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DOD Domestic School System: Background and Issues

The Department of Defense Education Activity (DODEA) manages one of two federal school systems that provides pre-kindergarten through grade 12 education, primarily for the children of military servicemembers domestically and overseas. DODEA employs approximately 15,000 and operates 114 schools in foreign countries and 57 schools domestically. DODEA also has arrangements with local education authorities (LEAs) that operate schools on military installations. As of November 2015, the domestic school system enrolled 22,699 students in seven states, Puerto Rico, and Cuba. This report focuses only on DODEA's domestic school system.

Legislative Background

Although commanders at military installations had established their own schools since the 1800s, it wasn't until 1821 that Congress first enacted law authorizing the operation of dependent schools on military installations in the United States. In 1950, Section 6 of P.L. 81-874 consolidated funding and operation of what became known as "Section 6" schools under the Office of Education – later the Department of Education (ED). These schools were established in states with racially segregated schools or in those that lacked adequate free public education options. The 1981 Omnibus Reconciliation Act (P.L. 97-35) shifted funding responsibility for all DOD schools from the ED to DOD. In 1994, P.L. 103-337 replaced the Section 6 legislation and renamed the school system the Department of Defense Domestic Dependent Elementary and Secondary Schools (DDESS).

Authorities

Section 2164 of Title 10, United States Code, provides the statutory authority for the Secretary of Defense to provide for elementary and secondary education for dependents of members of the armed forces and DOD civilian employees assigned domestically (to include any U.S. territory, commonwealth, or possession). By this statute, factors to be considered by the Secretary when determining whether to provide for domestic education include:

(A) The extent to which such dependents are eligible for free public education in the local area adjacent to the military installation.

(B) The extent to which the local educational agency is able to provide an appropriate educational program for such dependents.

Impact Aid

Approximately 1.1 million school-aged children have at least one parent in the military, and nearly 80% of these children attend non-DDESS public schools off military bases. Since 1950 (P.L. 81-874), LEAs have been

authorized to receive financial aid, called Impact Aid from the Department of Education for "federally-connected students" enrolled in local public schools to compensate for "substantial and continuing financial burden" resulting from federal activities. Military-connected LEAs receive DOD Impact Aid for all enrolled dependent children of active duty servicemembers; however, the amount of aid varies depending on whether the servicemember lives on or off the installation. DOD's Impact Aid Program is in addition to the ED program. For more background on ED Impact Aid please see CRS Report R44221, *Impact Aid, Title VIII of the Elementary and Secondary Education Act: A Primer*, by Rebecca R. Skinner.

Enrollment Eligibility

All dependent children of DOD military and civilian employees living on an installation with a DDESS school are eligible to attend that school tuition-free. Other dependent children of DOD military and civilian employees may be eligible for tuition-free enrollment under certain circumstances. Children of DOD contractors are not eligible to enroll. DDESS schools may accept dependent children of other non-DOD federal agency employees for tuition reimbursement by the agency; however, DDESS may not accept tuition from individuals. Average tuition per student per year in FY2014 for domestic schools was \$26,682.

DDESS Budget

DODEA's budget is supported by defense-wide Operation and Maintenance (O&M), Military Construction (MILCON), and Procurement appropriations. The O&M budget for DDESS includes items such as salaries, travel, contracts, supplies, and equipment. MILCON funds are typically multi-year appropriations for new construction projects greater than \$750,000. In FY2014, DODEA's budget included nearly \$935 million in funding for DDESS - approximately one-third of DODEA's total budget (see **Table 1**). Over two-thirds of the DDESS O&M budget is consumed by payroll costs for approximately 4,595 full-time equivalents (FTEs).

Table 1. DDESS Funding in Recent Years
Total enacted, current dollars in thousands (\$000)

	FY2011	FY2012	FY2013	FY2014
O&M	476,663	523,585	507,158	555,957
MILCON	198,158	137,903	38,492	378,886
TOTAL DDESS	674,821	661,488	545,650	934,834

Source: DODEA Budget Books

Notes: DDESS has not had any procurement funds appropriated in the years shown.

Student Performance

DODEA measures student performance annually within the DOD school system using the TerraNova standardized test. The results of this test cannot be reliably compared against other schools outside of the DODEA system that administer different standardized tests. DODEA does participate in the National Assessment of Education Progress (NAEP). This is a standards-based national test administered at grades 4, 8, and 12 in nine subject areas. DODEA schools often perform at or above national averages in NAEP testing. See **Table 2** for recent test outcomes for DODEA and states with DDESS schools. For more information on the NAEP and educational testing please see CRS Report R40514, *Assessment in Elementary and Secondary Education: A Primer*, by Rebecca R. Skinner.

Table 2. Comparison of DODEA and State Public School Outcomes on the NAEP for 2015

Average score (% of students at or above Proficient)

Jurisdiction	Grade 4 Math	Grade 4 Reading	Grade 8 Math	Grade 8 Reading
Alabama	231 (26%)	217 (29%)	267 (17%)	259 (23%)
Georgia	236 (35%)	222 (34%)	279 (28%)	262 (30%)
Kentucky	242 (40%)	228 (40%)	278 (28%)	268 (36%)
New York	237 (35%)	223 (36%)	290 (31%)	263 (33%)
North Carolina	244 (44%)	226 (38%)	281 (33%)	261 (30%)
South Carolina	237 (36%)	218 (33%)	276 (26%)	261 (28%)
Virginia	247 (47%)	229 (43%)	268 (38%)	267 (36%)
DODEA	248 (41%)	234 (47%)	291 (40%)	277 (47%)

Source: <http://www.nationsreportcard.gov/>

Notes: States listed are those with military installations that support DDESS schools. DODEA figures include both domestic and overseas schools. State scores are for public schools only.

Issues for Congress

Some have questioned the continued need for DOD to operate domestic school systems. Over the past few decades a number of alternatives for funding and operating DOD domestic schools have been considered. Options that have been raised in recent studies include

- maintaining the status quo;
- closing all base schools and transferring students to LEA;
- transferring management of students and facilities to an existing LEA, with DOD maintaining some responsibility for facilities;
- establishing a new LEA covering the entire installation area (coterminous district); and
- converting DDESS schools into charter schools.

Some note that different options could apply depending on the situation of the LEA, the installation, and the associated DOD school(s).

Status Quo v. Divestment Options

Proponents of divesting domestic schools and associated infrastructure argue that the operation of primary and secondary schools is superfluous to DOD's core national security mission and creates unnecessary administrative overhead. They further note that average per-student costs at DOD schools are significantly higher than per-student costs at schools operated by LEAs. In addition, some point to potential future costs to maintain and upgrade existing schools. Proponents of shuttering these schools or turning them over to local education authorities for operation and management argue that these options could result in substantial government savings.

Proponents of maintaining the status quo contend that DOD schools positively impact quality of life, troop morale, and serve as a valuable retention incentive for military servicemembers with children. Some argue that DOD schools are better-equipped to provide for the unique needs of military children, for example, providing educational/curriculum continuity for children who are subject to frequent moves. Some contend that the LEAs may not have the resources, infrastructure, or administrative capacity to absorb all DDESS students and question whether LEAs would be able to provide the same level of programs and services. Military parents who now have the ability to serve on school boards at DDESS schools are concerned about losing the ability to influence school decision-making as their ability to serve on LEA school boards may be subject due to state and local residency restrictions. State and local officials are concerned that federal resources in the form of Impact Aid or other funding would not be sufficient to offset the additional state and local outlays that might be required to support a new LEA or the transfer of DDESS schools to local authorities.

Charter Schools

Charter schools are independently operated, publicly-funded primary or secondary public schools that are allowed to operate with more autonomy than traditional public schools. In 2008, the report of the Tenth Quadrennial Review of Military Compensation recommended that military parents be allowed to form on-base charter schools. There are currently eight charter schools operated on military installations. Proponents of charter schools on installations suggest that these schools might be more innovative and able to offer tailored services for military families. Issues that have been raised with these charter schools include installation security (e.g., access for civilian students and families), facility availability, lease requirements, and financing, and limitations imposed by state laws.

Kristy N. Kamarck, Analyst in Military Manpower

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