Overview

Every child in the state of Maine deserves equal access to educational opportunities. Our economy demands it. And every taxpayer has a right to expect that every educational dollar – more than one-third of all taxpayer dollars – is being spent wisely.

As the national recession continues to impact State revenues, the law is critical for prioritizing limited resources for the classroom. Already, Maine’s reorganization law has resulted in incredible opportunities for students in the districts that have reorganized, adding and expanding programs such as pre-kindergarten, foreign languages, Advanced Placement courses, and gifted and talented. The goals of equal opportunity, rigorous programming, sustainability, and efficient use of funds are being achieved.

As a result of Maine’s foresight and the wisdom of its citizens in preserving the reorganization law, the state is three years ahead of other states, which are scrambling to catch up with Maine, which is much better prepared to face current economic uncertainties.

Success on the Ground – Savings and Educational Opportunities

Regional School Units
In the first four months of the reorganization implementation, most of the newly reorganized school systems are heavily engaged in academic and administrative planning, strategic planning and curriculum alignment work. In addition, many are planning or have already held “future searches” – community-wide educational vision exercises.

Many of these school systems – which enroll 55,000 students, or almost one-third the students in the State – have already expanded educational opportunities to the students in their region. Along the way, they have also shown significant savings, even when taking into consideration the startup costs.

Specifically…

- RSU 24 (Ellsworth and 11 surrounding rural communities) cut its insurance costs in half – saving over $85,000 on that item alone. Each time it re-opened a contract, it found savings, now totaling over $400,000. Superintendent Bill Webster anticipates annualized savings of over $600,000 by next year. He has gone on record saying that guidance, music, art and physical education in all schools, and high school courses such as advanced placement would have been jeopardized had it not been for the savings generated. He says, “Furthermore, our teachers are sharing resources and best practices with colleagues in ways not possible in our previous smaller districts.”

- RSU 10 (a rural area that includes Rumford, Mexico and Buckfield) has identified more than $600,000 saved so far just on consolidating the administrative functions, despite start-up costs, and Superintendent Tom Ward is confident he will find additional savings. The districts threw “good bye” parties to the three former SADs in the region and have embraced the
change. The district now is planning increased educational opportunities for the students across the new school district.

- RSU 1 (Bath area), established by a separate law a year before the other RSUs, has expanded its offerings of AP courses at the high school, implemented universal pre-K, and enhanced its Gifted and Talented program. All while saving more than $1 million per year by combining operations.
- RSU 23 (Saco, OOB, Dayton) combined a district that already had more than the 2,500 students it needed (Saco) with two smaller ones. They expanded their Gifted and Talented program to Dayton and OOB and implemented pre-K in Dayton. They also have added more AP courses.
- RSU 16 (Poland, Minot, Mechanic Falls) added music and arts programs in Minot and Mechanic Falls that were cut back in the early 1990s and are projecting savings, if not this year then in future years.

Stand-Alone Units

According to the law, as passed by the Legislature and affirmed by the voters, districts that could demonstrate they already met the size requirements and could sustain themselves, or that they met the efficiency standards were not required to merge with other districts.

Nonetheless, every school district was required to make changes and to find efficiencies. They were not exempted from the law. In fact, each stand-alone district had to develop a plan and achieve substantial savings, particularly in four non-instructional areas:

- Administration;
- Special education;
- Transportation; and
- Facilities and maintenance.

School systems seeking to stand alone were required to file Alternative Plans and were required to show that they could sustain educational programming. Every district, regardless of size, must demonstrate savings and that reductions in funding for system administration will not affect classroom instruction.

A number of school districts were required to file their Alternative Plans multiple times in order to provide additional information and to satisfy the Commissioner of Education that their school districts had plans in place to ensure that educational programming could be sustained without reorganizing with another district.

These districts range significantly in enrollment and geographic make-up, reflecting the flexibility built into the law. Some examples of “stand-alone” school systems:

- SAD 17 (Norway) with over 3,600 students and as far end-to-end as the distance from Calais to East Machias. The district already had some of the lowest administrative costs on a per-pupil basis.
- SAD 1 (Presque Isle) has just over 2,000 students and was already offering transportation services to several surrounding districts and administrative services for one other.
- Lewiston already spends well below EPS, as does Auburn, and both have the economies of scale to achieve the financial and educational objectives of the reorganization law.
- Bangor is recognized for its educational program and also operates very near efficient EPS levels.
- SAD 9 (Farmington), with almost 2,500 students, has restructured its administrative office and eliminated staff positions. It also has collaborated with Franklin County government,
local governments and surrounding school units to lock in lower fuel prices, which it can do because of its size.

- The largest school system in the state, Portland, has been doing a very public review of its financial structure and is seeking new efficiencies.
- SAD 75 (Topsham) has almost 3,000 students and has entered into an agreement to provide administrative oversight of the Brunswick food service program and a separate agreement with the regional vocational center to provide business office management.

The most efficient size for school systems was derived using data from Maine school systems which showed 2,500 to 3,500 students is the ideal size for efficiency and effectiveness. The Legislature recognized that not all districts could reasonably meet that minimum and set a default minimum of 2,500 with an absolute minimum of 1,000 to 1,200, depending on certain factors. There was considerable debate and give-and-take before arriving at these minimums over three legislative sessions. The final result was one of considerable flexibility – not a one-size-fits-all solution as claimed by some.

Results

- Significant savings. By requiring efficiencies in non-classroom functions through the funding formula, the state is able to reduce annual commitments by $36 million and reduce the local obligation by $30 million annually.

Individual districts are finding significant savings, even in the first four months of implementation. Four districts alone have generated savings over $2 million per year – and that is even with start-up costs. Nearly every RSU that has met with the Department indicates they are either saving money already or expect to shortly. All say sustainability of educational programs without these savings would be extremely difficult or impossible.

- Extremely varied school system configurations and sizes, reflecting the flexibility built into the law. For example, “stand-alone” units range in size from about 1,000 students to over 7,000; there are RSUs and AOSs ranging from small groupings of two to three communities to wide geographic areas; they are in southern, western, northern and eastern Maine.

Moving Ahead

The Department’s work now is primarily to support the 27 reorganized units, in implementing successful transitions, in aligning curricula and developing cohesive visions for their regions’ educational futures, and to work with the stand-alone systems on additional collaboration and financial strategies aimed at preserving and expanding educational programming. Together, these school systems represent 84 percent of the students in public K-12 systems in the state.

This includes working with the recently-approved (at Nov. 3 election) RSU composed of four school units in the Rangeley area. These four units were exempted from the reorganization requirement under LD 467, yet chose to move ahead with an RSU nonetheless, citing sustainability.

The Department has convened RSU and AOS superintendents and business managers in order to discuss progress made and issues encountered. The administrators overwhelmingly have encouraged the Department to continue the meetings. In addition, Mary Jane McCalmon has been hired by the Department to provide educational planning support to the reorganized RSUs.
The Department is also working to support those non-conforming units that want to move ahead with a new reorganization plan. Many were poised to do so but put their plans on hold during the uncertainties of legislative action in the 2009 legislative session and the statewide referendum on whether to repeal the reorganization law. Since the Nov. 3 vote, the Department has already heard from at least three groups of school districts with plans to move forward with new Regional School Units and two others have invited the Department to a meeting to explore the issues.

**Drafting plans for new RSUs**
- SAD 13 (Bingham)/SAD 74 (Anson)
- Orrington/Dedham/SAD 63 (Holden) (and possibly Airline CSD)
- Georgetown and Boothbay Harbor (possibly an AOS)

Invited the Department to meet with them (both on Nov. 30)
- Jonesport-Beals/SAD 37 (Harrington)
- Calais/Baileyville/Eastport and surrounding communities

With the uncertainty of the referendum behind us, we are confident that several more school districts will pursue new reorganization efforts. Commissioner Gendron recently sent a letter to the non-conforming units to offer support to those who want to move ahead, and Norm Higgins of the Reorganization Team has already started making follow-up phone calls to each of those units.

The evidence is clear and mounting that the reorganization law is meeting each of the objectives set out in reorganization law (Title 20-A, Section 1451):

- Equitable educational opportunities for all students;
- Rigorous academic programs that prepare students for post-secondary education and careers;
- Uniform delivery of academic programs;
- Greater uniformity of tax rates;
- Efficient use of limited resources to achieve long-term sustainability;
- Effective use of public funds;
- Preservation of school choice; and
- Maximization of the delivery of services.

As a result of the reorganization law, Maine is better prepared to meet the current economic and educational reform challenges facing our state and the country. Because of the local planning required under the law, districts are better able to diversify and expand their educational programs, ensuring all of their students have equal opportunities for success. Our goal is to give every student in the state those same opportunities.