

**Maine's Reorganization Law  
Educational & Cultural Affairs Committee Update  
Commissioner Susan Gendron  
February 9, 2009**

# Background

Reinvests statewide savings in teachers and students to ensure all students are ready for Career, College, and Citizenship

“The committee believes that work on the concept of regionalization of school governance has the potential to produce better results in student learning given the limited financial and personnel resources available.”

– *A Regional Community Teaching and Learning Together, State Board of Education, January 1997*



# Background

**Governor Baldacci created a Task Force to investigate the efficient and effective use of K-12 resources.**

**Report submitted January 2004.**

**Legislature created a select panel to consider reorganization.**

**Bill defeated.**



# Citizen Initiatives

**Two consecutive Tabor Initiatives, narrowly defeated.**

**Citizen petition to reduce property taxes by raising the States share of education costs. (2004)**

**LD 1 establishes new funding law – 55% State share. (2005)**



# Background

**The Initiative is based on numerous reports and commissions, with all the key stakeholders involved.**

**They have all said the same thing:**

*Restructuring central office administration will allow us to reinvest money where it is most needed — in the classroom.*



“Goal: Create an efficient educational system – one with a more streamlined structure but still allowing for local voice and connection.”

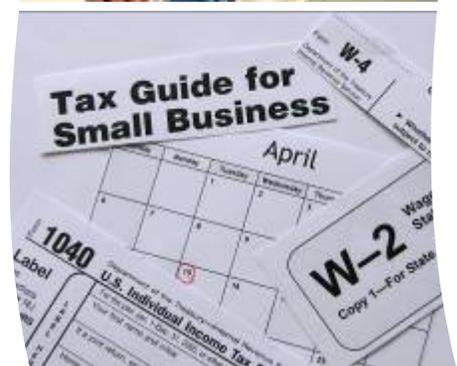
***-- The Learning State: Maine  
Schooling for the 21st Century,  
Select Panel on Revisioning  
Education in Maine, September 2006***

*Maine State Board of Education*



“Regional cooperation can improve services while cutting costs, an outcome that ought to be equally welcome to parents, students and taxpayers.”

*-- A Case for Cooperation,  
Maine Children’s Alliance,  
August 2006*



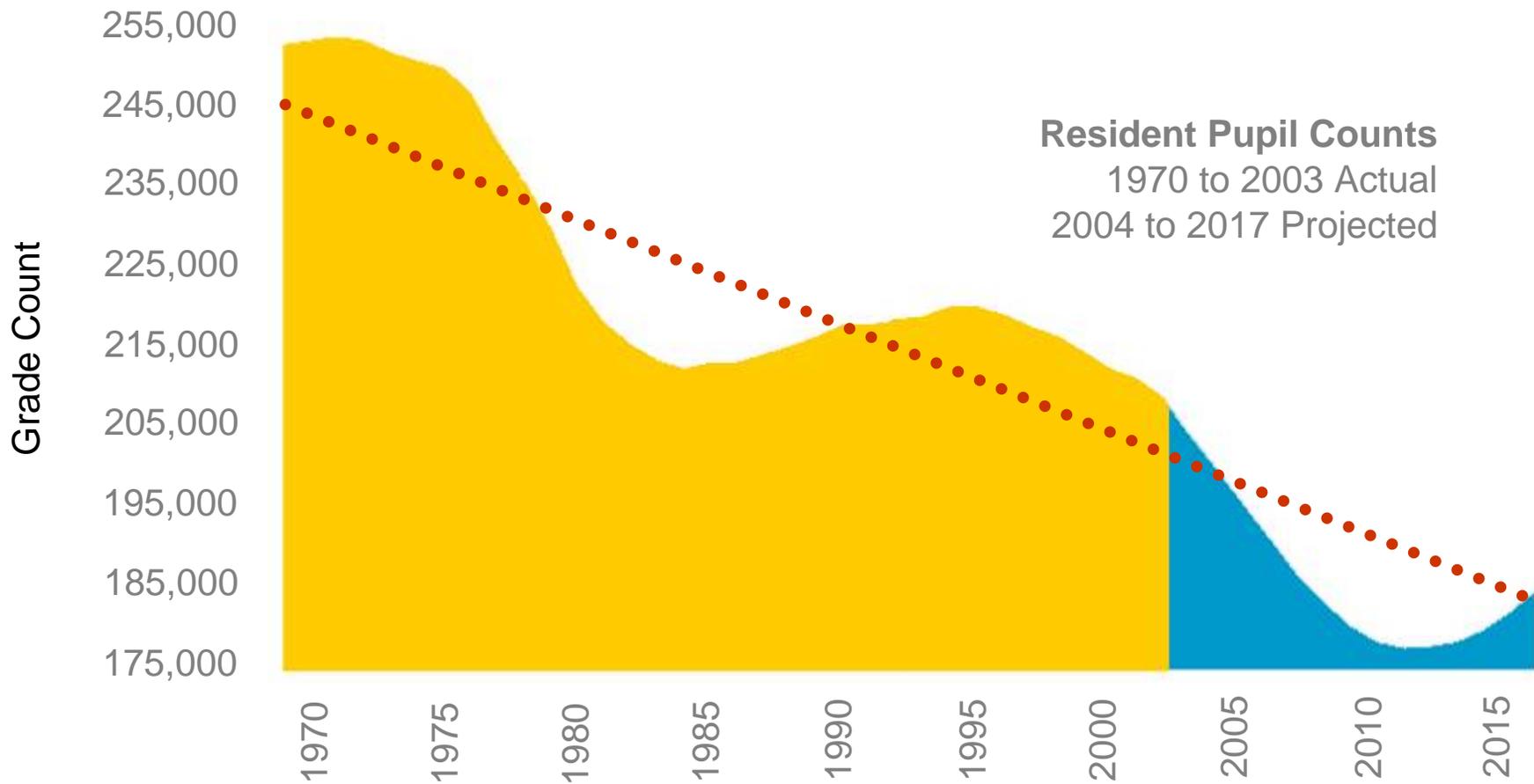
“Maine’s unusually high expenditures on a number of state-level administrative functions as well as on K-12 education are likely squeezing out necessary spending in other areas even as they contribute to high taxes.”

*-- Charting Maine’s Future,  
Brookings Institution, October 2006*



# Declining enrollments

**Resident Pupil Counts**  
1970 to 2003 Actual  
2004 to 2017 Projected



\* Does not include unorganized territories

 Actual  Projected  Trendline

# **School Administrative Reorganization**

**Public Law 2007, Chapter 240, Part XXXX**

enacted by passage of LD 499, June 11, 2007

**Public Law 2007, Chapter 668**

enacted by passage of LD 2323, April 18, 2008

# Objectives:

- ✓ Equitable education opportunities
- ✓ Rigorous academic programs
- ✓ Uniformity in delivery of program
- ✓ Greater uniformity in tax rates
- ✓ Efficient & effective use of limited resources
- ✓ Preservation of school choice
- ✓ Maximum opportunity to deliver services



# Policy Objectives

- ❖ All school units
- ❖ Reorganize into larger, more efficient units
- ❖ Reorganize administrative structure to reduce costs

# Process

- ❖ Regional meetings June-July 2007
- ❖ Notice of Intent August 31, 2007
- ❖ File Reorganization Plan or Alternative Plan by December 1, 2007
- ❖ Formation of Regional Planning Committee
- ❖ Development of Plan
- ❖ Referendum vote January 30, 2009

# Reorganization Planning Committee

Representation from:



- ❖ School administrative units
- ❖ Member municipalities
- ❖ General public

# Alternative Plan



- ❖ Off shore islands
- ❖ Tribal schools
- ❖ > 2,500 students
- ❖ >1,200 students - meets parameters
- ❖ 1000 – 1200 isolated rural
- ❖ Donut hole

## Alternative Plan Exception to 2500 but >1200

### Parameters (Title 20-A section 1451)

- ❖ Geography
- ❖ Demographics
- ❖ Economics
- ❖ Transportation
- ❖ Population density
- ❖ Unique circumstances

# Isolated, Rural Communities

Provides an opportunity for a rural isolated community to join with others to form a Regional School Unit if:

- ❖ Comprised of 3 or more school administrative units; OR
- ❖ Member municipalities of proposed RSU are surrounded by approved RSUs and there are no other SAUs to join; OR
- ❖ Member municipalities of proposed RSU include 2 or more isolated small schools (defined in law)

## Donut Hole

- ❖ Performed due diligence
- ❖ Can't achieve enrollment goal due to the decision of geographically proximate school administrative units to participate in a different regional unit

# Exceptions

- ❖ High Performing School District

2005-06 per-pupil expenditure for system admin.

< 4% of total per-pupil expenditure, and 3 or more high performing schools

- ❖ Offshore islands

- ❖ Tribal Schools

# Reorganization Plan

- ❖ December 1, 2007
- ❖ Comprehensive programming for ALL students, K-12
- ❖ Meet the policy objectives
- ❖ Not displace teachers or students, or close any schools without referendum

# Reorganization Plan

- ❖ Governance structure
  - Size and composition
  - Method of voting
- ❖ Negotiations among partnering units on key issues
  - Real and personal school property
  - Existing school indebtedness and lease obligations
  - Fund balances, trust, reserve funds
  - Transition plan (budget and personnel policies)
  - School personnel contracts

# Governance

RSU governed by regional school unit board

- ❖ Representation determined by communities as part of the planning process
- ❖ Core functions defined in law
- ❖ May create local school committees and specify their responsibilities – may propose additional funds above and beyond the rsu budget

# RSU Board Core Functions

*These responsibilities cannot be delegated*

- ❖ Employment of superintendent
- ❖ Performance of business functions
- ❖ Special education administration
- ❖ Transportation
- ❖ Core curriculum
- ❖ Budget
- ❖ Reporting
- ❖ Employment
- ❖ School Calendar
- ❖ Adoption of policies

## Alternative Organizational Structure (AOS)

- ❖ Plan may include a collaborative agreement
- ❖ Plan must include an interlocal agreement
- ❖ Plan must include procedures for K-12 budget approval
- ❖ The budget validation referendum for all members of the AOS must be conducted on the same day

# Alternative Organizational Structure (AOS)

- ❖ Consolidation of:
  - system administration
  - special education administration
  - transportation administration
  - administration of business functions
- ❖ Core curriculum
- ❖ Consistent school policies, school calendar, and a plan for consistent collective bargaining agreements

# DOE Support

- ❖ Facilitators
- ❖ Financial support
- ❖ RSU guided support
- ❖ Educational planning for RSU/AOS
- ❖ Data conversion support
- ❖ Statewide transportation software

# DOE Approval

- ❖ **Alternative Plans**

- Addressed reductions in system administration, special education, transportation, and maintenance & operations

- ❖ **RSU Plans**

- ❖ **AOS Plans**

## Provisions included to address local concerns

### ❖ Financial

- Ability to negotiate local cost sharing
- Permits SAU to keep minimum special education when joining an RSU

### ❖ School closings

- Requires 2/3 vote of RSU Board and the municipality where the school exits votes to approve the closing
- Municipality is responsible for the added cost

## Provisions included to address local concerns

- ❖ Comprehensive programming for K-12, must insure programming for all 9-12 students
- ❖ Municipalities may retain ownership of facilities
- ❖ School Choice
  - Preserved
  - Can not be taken away by RSU

## Provisions included to address local concerns

- ❖ Teachers and other SAU Employees
  - Transferred to new unit
  - Retain rights under collective bargaining contracts
  - Orderly process for continued collective bargaining

# Budget Process

- ❖ All RSUs and all other SAUs must:
  - Prepare school budgets showing the 11 cost centers
  - Hold a regional school unit budget meeting
  - Hold a budget validation referendum
- ❖ Retroactivity – SADs and CSDs will be approved for either using 6 or 11 cost centers for 2008-09 budgets

## Penalties for nonconforming school administrative units

- ❖ Minimum receives 50% of the minimum state allocation (Title 20-A 15689)
- ❖ System administration reduced by 50%
- ❖ Local mill expectation is increased by 2%
- ❖ Lose eligibility for “transition adjustments”
- ❖ Less favorable consideration for funding of school construction
- ❖ Assessed annually unless the unit approves a new reorganized unit and meets all criteria

# New RSU/AOS transition work

- ❖ Appointment of interim Superintendent
- ❖ Election of new School Board (AOS can use existing board members)
- ❖ Hire Superintendent
- ❖ Budget
- ❖ Policy Review
- ❖ Analysis of Educational Programs
- ❖ Merger of functions

# DOE Support

- ❖ Educational planning
  - Facilitators provided
- ❖ Technical support
  - Ongoing consultations, forums
- ❖ Assisting new configurations as they explore options
  - Facilitators available
- ❖ Reaching out to those who voted No
  - Regional collaborative, educational planning

## Results as of January 30, 2009

- ❖ 80 % students – approved plans
- ❖ 24 RSUs average enrollment 2,200
- ❖ Non-conforming schools
  - 17 non-conforming SAUs voted yes, continue to seek partners
  - 50 of non-conforming districts do not operate schools
  - 26 fewer than 10 students
  - half have fewer than 100 students