

## **Privatization of Educational Services by Contractual Agreement in Virginia Public Schools**

Barry D. Yost

### **ABSTRACT**

Public school districts in Virginia face increasing calls for academic and fiscal accountability due to societal and governmental concerns. School districts are being pressed by community and governmental agencies to offer more services to meet the unique demands of each locality. As demands on time, on service provision, and for instructional accountability rise, financial assistance is not increasing at a rate to offset the service costs.

Historically public school districts have accepted the responsibility for management, supervision, and provision of services such as transportation, custodial services, and instruction. As stresses mount on the administrators of public schools in Virginia, districts must become creative in the provision of services. Privatization is an alternative management strategy that school districts are using to provide educational services.

The purpose of this study was to present, through description and analysis, the current status of the privatization of educational services by contractual agreement in the public school districts in Virginia. The study provided information indicating the current status of privatization and factors associated with contracting out such as the perceived effectiveness of contracted services, the annual budget allocation, the contractual arrangement, and the future status of privatization. This research will benefit the professionals responsible for the financial and service delivery processes in the public schools.

The research instrument was mailed to the superintendents of the 132 public school districts in Virginia. The superintendents were to complete the survey or to forward it to their designees. Effective responses were received from 85 school districts; this represents a 64.39% return rate.

An analysis of the data revealed that the public school districts in Virginia privatized 44 instructional and non-instructional services. The services most often provided by the private sector are school audits (64.7%), physical therapy (62.4%), legal services (58.8%), occupational therapy (56.5%), and HVAC maintenance (24.7%). The most privatized services require specialized skill and training. For school districts in Virginia, school audits are **required by law**

to be performed by an outside agency or contractor. This indicates the data might not be a complete representation of the services privatized in the public schools.

Public school districts in Virginia contract with the private sector to increase service effectiveness, to reduce service costs, to acquire expert personnel, and to eliminate capital outlay. Of the respondents, 88.2% indicated that the school districts received at least the same or better services from the private sector. The respondents also reported an anticipated increase of 31.8% for contracted services in the future. The majority of school districts do not expect to change the mode of service provision.