39	203,818	250	815
Flowing Wells USD No. 8	2,504,523	5,945	421
Indian Oasis-Baboquivari USD No. 40	1,522,872	1,342	1,135
Marana USD No. 6	4,749,782	10,955	434
Sahuarita USD No. 30	1,092,149	1,993	548
San Fernando ESD No. 80	38,489	22	1,750
Sunnyside USD No. 12	6,926,397	13,621	509
Tanque Verde USD No. 13	925,666	1,561	593
Tucson USD No. 1	25,808,518	59,390	435
Vail ESD No. 20	1,013,462	2,565	395
Pinal County			
Apache Junction USD No. 43	2,148,356	4,686	458
Casa Grande ESD No. 4	2,250,218	4,883	461
Casa Grande UHSD No. 82	855,841	2,349	364
Coolidge USD No. 21	1,653,407	2,728	606
Eloy ESD No. 11	651,312	1,313	496
Florence USD No. 1	853,465	1,264	675
J. O. Combs ESD No. 44	166,701	235	709
Mammoth-San Manuel USD No. 8	951,388	1,653	576
Maricopa USD No. 20	810,118	1,075	754
Oracle ESD No. 2	354,880	452	785
Picacho ESD No. 33	148,423	186	798
Ray USD No. 3	431,112	814	530
Red Rock ESD No. 5	76,142	78	976
Sacaton ESD No. 18	570,121	614	929
Santa Cruz Valley UHSD No. 840	356,030	543	656
Stanfield ESD No. 24	383,567	658	583
Superior USD No. 15	500,092	653	766
Toltec ESD No. 22	291,200	713	408
Santa Cruz County			
Nogales USD No. 1	2,577,107	6,027	428
Patagonia ESD No. 6	178,877	159	1,125
Patagonia UHSD No. 20	232,948	96	2,427
Santa Cruz ESD No. 28	103,466	106	976
Santa Cruz Valley USD No. 35	1,286,370	2,233	576
Sonoita ESD No. 25	175,657	132	1,331

(Continued)

Table 1

**School District Administrative Costs
Total and per Pupil Administrative Costs by County
1998-99 Fiscal Year**

County	Total Administrative Costs	Attending ADM	Cost per Pupil
Yavapai County			
Ash Fork Joint USD No. 31	\$ 244,163	243	\$ 1,005
Bagdad USD No. 20	398,689	404	987
Beaver Creek ESD No. 26	129,051	239	540
Camp Verde USD No. 28	640,556	1,545	415
Canon ESD No. 50	229,759	212	1,084
Chino Valley USD No. 51	905,009	2,353	385
Clarkdale-Jerome ESD No. 3	155,425	366	425
Cottonwood-Oak Creek ESD No. 6	1,189,183	2,288	520
Crown King ESD No. 41	5,071	7	724
Hillside ESD No. 35	17,190	15	1,146
Humboldt USD No. 22	1,860,151	4,703	396
Kirkland ESD No. 23	31,369	72	436
Mayer USD No. 43	412,589	635	650
Mingus UHSD No. 4	686,912	1,172	586
Prescott USD No. 1	2,159,263	4,920	439
Sedona-Oak Creek Joint USD No. 9	917,392	1,309	701
Seligman USD No. 40	230,239	186	1,238
Skull Valley ESD No. 15	21,850	31	705
Yarnell ESD No. 52	83,712	57	1,469
Yuma County			
Antelope UHSD No. 50	308,159	372	828
Crane ESD No. 13	2,794,761	4,849	576
Gadsden ESD No. 32	1,207,365	2,465	490
Hyder ESD No. 16	152,173	180	845
Mohawk Valley ESD No. 17	180,989	254	713
Somerton ESD No. 11	1,293,707	2,141	604
Wellton ESD No. 24	212,269	370	574
Yuma ESD No. 1	4,168,038	9,333	447
Yuma UHSD No. 70	3,546,331	7,593	467
TOTAL	<u>\$ 364,085,374</u>	<u>764,309</u>	<u>\$ 477</u>

Source: Auditor General staff analysis of Regular and Special Education administrative cost data from school district Annual Financial Reports for FY 1998-99 obtained from the Arizona Department of Education.

Table 2

**School District Administrative Costs
School Districts Excluded from Study
Total and per Pupil Administrative Costs
1998-99 Fiscal Year**

District	Total Administrative Cost	Attending ADM	Cost per Pupil
Accommodation Schools			
Esperanza Accommodation District No. 99	\$ 21,508	42	\$ 512
Ft. Huachuca Accommodation District School No. 00	872,213	1,228	710
Greenlee County Accommodation District No. 99	2,400	20	120
Maricopa County Regional District No. 509	2,174,549	2,437	892
Pima Accommodation District	201,309	202	997
Mary C O'Brien Accommodation School District No. 90	334,680	139	2,408
Yuma County Accommodation District No. 99	<u>151,362</u>	<u>181</u>	<u>836</u>
Total Accommodation Schools	<u>\$3,758,021</u>	<u>4,249</u>	<u>\$ 884</u>
Joint Technology District			
East Valley Institute of Technology No. 401	<u>\$ 997,326</u>	<u>1,780</u>	<u>\$ 560</u>
Transportation Districts¹			
Champie ESD No. 14	\$ 2,140	2	\$1,070
Chevelon Butte ESD No. 5	12,834	33	389
Congress ESD No. 17	3,390	177	19
Eagle ESD No. 45	2,500	-	N/A
Empire ESD No. 37	442	35	13
Forrest ESD No. 81	267	20	13
Klondyke ESD No. 9	-	8	-
Redington ESD No. 44	4,120	18	229
Rucker ESD No. 66	3,406	1	3,406
Walnut Grove ESD No. 7	1,124	5	225
Williamson Valley ESD No. 2	<u>3,025</u>	<u>19</u>	<u>159</u>
Total Transportation Districts	<u>\$ 33,248</u>	<u>318</u>	<u>\$ 105</u>
TOTAL	<u>\$4,788,595</u>	<u>6,347</u>	<u>\$ 754</u>

¹ Since transportation districts do not have attending ADM; the ADM figures shown reflect the number of students who reside in the district, but are transported to nearby school districts.

Source: Auditor General staff analysis of Regular and Special Education administrative cost data from school district Annual Financial Reports for FY 1998-99 obtained from the Arizona Department of Education.

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Table 3

School District Administrative Costs
Administrative Costs as a Percentage of Total Operating Fund Expenditures
1998-99 Fiscal Year

District	Percentage	District	Percentage
Apache County		Gila County	
Alpine ESD No. 7	18.16 %	Globe USD No. 1	16.69 %
Chinle USD No. 24	10.29	Hayden-Winkelman USD No. 41	18.12
Concho ESD No. 6	14.98	Miami USD No. 40	19.25
Ganado USD No. 20	14.95	Payson USD No. 10	12.44
McNary ESD No. 23	18.40	Pine Strawberry ESD No. 12	11.73
Red Mesa USD No. 27	19.83	San Carlos USD No. 20	16.18
Round Valley USD No. 10	17.69	Tonto Basin ESD No. 33	9.06
Sanders USD No. 18	15.97	Young ESD No. 5	14.29
St. Johns USD No. 1	11.84		
Vernon ESD No. 9	23.54	Graham County	
Window Rock USD No. 8	14.97	Bonita ESD No. 16	19.68
		Ft. Thomas USD No. 7	17.73
Cochise County		Pima USD No. 6	15.32
Apache ESD No. 42	11.36	Safford USD No. 1	12.23
Ash Creek ESD No. 53	26.44	Solomon ESD No. 5	12.36
Benson ESD No. 9	14.65	Thatcher USD No. 4	15.77
Benson UHSD No. 9	14.81		
Bisbee USD No. 2	16.43	Greenlee County	
Bowie USD No. 14	14.82	Blue ESD No. 22	3.14
Cochise ESD No. 26	13.82	Clifton USD No. 3	21.07
Double Adobe ESD No. 45	10.36	Duncan USD No. 2	13.09
Douglas USD No. 27	11.57	Morenci USD No. 18	16.67
Elfrida ESD No. 12	11.47		
McNeal ESD No. 55	7.51	La Paz County	
Naco ESD No. 23	8.39	Bicentennial UHSD No. 76	18.07
Palominas ESD No. 49	9.78	Bouse ESD No. 26	15.42
Pearce ESD No. 22	20.25	Parker USD No. 27	15.03
Pomerene ESD No. 64	17.14	Quartzsite ESD No. 4	7.93
San Simon USD No. 18	8.12	Salome Consolidated ESD No. 30	15.58
Sierra Vista USD No. 27	13.27	Wenden ESD No. 19	13.04
St. David USD No. 21	13.72		
Tombstone USD No. 1	15.68	Maricopa County	
Valley UHSD No. 22	11.25	Agua Fria UHSD No. 216	11.41
Willcox USD No. 13	12.53	Aguila ESD No. 63	9.59
		Alhambra ESD No. 68	10.38
Coconino County		Arlington ESD No. 47	22.15
Flagstaff USD No. 1	9.89	Avondale ESD No. 44	12.94
Fredonia-Moccasin USD No. 6	15.18	Balsz ESD No. 31	12.07
Grand Canyon USD No. 4	13.15	Buckeye ESD No. 33	13.14
Maine Consolidated ESD No. 10	15.97	Buckeye UHSD No. 201	16.20
Page USD No. 8	10.95	Cartwright ESD No. 83	10.24
Tuba City USD No. 15	10.50	Cave Creek USD No. 93	13.53
Williams USD No. 2	11.00	Chandler USD No. 80	11.01

(Continued)

Table 3

School District Administrative Costs
Administrative Costs as a Percentage of Total Operating Fund Expenditures
1998-99 Fiscal Year

District	Percentage	District	Percentage
Maricopa County (Continued)		Maricopa County (Concluded)	
Creighton ESD No. 14	11.04 %	Union ESD No. 62	31.56 %
Deer Valley USD No. 97	10.42	Washington ESD No. 6	9.23
Dysart USD No. 89	14.30	Wickenburg USD No. 9	14.16
Fountain Hills USD No. 98	16.11	Wilson ESD No. 7	12.86
Fowler ESD No. 45	15.18		
Gila Bend USD No. 24	17.96	Mohave County	
Gilbert USD No. 41	9.45	Bullhead City ESD No. 15	9.22
Glendale ESD No. 205	10.53	Chloride ESD No. 11	18.65
Glendale UHSD No. 205	11.43	Colorado City USD No. 14	18.15
Higley ESD No. 60	29.36	Colorado River UHSD No. 2	14.70
Isaac ESD No. 5	11.15	Hackberry ESD No. 3	32.24
Kyrene ESD No. 28	12.52	Kingman ESD No. 4	11.51
Laveen ESD No. 59	13.02	Lake Havasu USD No. 1	11.82
Liberty ESD No. 25	12.21	Littlefield ESD No. 9	22.17
Litchfield ESD No. 79	12.35	Mohave UHSD No. 30	13.41
Littleton ESD No. 65	13.69	Mohave Valley ESD No. 16	14.05
Madison ESD No. 38	11.37	Owens-Whitney ESD No. 6	16.28
Mesa USD No. 4	10.12	Peach Springs USD No. 8	21.97
Mobile ESD No. 86	21.70	Topock ESD No. 12	15.92
Morristown ESD No. 75	10.10	Valentine ESD No. 22	14.50
Murphy ESD No. 21	12.01	Yucca ESD No. 13	17.08
Nadaburg ESD No. 81	11.95		
Osborn ESD No. 8	12.05	Navajo County	
Palo Verde ESD No. 49	17.20	Blue Ridge USD No. 32	13.94
Paloma ESD No. 94	21.60	Cedar USD No. 25	12.69
Paradise Valley USD No. 69	8.23	Heber-Overgaard USD No. 6	15.77
Pendergast ESD No. 92	11.91	Holbrook USD No. 3	13.45
Peoria USD No. 11	11.40	Joseph City USD No. 2	24.41
Phoenix ESD No. 1	11.50	Kayenta USD No. 27	11.11
Phoenix UHSD No. 210	10.40	Pinon USD No. 4	11.24
Queen Creek USD No. 95	15.95	Show Low USD No. 10	13.77
Riverside ESD No. 2	14.43	Snowflake USD No. 10	12.52
Roosevelt ESD No. 66	11.85	Whiteriver USD No. 20	13.78
Ruth Fisher ESD No. 90	10.50	Winslow USD No. 1	11.17
Scottsdale USD No. 48	7.53		
Sentinel ESD No. 71	14.17	Pima County	
Tempe ESD No. 3	9.06	Ajo USD No. 15	14.58
Tempe UHSD No. 213	12.70	Altar Valley ESD No. 51	11.94
Tolleson ESD No. 17	18.69	Amphitheater USD No. 10	13.49
Tolleson UHSD No. 214	12.03	Catalina Foothills USD No. 16	12.46

(Continued)

Table 3

**School District Administrative Costs
Administrative Costs as a Percentage of Total Operating Fund Expenditures
1998-99 Fiscal Year**

District	Percentage	District	Percentage
Pima County (Concluded)		Yavapai County	
Continental ESD No. 39	11.43 %	Ash Fork Joint USD No. 31	17.41 %
Flowing Wells USD No. 8	10.90	Bagdad USD No. 20	18.50
Indian Oasis-Baboquivari USD No. 40	22.85	Beaver Creek ESD No. 26	9.59
Marana USD No. 6	11.05	Camp Verde USD No. 28	11.22
Sahuarita USD No. 30	12.46	Canon ESD No. 50	15.98
San Fernando ESD No. 80	22.77	Chino Valley USD No. 51	11.48
Sunnyside USD No. 12	11.97	Clarkdale-Jerome ESD No. 3	10.33
Tanque Verde USD No. 13	11.19	Cottonwood-Oak Creek ESD No. 6	14.28
Tucson USD No. 1	9.73	Crown King ESD No. 41	6.02
Vail ESD No. 20	7.66	Hillside ESD No. 35	11.87
		Humboldt USD No. 22	11.25
		Kirkland ESD No. 23	6.05
Pinal County		Mayer USD No. 43	16.20
Apache Junction USD No. 43	11.46	Mingus UHSD No. 4	13.02
Casa Grande ESD No. 4	12.43	Prescott USD No. 1	11.53
Casa Grande UHSD No. 82	8.47	Sedona-Oak Creek Joint USD No. 9	16.10
Coolidge USD No. 21	15.28	Seligman USD No. 40	15.29
Eloy ESD No. 11	12.98	Skull Valley ESD No. 15	6.67
Florence USD No. 1	16.70	Yarnell ESD No. 52	15.93
J. O. Combs ESD No. 44	10.20		
Mammoth-San Manuel USD No. 8	15.00	Yuma County	
Maricopa USD No. 20	17.77	Antelope UHSD No. 50	15.74
Oracle ESD No. 2	11.86	Crane ESD No. 13	15.82
Picacho ESD No. 33	16.36	Gadsden ESD No. 32	14.47
Ray USD No. 3	10.94	Hyder ESD No. 16	14.22
Red Rock ESD No. 5	13.66	Mohawk Valley ESD No. 17	15.87
Sacaton ESD No. 18	16.29	Somerton ESD No. 11	16.78
Santa Cruz Valley UHSD No. 840	4.28	Wellton ESD No. 24	13.47
Stanfield ESD No. 24	15.00	Yuma ESD No. 1	12.40
Superior USD No. 15	15.85	Yuma UHSD No. 70	11.87
Toltec ESD No. 22	11.58		
Santa Cruz County			
Nogales USD No. 1	12.73		
Patagonia ESD No. 6	17.65	STATEWIDE ADMINISTRATIVE	
Patagonia UHSD No. 20	17.88	COST PERCENTAGE	11.3 %
Santa Cruz ESD No. 28	12.80		
Santa Cruz Valley USD No. 35	15.48		
Sonoita ESD No. 25	15.77		

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Table 4
School District Administrative Costs
Summaries of Administrative Costs by District Size and Type
1998-99 Fiscal Year

District Size	Districts		Total Administrative Costs	Percentage of Total Administrative Costs	Attending ADM	Cost per Pupil
	Number	Percentage				
Large	32	15.2%	\$241,354,545	66.3%	552,473	\$437
Medium	60	28.6	80,407,809	22.1	154,536	520
Small	<u>118</u>	56.2	<u>42,323,020</u>	11.6	<u>57,030</u>	742
Total	<u>210</u>		<u>\$364,085,374</u>		<u>764,039</u>	
Average						\$477

District Size	Districts		Total Administrative Costs	Percentage of Total Administrative Costs	Attending ADM	Cost per Pupil
	Number	Percentage				
Union High School Districts	17	8.1%	\$ 39,655,241	10.9%	69,310	\$574
Unified School Districts	89	42.4	223,005,832	61.2	479,292	465
Elementary School Districts	<u>104</u>	49.5	<u>101,424,301</u>	27.9	<u>215,437</u>	471
Total	<u>210</u>		<u>\$364,085,374</u>		<u>764,039</u>	
Average						\$477

Source: Auditor General staff analysis of administrative cost data from school district Annual Financial Reports for FY 1998-99 obtained from the Arizona Department of Education.

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Table 5

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Size
1998-99 Fiscal Year

District Size	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Small			
Mobile ESD No. 86	\$ 6,479	\$ 1,090	\$ 5,389
Higley ESD No. 60	2,805	973	1,832
Cochise ESD No. 26	2,635	1,071	1,564
Santa Cruz Valley UHSD No. 840	2,369	837	1,532
Patagonia UHSD No. 20	2,427	1,046	1,381
Union ESD No. 62	2,308	1,054	1,254
Sentinel ESD No. 71	2,328	1,079	1,249
Ash Creek ESD No. 53	2,313	1,070	1,243
Hackberry ESD No. 3	1,987	1,076	911
Alpine ESD No. 7	1,969	1,081	888
Vernon ESD No. 9	1,894	1,060	834
Bowie USD No. 14	1,823	1,046	777
Joseph City USD No. 2	1,619	883	736
San Fernando ESD No. 80	1,750	1,086	664
Indian Oasis-Baboquivari USD No. 40	1,135	561	574
Red Mesa USD No. 27	1,285	757	528
Maine Consolidated ESD No. 10	1,539	1,042	497
Paloma ESD No. 94	1,549	1,059	490
Bicentennial UHSD No. 76	1,502	1,015	487
McNary ESD No. 23	1,475	1,036	439
Bonita ESD No. 16	1,468	1,053	415
Yarnell ESD No. 52	1,469	1,067	402
Peach Springs USD No. 8	1,332	956	376
Round Valley USD No. 10	854	488	366
Miami USD No. 40	874	536	338
Sonoita ESD No. 25	1,331	1,028	303
Owens-Whitney ESD No. 6	1,368	1,080	288
Concho ESD No. 6	1,301	1,013	288
San Carlos USD No. 20	754	475	279
Seligman USD No. 40	1,238	1,000	238
Show Low USD No. 10	557	349	208
Cedar USD No. 25	1,056	861	195
Sanders USD No. 18	807	621	186
Young ESD No. 5	1,229	1,053	176
Apache ESD No. 42	1,258	1,092	166
Sahuarita USD No. 30	548	405	143
Arlington ESD No. 47	1,151	1,011	140
Sedona-Oak Creek Joint USD No. 9	701	571	130
Maricopa USD No. 20	754	641	113
Patagonia ESD No. 6	1,125	1,014	111
Canon ESD No. 50	1,084	987	97
Mammoth-San Manuel USD No. 8	576	480	96
Florence USD No. 1	675	584	91

(Continued)

Table 5

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Size
1998-99 Fiscal Year

District Size	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Small (Continued)			
Tanque Verde USD No. 13	\$ 593	\$ 503	\$ 90
Bagdad USD No. 20	987	897	90
Queen Creek USD No. 95	689	602	87
Morenci USD No. 18	725	649	76
Hayden-Winkelman USD No. 41	897	824	73
Wickenburg USD No. 9	610	546	64
Ft. Thomas USD No. 7	877	813	64
Hillside ESD No. 35	1,146	1,090	56
Bisbee USD No. 2	698	648	50
Colorado City USD No. 14	713	667	46
Salome Consolidated ESD No. 30	1,080	1,034	46
Thatcher USD No. 4	606	561	45
Pinon USD No. 4	597	562	35
Ash Fork Joint USD No. 31	1,005	972	33
Clifton USD No. 3	972	947	25
Gila Bend USD No. 24	855	831	24
Tombstone USD No. 1	646	648	(2)
Superior USD No. 15	766	792	(26)
Willcox USD No. 13	497	547	(50)
Santa Cruz ESD No. 28	976	1,041	(65)
Palominas ESD No. 49	615	692	(77)
Red Rock ESD No. 5	976	1,056	(80)
Antelope UHSD No. 50	828	912	(84)
Heber-Overgaard USD No. 6	747	835	(88)
St. Johns USD No. 1	559	649	(90)
Oracle ESD No. 2	785	876	(91)
Camp Verde USD No. 28	415	507	(92)
Pearce ESD No. 22	900	1,023	(123)
Littlefield ESD No. 9	879	1,004	(125)
Nadaburg ESD No. 81	746	880	(134)
Morristown ESD No. 75	903	1,051	(148)
Mayer USD No. 43	650	799	(149)
Solomon ESD No. 5	860	1,012	(152)
Grand Canyon USD No. 4	762	914	(152)
Continental ESD No. 39	815	969	(154)
Wenden ESD No. 19	896	1,052	(156)
Hyder ESD No. 16	845	1,003	(158)
Bouse ESD No. 26	906	1,069	(163)
Pima USD No. 6	601	780	(179)
Benson UHSD No. 9	693	884	(191)
Palo Verde ESD No. 49	784	982	(198)
Pine Strawberry ESD No. 12	776	974	(198)

(Continued)

Table 5

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Size
1998-99 Fiscal Year

District Size	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Small (Concluded)			
Santa Cruz Valley USD No. 35	\$ 159	\$ 359	\$ (200)
Ray USD No. 3	530	731	(201)
Picacho ESD No. 33	798	1,000	(202)
Yucca ESD No. 13	874	1,079	(205)
Riverside ESD No. 2	781	1,001	(220)
McNeal ESD No. 55	853	1,080	(227)
Chloride ESD No. 11	741	970	(229)
Tonto Basin ESD No. 33	830	1,069	(239)
Duncan USD No. 2	573	815	(242)
Ajo USD No. 15	597	844	(247)
Mohawk Valley ESD No. 17	713	967	(254)
J. O. Combs ESD No. 44	709	976	(267)
Fredonia-Moccasin USD No. 6	621	890	(269)
Williams USD No. 2	510	782	(272)
Ruth Fisher ESD No. 90	657	934	(277)
Pomerene ESD No. 64	750	1,030	(280)
St. David USD No. 21	594	876	(282)
Topock ESD No. 12	719	1,011	(292)
Double Adobe ESD No. 45	751	1,065	(314)
Valentine ESD No. 22	744	1,070	(326)
Valley UHSD No. 22	644	978	(334)
Wellton ESD No. 24	574	912	(338)
Blue ESD No. 22	733	1,096	(363)
Crown King ESD No. 41	724	1,094	(370)
Skull Valley ESD No. 15	705	1,081	(376)
Aguila ESD No. 63	625	1,014	(389)
San Simon USD No. 18	599	1,021	(422)
Beaver Creek ESD No. 26	540	974	(434)
Clarkdale-Jerome ESD No. 3	425	914	(489)
Elfrida ESD No. 12	458	984	(526)
Quartzsite ESD No. 4	353	933	(580)
Naco ESD No. 23	378	969	(591)
Kirkland ESD No. 23	436	1,059	(623)
Medium			
Ganado USD No. 20	912	544	368
Sacaton ESD No. 18	929	597	332
Window Rock USD No. 8	837	518	319
Whiteriver USD No. 20	683	527	156
Buckeye UHSD No. 201	704	583	121
Tolleson ESD No. 17	694	574	120
Crane ESD No. 13	576	463	113

(Continued)

Table 5

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Size
1998-99 Fiscal Year

District Size	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Medium (Continued)			
Parker USD No. 27	\$ 658	\$ 548	\$ 110
Fountain Hills USD No. 98	645	543	102
Dysart USD No. 89	577	478	99
Altar Valley ESD No. 51	690	591	99
Wilson ESD No. 7	660	571	89
Globe USD No. 1	630	543	87
Coolidge USD No. 21	606	526	80
Colorado River UHSD No. 2	630	555	75
Catalina Foothills USD No. 16	538	465	73
Chinle USD No. 24	548	479	69
Cave Creek USD No. 93	567	506	61
Somerton ESD No. 11	604	545	59
Holbrook USD No. 3	600	549	51
Osborn ESD No. 8	523	493	30
Tuba City USD No. 15	557	532	25
Kayenta USD No. 27	553	533	20
Tolleson UHSD No. 214	500	490	10
Mingus UHSD No. 4	586	578	8
Fowler ESD No. 45	576	569	7
Casa Grande ESD No. 4	461	462	(1)
Mohave UHSD No. 30	539	544	(5)
Madison ESD No. 38	467	472	(5)
Blue Ridge USD No. 32	535	542	(7)
Page USD No. 8	507	514	(7)
Apache Junction USD No. 43	458	468	(10)
Stanfield ESD No. 24	583	596	(13)
Benson ESD No. 9	580	594	(14)
Cottonwood-Oak Creek ESD No. 6	520	540	(20)
Prescott USD No. 1	439	461	(22)
Mohave Valley ESD No. 16	535	561	(26)
Agua Fria UHSD No. 216	526	552	(26)
Payson USD No. 10	492	525	(33)
Balsz ESD No. 31	479	522	(43)
Murphy ESD No. 21	490	534	(44)
Litchfield ESD No. 79	482	526	(44)
Snowflake USD No. 10	492	536	(44)
Gadsden ESD No. 32	490	535	(45)
Douglas USD No. 27	424	476	(52)
Avondale ESD No. 44	461	523	(62)
Kingman ESD No. 4	413	476	(63)
Buckeye ESD No. 33	511	580	(69)
Humboldt USD No. 22	396	467	(71)

(Continued)

Table 5

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Size
1998-99 Fiscal Year

District Size	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Medium (Concluded)			
Littleton ESD No. 65	\$ 498	\$ 571	\$ (73)
Eloy ESD No. 11	496	573	(77)
Laveen ESD No. 59	467	564	(97)
Safford USD No. 1	410	520	(110)
Winslow USD No. 1	415	532	(117)
Liberty ESD No. 25	453	575	(122)
Vail ESD No. 20	395	531	(136)
Chino Valley USD No. 51	385	538	(153)
Casa Grande UHSD No. 82	364	538	(174)
Toltec ESD No. 22	408	594	(186)
Bullhead City ESD No. 15	283	508	(225)
Large			
Phoenix UHSD No. 210	634	436	198
Glendale UHSD No. 205	567	446	121
Phoenix ESD No. 1	573	452	121
Amphitheater USD No. 10	547	443	104
Tempe UHSD No. 213	551	447	104
Sunnyside USD No. 12	509	445	64
Sierra Vista USD No. 27	517	455	62
Roosevelt ESD No. 66	509	448	61
Kyrene ESD No. 28	492	439	53
Tucson USD No. 1	435	388	47
Mesa USD No. 4	423	379	44
Peoria USD No. 11	456	424	32
Yuma UHSD No. 70	467	453	14
Chandler USD No. 80	448	439	9
Pendergast ESD No. 92	451	455	(4)
Yuma ESD No. 1	447	451	(4)
Marana USD No. 6	434	449	(15)
Tempe ESD No. 3	431	447	(16)
Flagstaff USD No. 1	430	448	(18)
Creighton ESD No. 14	434	454	(20)
Isaac ESD No. 5	434	454	(20)
Deer Valley USD No. 97	407	432	(25)
Nogales USD No. 1	428	455	(27)
Flowing Wells USD No. 8	421	456	(35)
Lake Havasu USD No. 1	418	456	(38)
Glendale ESD No. 205	396	449	(53)
Washington ESD No. 6	374	432	(58)
Cartwright ESD No. 83	373	441	(68)
Alhambra ESD No. 68	368	447	(79)

(Continued)

Table 5

**School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Size
1998-99 Fiscal Year**

District Size	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Large (Concluded)			
Paradise Valley USD No. 69	\$ 339	\$ 420	\$ (81)
Gilbert USD No. 41	341	432	(91)
Scottsdale USD No. 48	326	430	(104)

¹ The predicted cost per pupil for each district is a moving average, calculated based on the data for districts with approximately the same ADM within the same size category.

Source: Auditor General staff analysis of administrative cost data from school district Annual Financial Reports for FY 1998-99 obtained from the Arizona Department of Education.

Table 6

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Type
1998-99 Fiscal Year

District Type	Size ²	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Elementary School Districts				
Mobile ESD No. 86	S	\$ 6,479	\$ 767	\$ 5,712
Higley ESD No. 60	S	2,805	766	2,039
Cochise ESD No. 26	S	2,635	767	1,869
Sentinel ESD No. 71	S	2,328	767	1,562
Ash Creek ESD No. 53	S	2,313	767	1,546
Union ESD No. 62	S	2,308	766	1,542
Hackberry ESD No. 3	S	1,987	767	1,221
Alpine ESD No. 7	S	1,969	767	1,202
Vernon ESD No. 9	S	1,894	767	1,127
San Fernando ESD No. 80	S	1,750	767	983
Paloma ESD No. 94	S	1,549	766	782
Maine Consolidated ESD No. 10	S	1,539	766	773
McNary ESD No. 23	S	1,475	766	709
Yarnell ESD No. 52	S	1,469	767	702
Bonita ESD No. 16	S	1,468	766	701
Owens-Whitney ESD No. 6	S	1,368	767	602
Sonoita ESD No. 25	S	1,331	766	564
Concho ESD No. 6	S	1,301	766	535
Apache ESD No. 42	S	1,258	767	492
Young ESD No. 5	S	1,229	766	463
Arlington ESD No. 47	S	1,151	766	384
Hillside ESD No. 35	S	1,146	767	379
Patagonia ESD No. 6	S	1,125	766	359
Canon ESD No. 50	S	1,084	766	318
Salome Consolidated ESD No. 30	S	1,080	766	313
Santa Cruz ESD No. 28	S	976	766	210
Red Rock ESD No. 5	S	976	766	210
Sacaton ESD No. 18	M	929	765	164
Bouse ESD No. 26	S	906	767	140
Morristown ESD No. 75	S	903	766	137
Pearce ESD No. 22	S	900	766	134
Wenden ESD No. 19	S	896	766	129
Littlefield ESD No. 9	S	879	766	113
Yucca ESD No. 13	S	874	767	108
Solomon ESD No. 5	S	860	766	94
McNeal ESD No. 55	S	853	767	87
Hyder ESD No. 16	S	845	766	79
Tonto Basin ESD No. 33	S	830	767	64
Continental ESD No. 39	S	815	766	49
Picacho ESD No. 33	S	798	766	32
Oracle ESD No. 2	S	785	765	20
Palo Verde ESD No. 49	S	784	766	18
Riverside ESD No. 2	S	781	766	14

(Continued)

Table 6

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Type
1998-99 Fiscal Year

District Type	Size ²	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Elementary School Districts (Continued)				
Pine Strawberry ESD No. 12	S	\$ 776	\$ 766	\$ 10
Double Adobe ESD No. 45	S	751	767	(16)
Pomerene ESD No. 64	S	750	766	(16)
Nadaburg ESD No. 81	S	746	765	(19)
Valentine ESD No. 22	S	744	767	(23)
Chloride ESD No. 11	S	741	766	(25)
Blue ESD No. 22	S	733	767	(33)
Crown King ESD No. 41	S	724	767	(42)
Topock ESD No. 12	S	719	766	(47)
Mohawk Valley ESD No. 17	S	713	766	(53)
J. O. Combs ESD No. 44	S	709	766	(57)
Skull Valley ESD No. 15	S	705	767	(62)
Tolleson ESD No. 17	M	694	763	(69)
Altar Valley ESD No. 51	M	690	764	(74)
Wilson ESD No. 7	M	660	763	(103)
Ruth Fisher ESD No. 90	S	657	766	(108)
Aguila ESD No. 63	S	625	766	(141)
Palominas ESD No. 49	M	615	764	(149)
Somerton ESD No. 11	M	604	760	(156)
Phoenix ESD No. 1	L	573	742	(169)
Crane ESD No. 13	M	576	752	(176)
Stanfield ESD No. 24	M	583	765	(182)
Benson ESD No. 9	M	580	765	(184)
Fowler ESD No. 45	M	576	762	(186)
Wellton ESD No. 24	S	574	766	(192)
Kyrene ESD No. 28	L	492	712	(220)
Roosevelt ESD No. 66	L	509	733	(224)
Beaver Creek ESD No. 26	S	540	766	(226)
Mohave Valley ESD No. 16	M	535	762	(227)
Osborn ESD No. 8	M	523	755	(232)
Cottonwood-Oak Creek ESD No. 6	M	520	760	(240)
Buckeye ESD No. 33	M	511	763	(252)
Littleton ESD No. 65	M	498	763	(265)
Eloy ESD No. 11	M	496	763	(267)
Murphy ESD No. 21	M	490	759	(269)
Gadsden ESD No. 32	M	490	759	(269)
Litchfield ESD No. 79	M	482	758	(276)
Balsz ESD No. 31	M	479	758	(279)
Madison ESD No. 38	M	467	753	(286)
Casa Grande ESD No. 4	M	461	752	(291)
Yuma ESD No. 1	L	447	739	(292)
Laveen ESD No. 59	M	467	762	(295)

(Continued)

Table 6

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Type
1998-99 Fiscal Year

District Type	Size ²	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Elementary School Districts (Concluded)				
Pendergast ESD No. 92	L	\$ 451	\$ 747	\$ (296)
Avondale ESD No. 44	M	461	758	(297)
Tempe ESD No. 3	L	431	731	(300)
Elfrida ESD No. 12	S	458	766	(308)
Creighton ESD No. 14	L	434	744	(310)
Liberty ESD No. 25	M	453	763	(310)
Isaac ESD No. 5	L	434	744	(311)
Washington ESD No. 6	L	374	698	(324)
Kirkland ESD No. 23	S	436	766	(331)
Glendale ESD No. 205	L	396	735	(339)
Kingman ESD No. 4	M	413	753	(340)
Clarkdale-Jerome ESD No. 3	S	425	766	(341)
Cartwright ESD No. 83	L	373	717	(344)
Toltec ESD No. 22	M	408	765	(357)
Alhambra ESD No. 68	L	368	730	(363)
Vail ESD No. 20	S	395	759	(364)
Naco ESD No. 23	S	378	766	(388)
Quartzsite ESD No. 4	S	353	766	(413)
Bullhead City ESD No. 15	M	283	757	(474)
Union High School Districts				
Patagonia UHSD No. 20	S	3,411	753	2,657
Bicentennial UHSD No. 76	S	1,502	753	750
Phoenix UHSD No. 210	L	634	504	131
Antelope UHSD No. 50	S	828	749	79
Glendale UHSD No. 205	L	567	583	(16)
Buckeye UHSD No. 201	M	704	739	(35)
Tempe UHSD No. 213	L	551	591	(39)
Benson UHSD No. 9	S	693	748	(55)
Santa Cruz Valley UHSD No. 840	S	656	747	(91)
Colorado River UHSD No. 2	M	630	728	(98)
Valley UHSD No. 22	S	644	751	(107)
Mingus UHSD No. 4	M	586	737	(151)
Yuma UHSD No. 70	L	467	649	(181)
Mohave UHSD No. 30	M	539	723	(183)
Tolleson UHSD No. 214	M	500	698	(198)
Agua Fria UHSD No. 216	M	526	726	(200)
Casa Grande UHSD No. 82	M	364	720	(356)
Unified School Districts				
Bowie USD No. 14	S	1,823	621	1,202
Joseph City USD No. 2	S	1,619	621	998

(Continued)

Table 6

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Type
1998-99 Fiscal Year

District Type	Size ²	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Unified School Districts (Continued)				
Peach Springs USD No. 8	S	\$ 1,332	\$ 621	\$ 710
Red Mesa USD No. 27	S	1,285	621	664
Seligman USD No. 40	S	1,238	621	617
Indian Oasis-Baboquivari USD No. 40	S	1,135	620	514
Cedar USD No. 25	S	1,056	621	435
Ash Fork Joint USD No. 31	S	1,005	621	384
Bagdad USD No. 20	S	987	621	366
Clifton USD No. 3	S	972	621	351
Ganado USD No. 20	M	912	620	292
Hayden-Winkelman USD No. 41	S	897	621	277
Ft. Thomas USD No. 7	S	877	621	256
Miami USD No. 40	S	874	620	254
Gila Bend USD No. 24	S	855	621	234
Round Valley USD No. 10	S	854	620	234
Window Rock USD No. 8	M	837	619	218
Sanders USD No. 18	S	807	621	187
Superior USD No. 15	S	766	621	145
Grand Canyon USD No. 4	S	762	621	141
San Carlos USD No. 20	S	754	620	134
Maricopa USD No. 20	S	754	621	133
Heber-Overgaard USD No. 6	S	747	621	126
Morenci USD No. 18	S	725	621	104
Colorado City USD No. 14	S	713	621	92
Sedona-Oak Creek Joint USD No. 9	S	701	620	80
Bisbee USD No. 2	S	698	621	77
Queen Creek USD No. 95	S	689	621	69
Whiteriver USD No. 20	M	683	620	64
Florence USD No. 1	S	675	620	55
Parker USD No. 27	M	658	620	38
Mayer USD No. 43	S	650	621	29
Tombstone USD No. 1	S	646	621	25
Fountain Hills USD No. 98	M	645	620	25
Globe USD No. 1	M	630	620	10
Fredonia-Mocasin USD No. 6	S	621	621	0
Wickenburg USD No. 9	S	610	620	(10)
Coolidge USD No. 21	M	606	620	(13)
Thatcher USD No. 4	S	606	620	(14)
Holbrook USD No. 3	M	600	620	(20)
Pima USD No. 6	S	601	621	(20)
San Simon USD No. 18	S	599	621	(23)
Pinon USD No. 4	S	597	620	(24)
Ajo USD No. 15	S	597	621	(24)

(Continued)

Table 6

School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Type
1998-99 Fiscal Year

District Type	Size ²	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Unified School Districts (Continued)				
St. David USD No. 21	S	\$ 594	\$ 621	\$ (27)
Tanque Verde USD No. 13	S	593	620	(27)
Dysart USD No. 89	M	577	619	(41)
Santa Cruz Valley USD No. 35	S	576	620	(44)
Mammoth-San Manuel USD No. 8	S	576	620	(45)
Duncan USD No. 2	S	573	621	(48)
Cave Creek USD No. 93	M	567	619	(52)
St. Johns USD No. 1	S	559	621	(62)
Tuba City USD No. 15	M	557	620	(62)
Show Low USD No. 10	M	557	620	(63)
Amphitheater USD No. 10	L	547	612	(64)
Kayenta USD No. 27	M	553	620	(67)
Chinle USD No. 24	M	548	619	(71)
Sahuarita USD No. 30	S	548	620	(72)
Catalina Foothills USD No. 16	M	538	618	(80)
Blue Ridge USD No. 32	M	535	620	(85)
Ray USD No. 3	S	530	621	(91)
Sierra Vista USD No. 27	L	517	617	(100)
Sunnyside USD No. 12	L	509	613	(104)
Williams USD No. 2	S	510	621	(111)
Page USD No. 8	M	507	619	(113)
Willcox USD No. 13	S	497	620	(123)
Payson USD No.10	M	492	620	(127)
Snowflake USD No. 10	M	492	620	(128)
Peoria USD No. 11	L	456	603	(146)
Tucson USD No. 1	L	435	585	(151)
Mesa USD No. 4	L	423	581	(158)
Apache Junction USD No. 43	M	458	618	(160)
Chandler USD No. 80	L	448	610	(163)
Prescott USD No. 1	M	439	618	(179)
Marana USD No. 6	L	434	615	(181)
Flagstaff USD No. 1	L	430	614	(185)
Nogales USD No. 1	L	428	618	(190)
Douglas USD No. 27	M	424	619	(194)
Flowing Wells USD No. 8	L	421	618	(196)
Deer Valley USD No. 97	L	407	607	(200)
Lake Havasu USD No. 1	L	418	618	(200)
Winslow USD No. 1	M	415	620	(205)
Camp Verde USD No. 28	S	415	620	(206)
Safford USD No. 1	M	410	619	(209)
Humboldt USD No. 22	M	396	618	(223)
Chino Valley USD No. 51	M	385	620	(235)

(Continued)

Table 6

**School District Administrative Costs
Actual vs. Predicted Cost per Pupil¹
Ranked from Highest to Lowest Cost Difference by District Type
1998-99 Fiscal Year**

District Type	Size²	Actual Cost per Pupil	Predicted Cost per Pupil	Difference
Unified School Districts (Concluded)				
Paradise Valley USD No. 69	L	\$ 339	\$ 601	\$ (262)
Gilbert USD No. 41	L	341	607	(266)
Scottsdale USD No. 48	L	326	606	(280)

¹ The predicted cost per pupil for each district is a moving average, calculated based on the data for districts with approximately the same ADM within the same type category.

² Indicates whether a district is small, medium, or large.

Source: Auditor General staff analysis of administrative cost data from school district Annual Financial Reports for FY 1998-99 obtained from the Arizona Department of Education.