

GORHAM SCHOOL DEPARTMENT

JUN 13 2008

Office of the Superintendent

75 SOUTH STREET, SUITE #2, GORHAM, MAINE 04038

Maine Department of Education

Leighton O'Connor
Business Manager
(207) 222-1000
FAX 839-5003

Theodore G. Sharp
Superintendent
(207) 222-1000
FAX 839-8885

May 27, 2008 (Revised as requested, 6/11/08)

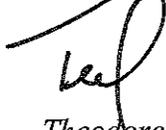
*Susan Gendron, Commissioner
Department of Education
State House Station 23
Augusta, Maine 04333-0023*

Dear Sue,

Enclosed please find our Alternative Plan documents.

If you require further modifications, or if you have any questions, please do not hesitate to call.

Sincerely,



*Theodore G. Sharp
Superintendent*

Enclosures

GORHAM SCHOOL DEPARTMENT

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Alternative Plan / Exhibit A

On August 16, 2007, James Hager, Chair of the Gorham School Committee sent out formal Notice of Intent to submit an Alternative Plan to the Commissioner of Education, Susan Gendron, as required. The letter stated our intent to explore three options in order to comply with the new school construction law, specifically, as it speaks to single school administrative district units (Alternative Plans). Those options were as follows:

- To continue our collaborative work with the Sebago Educational Alliance (Gorham, Windham, Westbrook, Scarborough, Raymond, & MSAD #6, Bonny Eagle) to provide high quality educational programs and to achieve greater administrative, operational, and financial efficiencies.
- To work diligently within the District to manage our local and state resources in compliance with the intent of the new school consolidation law, and best educational practice.
- To continue to explore opportunities with the Town to expand collaboration with the intent being to deliver services more efficiently and to minimize unnecessary redundancies.

During the past year considerable time, expertise, and resources have been dedicated to the task of making substantive progress toward the achievement of these efficiencies. Each of the following sections addresses our effort to secure the reduction of expenditures in system administration, transportation, special education, and facilities maintenance.

Systems Administration	FY2008	FY2009*	Change
100% EPS	\$ 975,101	\$ 551,412	\$(423,689)
Budget	701,766	642,338	(59,429)
Difference from EPS	\$ (273,335)	\$ 90,926	\$ 364,260

- Elimination of the Business Manager position will save \$120,000 that is offset by increase in annual salaries and a professional development for a net budget of \$59,429.
- As part of the District's Administrative Reorganization Plan (effective July 1, 2008), Hollis Cobb of the Business Office staff will assume the position of Finance Officer and will have primary administrative responsibilities for all financial operations. Three staff in that office will report to her. The Superintendent will assume direct supervision of the Director of Facilities/Transportation, the Director of School Nutrition, and the Director of Information Technology. Prior to the reorganization these positions were direct reports to the Business Manager.

Student Transportation	FY2008*	FY2009*	Change
100% EPS	\$ 1,209,521	\$ 1,204,211	\$ (5,310)
Admin Salaries	\$ 84,089	\$ 32,323	\$(51,766)
Drivers Salaries	592,615	564,709	(27,906)
Benefits & Payroll Taxes	301,271	273,429	(27,842)
Professional Services	93,261	94,291	1,030
Purchased Property	900	2,390	1,490
Other Services	32,000	36,000	4,000
General Supplies	209,440	254,360	44,920
Equipment	870	1,000	130
	\$ 1,314,446	\$ 1,258,502	\$(55,944)
Above EPS	\$ 104,925	\$ 54,291	\$(50,633)

- Consolidated bus routes and eliminated one bus driver position saving \$32,000 in driver salaries benefits and payroll taxes.
- Combine the responsibilities of the Director of Maintenance and Facilities with the Transportation Director and eliminate one administration position, \$70,000 in salary, benefit, and payroll taxes (net of stipend.)

- Combined late afternoon student activity routes as part of regular driver assignments and reduce extra duty and overtime by \$50,000.
- The salary and benefits saving is offset by collective and bargaining increases of \$45,000 for a savings of \$107,500.
- The net savings of \$107,500 is offset by a 30% increase in the cost of diesel fuel for a net budget reduction of \$56,000 after all budget increases.

Operations & Maintenance	FY2008	FY2009	Change
100% EPS	\$ 2,761,796	\$ 2,681,570	\$ (80,226)
Budget	2,412,841	2,702,558	289,717
Difference from EPS	\$ (348,955)	\$ 20,988	\$ 369,943

- The Gorham School District has consistently maintained Operations and Maintenance function well below the EPS level. After careful consideration of the option we determined that any would reduction in an already tight budget would have a greater cost increase in the future than could be justified.
- We anticipate cost increase of \$ 112,527 in heating fuel, a \$130,000 in necessary building repairs and \$30,000 increase in building insurance.
- Because 75% of the custodial and maintenance services are by contract that cost increase, we were able to limit the cost increase to \$17,000.

Special Services	FY2008	FY2009	Change
100% EPS	\$ 3,193,769	\$ 3,279,273	\$ 85,504
Budget	4,762,158	4,684,373	\$ (77,785)
Difference from EPS	\$ 1,568,389	\$ 1,405,100	\$ (163,289)

- The District will eliminate 13.5 Ed-Technician FTEs for a salary and benefit savings of \$355,754 that was offset by collective bargaining salary and benefit increase of \$ 277,969.40 resulting in a net savings of \$77,785
- Presently, we have identified 15.7% of Gorham students compared to the State average (2206-07) of 16.5% and the national average of 13.4%.
- During the initial year (2007-08) of the Sebago Educational Alliance Day Treatment Program, housed at the Little Falls School facility in Gorham, tuition-generated savings as a result of not placing these students in out-of-district private schools, has ranged in savings from \$10,000-\$25,000 per student. We expect that savings to increase in year two given the reduction of start-up costs required in year one.
- The Sebago Educational Alliance has hired a full-time psychologist (Dr. Heather Alvarez) to work with the SEA as an entity, as well as with the individual member

districts as a way to enhance expand those services and to reduce costs associated with the hiring of psychologists on retainer or on a case-by-case basis.

Summary

Please be assured that as we develop and implement cost-savings initiatives in system administration, transportation, special education, and facilities/maintenance, we will be certain that these efficiencies will not have an adverse effect on the instructional program. This statement is both reflected and embedded in the FY 2008-2009 budget.

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- Gorham, Maine Public Schools

Contact Information:

Name: Ted Sharp, Superintendent

Address: 75 South Street

Suite #2

Telephone: (207) 222-1010

email: Ted.Sharp@gorham.k12.me.us

Date Plan Submitted by SAU: 11/29/07

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? (not required, but encouraged) Sebago Education Alliance			<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.



STATE OF MAINE
DEPARTMENT OF EDUCATION
23 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0023

APR 15 2008

JOHN ELIAS BALDACCI
GOVERNOR

SUSAN A. GENDRON
COMMISSIONER

April 11, 2008

Theodore Sharp, Superintendent
Gorham School Department
75 South Street, Suite #2
Gorham, ME 04038

Dear Superintendent Sharp:

Thank you for the revised Alternative Plan that you submitted on behalf of Gorham School Department on March 28, 2008 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.

Checklist/Plan Text Items

Items Checked "Complete"

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

** Required Items*

Each alternative plan must provide detailed projected expenditures and cost savings 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). When providing these projected expenditures and cost

savings, you may want to consider using the guidance offered in the Drummond Woodsum workshop materials. If you have questions concerning this requirement, please email Karla Miller or Suzan Beaudoin at karla.miller@maine.gov or suzan.beaudoin@maine.gov for assistance.

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 June 13, 2008. Please include:

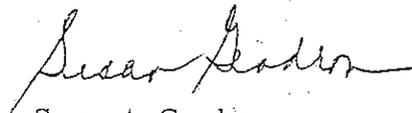
- Any additional data required
- An updated Submittal Page
- An updated Cover Sheet Checklist
- A copy of this Response from the Commissioner.

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,



Susan A. Gendron
Commissioner of Education