

December 14, 2007

Paul Andrade, Superintendent
MSAD 60
PO Box 819
North Berwick, ME 03906

Dear Superintendent Andrade:

Thank you for the Alternative Plan that you submitted on behalf of MSAD 60 on December 3, 2007 for Department review for compliance with the school reorganization law, P.L . 2007, chapter 240, Part XXXX.

I recognize how much time, effort and thoughtful work is required to complete an alternative plan and appreciate the efforts made, to date, by all those involved.

Members of my staff and I have reviewed the submission and offer the comments and notes listed below to assist you in completing the plan. If you make any substantive change(s) to any part of the plan beyond those listed below, please be sure to note those on the Updated Alternative Plan Cover Sheet Checklist, along with notation of those items that have changed per the notes contained in this response.

General Documentation (Submittal Sheet)

- All information submitted as required.
- The actual number of students for which the proposed RSU was fiscally responsible as of October 1, 2006 was 3,090. I am making you aware of this as this is the enrollment number that will be used in determining Essential Programs and Services funding.

Checklist/Plan Text Items

Items Checked "Complete"

With respect to the items you checked as “complete”, please note the following:

** Required Items*

In Exhibit A, we have included a comparison of (A) the 2007-08 EPS allocations for the four categories of system administration, transportation, special education, and facilities and maintenance and (B) your unit’s 2007-08 budget information (if available) for these four categories. Also included are estimated 2008-09 EPS allocations for system administration, transportation, and facilities and maintenance. I encourage you to review this information. NOTE: If the 2007-08 budget information is missing then it is likely that your unit has not submitted this information to the MEDMS Financial System; please see Administrative Letter # 20, dated 2/13/2007 for instructions.

Included in your Alternative Plan’s response to the requirement to provide projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance in accordance with P.L. 2007, chapter 240, Part XXXX-36(6)(F) are statements that indicate a reallocation of the following costs

- Reallocation of special education staff costs to regular education cost center
- Reallocation of transportation costs to extra-curricular cost center
- Reallocation of lease/purchase expense of office copiers from the Operation & Maintenance of Plant cost center to the School Administration costs center

All costs should be budgeted in accordance with cost center budget format pursuant to 20-A M.R.S.A. Section 1485. The reallocation of costs may reduce costs in one budget category but will result in increase costs in another budget category therefore can not be considered a true cost savings for the unit as a whole. Also, the reallocation of costs as indicated in your plan from one cost center to another cost center, in some cases, do not conform to the requirements of the cost center budget format. All costs for special education staff serving special education students should be reported under the Special Education cost center. For more information regarding reporting under the cost center budget format, please review the Budget Categories Information Sheet available at the following website: www.maine.gov/education/supportingschools/planning.html

Please address the requirement in P.L. 2007, chapter 240, Part XXXX-36(6)(F) that “. . . the projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance will not have an adverse impact on the instructional program” by providing an assurance to that effect. Note: We will confirm this assurance against the information that was required to be submitted to the MEDMS Financial System in August, 2007.

Please document the type of “vans” described in Section III and provide an assurance that the vehicle meets required school bus safety standards.

A model for budgeting for system administration is available at www.maine.gov/education/supportingschools/planning.html.

The Department of Education will be issuing an RFP to procure routing software to be available statewide. It is the Department’s intent to issue the RFP early in 2008 and have a contract signed with a vendor as soon thereafter as possible so that the software will be available to RSUs and municipalities as soon as possible. SAUs may begin to work with the system in FY 2008-2009 but will not be able to budget any cost savings until FY 2009-2010.

We will review all items on the checklist again, upon your completion of the plan.

SUBMISSION OF REVISIONS:

Please provide the additional materials to complete your plan by February 1, 2008. Please include:

- Any additional data required
- An updated Submittal Page
- An updated Cover Sheet Checklist
- A copy of this Response from the Commissioner.

I will respond no more than 14 days after the revisions/additional materials are refiled with the Department. As you are the contact person identified on the Submittal Sheet, this response is addressed to you but with the understanding that you will share it with your school administrative unit board members.

Finally, what I am reviewing for approval is a plan (or a submission, if the plan is incomplete) which is by its very nature prospective, with steps yet to be taken or finalized; and any review comments or approval given are in relation to the elements required under P.L. 2007, chapter 240, Part XXXX but not the legality of all the activities proposed. Thus, I strongly recommend that you have your own legal advisor(s) review the details of any particular transaction proposed in your plan (particularly with respect to the disposition of property, to debt, and to employee contracts/relations) as you proceed, to ensure the legality of the steps you’ll be taking to implement the plan. If that review leads to any substantive changes in any parts of your plan, please be sure to submit an amended plan to the Department for our review and our file.

Again, my sincere thanks for your efforts.

Sincerely,

A handwritten signature in blue ink that reads "Susan A. Gendron". The signature is written in a cursive style with a large initial 'S'.

Susan A. Gendron
Commissioner of Education

Enc.