

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- MSAD #51

Contact Information:

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Date Plan Submitted by SAU: December 2, 2008

The intent to submit an alternative plan has been approved by the Commissioner in the approval of the Notice of Intent?

YES NO

(If NO, please explain.)

Alternative Plan Cover Sheet
(Please attach Alternative Plan as Exhibit A)

| Plan Requirements | | | | |
|--|-------------------------------------|--------------------------|-------------------------------------|------------------------------|
| Item | Complete | In Progress | Not Yet Started | Need Assistance ¹ |
| Plan addresses how the SAU will reorganize administrative functions, duties and noninstructional personnel so that projected expenditures of RSU in fiscal 2008-2009 for the following areas will not have an adverse impact on the instructional program. | | | | |
| system administration | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| transportation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| special education | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| facilities and maintenance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Plan addresses how cost savings will be achieved in fiscal 2008-2009 for the above four areas. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Parameters for Plan Development | | | | |
| Enrollment meets requirements (2,500 except where circumstances justify an exception) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Includes at least one publicly supported high school | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Consistent with policies set forth in section 1451 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| No displacement of teachers | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| No displacement of students | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Collaborative Agreements | | | | |
| | | | Yes | No |
| Does your plan currently include information/documentation on collaborative agreements? <i>(not required, but encouraged)</i> | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

¹ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on the next page.

MSAD #51 ALTERNATIVE PLAN

Exhibit A

A. Introduction

On November 10, 2008, MSAD #51 submitted its Notice of Intent to file an alternative plan and on November 17, 2008, the MSAD #51 Board of Directors authorized Superintendent Hasson to develop the alternative plan. This plan was approved by the Board at a meeting on December 1, 2008 by a vote of 8-0.

Although MSAD #51 was a leader in recognizing the possible financial and educational benefits of consolidating school units and worked hard to make the Reorganization Plan with the Falmouth School Department a success, we now find ourselves without potential partners. Under these circumstances, the Board of Directors believes that MSAD #51 qualifies for an exception to the 2,500 student requirement for the following reasons:

- MSAD #51 demonstrated due diligence and good faith in attempting to consolidate with the Falmouth School Department.
- At this point, there are no viable partners for consolidation as all of the school units in MSAD #51's geographic area have already had alternative plans approved by the Commissioner or reorganization plans approved by the voters.
- MSAD #51 is already a very efficient school unit and there are numerous initiatives underway and planned to control and reduce costs, including collaborations with its member towns and other school units.
- MSAD #51 students are consistently high achieving.
- The school unit enjoys a very high level of support in its communities and is clearly sustainable as an independent unit.
- MSAD 51 is close to the 2500 student target at 2,311.

B. After Performing Due Diligence, MSAD #51 is Unable to Find Potential Partners

MSAD #51 demonstrated due diligence and good faith in carrying out its obligations under the school reorganization law to consolidate with other area school units.

MSAD #51 and the Falmouth School Department submitted a Reorganization Plan to Commissioner Gendron on January 15, 2008 and received preliminary approval for the plan, pending resolution of the cost-sharing provisions through legislation. The Commissioner provided final approval of the Reorganization Plan on May 1, 2008. On June 10, 2008, a revised Reorganization Plan was submitted and it was approved by the Commissioner on June 13, 2008.

On November 4, 2008, the referendum vote on the Reorganization Plan was held. The voters in MSAD #51 overwhelmingly voted in favor of the plan (in Cumberland, the vote was 3505 "yes" to 1242 "no" and in North Yarmouth, the vote was 1689 "yes" to 689 "no"). In the aggregate, MSAD # 51 voters approved the reorganization plan by a vote of 5194, or 73%, in

favor to 1931 against. However, a majority of voters in Falmouth voted against the plan (2200 “yes” to 4400 “no”).¹

At this point, MSAD #51 is left without any viable partners for consolidation in our geographic area:

- The Yarmouth School Department’s Alternative Plan has already been approved.
- MSAD #15’s Alternative Plan has already been approved.
- The Windham and Raymond School Departments’ Reorganization Plan, previously approved by the Commissioner, was approved by the voters on November 4th.
- The Freeport, Pownal and Durham School Departments’ Reorganization Plan, previously approved by the Commissioner, was approved by the voters on November 4th.

Thus MSAD #51, despite having exercised due diligence in pursuing reorganization, now finds itself qualifying for the “doughnut hole” exception as described in the law:

If, after performing due diligence to develop a regional plan to meet the 2,500 students enrollment requirement, a school administrative unit is unable to achieve the enrollment goal due to the decision of geographically proximate school administrative units to participate in a different regional unit [the unit qualifies for an exception].

C. In addition to being a “doughnut hole,” MSAD #51 qualifies for an alternative plan because its continuation as a school administrative unit is consistent with the purposes and goals of the reorganization law.

1. MSAD #51 Students Are High Achieving

MSAD #51 students consistently perform at high levels and are served by a highly educated group of teachers (76% of teachers have a Master’s degree or higher, compared to 36% of the teacher workforce in the state). Appendix A contains a copy of MSAD #51’s May 2008 Annual District Report, which provides detailed information regarding student achievement.

2. School Unit Sustainability

MSAD #51 enjoys a very high level of support from its communities, evidenced in strong support for school budgets and several building projects supported only by local funding. MSAD #51 administers “perception indicator” surveys to parents and staff every three years to measure satisfaction with the schools. The Annual Report in Appendix A (see pages 32-35) includes a summary of the results of the latest survey, which are another strong indicator of the community’s perception that the schools are performing well.

In the 2008-2009 school year, Greely High School will implement the International Baccalaureate (IB) program. Interest in this program is strong, with over 100 parents and students attending a recent presentation. In addition, MSAD #51 is in the process of evaluating

¹ These are unofficial counts as the Maine Secretary of State has not yet released the final vote results.

the feasibility of accepting tuition students at the high school level in order to utilize excess capacity of the high school. MSAD #51 generally receives around 200 inquiries each year from non-residents about the possibility of attending district schools.

3. Collaborative Efforts

As noted earlier, MSAD #51 is already engaging in some collaborative efforts, including sharing bus transportation to PATHS, sharing maintenance-related services and transportation fuel purchasing with the Town of Cumberland. Other cost and service sharing possibilities are also under discussion with the Towns of Cumberland and North Yarmouth.

C. Plan to Reorganize so that expenditures for System Administration, Transportation, Special Education, and Facilities and Maintenance will not have an adverse impact on the instructional program.

The MSAD #51 budget vote was held on May 15, 2008 and the budget validation referendum vote was held on May 20, 2008. The budget was approved by the voters by a wide margin.

1. No Adverse Impact on Instructional Program

The administration and the Board of Directors thoroughly examined MSAD #51's educational services and the needs of students, and the 2008-2009 school budget was developed with an eye to preserving and enhancing the instructional program. The administration and the Board believe that the budget is fiscally responsible and that it will result in no adverse impact on the instructional program.

2. System Administration

MSAD #51's system administration cost center budget for 2008-2009 is \$802,268, or 2.9% of the total school budget. This is significantly below the State target of 4%. MSAD #51 has a strong record of controlling and reducing system administration costs wherever possible. We were one of the first districts in Maine to purchase updated accounting software, adopt the new State chart of accounts, and to successfully transmit financial data through MEDMS.

MSAD #51 is currently exploring the possibility of sharing administrative services with its member towns, Cumberland and North Yarmouth, which could further reduce system administration costs.

3. Transportation

MSAD #51's transportation cost center budget for 2008-2009 is \$1,146,211, which represents 4.1% of the total school budget. This is below the State average for transportation of 5.2% in 2007. To keep transportation costs under control, MSAD #51 had already combined the Director of Transportation position with the Head Mechanic position and hired a part-time scheduler, resulting in the reduction of a half position. MSAD #51 and the Falmouth School

Department combined their bus runs to the Portland Arts and Technology High School. Costs have also been reduced by combining or eliminating bus runs for athletic trips; eliminating funding for elementary field trips; and consolidating bus stops for students in grades 6 through 12.

In the 2008-2009 school year, MSAD #51 has implemented updated bus routing software and we are the first school unit in Maine to add Zonar GPS to every bus. This web-based system enables us to track bus fleet activity with updates every three seconds. Each bus contains a hand-held unit that allows drivers to upload pre and post-trip safety inspection reports and repair orders rather than creating paper reports. The cost benefits of the GPS system include: 1) fuel savings by monitoring engine idle time and trip times; 2) reducing driver overtime by comparing GPS time to timesheets; 3) reducing mileage by monitoring bus use during trips. We estimate that this system will result in a 2.5% savings in our transportation budget this year alone. We also believe that additional savings will be possible in future years due to more efficient routing of buses.

4. Special Education

The special education cost center budget for 2008-2009 is \$3,667,201, which represents 13% of the overall school budget. MSAD #51 has been able to hold the line on special education costs despite pressures such as the implementation of new federal and state regulations. The district is careful not to over-identify students for special education services, and currently only 10.5% of the student population receive such services. This percentage is far lower than most school units in the state. In 2008-2009, MSAD #51 decided to hire a psychological examiner in-house, rather than contracting for these services, resulting in a cost savings of \$5,000. In addition, in implementing a full inclusion model, MSAD #51 was able to eliminate one educational technician position, which resulted in a savings of \$22,000.

5. Facilities and Maintenance

MSAD #51's facilities and maintenance cost center budget for 2008-2009 is \$2,862,297, which represents 10.2% of the budget. The State average for 2007 was 12.10%. In the past several years, MSAD #51 has invested significant local only funds to renovate, upgrade and replace school buildings. These investments have resulted in more substantially more efficient buildings, and it is estimated that energy costs for these facilities will decrease by \$29,000. For instance, the \$14 million Greely High School renovation will include new boilers, doors and windows, motion sensors to control lights, roof insulation and efficient mechanical systems. We are also exploring the possibility of installing solar panels on the gym roof to heat water for the pool.

MSAD #51 participates in Maine Power options energy bids and has purchased building software that provides control of all system mechanical settings and automatic settings for occupied and unoccupied times. The school unit also participates in Maine Power options energy bids.

Maintenance costs have been reduced by \$50,000 in the 2008-2009 school year through collaboration with the Town of Cumberland for repairs, supplies and equipment. The school unit provides cleaning services to the Town and in return, the Town has taken over snow removal and fields maintenance. An additional significant savings of \$25,397 is also anticipated this year through reorganization of staff and hiring of staff with multiple skills.

G. Conclusion

The MSAD #15 Board of Directors believes this request for approval of an Alternative Plan to school reorganization is warranted and meets the criteria set forth in the law. The Board is committed to maintaining an effective and efficient school unit that provides quality programs and supports exemplary student achievement. Further, the Board believes the quality education program provided to our students is sustainable within our community. The Board and/or the Superintendent would be pleased to answer any questions or to submit any other information that Commissioner Gendron deems necessary to assist in approving this Alternative Plan.

Attachment: Appendix A